



Application For Equity Financing

Nunavut Development Corporation



Application for Equity Financing



Application For Equity Financing

The Nunavut Development Corporation (“NDC” or “Corporation”), a Crown corporation of the Government of Nunavut, is committed to the development of economic opportunities for Nunavumiut through the responsible delivery of creative programs and services that further sustainable economic development and employment opportunities in Nunavut communities.

The NDC administers a Venture Investment Fund. The mandate of the fund is to make minority ownership investments of an equity-related nature in Nunavut-based business enterprises, with a strong emphasis on business enterprises that will benefit non-decentralized communities in Nunavut. The Corporation shall invest in business enterprises which appear to have a reasonable opportunity to become commercially viable.

The Board of Directors of the NDC is responsible for all decisions it makes with respect to investments from the Venture Investment Fund. The Board approves investment proposals subject to a numbers of key investment policies:

- **Commercial Viability** – The Corporation shall invest in businesses that have a reasonable opportunity to become commercially viable. Pursuant to our Act the Corporation shall not invest in business enterprises unless the rate of return expected within three years from the date of investment is positive.
- **Emphasis on Non-Decentralized Communities** – The Corporation shall emphasize and give preference to investments that benefit the non-decentralized communities.
- **Minimum Investment Amount of \$ 75,000** – The Corporation’s minimum investment amount in any business enterprise shall be \$ 75,000.
- **Equity-Oriented Investments** – Investments shall primarily be equity-orientated in nature (i.e. common shares, preferred shares and convertible debentures).
- **Minority Ownership Interests** – The Corporation shall only make investments that result in the Corporation having a minority ownership position in the business enterprise.
- **Co-Investor Participation** – The Corporation shall make investments in business enterprises that involve the joint investment participation of other co-investors in the business enterprise.
- **Multi-Sector Investment Focus** – The Corporation, in assessing investments, shall take a multi-sector investment focus.



Application For Equity Financing

Applicant Information

Name of Business Applying: _____

Physical Address: _____

Contact Information

Language Preferred: English Inuktitut

Contact Person: _____

Telephone # _____ Fax # _____ Email _____

Application Information

Legal Form of Business: _____

(PLEASE ATTACH A LIST OF CURRENT OFFICERS AND SHAREHOLDERS IF INCORPORATED)

Purpose of Equity Financing Requested: _____

Amount of Equity Financing Requested: \$ _____



Application For Equity Financing

The applicant declares:

- That the owner and or directors of the applicant are not a member of the immediate family of a director or an employee of the Nunavut Development Corporation.
- That the applicant is not the subject of any proceedings under the *Bankruptcy and Insolvency Act*, except: _____;
- And agrees that it will immediately notify the NDC of any application pending and under consideration by another lender or if an offer of financing is received during the period of consideration of this application.

The applicant understands and agrees:

- Any and all legal fees incurred in the making of an investment or in divesting of an investment shall be bourn by the applicant.
- That if financing is provided for the purpose of the business project as described herein, that the applicant shall follow the business plan as presented in the application and use the funds received from the NDC for the purposes intended.
- That the NDC is authorized and the applicant hereby consents to the NDC making any related inquiries of persons or firms in order to ascertain the information necessary to reach a decision on this application.
- That the NDC is not liable for any loss incurred by the applicant as a result of consultation with or advice given by the NDC during the evaluation process.
- That if the applicant does not follow the business plan as presented in its application, or uses the funds received from the NDC for purposes other than as set out in that application, the applicant will upon demand immediately repay to the NDC all funds received pursuant to the application.

Applicant's Signature

Date

Print Name

Affix Corporate Seal (where incorporated)

Position or Title



Application For Equity Financing

Consent to Collection, Use and Disclosure of Information

- The applicant, its owner(s) and director(s) hereby consent to the collection, use and disclosure of information included herein, as necessary for the purposes of the NDC completing its evaluation of this application

Critical Documentation:

This application must be accompanied by a detailed business plan that clearly highlights the specific investment role for the NDC. The following information can be used as a guideline in the preparation of your business plan

Investment Information - Discuss in detail the financing required from the NDC and clearly identify why it is required; a sources and uses of funds schedule is recommended

Corporate Summary – Brief overview of your company, the nature of the business, current status and identify any future business strategies

Product or Service – Brief description, including any trademarks, brand names, patents, competitive advantages or disadvantages

Management – One of the most important parts of the plan. Describe in detail the organizational structure and provide resumes for key people. Assess management's strengths and identify what additional skills might be required

Financial Information - Include a complete set of audited financial statements for the past two years and detailed financial projections for the next three-years including all critical operating assumptions and notes

Markets – Describe your market, its size, trends and local, region and territorial competitors

Job Creation & Maintenance – Describe the employment potential associated with the investment, how many jobs will be created or maintained

Risk Analysis – Identify and evaluate any major risks, environmental risks included, as well as contingencies to deal with the identified risks should they become a reality

Contact Us:

The Nunavut Development Corporation, P.O. Box 249, Rankin Inlet NU, X0C-0G0
Ph 1-866-645-3170 (toll free), Fax 1-867-645-3755, Web www.ndcorp.nu.ca