MRC Pontiac

BUSINESS SUPPORT POLICY

ADOPTED ON OCTOBER XXth 2015
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BUSINESS SUPPORT POLICY

MRC of Pontiac

1 FOUNDATIONS OF THE POLICY

1.1 Background
In June 2015, the Regional Municipality of Pontiac County (MRC Pontiac) signed an agreement regarding the Territorial Development Fund (TDF) with the Ministry of Municipal Affairs and Land Occupancy (MAMOT). In this agreement, the MAMOT recognizes the MRC Pontiac's competence in local and regional development. The Ministry requires that the MRC establish its Annual Priorities of Interventions and adopt a Business Support Policy. This policy will be reviewed on an annual basis. This document is the Business Support Policy of the MRC Pontiac for 2015-2016.

1.2 Field of intervention of the Policy
MRC Pontiac allocates a share of the funds delegated by the Ministry to the funding of any measure of local and regional development initiated by the MRC Pontiac as part of the TDF agreement. Those measures may include the following items:

- The promotion of entrepreneurship, support to enterprise.

This Policy applies to subsidies issued from the Agreement to the Territories Development Fund (TDF)1. The Businesses Support Policy (BSP) is administered by the MRC of Pontiac whom is managing Businesses Support Fund (BSF) provided by the TDF Agreement. Its counterpart is the Structuring Projects Development Policy to Improve Living Community Environments. Moreover, it complements the financing offer, in the form of loans, issued from FLI/FLS partnership agreement, that is the subject of a separate agreement.

The BSF provides a valuable financial contribution as a grant for business startups or expansion, either for a private corporation or social community enterprise. The BSF cannot, under any circumstances, be used to finance a loan.

The policy objective comes in two parts:

Part 1: Entrepreneurial Initiative Supports

1 Entente relative au Fonds de développement du territoire (FDT)
Support the development of entrepreneurial initiatives through the creation of a new company that will explore new approaches or develop new markets and whose short-term profitability is not necessarily guaranteed.

Part 2: Business Support

Support the implementation of corporate projects that aim either to diversify or improve the performance of existing businesses in order to maintain or create new jobs and whose guarantee of achieving the job is more likely.

1.3 Objectives

1.3.1 Of the Policy
The Business Support Policy (BSP) objective is to financially and technically assist new and existing businesses in supporting the economic development of the MRC by:

- Putting forward corporate projects to either startup or expand businesses, that create value and foster economic benefits in the MRC Pontiac;
- The creation and maintenance of jobs in the MRC Pontiac.

1.3.2 Of the subsidies
The objectives of the subsidies are:

1) To diversify the economy of the region and strengthen existing industries; and to create a synergy effect and develop a critical mass;
2) To encourage entrepreneurial initiatives that propose new approaches or develop new products and markets and whose profitability is less certain, can be achieved in the longer term;
3) Encourage all sizes of businesses in undertaking viable business projects on the short, medium and long term perspective, creating jobs or providing competitive advantages to the company; regardless of the financial aid previously received;
4) To maximize the economic spinoffs for the MRC issued from selected projects.

1.4 Application Territory
This policy applies to all of the MRC Pontiac.

1.5 Eligible Business
Eligible recipients of a grant under this policy are private enterprises and social economy enterprises that are installed or wish to settle in the MRC Pontiac and preferably have their headquarters there.
Each eligible recipients must be legally established or be receiving a first round of funding. The recipient must also be registered in the Register of businesses in Quebec (REQ) and its status will be updated. The NEQ must also be held.

The BSF provides funding only to businesses only to startup projects or businesses taking expansion. Thus, the BSF can not be utilized to directly fund an individual and the check must be issued to the troupe name.

1.6 Priority Intervention Fields
For the year 2015-2016, Mayors of the eighteen municipalities of the MRC Pontiac have established and provided to the Ministry their 27 Intervention Priorities. Those Intervention Priorities are published on the MRC Pontiac Web site and are regrouped into seven (7) priority Intervention fields which are:

- Agriculture
- Forestry
- Tourism
- Business and services
- Social Community Services
- Culture and Heritage
- Others

Subsidies are awarded according to annual intervention priorities and available funds from the TDF. The annual intervention priorities are reviewed yearly by the MRC. The need to revise these priorities will be determined by the Mayors’ Council at the beginning of 2016.

