



FORM 109
(RULE 22-2(2) AND (7))

This is the 8th affidavit
of Robert Kaul in this proceeding
and was made on November 1, 2024

District of British Columbia
Division No.: 02-Victoria
Court No.: B240300
Estate No.: 11-3089419
Vancouver Registry

**IN THE SUPREME COURT OF BRITISH COLUMBIA
IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE NOTICE OF INTENTION
TO MAKE A PROPOSAL OF CLOUD DIAGNOSTICS CANADA ULC**

AFFIDAVIT

I, Robert Kaul, care of 2900 – 733 Seymour Street, Vancouver, in the Province of British Columbia SWEAR THAT:

1. I am a director on the board of directors of Cloud Diagnostics Canada ULC ("Cloud DX"), and as such have personal knowledge of the facts and matters hereinafter deposed to, save and except where the same are stated to be based upon information and belief, and where so stated I verily believe the same to be true.
2. Attached as Exhibit "A" to this Affidavit is a true copy of the term sheet for a proposed interim financing facility which Cloud DX wishes to enter into.
3. I understand that my counsel has filed a requisition seeking a court date for the hearing of the main application, but as of the time of execution of this affidavit, no court date has been obtained.

SWORN BEFORE ME at the City of Vancouver, in the Province of British Columbia, this 1st day of November, 2024.

A Commissioner for taking Affidavits for
British Columbia

JONATHAN L. WILLIAMS
Barrister & Solicitor
P.O. Box 1
2900-733 SEYMOUR STREET
Vancouver, B.C. V6B 0S6
(604) 691-7562

ROBERT KAUL

This is Exhibit "A" referred to in the affidavit of Robert Kaul sworn before me at Vancouver, B.C., this 1st day of November, 2024.



A Commissioner for taking Affidavits within British Columbia

IN THE SUPREME COURT OF BRITISH COLUMBIA
IN BANKRUPTCY AND INSOLVENCY
IN THE MATTER OF THE NOTICE OF INTENTION
TO MAKE A PROPOSAL OF CLOUD DIAGNOSTICS CANADA ULC
AFFIDAVIT
I, Robert Kaul, agent of 5900 - 135 Avenue Road, Vancouver, in the Province of British Columbia, do hereby certify that:

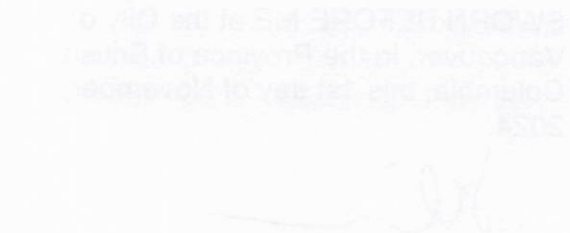
1. I am a director on the board of directors of Cloud Diagnostics Canada ULC ("Cloud DX"), and as such, I have personal knowledge of the facts and circumstances surrounding the proposed financing facility which Cloud DX wishes to enter into. I have read the proposed financing facility and agree that it is in the best interests of Cloud DX and its shareholders to enter into the proposed financing facility.

2. Attached as Exhibit "A" to this Affidavit is a true and correct copy of the proposed financing facility which Cloud DX wishes to enter into.

3. I understand that my consent to this Affidavit is a condition precedent to the proposed financing facility which Cloud DX wishes to enter into.



ROBERT KAUL



A Commissioner for taking Affidavits within British Columbia

①

Debtor-in-Possession Facility Term Sheet – DIP 5

November 5, 2024

Cloud Diagnostics Canada ULC.
Attention: CEO

The Lender is pleased to confirm that it will make available to the Borrower the credit facilities described below on, and subject to, the terms and conditions described in this Term Sheet and the attached Schedule A (together, this “**Term Sheet**”).

1. **Borrower:** Cloud Diagnostics Canada ULC., a corporation incorporated under the laws of the Province of British Columbia (the “**Borrower**”) with a mailing address at 100-72 Victoria Street South, Kitchener, Ontario, N2G 4Y9
2. **Lender:** 1493907 B.C. Ltd. (the “**Lender**”).
3. **Principal Amount:** \$275,000.00
4. **Instrument:** Debtor in possession loan (the “**Interim Loan**”), in the form of a non-revolving facility, subject to a satisfactory order (the “**Interim Loan Approval Order**”) of the Supreme Court of British Columbia made in *Bankruptcy and Insolvency Act* proposal proceedings to be initiated by the Borrower (the “**BIA Proceedings**”) approving the Interim Loan and granting the Lender a first-place super priority charge over the assets of the Borrowers (the “**Interim Lender’s Charge**”) in form and substance acceptable to the Lender in its sole discretion.
5. **Use of Proceeds:** Working capital.
6. **Closing Date:** As required by the Borrower, subject to fulfilment of the conditions precedent set forth in this Commitment Letter.
7. **Maturity:** The Interim Loan, including any outstanding principal, interest and fees becomes fully due and payable upon a date (the “**Maturity Date**”) which is the earlier of:
 - a) Closing Date, as that term is defined in the Subscription Agreement between the Lender and the Borrower, dated October __, 2024; or
 - b) such further defaults as may be customary in the Lender’s form of loan agreement.
8. **Accelerated Maturity:** The Interim Loan shall be suspended, and the Maturity Date may be accelerated (at the option of the Lender) upon the occurrence of a Default.

