

BUSINESS *Start*

The Business Start Program

Business Start
Loan Application

General Information and
Instructions
for Applicants

BUSINESS *Start*

Supports Your New Business

Many challenges must be met if your new business venture is going to succeed. The Business Start Program can help make your vision a reality by helping you plan and offering a viable financing option. Business Start loans, up to a maximum of \$30,000 are available to new owner-managed businesses across Manitoba.

Attractive Business Start loan terms provide practical support to eligible new business owners including:

- a competitive interest rate of prime plus one percent
- a one-year deferral of principal payment allowing new businesses to apply working capital in the first year to business growth and development
- use of loan funds for working capital needs
- no penalty for early repayment

Your vision, energy and hard work can mean real success for you and your employees.

BUSINESS can help you develop a successful
Start business of your own.

BUSINESS Manitoba Business Start *Start* Loan Guarantee Program

General Information and Instructions for Applicants

Program Description

Business Start is designed to promote the success of new business start-ups. It ensures that entrepreneurs have fully researched their ideas and have developed a comprehensive business plan. The program offers business training, counselling and access to funding through a loan guarantee. Loans are provided through participating financial institutions and are guaranteed by the Manitoba Government.

The program helps new owner-managed businesses. Eligibility criteria apply to both the business and the owner-manager. See details below.

Business Start Loan

- Loan guarantees (one per business) are available to a maximum of \$30,000.
- Loans can be used to meet working capital needs of the new business.
- The interest rate is prime plus one percent.
- Loans are repayable over a five-year term, with a one-year principal payment deferral.
- Loans are provided by participating financial institutions.
- Successful applicants pay an administrative fee of \$250, which may be deducted from the loan.

Eligibility Criteria – Owner-Manager

Applicants must:

1. be Manitoba residents, aged 18 or over, and eligible to work in Canada
2. develop a sound business plan
3. complete a three-day Business Planning Workshop before loans are released
4. contribute equity equal to 40 per cent of the loan amount requested.
The applicant's equity contribution can be cash or assets purchased in the last six months to use in the business.
5. not have owned a similar business in the past 12 months
6. be approved by a participating financial institution after applicant credit rating and debt capacity are reviewed

Instructions continued on page 7.

Manitoba Business Start
Loan Guarantee Program
Loan Guarantee Application



Loan Amount Requested: \$ _____

The New Business:

Legal name of business: _____

Business address: _____

Business phone: _____ Business fax: _____

Structure of business: Proprietorship Partnership Corporation

Business ownership (names of owners/partners/shareholders): _____

Start date of business activities: _____
(Day / Month / Year)

Number of jobs (including owner): No. of full-time _____ No. of part-time _____

Brief description of business activities: _____

Applicant's Personal Information:

Surname: _____

Given Names: _____

Date of birth: _____ Social Insurance Number: _____
(Day / Month / Year)

Current address: _____

Previous address(es): (if less than five years at current address)

Home phone number: _____

Current occupation: (mark one with an x)

Employed full-time Employed part-time Student
 Homemaker Other (please explain) _____

Name of most recent employer: _____

Address of most recent employer: _____

Job title: _____ Annual salary: \$ _____

Employed from _____ to _____
(Day / Month / Year) (Day / Month / Year)



Details of Personal Net Worth:

<i>Assets:</i>	<i>Amount</i>	<i>Liabilities:</i>	<i>Amount</i>
Cash and savings deposits	\$ _____	Mortgage(s)	\$ _____
Pension / RRSP	_____	Vehicle loan	_____
Bonds / mutual funds / stocks	_____	Personal line of credit	_____
Real estate	_____	Student loan	_____
Vehicle(s)	_____	Other loans	_____
Other	_____	Credit card debt	_____
 Total assets	 \$ _____	 Total liabilities	 \$ _____
Net worth (total assets – total liabilities)		\$ _____	

Real Estate (details):

<i>Address</i>	<i>Year of purchase</i>	<i>Purchase price</i>
_____	_____	_____
_____	_____	_____

Vehicle(s) (descriptions):

<i>Year</i>	<i>Make and model</i>	<i>Value</i>
_____	_____	_____
_____	_____	_____
_____	_____	_____

Details of Loans:

<i>Holder of debt</i> <i>Name of institution or individual</i>	<i>Purpose of loan</i>	<i>Maturity date</i>	<i>Current balance</i>	<i>Monthly payment</i>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Do you have any financial obligations under any leasing contracts?

Yes No

Details, including amounts: _____

Do you have any personal guarantees outstanding with respect to a third party liability?

Yes No

Details, including amounts: _____

Are there any judgements or legal proceedings against you?

Yes No

Details, including amounts: _____

Do you have any unpaid tax reassessments relating to prior years?

Yes No

Indicate taxation year, nature and amount owing. _____

Have you ever declared bankruptcy?