1.7 Eligible Projects and Expenses
The Policy gives priority to already established businesses in the Pontiac.

Companies in the commercialization stage or about to begin their commercialization are eligible. Pre-startup projects may be eligible for a subsidy provided it is for conducting studies or expertise mandates.

It is not necessary that the company is registered at the time of submitting the request. However, MRC Pontiac deals with established companies and, to this end, provides that people establish their corporate structure and are reimbursed for expenses under the terms of the program, on presentation of evidence. No money can be disbursed before taking this step. Admissible evidences are: the Act of Incorporation, a certificate showing a NEQ number, a registration certificate from the municipality, a printed REQ.
Any legally constituted company, operating in the territory of the MRC Pontiac and whose head office is in Quebec, is eligible for BSF provided it is registered with the Quebec Enterprise (REQ). In this sense, any legal form is admissible.

Subsidies can be used to invest in companies operating only for outsourcing or privatization of operations or of certain operations, which would have the effect of moving only a portion of economic activity and jobs of one organization to another.

A single project may be submitted in two parts. However, a social enterprise may submit separate projects in both policies (provided it is recognized as a social economy enterprise) but may not exceed the quotas of financial aid received as provided under the two policies.

A company can present several projects during the period of eligibility in conformity with the conditions set in section 2.3.

Whatever part of the policy for which the request is made, it is possible to submit a corporate business plan as a whole or a more specific business expansion project.

1.8 Ineligible Projects and Expenses
The following businesses or projects are not eligible:

- Private companies from the financial sector are not eligible.
- Enterprises from the retail trade or the restoration sectors are not eligible, except in the case of local services provided to underserved communities.
- Self-employed workers who do not intend to create at least one additional job are not eligible for part 2 of the BSF.
- Business projects of sexual, religious, political nature or any other commercial enterprise whose activities are controversial (e.g.: dating agencies, tarot, numerology, astrology, and so on).
- Projects that create unfair competition, or that do not respect the laws and regulations in force in Quebec or any municipal regulations.

1.9 Eligible Expenses
In general, expenses determined as eligible by the MRC Pontiac are the expenses incurred after the date of receipt of the application and are the following:

i. Capital expenses such as land, building, equipment, machinery, rolling stock, incorporation fees and other similar expenses (i.e. franchise fee, leasehold improvements) excluding goodwill expenses;

ii. Expenses related to technology transfer, software or software packages, patents and other similar expenses, however, excluding research and development activities;

iii. Working capital needs pertaining strictly to the company’s operations calculated for the first year of operation.

iv. Professional fees, expertise fees, marketing and promotion, and other expenses incurred by the contractor for the services of consultants or
specialists involved in the conduct of studies or mandates prior to the project or the realization of unique and non-repetitive activities;

v. In the case of a corporate succession plan, eligible expenses are acquiring the targeted company’s property titles (shares or voting shares), the acquisition of complete assets of the business and the costs of professional services directly related to the acquisition transaction.

vi. Salaries and benefits strictly related to an expansion project (project coordination costs), in proportion to the time spent on the project, if the promoter or its employees assume other tasks;

Expenses are eligible from the date of filing of the application, subject to the acceptance of the committee; expenses can be retroactive to that date. The developer takes the risk to assume these expenses only should the project be denied either by the CI or the Mayors’ Council or insufficient funds in the BSF.

In order to increase the likelihood of acceptance of activities subject to financing, it is important that for each activity, capital investment, studies or submitted intervention; a unique and non-repetitive nature of the activity be established, etc. while including all forms of transition required for success.

With respect to working capital, only expenses deemed necessary for the implementation of the project are admissible (the promoter must specify the nature of the expenses). The analysis committee reserves the right to accept or reject such charges.

1.10 Ineligible Expenses
Current or daily routine activities and recurring expenses which are part of the operating budget are not eligible as part of the BSP.