9. **Defaults:** Any of the following will constitute defaults (collectively, the “Defaults”):
- a) if the Interim Loan Approval Order has been vacated, stayed or otherwise caused to be ineffective or is otherwise amended in a manner not approved by the Lender (which approval may be withheld in the sole discretion of the Lender);
 - b) the issuance of an order terminating the BIA Proceedings or lifting the stay in the BIA Proceedings to permit the enforcement of any security against the Borrower or the assets of the Borrower, or the appointment of a receiver and manager, receiver, interim receiver or similar official or the making of a bankruptcy order against a Borrower or the assets of the Borrower;
 - c) any steps are taken by the Borrower or any other person to challenge the Interim Loan Approval Order or the validity, enforceability or priority of the Interim Lender’s Charge; or
 - d) failure of the Borrower to comply in any way with: (i) any Cash Flow Forecast; (ii) the requirements and procedures set out herein for the drawdown of the Interim Loan; or (iii) failure of the Borrower to perform or comply with any other term or covenant under this Commitment Letter.
10. **Waiver:** The Defaults may be waived by the Lender in its sole discretion.
11. **Repayment:** The full amount of all outstanding principal and interest will be repaid on the Maturity Date.
12. **Interest:** The Interim Loan shall not bear interest
13. **Fees and expense:** There shall be no fee payable in relation to the Loan.
14. **Additional Agreements and Security:** If required by the Lender, the Borrower will execute the following additional agreements and obtain the following security:
- a) a loan agreement;
 - b) the Interim Lender’s Charge; and
 - c) such other security instruments as the Lender may reasonably require.
15. **Debt Covenants:** The debt covenants associated with the Interim Loan shall include, but are not limited to, the following (collectively, the “Debt Covenants”):

- a) prepare and deliver to the Proposal Trustee from time to time as required by the Proposal Trustee a cash flow forecast and updates (each a “Cash Flow Forecast”);
- b) operate in compliance with the most current Cash Flow Forecast;
- c) report to the Lender upon request by the Lender as set out in **Schedule “A”** hereto (the “Reporting”);
- d) comply with the provisions of any orders of the court made in the BIA Proceedings;
- e) conduct all activities in accordance with the Borrower’s Cash Flow Forecast;
- f) keep the Lender informed of the Borrower’s activities and consult the Lender with respect to any matters that could reasonably be expected to affect the Lender; and
- g) no further encumbrances of the assets of the Borrower.

16. Conditions:

In addition to the matters described elsewhere in this Term Sheet, the completion of the transaction and each drawdown of the Interim Loan will be subject to the following conditions:

- a) the granting by the court in the BIA Proceedings of the Interim Loan Approval Order, including approval of this Commitment Letter and granting the Interim Lender’s Charge;
- b) the approval by the Lender, in writing and in its sole discretion, of each Cash Flow Forecast;
- c) payment of all fees and expenses related to the financing; and
- d) compliance with the Debt Covenants.

17. Representation and Warranties:

As normal for a transaction of this nature (which shall be, in each case, subject to materiality qualifiers, exceptions, thresholds and limitations to be mutually agreed upon).

18. Confidentiality:

Except as otherwise provided herein, unless and until such time as approval of this Commitment Letter is sought in the BIA Proceedings, the Borrower, its shareholders, employees and other representatives will not disclose the existence or contents of this Commitment Letter except to their advisors and representatives who need to know the existence and contents hereof in order to facilitate the completion of the Interim Loan by the Lender.

9

19. **No Broker:** The Borrower represents and warrants that no commissions or other payments shall be due to any broker, consultant or any other third party in connection with this Interim Loan.
20. **Further Assurances:** The Borrower will, at its expense, do, execute, acknowledge and deliver or will cause to be done, executed, acknowledged and delivered all and every such further and other acts, agreements, instruments, registrations, filings and assurances as the Lender may require for the purpose of giving effect to this Term Sheet.
21. **Governing Law:** This Term Sheet and all related agreements shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

Yours truly,

1493907 B.C. Ltd.

5

The undersigned hereby acknowledges, accepts and agrees to the terms and conditions of this Term Sheet (including Schedule A & B attached hereto) this ____ day of November 2024.

Cloud Diagnostics Canada ULC
by its authorized signatory:

Name: Robert Kaul
Title: CEO

6

SCHEDULE "A"

REPORTING REQUIREMENTS

The Borrower will provide the following, or any portion thereof, on request of the Lenders:

- a) internal financial statements as at the close of business of the previous Friday;
- b) copies of all bank statements showing the prior week's transactions;
- c) detailed aged accounts receivable and accounts payable listings; and
- d) a complete inventory listing by location identified by Borrower and identifying which are subject to purchase money security interests;

In addition to the above, and unless cancelled by the Lender, a Director of the Borrower will attend a weekly call every Wednesday after the Closing Date to discuss any questions that the Lender or its advisors may have.

This is the 8th Affidavit of
Robert Kaul in this proceeding
and was made on November 1, 2024.

District of British Columbia
Division No.: 02-Victoria
Court No.: B-240300
Estate No.: 11-3089419
Vancouver Registry

**IN THE SUPREME COURT OF
BRITISH COLUMBIA
IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE
NOTICE OF INTENTION
TO MAKE A PROPOSAL
OF CLOUD DIAGNOSTICS CANADA ULC**

AFFIDAVIT

OWEN BIRD LAW CORPORATION
P.O. Box 1
Vancouver Centre II
2900 – 733 Seymour Street
Vancouver, BC V7B 0S6
Attention: Jonathan L. Williams
File No. 41286-0000
