

Northern Ontario grow BONDS

Business Loan Program

Apply for your Northern Ontario Grow Bonds business loan today.

www.northernontariogrowbonds.com

INVESTING IN THE NORTHERN SPIRIT

A strong and prosperous North is a priority for us all. The Northern Ontario Grow Bonds Business Loan Program is dedicated to enriching northern communities by supporting new and established businesses and the creation of new jobs.

Funds for the Business Loan Program will be raised from the sale of Northern Ontario Grow Bonds, which give residents of Northern Ontario the opportunity to invest in a safe and competitive savings instrument, while actively contributing to the economic future of the North.

The Northern Ontario Grow Bonds Business Loan Program might just be the opportunity you've been waiting for. This unique program will assist new and expanding small and medium-sized businesses throughout Northern Ontario by investing in capital projects that directly result in permanent, full-time employment in the North.

Your business and your community deserve to grow. Apply today and help drive a new and prosperous Northern Ontario.

WHO IS ELIGIBLE TO APPLY?

Potential candidates for the Northern Ontario Grow Bonds Business Loan Program include new start-up businesses or established small and medium-sized businesses that are located in Northern Ontario and controlled by residents of Northern Ontario. Corporations, joint ventures, partnerships or sole proprietorships that carry on, or that will carry on, business for profit in the North are all eligible to apply.

In general, if the business is a corporation with share capital, shares cannot be held by a government, or by a government agency.

WHAT IS ELIGIBLE FOR FUNDING?

Funding must be used for capital investment projects that either establish a new business or expand an existing business in Northern Ontario.

Eligible capital investments include, but are not limited to, investments in physical infrastructure, leasehold improvements, new or used equipment or intellectual property.

Costs directly related to capital investment will be considered eligible for funding. This does not include non-capital business costs and activities such as strategic business plans, feasibility studies, research and development,

training, marketing, project management, consulting, land acquisition, vehicles, working capital and ongoing business operations.

Please note funding cannot be used to set up or expand a retail, construction or hospitality business.

For information regarding project eligibility, contact your local Northern Development Office. A list of offices is available at www.northernontariogrowbonds.com.

FUNDING

Financial assistance will be provided in the form of a loan for which repayment must be completed within five years or less. In general:

- Loans will be between \$125,000 and \$1 million.
- Funding to any one project will not exceed 50 per cent of eligible costs.
- Interest rates will be based on the credit risk of the applicant.

REQUIREMENTS

To be considered for funding, applicants must submit a completed application form and business plan. The Business Loan Program application form and a business plan guide are available at www.northernontariogrowbonds.com.

Applicants will be required to:

- Identify other funding sources to support the business start-up/expansion.

- Confirm that the project meets industry standards/regulations, where applicable.
- Demonstrate how the funding will lead to increased permanent, full-time employment in their business operations in Northern Ontario.

All information required to evaluate an application for funding must be provided upon request.

APPROVALS

Approvals for funding will be made by the Board of Directors of the Northern Ontario Grow Bonds corporation. Upon approval, a business will be required to enter into an agreement with the corporation that sets out the terms of the loan.

These will include but are not limited to:

- Loan amount
- Interest rate payable on the loan
- Repayment schedule
- Additional terms required by the corporation.

GUIDELINES

- Costs incurred prior to the approved project start date will not normally be eligible for funding.
- The financial assistance provided by the Northern Ontario Grow Bonds Loan Program should not create a competitive disadvantage for existing businesses in the North.
- Funding is limited and not all projects will be funded.

HOW TO APPLY

Interested businesses must complete a Northern Ontario Grow Bonds Business Loan application form and submit it with a business plan to:

*The Northern Ontario Grow Bonds Corporation
70 Foster Drive, Suite 200
Sault Ste. Marie, ON
P6A 6V8*

A completed application, including a business plan, must be postmarked by May 6, 2005 to be considered for funding.

FREQUENTLY ASKED QUESTIONS

Where can I get additional copies of the Business Loan application form?

The Business Loan application form can be obtained from our website at www.northernontariogrowbonds.com, or by calling 1-866-668-5437.

What information is required in my business plan?

A guide to completing your business plan is available at www.northernontariogrowbonds.com. Your business plan is an important part of the loan approval process and must be submitted with your application form.

Who can I contact if I have questions about the Northern Ontario Grow Bonds Business Loan Program?

For further assistance, please call our toll-free line at 1-866-668-5437 or contact your local Northern Development Office. A listing of local offices is available at www.northernontariogrowbonds.com.

When do I have to submit my application and business plan?

You should submit your application and business plan as soon as possible. All submissions must be postmarked by May 6, 2005 and will be reviewed by the corporation on a first-come, first-serve basis.

**For more information, please visit
www.northernontariogrowbonds.com
or call 1-866-668-5437.**