Yes No

Indicate year and current status. _____

Applicant Declaration

By submitting the Loan Guarantee Application and Business Plan under the Manitoba Business Start Program, I:

- certify that all representations, statements and information contained in the Loan Guarantee Application and Business Plan submitted are true and correct and shall remain true and correct.
- acknowledge that my personal information, including my name, age, address, phone number, social insurance number, and information relating to my occupation and financial circumstances or activities is being collected by the Lender through the Loan Guarantee Application and Business Plan documents.
- authorize Manitoba Competitiveness, Training and Trade (“the Department”) to collect the personal information contained in the Loan Guarantee Application and Business Plan from the Lender.

- understand that the personal information that the Department is collecting from the Lender is necessary for my participation in the Manitoba Business Start Program and the Department is authorized to collect my personal information under clause 36(1)(b) of *The Freedom of Information and Protection of Privacy Act*.
- understand that my personal information is being collected for the following purposes and consent to its use for those purposes of:
 - (i) determining my eligibility for participation in the Manitoba Business Start Program;
 - (ii) administering my participation in the Manitoba Business Start Program;
 - (iii) auditing the Manitoba Business Start Program; and
 - (iv) monitoring, evaluating and continuing to develop the Manitoba Business Start Program.
- consent to the collection and use of information, including personal information, contained in all books, records and other documentation or material relating to the operation of the new business in the custody and control of the Lender by the Department for the purpose of:
 - (i) administering my participation in the Manitoba Business Start Program;
 - (ii) auditing the Manitoba Business Start Program; and
 - (iii) monitoring, evaluating and continuing to develop the Manitoba Business Start Program.
- consent to the disclosure of the personal information contained in the Loan Guarantee Application and Business Plan and the information, including personal information, contained in all books, records and other documentation or material for the operation of the new business in the custody or control of the Lender by the Lender to Manitoba Competitiveness, Training and Trade.
- consent to the Department disclosing my personal information, including my name, the name of my business, the general location of my business, the amount of my Loan and the status of the Loan when making public announcements relating to my Loan if it is approved by a financial institution participating in the Program.
- acknowledge that the Department has the right to audit the records of my new business during the guarantee period and agree to make available to the Department any record relating to my new business.

I understand that the Department may only collect, use and disclose my personal information as described above or as otherwise authorized under *The Freedom of Information and Protection of Privacy Act*.

Signature of applicant

Date

Eligibility Criteria - New Business

Businesses must:

1. be operated in Manitoba
2. be created to make a profit
3. not be operations in any of these categories: financial services, insurance, real estate services, professional and primary production (oil and gas, pulp production, mining or farming)
4. be starting up or have been operating less than 12 months before the date of application. A part-time business expanding to full-time is also eligible if net income from part-time operation was less than \$15,000 in the past 12 months.
5. employ the applicant for a minimum of 20 hours per week on average
6. meet the program's small business definition of less than 20 employees and less than \$2 million per year in gross sales (both criteria have to be met in year one)
7. be a business that is substantially different from other businesses operated in Manitoba in the same market area by an associate (spouse, common-law partner, parent or child) of the applicant
8. be reputable and appropriate in nature

Note: *An existing business bought by a new owner-operator will not be considered a new business.*

Participating Financial Institutions (as of June 1, 2009)

Canadian Imperial Bank of Commerce	Niverville Credit Union
Royal Bank	Portage Credit Union
Scotiabank	Riverton Credit Union
TD Canada Trust	Ste. Rose Credit Union
Agassiz Credit Union	Steinbach Credit Union
Assiniboine Credit Union	Strathclair Credit Union
Belgian-Alliance Credit Union	Sunrise Credit Union
Casera Credit Union	Swan Valley Credit Union
Community Credit Union	Vanguard Credit Union
Crocus Credit Union	Westoba Credit Union
Crosstown Credit Union	Caisse populaire de Saint-Boniface
Dauphin Plains Credit Union	Caisse populaire d'Elie
Eriksdale Credit Union	Caisse populaire La Prairie
La Salle Credit Union	Caisse Pembina

How to Apply for a Business Start Loan

Applicants must:

1. register for a three-day Business Planning Workshop
2. complete a business plan
3. contact a lender in a participating financial institution
4. submit a completed Business Start application, a copy of their business plan and the Business Planning Workshop Certificate to the lender
5. meet with the lender to discuss the loan
6. deposit personal cash equity and/or provide receipts for eligible business assets, if approved

Remember: *You must apply within 12 months of starting full-time operations.*

How to Register for a Business Planning Workshop

Contact:

Business Information Officer
Manitoba Competitiveness, Training and Trade
Small Business Development Branch
Phone: 204-984-0037 or toll free 1-800-665-2019

The three-day Business Planning Workshop is free. It is designed for those considering starting a new business in Manitoba. Topics covered include: business plans, financing options, forms of business organizations, financial statements, PST, GST and employee deductions, product definition and marketing strategy. The workshop is also an excellent networking opportunity for participants. Please register early.

For Program Information

Contact:

Business Start Program Co-ordinator
Manitoba Competitiveness, Training and Trade
Small Business Development Branch
P.O. Box 2609, 250 - 240 Graham Ave.
Winnipeg, MB R3C 4B3
Phone: 204-945-7721 or toll free 1-800-665-2019
Fax: 204-983-3852