In the case of a BSF grant, the following expenses are inadmissible:

i. Any expense previously made for the realization of a project, either completed or in progress, but dating prior to the date of receipt of the official application for assistance by the MRC are not eligible for reimbursement;

ii. All taxes;

iii. Operating costs such as rent, business salaries and social contributions, telecommunications charges and web site;

iv. Any expenses related to support projects to companies that do not comply with the policies of the MRC;

v. Any expenditure for moving a company or part of its production outside of the local municipality in which it is established, unless the municipality consents;

vi. Any expenditure to support a project in the field of retail trade or restoration, except to offer a local service as defined.
1.11 Entry Into Force
This policy is effective upon its approval by the Council of Mayors of the MRC Pontiac, on October 27th, 2015.

2. INVESTMENT CRITERIA

2.1 Project Type
Companies are selected based on their ability to contribute to the economic development of the territory of the MRC Pontiac.

Projects must meet the Intervention Priorities Field defined in Article 1.6. and meet at least one (1) of the 27 priorities presented on the MRC Pontiac's Website.

To demonstrate that the proposed project and the requested investment adhere to the Annual Intervention Priorities, entrepreneurs are encouraged to consult and be guided by the following documents:

a. The Vision Pontiac 2020 strategic plan;

b. *The Plan de développement du zonage agricole de la MRC de Pontiac* (PDZA);

c. The document titled guide to « *Détermination des sites de villégiature commercial et communautaire sur le territoire public de l'Outaouais* »;

d. The guide sur la conduite de Projets commerciaux ou industriel sur une terre du domaine de l’État – in production;

e. *Le schéma d'aménagement et de développement de la MRC de Pontiac.* (Urban Planning and Development Plan)

2.2 Innovation
Projects developing new export-oriented markets, based on natural resource exploitation in a diversified or unconventional manner or that create value-added from them are considered as market innovations and are of interest.

Projects proposing new products, new exploitation mechanisms of resources or providing a significant competitive advantage are considered technological innovations and are considered only if they are to begin their commercialization effort. In this context, the creation of new services resulting is also considered as innovative.
2.3 Job Creation and Economic Benefits
The foremost investment criteria is job creation. Minimally, projects should contribute to maintaining employment. If not creating jobs, projects must result in significant economic benefits, including contracts with MRC Pontiac companies.

2.4 Promoter Experience, Investment Capacity and Background
The proponent must demonstrate his knowledge and skills to carry out a development project, as well as its commitment to financially invest in the project.

In addition, promoter(s) must be released of any bankruptcy judgment (must produce the certificate of discharge) and must not be involved in one or multiple dispute(s) or court procedure(s).

Only promoters with lawful activities within one or more enterprise(s) which are legally established are eligible.

2.5 Local Services
In the case of service and restaurant businesses, the developer must demonstrate that he deserves one or multiple underserved community(ies). By service(s), it is meant that said service(s) is/are to be used daily by a large part of the surrounding population.

The community service is defined by the type of service offered. The proponent must demonstrate unserved needs of the local, nearby and the entire population of the Pontiac as well as for passersby, tourists and vacationers, taking into account the availability of competing and complementary services.

Projects funded in heavily populated areas or with strong competition within the same economy are therefore not eligible.

The administration of the MRC Pontiac and members of the Investment Committee jointly ensure the application of job substitution and undue competition prevention clause in the award of financial aid.

2.6 Business Consolidation and Restructuring
Consolidation projects are eligible only in the context of business expansion or reorganization of activities and if they demonstrate that the company's balance sheet will remain positive within a short and medium term perspective following the requested financial intervention.

Business expansion projects are eligible to the extent that the impact on job maintenance and/or creation and the generation of economic benefits are clearly established and demonstrate a real orientation shift or the continuation of efforts to address new markets or to acquire competitive advantages (see innovation section).
3. TERMS

3.1 Program Administration Rules
There is no distinction in terms of admissions criteria between start-ups and existing businesses.

