



FORGIVABLE LOAN PROGRAM

RETURN OF SERVICE AGREEMENT

THIS AGREEMENT made this _____ day of _____, 201__

BETWEEN:

THE LAW SOCIETY OF MANITOBA
("the Law Society")

of the first part.

AND

FULL LEGAL NAME OF APPLICANT
("the Loan Recipient")

of the second part.

WHEREAS the Loan Recipient has met the requirements and has been selected by the Law Society for participation in the Forgivable Loan Program.

THEREFORE in consideration of the terms and mutual covenants contained in this agreement, the parties agree as follows:

ARTICLE I - REPRESENTATIONS AND WARRANTIES

1.1 The Loan Recipient warrants and represents that all information provided to the Law Society in relation to this Agreement or the Forgivable Loan Program whether provided in documents, verbally or otherwise is now, or if it relates to the future, will be true in all material respects.

ARTICLE II - LOAN FUNDS

2.1 Subject to the terms and conditions of this Agreement and upon meeting and maintaining the eligibility criteria of the Forgivable Loan Program established by the

Law Society from time to time, the Loan Recipient may be advanced Loan funds in accordance with the following schedule for a 3-year law degree program:

Year of Study	Maximum Loan Amount
1 st Year of Law School	\$ 25,000.00
2 nd Year of Law School	\$ 25,000.00
<u>3rd Year of Law School</u>	<u>\$ 25,000.00</u>
Total 3 Years	\$ 75,000.00

2.2 The obligation of the Law Society to advance the Loan funds to the Loan Recipient is conditional on the Loan Recipient signing and delivering to the Law Society a Promissory Note in respect of each advance of the Loan funds to the Loan Recipient. Each Promissory Note shall be substantially in the form attached to this agreement as Schedule A.

2.3 The rate of interest to be applied to the Promissory Notes shall be the rate per annum equal to the prime business lending rate as determined and published by the Bank of Canada, as of the date of execution of the Promissory Note, minus 1% per annum.

2.4 The Law Society shall not demand payment pursuant to any of the Promissory Notes unless and until an event of default as described in 5.1 has occurred.

2.5 Upon completion of the Return of Service Commitment described in Article III, the Law Society shall return all Promissory Notes to the Loan Recipient.

2.6 The Loan funds constitute taxable income and the Law Society shall issue to the Loan Recipient a T4A information slip for the full amount of the Loan funds advanced to the Loan Recipient in each taxation year. If an act of default described in 5.1 has occurred, the Law Society shall issue an amended T4A to the Loan Recipient.

ARTICLE III - RETURN OF SERVICE COMMITMENT

3.1 For the term referred to in 3.2, the Loan Recipient shall practise on a full time basis as a lawyer in a Manitoba location to be agreed upon between the Law Society and the Loan Recipient and, failing such agreement, to be designated by the Law Society in its sole discretion. The term is hereinafter referred to as the Return of Service Commitment.

3.2 The Return of Service Commitment shall commence no later than three (3) months following the Loan Recipient's call to the Manitoba Bar and shall continue from the date of commencement for a term to be calculated by the following formula: For each year of law school that the Loan Recipient has received an advance of Loan funds under Article II the Return of Service Commitment shall be twenty (20) months.

3.3 For the purposes of this Agreement a "Manitoba location" shall mean a location in Manitoba that does not have a sufficient number of lawyers to meet the community's needs as determined by the Law Society.

ARTICLE IV - DEFERRALS

4.1 The Loan Recipient may request to defer the Return of Service Commitment. Such a request must be submitted in writing to the Law Society at least six (6) months prior to the proposed commencement date of the deferral and shall set out the reasons the deferral is being sought and the proposed duration of the deferral. Serious family illness, death or maternity leave are examples of situations where deferrals will be considered. Requests for deferrals in emergency situations will be dealt with in a timely and efficient manner. The Law Society shall have sole discretion to approve or reject a request for a deferral and may place conditions on any approval it grants. The Law Society shall provide a written response to a request for a deferral indicating whether it approves or rejects the request and any conditions attached to the approval. Notwithstanding any other provision of this Agreement, a deferral approved under this Article shall in no way reduce the length of the Return of Service Commitment.

