

**FORM E and APPENDIX E**  
**Maine Technology Institute Development Loan Repayment Terms**

- a) Recipient must begin repayment of the Development Loan within one year of successful commercialization (as defined in Section 11.1 of the Agreement).
- b) Commencing on the first anniversary of commercialization, Recipient must make annual payments to MTI equal to a minimum of two (2) percent of the Adjusted Gross Sales Revenue related to the Product, Service or Process developed from the Intellectual Property created by Recipient during the Project. This minimum annual payment obligation shall continue for as long as there is an unpaid balance on the Development Loan. "Adjusted Gross Sales Revenue" is defined as the total gross selling price of the product, service or process, reduced by any applicable discount granted by the seller to the buyer for early payment of the invoice, and by reductions resulting from merchandise actually returned from customers or from the seller's reduction in the original sales price of the product, service or process.
- c) If Recipient repays the Development Loan within three years of successful commercialization, Recipient shall pay only the amount of the original Development Loan of [\$ ], without additional interest.

[Insert custom repayment terms if repayment plan is within 0-3 years of commercialization]

- d) If Recipient does not repay the full amount of the Development Loan within three years of successful commercialization, Recipient shall instead pay MTI any unpaid balance of the Development Loan, plus an additional amount equal to 30% of the unpaid Development Loan balance, calculated as of the third anniversary of successful commercialization.

[Insert custom repayment terms if repayment plan is within 4-7 years of commercialization]

- e) If Recipient does not repay the full amount of the remaining unpaid balance of the Development Loan under sub-paragraph (d) above prior to the fourth anniversary of successful commercialization, Recipient shall instead pay MTI any unpaid balance owed under sub-paragraph (d) above, plus an incremental annual amount equal to 10% of the remaining unpaid balance owed to MTI, calculated as of the fourth anniversary of successful commercialization.
- f). If Recipient does not repay the full amount of the remaining unpaid balance of the Development Loan under sub-paragraph (e) above prior to the fifth anniversary of successful commercialization, Recipient shall instead pay MTI any unpaid balance owed under sub-paragraph (e) above, plus an incremental annual amount equal to 10% of the remaining unpaid balance owed to MTI, calculated as of the fifth anniversary of successful commercialization.

g) If Recipient does not repay the full amount of the remaining unpaid balance of the Development Loan under sub-paragraph (f) above prior to the sixth anniversary of successful commercialization, Recipient shall instead pay MTI any unpaid balance owed under sub-paragraph (f) above, plus an incremental annual amount equal to 10% of the remaining unpaid balance owed to MTI, calculated as of the sixth anniversary of successful commercialization.

h) If, prior to the Agreement Termination Date, MTI terminates the Agreement under Section 9.0 for failure of the Recipient to timely and fully cure an Event of Default, the Recipient shall repay MTI in accordance with Section 9.4 and Section 11 of the Agreement.

i) Recipient may request an alternative repayment period from that established in this Appendix E, upon submittal of factual and financial information documenting a hardship. MTI may allow an alternative repayment schedule, at its sole discretion.

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Grantee Representative

\_\_\_\_\_  
Date

\_\_\_\_\_  
MTI Representative

\_\_\_\_\_  
Date