The program revolves around a project and consequently does not consider the starting date of the company but of the project itself.

The projects are considered deposited when accompanied by a completed business proposal. Completed applications must be submitted before February 15th of the current fiscal year, otherwise applications will be considered in the following fiscal year or after March 31st, subject to the availability of funds.

The commitment of funds is set at the date of the resolution of the Mayor’s Council of the MRC Pontiac. For the year 2015-2016, the amounts must be engaged by a resolution of the Mayors’ Council, before March 31st, 2016.

Funds allocated but unused by the beneficiaries can be reallocated to other projects within six (6) months following the end of the transaction date of the last activity or three months before the end of the commitment period, following a prior warning to the promoter granting a grace period of one month.

If the project is not completed, the promoter must pay back 100% of the amounts received under the project.

The same project cannot be funded twice. However, project activities can be split so as to realize several projects under the rules outlined in the next section.

3.2 Project Breakdown into Multiple Demands
A promoter may submit more than one application at a time, but for a second application to be considered by the IC, the first application must be completed with the acceptance by the IC of the Project Closing Report. There are no time limits between the dates of obtaining subsidies.

The acceptance of the Project Closing Report by the IC is final and does not need the approval of the Mayors’ Council.

Enterprises must meet the following conditions for processing a second application:

a) Milestones of previous subsidies shall be conducted and completed and the announced impacts produced.

b) Let there be no undue delays in the company's loan repayment history.

c) There must not be any unconcluded activities previously subsidized (absence of a Project Closing Report).
3.3 Priority of Applications
The casework is made on the basis of first come, first served. In this spirit, it is the date of filing of the complete business proposal that determines the processing priority of the request. The priority of the project is determined by the receivability of the application as decided by the IC. It is therefore up to the IC to determine if the project is receivable or not and if not, to request changes or clarifications.

3.4 Project Starting Date
The project starting date is identified by the promoter and accepted by the SADC and is systematically communicated to members of the IC by the Economic Development Commissioner. The IC, in determining the validity period of the Financing Offer, must take into consideration this date.

In case the project starting date cannot be accommodated for administrative reasons, the IC must propose an alternative period, and it is up to the Economic Development Commissioner and SADC to ensure that it is suitable to the Promoter. It is the responsibility of the applicant to verify that the proposed new period suits him and confirm it to the SADC.

It is possible to obtain a postponement of the project starting date under certain conditions. Only one postponing of the project starting date will be admitted.

3.5 Disbursement
As part of BSP, the subsidies are awarded in the form of regressive disbursement. At the discretion of CIC, the grant may be delivered by repayment of bills (given that an original receipt is provided).

The proposed parameters that can be adapted by the CIC are:

i. 50% at the moment that the first installment is issued,
ii. 30% when 50% of expenditure(s) is/are committed;
iii. 20% after the acceptance of the Project Closure Report.

Once the disbursement terms are agreed upon, they are listed in the Financing Offer as well as in the Agreement of Financial Assistance established between the promoter and the MRC Pontiac.

Expenditures are made in accordance with disbursement procedures and the control of spending is done by the SADC business analyst.

The last installment cannot be disbursed until the Project Closure Report is approved by the IC.
The Project Closure Report is made 30 days after the second last installment has been disbursed and the Report establishes the use of delivered funds. To this end, it gathers evidence for the implementation or realization of activities using photos, invoices and other supporting material.

3.6 Local Purchase
The BSP aims to maximize economic benefits within the MRC Pontiac. Consequently, the funds provided should promote the first local purchase from companies established in the MRC Pontiac or in the Province of Quebec. In case of non availability of such assets in the MRC Pontiac and in Province of Quebec, it is necessary to demonstrate that the asset in question is not available at local trading shops or is available at a cost higher than 10% or that is not possible to get it in time, or that transportation costs are prohibitive.

In case of default, following a prior agreement with the MRC, the asset can be acquired elsewhere outside of the Province of Quebec.

