

LICENSING AND ACCREDITATION

Repayable Allowance Agreement

This agreement ("Agreement") is entered into and effective as of the _____ day of _____, 20_____, between the Law Society of Ontario (the "Society") and _____ (the "Candidate").

The Society and the Candidate agree to the following:

Repayable Allowance

- 1) The Society will provide the Candidate with \$_____ to help finance the Candidate's participation in the Licensing Process (the "Repayable Allowance").
- 2) The Repayable Allowance will be subject to the terms and conditions of this Agreement.

Interest Rate

- 3) The Candidate will pay interest on the Principal Amount equal to **4.950** percent per annum. Interest will accrue on a daily basis and be compounded monthly on the first day of each month at the rate of **0.41** percent per month and will be payable both before and after maturity or default and judgment on the amount outstanding from day to day until payment is made. Interest will start to accrue at the following times according to the Candidate's status with the Society:
 - a) Where the Candidate is issued a Class L1 licence to practise law in Ontario (a "Licence") within three months after the day the Candidate successfully completes the Licensing Process, interest will start to accrue on the day that is six months after the day the Candidate is issued a Licence.
 - b) Where the Candidate is not issued a Licence within three months after the day the Candidate successfully completes the Licensing Process, interest will start to accrue on the day that is six months after the day the Candidate successfully completes the Licensing Process; or
 - c) Where, in accordance with by-laws made under the *Law Society Act*, the Candidate ceases to be a candidate in the Licensing Process for reasons other than the successful completion of the Licensing Process, interest will start to accrue on the day the Candidate ceases to be a candidate in the Licensing Process.

Repayment Obligations

- 4) The Candidate will repay in full the Principal Amount together with all interest owing under this Agreement at the following times according to the Candidate's status with the Society:

Where the Candidate is issued a Licence

- a) Where the Candidate is issued a Licence within three months of successfully completing the Licensing Process and the Candidate remains a licensee at least until June 30 of the third year after the year the Candidate is issued a Licence, the Candidate will repay in full the Principal Amount and all interest owing on June 30 of the third year after the year the Candidate is issued a Licence.
- b) Where the Candidate is issued a Licence later than three months after successfully completing the Licensing Process and the Candidate remains a licensee at least until June 30 of the third year after the year the Candidate successfully completes the Licensing Process, the Candidate will repay in full the Principal Amount and all interest owing on June 30 of the third year after the year the Candidate successfully completes the Licensing Process.

Where the Candidate surrenders their Licence or their Licence is revoked

- c) Where the Candidate is issued a Licence within three months of successfully completing the Licensing Process and the Candidate surrenders their Licence or their Licence is revoked on or before June 30 of the third year

after the year the Candidate is issued a Licence, the Candidate will repay in full the Principal Amount and all interest owing on the day the surrender or revocation, as the case may be, is effective.

- d) Where the Candidate is issued a Licence later than three months after successfully completing the Licensing Process and the Candidate surrenders their Licence or their Licence is revoked on or before June 30 of the third year after the year the Candidate successfully completes the Licensing Process, the Candidate will repay in full the Principal Amount and all interest owing on the day the surrender or revocation, as the case may be, is effective.

Where the Candidate is not issued a Licence

- e) Where the Candidate successfully completes the Licensing Process but is not issued a Licence, the Candidate will repay in full the Principal Amount and all interest owing on June 30 of the third year after the year the Candidate successfully completes the Licensing Process.
- f) Where, in accordance with by-laws made under the *Law Society Act*, the Candidate ceases to be a candidate in the Licensing Process for reasons other than the successful completion of the Licensing Process, the Candidate will repay in full the Principal Amount and all interest owing on the day the Candidate ceases to be a candidate in the Licensing Process.

This paragraph does not restrict the Society's right to demand at any time the repayment of the Principal Amount and all interest owing under this Agreement.

Misrepresentations

- 5) Despite paragraph 4, if the Candidate has made any representation, warranty or statement in this Agreement, in connection with this Agreement or in connection with the Repayable Allowance that is false or erroneous in any material respect, the Candidate will repay in full the Principal Amount, together with all interest owing under this Agreement, within fifteen days after the Society provides notice to the Candidate. This paragraph does not restrict the Society's right to demand at any time the repayment of the Principal Amount and all interest owing under this Agreement.

Pre-Payment

- 6) Despite anything in this Agreement, the Candidate may repay at any time without notice, penalty or bonus,
- a) all or part of the Principal Amount outstanding at the time; and
 - b) all or part of the interest owing under this Agreement at the time.

Method of Payment

- 7) The Candidate will direct all payments under this Agreement to the Society's Accounting Department. The Candidate will make all payments by cash, cheque or other method of payment as permitted by the Society. The Society will provisionally credit any payment made by cheque or similar method of payment and reverse such payment if the cheque or other instrument is dishonoured.

