



Northern Ontario Young Entrepreneur Program

Supporting Business Skills
Development and Start-Up
for Northern Youth

Northern Ontario Young Entrepreneur Program

For too long, one of Northern Ontario's most precious resources, its youth, has been exported never to return home. This new program will help mobilize a new generation of entrepreneurs and community builders in the North, securing a more prosperous future for tomorrow's northern families and workers. This program is designed to assist young northerners to remain in the North to develop their business skills and start their own full-time businesses.

Who is Eligible

Residents of Northern Ontario, 18 to 29 years old (inclusive), who are planning on starting their own for-profit business in the North may be eligible to apply.

Retail businesses will be considered on a selective basis in cases where the proposed retail business does not exist in a Northern Ontario community and does not unfairly compete with existing businesses.

To be eligible, the new venture cannot be an expansion or natural extension of a similar business owned by the young entrepreneur and/or family members or direct relatives.

What is Eligible

Funding is available to help the North's youth develop their business skills and to help them start their own enterprises in Northern Ontario.

Examples of costs that may qualify for funding include, but are not limited to:

- Capital costs related to starting a new business such as office furniture, fixtures and equipment.

What is Not Eligible

Certain costs and projects will generally not be considered eligible for funding. These include, but are not limited to:

- Financing existing debts
- Financing transactions between related businesses or individuals
- Purchasing an existing business or assets
- Assuming the clients' and/or name of a business which is already operating or ceased operations within the past six months
- Inventory
- Working capital
- Personal expenses
- Land acquisitions
- Rolling stock (e.g.: trucks and cars)
- Product distribution
- Multi-level marketing
- Commission sales
- Adult entertainment and/or related telephone services
- Studies
- Marketing costs, and
- Ongoing operating costs.

Funding

Residents of Northern Ontario, 18 to 29 years old (inclusive), who are planning on starting a new business in Northern Ontario may receive funding in the form of a conditional contribution, generally up to 85 per cent of eligible costs, to a maximum total amount normally not to exceed \$25,000 per project.

At the time of approval, the young entrepreneur must make a cash investment to the business equal to 10 per cent of the NOHFC conditional contribution.

It is important to note that NOHFC funding under this program, when combined with other provincial and federal government funding, will generally not exceed 85 per cent of eligible costs.

Guidelines

- A proposed new business under the Northern Ontario Young Entrepreneur Program should not unfairly compete with existing Northern Ontario businesses.
- A proposed new business under the Northern Ontario Young Entrepreneur Program should result in net economic benefits for Northern Ontario.
- All Northern Ontario residents 18 to 29 years old (inclusive) requesting NOHFC funding will be required to partner with the Small Business Enterprise Centre in their area to attend training sessions, or be a graduate with a business related degree from a recognized college/university or have successfully completed online business courses or the equivalency.
- For a partnership, each partner must be a co-applicant. Total NOHFC assistance to a partnership normally will not exceed \$25,000 per project.
- A complete business plan will have to be prepared.
- The proposed new business will have to identify other funding sources supporting its establishment.
- All information requested to conduct an appropriate review of the proposed project must be provided by the applicant.
- Costs incurred prior to the approved project start date will not be eligible for NOHFC funding.
- The proposed new business will operate as a full-time business (a minimum of 2,000 hours per year) and create a minimum of one new job in Northern Ontario.
- The young entrepreneur will be required to reimburse the NOHFC should she/he sell assets financed by the NOHFC within the first year of operation.
- Following the first year of operation, approved applicants will be required to submit a report to the NOHFC outlining the economic benefits of their project including revenues and job creation.

Application Process

Applications must be completed and submitted to:

Northern Ontario Heritage Fund Corporation
70 Foster Drive, Suite 200
Sault Ste. Marie, Ontario P6A 6V8
Telephone: 1-800-461-8329 or 705-945-6700
Fax: 705-945-6701

The "Northern Ontario Young Entrepreneur Program" application form is available on the NOHFC website at: www.nohfc.com or may be obtained from one of the Small Business Enterprise Centres in Northern Ontario, from Government Information Centres and Ministry of Northern Development and Mines offices.

Applications must be received by the NOHFC by December 31, 2007. Applications will be reviewed as they are received. As funding is limited for the "Northern Ontario Young Entrepreneur Program", there is no guarantee that all applications meeting program criteria and received prior to the deadline will be approved by the NOHFC.