3.7 Down Payment
When the project involves the transfer of assets from the promoter, their value can be considered as a down payment, provided the entrepreneur provides a positive balance sheet and that the company’s value covers the value of the acquired assets. Moreover, considering the value of assets must be considered if their use is shared on different types of projects. Finally, the financial aid granted in the form of a subsidy cannot exceed the cost of newly acquired assets or the current Policy Terms for determining the Financial subsidy amount. The value of the transferred assets is determined by the entrepreneur and by the Policy administrators as a result of a deemed reasonable effort.

3.8 Application Process Analysis

3.8.1 Partnership with SADC
The MRC and SADC Pontiac agreed to a Service Agreement so that the SADC welcomes promoters and their business projects. As part of this agreement, they defined their collaboration process and application processing that has been implemented. For further information on this topic, contact the SADC Business Analyst.

Besides being responsible for providing the services described in the section 4.0, the SADC should ensure that loan and grant applications are submitted in line with expectations and stage as established within the BSP protocol – in completion-

In short, any business project must be submitted through the SADC.
3.8.2 Code of ethics and professional conduct and contractual management

Any application for financial assistance is processed according to the provisions in the code of ethics and professional conduct for the purposes of managing the Business Support Policy. This code governs the principles, rules and actions that may be performed or not by all participants taking part in the management or the processing of applications for the PSE.

The Code also incorporates the principles of contract management policy of the MRC Pontiac.

3.8.3 Collaborative Process and Application Processing

The processing of an application for financial assistance is defined in the collaboration process between the MRC and SADC Pontiac. This process regulates exchanges and operating mechanisms. All the information that can be shared with the applicant is stated in the Policy. The other documents or information are considered working documents and are reserved for internal use by the BSF administrators.

The Process provides the key steps and responsibilities of each stakeholder. The entrepreneur who wants more information should consult with the SADC Business Analyst.

The main steps are: the reception of the request, the preliminary analysis, service level agreement, application submission, the communication of decisions, approval of expenditure, follow-up, gathering of information and publication of financial aid granted.

The process is established to ensure confidentiality and respect for the different stakeholders involved. A code of ethics and professional conduct that considers the Contract Management Policy of the MRC Pontiac promotes the Process and guides all stakeholders involved in the processing of an application for financial assistance.

3.8.4 IC

The Common Investment Committee (CIC) is so called because it is mandated under the management agreement FLI/FSL to endorse the investment decisions of Local Funds.

For the purposes of granting subsidies, The CIC is empowered to make recommendations to the attention of the Mayors’ Council. The latter authorizes the CIC the power to receive and consider applications for financial assistance received and recommend funding or refusal for project(s) on the basis of the criteria and conditions provided under the BSP.

The CIC is composed of seven (7) persons of which one (1) is an elected representative, one (1) is a representative of the Fonds de Solidarité FTQ, one (1) is representative of the initial investors of the FLS, and four (4) members of the local social economic community.
The CIC has no other accounts to perform than the accountability reports required by the MAMOT which is to be published on the MRC Pontiac Website. It is the responsibility of the MRC to inform the Mayors’ Council on the performance of the BSP.

The CIC is referred to as the Investment Comity (IC) for ease of reading.

3.8.5 Conditions
If the IC established that the promoter(s) lack some competencies either in the sector expertise or in management, the Investment Committee (IC) ensures that developers have the internal and/or external resources to support them and may impose the requirement of certain measures such as, but not limited to:

  i. Strengthening the team by adding new members,
  ii. Guidance,
  iii. Mentoring,
  iv. Outsourcing of certain services,
  v. Training.

This list is not limited and other conditions can be determined at the discretion of the IC.

3.9 Contract Modifications
The MRC Pontiac must, in any agreement, establish a procedure governing any contract change authorization and provide that such change is possible only if it is accessory to the contract and does not change its nature.

To help manage, but also to ensure the flexibility and efficiency of the application process for financial assistance, the MRC Pontiac provides that any request for a change that does not fall within the rules of the Business Support Policy must be submitted and approved by the IC.

The funding agreement is a contract between the MRC Pontiac and the promoter and the latter can change the use of funds without the prior approval of the IC and the Regional Mayors’ Council only in cases where the changes do not increase the budget, does not change the nature of project activities, nor the initial intention or orientation of the company that was originally adopted.