Application for Forgiveness

- 8) Despite anything in this Agreement, the Candidate may apply to the Society to have payment of all or part of the amount owing forgiven on compassionate grounds such as medical disability or financial hardship, and the Society may, in its absolute discretion, forgive payment of all or part of the amount owing. The Candidate may make such an application to the Society at any time after the Society demands payment of the Principal Amount and all interest owing under this Agreement or at any time after payment of the Principal Amount and all interest owing under this Agreement becomes due under this Agreement.

Set-Off

- 9) Despite anything in this Agreement, the Society may, at any time and in its absolute discretion, apply all or part of any amount whatsoever that the Society owes to the Candidate to reduce,
- a) all or part of the Principal Amount outstanding at the time; and
 - b) all or part of the interest owing under this Agreement at the time.
- 10) If the Society applies an amount as described in paragraph 9, the Society will notify the Candidate within five days about the transaction and the adjusted Principal Amount outstanding and interest owing under this Agreement.

- 11) The Candidate agrees that the application by the Society of an amount as described in paragraph 9 will constitute full and final payment by the Society to the Candidate of the amount applied.

Representations and Warranties

- 12) The Candidate’s application to the Society for the Repayable Allowance is attached to this Agreement as Schedule A. The Candidate represents and warrants to the Society that all information contained in Schedule A, and all other information provided to the Society in connection with this Agreement or in connection with the Repayable Allowance, were accurate and complete in all material respects when provided. The Candidate also represents and warrants that no material change has occurred in the Candidate’s situation or circumstances, as outlined in the information the Candidate has provided to the Society.

Covenants

- 13) The Candidate agrees that so long as any part of the Principal Amount and interest owing under this Agreement remain outstanding, the Candidate will notify the Society immediately,
 - a) if there is any change in the Candidate’s home address, personal telephone number, email address, place of employment, business address, or business telephone number;
 - b) if there is a material change in the Candidate’s circumstances or situation as outlined in the information contained in the Candidate’s application to the Society for the Repayable Allowance and all other information provided by the Candidate to the Society in connection with this Agreement or in connection with the Repayable Allowance; and
 - c) upon learning of any existing or pending breach by the Candidate of this Agreement.

The Candidate also agrees to respond promptly to any communication from the Society with respect to the Repayable Allowance or this Agreement.

- 14) The Candidate agrees to use the Repayable Allowance only for the purposes of financing the Candidate’s participation in the Licensing Process.

General

- 15) The Candidate consents to the Society disclosing to a third party, including to a collection agency, any information that the Society may have about the Candidate for the purposes of assisting the Society to collect the Principal Amount and all interest owing under this Agreement from the Candidate.
- 16) Any notice given under this Agreement will be in writing and will be delivered by hand or sent by prepaid courier directed to the appropriate party at the address indicated below, or at such other address as the parties from time to time may notify each other of. Any notice delivered by hand or prepaid courier will be considered to be received on the date of its actual delivery.

- a) Address for notice to the Society:
 - Attention: Repayable Allowance Administrator
 - Licensing and Accreditation Department
 - Law Society of Ontario
 - Osgoode Hall
 - 130 Queen Street West
 - Toronto, Ontario
 - M5H 2N6

- b) Address for notice to the Candidate:
 - Attention: _____
 - _____
 - (Address)
 - _____
 - (City, Province)
 - _____
 - (Postal Code)

- 17) This Agreement will be governed by, as well as interpreted and enforced in accordance with, the laws in the Province of Ontario and the laws of Canada applicable therein.
- 18) The Candidate may not assign this Agreement or any rights or obligations arising from this Agreement. Subject to the foregoing, this Agreement will enure to the benefit of and be binding upon the Candidate's heirs, personal representatives, successors and assigns and upon the successors and assigns of the Society.
- 19) No waiver or act or omission of the Society will extend to or be taken in any manner whatsoever to affect any subsequent breach by the Candidate of any provision of this Agreement or the results or the rights resulting from it. No failure on the part of the Society to exercise, and no delay in exercising, any right under this Agreement will operate as a waiver of such right. No single or partial exercise of any such right will preclude any other or further exercise of such right or the exercise of any other right.
- 20) If any provision of this Agreement is determined to be invalid or unenforceable by a court of competent jurisdiction from which no further appeal lies or is taken, that provision will be considered to be severed from this Agreement, and the remaining provisions of this Agreement will not be affected and will remain valid and enforceable.
- 21) This Agreement will remain in full force and effect until the Candidate has paid and performed in full all of their obligations under this Agreement.
- 22) This Agreement may be executed in counterparts, each of which shall be deemed to be an original but all of which taken together shall constitute one and the same agreement, and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other party.
- 23) The Candidate acknowledges receipt of a true copy of this Agreement.

Signed as of the date: _____

In the presence of:

(Name of Candidate) – Please print

(Name of Witness) – Please print

(Signature of Candidate)

(Signature of Witness)

Law Society of Ontario

Per: _____

(Authorized Signing Officer)

Signed as of the date: _____

Please retain a copy of this Agreement