



Box 2703, Whitehorse, Yukon Y1A 2C6

Application– Yukon Small Business Investment Tax Credit

NAME & ADDRESSES OF APPLICANT

Name of Small Business Corporation or Coop.	
Contact Person	
Title	
Mailing Address	
Phone	
Fax	
E-mail	
Address of registered office of Corporation or Coop.	

INFORMATION REQUIRED IN SUPPORT OF APPLICATION

1. Copy of Corporation's articles	Attached as Appendix _____
2. Copy of Certificate of Compliance under the Business Corporations Act	Attached as Appendix _____
3. List of all directors, officers and shareholders with their social insurance number, occupation & residential address	Attached as Appendix _____

4. Statements signed by each person listed in section 3 that the information in respect to themselves is correct	Attached as Appendix _____
5. Business plan of the corporation containing (i) a description of the corporation's activities that is complete in all material respects,	Attached as Appendix _____
(ii) an estimate of the amount that the corporation intends to receive from the issuance of qualified investments,	Attached as Appendix _____
(iii) an estimate of the amount that the corporation intends to receive from the issuance of shares, indebtedness or other securities that are not qualified investments, and	Attached as Appendix _____
(iv) a description of the intended use by the corporation of the amounts referred to in subparagraphs (ii) and (iii).	Attached as Appendix _____
6. Copy of the financial statements for the preceding taxation year.	Attached as Appendix _____
7. Copy of the corporation's income tax returns for its last taxation year	Attached as Appendix _____
8. List containing the names of each individual to whom the corporation intends to issue a security and the social insurance number, occupation and residential address of each such individual. <i>(Note – As of Dec 31 of that year, individual must be a Yukon resident & at least 19 years of age.)</i>	Attached as Appendix _____

<p>9. Statements signed by each person listed in section 8 that the information in respect to themselves is correct and that the investor is aware that he/she must hold on to their investment for four (4) years or they will lose their tax credit, and that prior to this share purchase, the investor was dealing at arm's length with the corporation.</p>	<p>Attached as Appendix _____</p>
<p>10. Any additional information.</p>	<p>Attached as Appendix _____</p>

INFORMATION TO DETERMINE ELIGIBILITY OF CORPORATION

<p>11. The corporation is a private corporation (i.e. not publicly traded on a stock exchange)</p>	<p>Yes _____ No _____</p>
<p>12. The corporation maintains a permanent establishment in the Yukon through which it carries on an active business, other than the professional practice of an accountant, chiropractor, dentist, lawyer, medical doctor or veterinarian.</p>	<p>Yes _____ No _____</p>
<p>13. The corporation has 50 per cent of its assets located in the Yukon.</p>	<p>Yes _____ No _____</p>
<p>14. The corporation pays 50 per cent of its wages and salaries to employees working in the Yukon.</p>	<p>Yes _____ No _____</p>
<p>15. The asset base of the corporation is less than \$25 million.</p>	<p>Yes _____ No _____</p>

INFORMATION TO DETERMINE ELIGIBILITY OF INVESTMENT

<p>16. The investment must be either <i>(please check one)</i></p> <p>a common share of the capital stock of the corporation that is not a taxable preferred share and that gives the shareholder the right to vote under all circumstances at an annual meeting of shareholders of the corporation or <input type="checkbox"/></p> <p>a share of a cooperative corporation or <input type="checkbox"/></p> <p>a debt obligation of the corporation, if <input type="checkbox"/></p> <p style="padding-left: 40px;">i) in the event of the liquidation or winding-up of the corporation, the obligation would be subordinate in right of payment to all other debt obligations of the corporation, except obligations held by shareholders of the corporation and obligations that rank equally with the debt obligation</p> <p style="padding-left: 40px;">ii) the terms of the obligation or of any agreement relating to the obligation do not restrict the corporation from incurring other indebtedness</p> <p style="padding-left: 40px;">iii) the obligation is unsecured or secured only by a floating charge on the property of the corporation, and</p> <p style="padding-left: 40px;">(iv) at the time that is immediately after the time at which the obligation is issued the total of amounts outstanding on account of the principal amount of all debt obligations issued by the corporation that are qualified investments of the individual does not exceed the total cost to the individual of all shares issued by the corporation that are qualified investments of the individual</p>	
17. Investments may only be purchased with cash.	Yes _____ No _____
18. The corporation will not provide any form of financial assistance to an individual to enable the individual to acquire, or to assist an individual in acquiring, the security for which a certificate will be issued	Yes _____ No _____
19. During the period that began one year before the particular time at which the security may be issued and that ends one year after the particular time,	Yes _____ No _____

<p>(i) the corporation does not intend to redeem, acquire or cancel a share of its capital stock that was owned at any time in the period by the individual or pay an amount on a reduction of the paid-up capital in respect of such a share, and</p> <p>(ii) the corporation does not intend to repay an amount on account of the principal amount of a debt obligation that was owned at any time in the period by the individual.</p>	
<p>20. Immediately after the acquisition of the security by the individual, the individual is dealing at arm's length with the corporation</p>	<p>Yes _____ No _____</p>
<p>21. The corporation intends to use the amount it receives from the issuance of the security to carry on an active business in the Yukon, and not to</p> <p>(i) pay a dividend,</p> <p>(ii) redeem, acquire or cancel a share of its capital stock,</p> <p>(iii) pay an amount on the reduction of the paid-up capital in respect of a share of its capital stock,</p> <p>(iv) pay or settle an amount owed by the corporation to a shareholder or director of the corporation or to another corporation,</p> <p>(v) make a loan or acquire indebtedness, or</p> <p>(vi) make a payment of any kind to a person with whom the corporation does not deal at arm's length</p>	<p>Yes _____ No _____</p>

**APPLICATION SUBMITTED BY A DULY AUTHORIZED DIRECTOR OR
OFFICER OF THE CORPORATION**

Name of the Director/Officer:

Title:

Signature:

Date:

Seal of the Corporation:

The signature of the above director/officer signifies that the information provided in this application is correct.

The applicant agrees to allow the Yukon government to make public announcements relative to the tax credit provided to the applicant when approved, specifically the name of the corporation or coop, the investment amount, the date of the approval, and the purpose of the investment project.

SAMPLE LETTER AS PER SECTION 9 OF APPLICATION FORM

Government of Yukon
Department of Economic Development
P.O. Box 2703
Whitehorse, Yukon
Y1A 2C6

Attn: Mr. Bob Snyder

Dear Sir:

Re: Share Purchase – *(name of Corporation)*

I wish to confirm the following with respect to my share purchase of *(name of Corporation)*, and the subsequent application made by the company under the Government of Yukon Small Business Investment Tax Credit Program.

- Occupation: *(fill in)*
- Residential Address: *(fill in)*
- Social Insurance Number: *(fill in)*
- Share Purchase: *(fill in)*
- Purchase Value: *(fill in)*

I further wish to confirm that I understand that the securities must be held for a minimum of four years. If the investment is disposed of sooner than four years, then the tax credit will be withdrawn, and I will be liable for the full amount of the income tax that was reduced using this credit. I also affirm that I was, prior to this share purchase, dealing at arm's length with the corporation.

Sincerely,

(Signature of purchaser)