A subsidy is subject to an agreement for financial assistance between the MRC Pontiac and the applicant. Subsidies are subject to a local purchasing clause. There are no management fees for files.

3.10 Default and actions taken

A company is in default if it does not meet one or multiple condition(s) for the granting of financial assistance such as:
1. It does not meet all the conditions set by the IC;
2. It does not maintain its operations for the agreed duration;
3. It did not use the funds for the intended purposes or has not obtained prior authorization from the MRC to change the use of funds;
4. It does not respect the time limits;
5. It does not create the number of jobs announced or promised;
6. It does not respect warranties provided within the Agreement of financial assistance;

MRC reserves the right to claim repayment either in part or in whole of the financial assistance taking into account the expected results and according to a mechanism to be established by the IC in each case.

The company can also be found in default if one or many promoters of their representative(s) fail to respect one part of the Applicant's Statement.

In case of default, Pontiac MRC reserves the right to claim repayment either in part or in whole of the financial assistance provided taking into account the expected results.

The Code of Professional Conduct and Ethics specifies these elements in a separate document entitled Code of Ethics and Professional Conduct of the MRC Pontiac with regard to the Businesses Support Policy.

3.11 Communications
Formal communications are planned within the communications framework rules defined by the MRC Pontiac in its agreements with its partners. For the applicant, this means that information exchanged is valid only if exchanged during meetings and written down on paper, preferably confirmed by email or transmitted only by email. In the case of financing offers, funding agreement, setting default, information is only valid if followed by a signed letter.

A confidentiality agreement and authorization to exchange information between the contractor, SADC, MRC Pontiac and other partners must be completed for each of the business records as foreseen by the Code of Professional Conduct and Ethics related to the BSP.

3.12 Policy Promotion
The promotion of the Policy is the responsibility of the MRC Pontiac. The SADC can promote subsidies offered under the BSP provided that:

1. The names of MRC Pontiac and MAMOT are mentioned;
2. Promotional tools have been pre-approved by the MRC Pontiac.

3.13 Project Funding
The BSP issues from the Territories Development Fund (FDT). In this sense, the non-repayable contribution is considered governmental in nature and cannot be considered as part of the down payment from the promoter.
The combined financial help from the provincial and federal governments and MRC Pontiac shall not exceed 50% of eligible expenses. In the case of succession projects and Social Community Business projects, government support is allowed up to 80%.

Accumulation of government support (municipal, provincial and/or federal) cannot exceed 80% of the total project cost. (For accounting purposes, a subsidy is considered 100% of its value, while a rate of 30% applies in the case of repayable assistance).

The minimum grant that can be awarded per project is $5,000 and the maximum amount per grant is $25,000. Cumulative grants from the TDF may not exceed $150,000 per company or entrepreneur over a period of 12 consecutive months, subject always to the availability of funds.

Offers of financial aid depend on the availability of funds. The processing of applications is determined by date of submission of the complete business proposal (as opposed to the date of submission of the grant application). The number of funding applications and the availability of funding influence the maximum amounts that may be granted. The MRC Pontiac contributes with respect of funding available and its previous commitments to other companies.

The assistance provided is in general a maximum of 50% of the total project cost, up to a maximum of 25,000$. The sponsor must contribute a minimum of 50% of the total project cost. However, if it is shown that a significant transfer of assets is required to operate the project and is part of the list of eligible expenses, the value of these assets is considered in the down payment and can reduce promoter contribution to a minimum of 30%.

**Social economy enterprises**

In the case of social enterprises, this contribution is 20% and the same rules on the disposal of assets as capital outlays apply for a minimum of 10%

In all cases, the contribution must be minimally constituted of 10% of the total project cost in monetary contribution and a maximum of 10% of the total project cost in service or voluntary contribution (calculated at a rate of $15.00/hour for coordination and supervision of the project and a rate of $10.55/hour for labor).

For private and social economy enterprises:

Subsidies are awarded taking into account the Annual Interventions Priorities and available funds from the Fund for the development of the territory.