ARTICLE V - DEFAULT

5.1 The Loan Recipient shall repay to the Law Society the aggregate total of any Loan funds advanced to the Loan Recipient under Article II together with accumulated interest, based on a schedule of payment set by the Law Society:

(1) if the Loan Recipient does not commence practice, or ceases to practise, on a full time basis as a lawyer in the designated Manitoba location in accordance with the Return of Service Commitment, without first obtaining approval of a deferral under Article IV;

(2) if any representation or warranty made in this Agreement or any information furnished to the Law Society by the Loan Recipient proves incorrect in any material respect when made or furnished.

5.2 For the purposes of 5.1 accumulated interest shall be equivalent to the aggregate accumulated interest under the Promissory Notes.

5.3 Failure to complete the Return of Service Commitment or to repay the Loan funds will result in a debt to the Law Society.

ARTICLE VI - NOTICE

6.1 Any notice given pursuant to this Agreement shall be made in writing and delivered by mail or faxed:

To the Law Society of Manitoba
219 Kennedy Street
Winnipeg, Manitoba
R3C 1S8
Fax: (204) 956-0624

To the Loan Recipient at:

[Name and full mailing address of Loan Recipient]

FAX: () _____

Or to such other address and/or fax number as either party may designate for itself by notice.

ARTICLE VII - GENERAL PROVISIONS

7.1 The execution and delivery of the Promissory Notes to secure the advance of the Loan funds shall in no way merge or extinguish this Agreement, the terms and conditions of it, or the rights or remedies arising from this agreement, all of which shall continue in full force and effect.

7.2 This Agreement shall be governed by and construed in accordance with the laws of Manitoba and applicable federal laws of Canada.

7.3 This Agreement shall only be amended by the written consent of the parties.

7.4 Any waiver by the Law Society of any default by the Loan Recipient shall not extend to or be taken in any manner whatsoever to affect any subsequent default by the Loan Recipient or the right resulting from it.

7.5 Time shall be of the essence in this Agreement unless otherwise stated.

7.6 In this Agreement, words importing the singular number include the plural and vice-versa and words importing gender include all genders.

IN WITNESS WHEREOF the parties have executed this Agreement all as of the date first mentioned.

THE LAW SOCIETY OF MANITOBA

LOAN RECIPIENT

Name

Full Legal Name

Office

Date

Date

Witness

Witness

Schedule A
DEMAND PROMISSORY NOTE

Date: this _____ day of _____, 201_____

Cdn. \$ _____

Due: On Demand

For value received, the undersigned promises to pay on demand to or to the order of the Law Society of Manitoba at its office in the City of Winnipeg, the sum of \$ _____ dollars together with interest thereon calculated and payable on a monthly basis at a rate per annum equal to the prime business lending rate as determined and published by the Bank of Canada, on the date of execution of the Promissory Note, minus 1% per annum, as well after as before demand of payment or judgment of both and until actual payment, with interest on overdue interest at the same rate.

Signature of Loan Recipient

[printed FULL legal name of Loan recipient]

Signature of Witness

[printed FULL legal name of witness]

AFFIDAVIT OF EXECUTION

CANADA) I, _____
)
MANITOBA) of the City of _____
)
TO WIT:) in the Province of _____

MAKE OATH AND SAY:

1. THAT I was personally present and did see _____, named in the within annexed Demand Promissory Note who is personally known to me to be the person named, duly sign and execute the same for the purpose named therein.
2. THAT the same was executed at the City of _____ in the Province of _____, and that I am the subscribing witness.
3. THAT I know the said _____, and he/she is, in my belief, of the full age of eighteen (18) years.

SWORN BEFORE ME at the City)
of _____)
in the Province of _____)
this _____ of _____)
A.D.201 _____)

Signature of Witness
to Demand Promissory Note

COMMISSIONER FOR OATHS in and for the
Province of Manitoba
My Commission expires: _____
OR NOTARY PUBLIC in and for the Province of:
_____.