The availability of the promoter(s)’ funds must be confirmed with a loan confirmation letter or proof of availability of equity by bank letter.

The financial capacity of the promoter(s) to carry out the project will be decisive in the award of the subsidy. A letter from the bank may be required for this purpose.
3.14 Accountability
According to The FDT agreement, MRC Pontiac retained the original supporting documents and records relating to the amounts granted under the agreement for a period of three (3) years following the end of the agreement.

The promoter(s) must deliver the original vouchers holding to SADC which keeps records of the amounts granted.

The MRC Pontiac cooperates in any data collection to the benefit of its partners to assess the performance of the funds made available to members of the business community.

MRC Pontiac has the responsibility to gather information relating to subsidy applications for the performance evaluation of the TDF. Some information such as the name of the company, the nature of the aid and the amounts paid are to be published on the MRC Pontiac website.

Consequently, the companies that apply for or received a grant agree to cooperate in any data collection with the Ministry or its partners in order to assess the performance of the Fund.

For example:

i. The beneficiary's identification;
ii. The type of companies, private and social community enterprises;
iii. The type of assistance;
iv. The starting and ending dates of the commitment;
v. The amount of paid funds per project(s);
vi. The total value of the contract or of the project during the year;
vii. The estimated total number of jobs created or maintained;
viii. The total expected value of the contract or project for each coming year;
ix. The amount committed and paid and the balance to be paid by the MRC Pontiac;
x. The contributions from the partner(s);
xii. Intervention priorities encountered;
xii. The affected municipalities;

3.15 Availability of Funds
Any financial commitment is valid only if there is a sufficient balance available in the fund to refund the expenses and according to the funds made available for the MRC Pontiac by the Minister as part of the Territory Development Fund.

3.16 Assessment Grid and Projects Evaluation
The BSP analysis grid is available on the following pages and is intended for use by administrators and the Fund and is published to guide applicants on the importance of
different criteria.

It has two versions. The proponent must consider the section, Part I or Part II, that applies to his case.

**Eligibility to the BSF**

To qualify, the following criteria must be met.

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<thead>
<tr>
<th>A. Is the project proposed by a private or a social economy enterprises?</th>
<th>Yes/No</th>
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<tbody>
<tr>
<td>B. Is it a startup business or an expansion project?</td>
<td>No/Yes</td>
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<tr>
<td>C. Does the project meet the Annual Interventions Priorities defined by the Mayor’s Council of the MRC Pontiac for 2015-2016?</td>
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<td>D. Does the project include eligible expenses?</td>
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<td>E. Does the promoter have the knowledge and experience in their business field and management knowledge?</td>
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<td>F. Are the promoters exempted from any bankruptcy judgment (must produce the certificate of discharge) and are they free of any dispute (s) or court procedure(s)?</td>
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<tr>
<td>G. In the case of a service or restaurant business, does the company establish that it offers a local service, and demonstrate that the project does not result in job substitutions or undue competition?</td>
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<tr>
<td>H. In the case of a project that provides local services, does the project generate job substitution or undue competition?</td>
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<tr>
<td>I. Is the company registered or incorporated, does it hold a NEQ or is it prepared to request those documents as a first activity?</td>
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<td>J. Is the file complete?</td>
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**Areas of Priorities**

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<thead>
<tr>
<th>A. The project meets at least one (1) of the 27 priorities of interventions defined by the Council of the MRC Pontiac for 2015-2016.</th>
<th>/10</th>
</tr>
</thead>
<tbody>
<tr>
<td>B. The project affects two (2) or more of the 27 priorities of interventions defined by the Council of the MRC Pontiac 2015-2016.</td>
<td>/5</td>
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</tbody>
</table>

**Sub-Total**

/15

**Type of Project Part 1: Entrepreneurial Initiative Supports**
<table>
<thead>
<tr>
<th></th>
<th>Description</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>C.</td>
<td>The demonstration of the viability of the business proposal is provided. Why is the proposed field of activity constitutes an opportunity and why is it a good one?</td>
<td>10</td>
</tr>
<tr>
<td>D.</td>
<td>The project is innovative, creates new wealth and/or proposes the creation of new services, or constitutes a Proximity Service.</td>
<td>5</td>
</tr>
<tr>
<td>E.</td>
<td>The project presents the potential to contribute to the creation of employment or the maintenance of employment. If not creating jobs, the projects bring significant economic benefits, including contracts with Pontiac companies.</td>
<td>10</td>
</tr>
<tr>
<td>F.</td>
<td>The project has the potential to result in significant economic benefits, including contracts with MRC Pontiac companies.</td>
<td>5</td>
</tr>
<tr>
<td>G.</td>
<td>The project refers to existing policies and guides?</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td><strong>SUB-TOTAL</strong></td>
<td>45</td>
</tr>
</tbody>
</table>

**TYPE OF PROJECT PART 2: SUPPORT FOR BUSINESSES**

<table>
<thead>
<tr>
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<th>Description</th>
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<tbody>
<tr>
<td>C.</td>
<td>The viability of the business proposal is provided. Does the proposed field of activity constitute an opportunity and why is it a good one?</td>
<td>10</td>
</tr>
<tr>
<td>D.</td>
<td>The project is innovative, creates new wealth and/or proposes the creation of new services, or constitutes a local service.</td>
<td>5</td>
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<tr>
<td>E.</td>
<td>The demonstration of the project’s capacity to create jobs and/or maintain jobs;</td>
<td>15</td>
</tr>
<tr>
<td>F.</td>
<td>The project results in significant economic benefits, specifically by supporting existing corporation of the MRC Pontiac including contracting with MRC Pontiac companies; attracting funds from outside the region, creating additional goodwill, etc.;</td>
<td>10</td>
</tr>
<tr>
<td>G.</td>
<td>The project refers to existing policies and guides?</td>
<td>5</td>
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<tr>
<td></td>
<td><strong>SUB-TOTAL</strong></td>
<td>45</td>
</tr>
</tbody>
</table>

**FEASIBILITY AND PROJECT FUNDING**

<table>
<thead>
<tr>
<th></th>
<th>Description</th>
<th>Score</th>
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<tbody>
<tr>
<td>H.</td>
<td>The promoter invests at least 20% (including a minimum 10% cash) to finance the project.</td>
<td>10</td>
</tr>
<tr>
<td>I.</td>
<td>The promoter demonstrates the ability to complete the project and ensure its sustainability (skills / strengths / strategies).</td>
<td>10</td>
</tr>
<tr>
<td>J.</td>
<td>The promoter demonstrates that it has established partnerships that could lead to the successful completion of the entire project (financial, technical, etc.).</td>
<td>10</td>
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</tbody>
</table>
K. The project is realistic (completion deadlines, financial structure, project objectives, results desired impact, etc.).

<table>
<thead>
<tr>
<th>REVIEW REPORT</th>
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<tr>
<td>□</td>
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<tr>
<td>75-100 POINTS</td>
</tr>
<tr>
<td>Eligible Project 1st priority</td>
</tr>
</tbody>
</table>

OTHER COMMENTS
4. SERVICES AGREEMENT

As manager of the BSF, MRC Pontiac is responsible for the technical support provided to developers. The role of the MRC Pontiac is to define the services offered and ensure they are provided in the best possible way with its partner, the SADC.

The promoters who apply for financial assistance are entitled to receive:

- Support;
- Advice;
- Appropriate technical assistance;
- Aid in the form of mentoring, technical advice;

in order to develop their business proposal and all business documents required to prepare an application for funding (see definition of a business plan).

The collaboration and processing of an application describes the proposal and defines the scope of the developed business plan.

Also, in order to facilitate the entrepreneurs’ tasks, MRC Pontiac has agreed to a partnership agreement with SADC Pontiac.

Other partnerships could be established with the Local Employment Centre since referred clients as part of the agreement to self-employment (STA) may submit projects or benefit from training programs. MAPAQ, due to its much appreciated expertise in food processing, is also covered in this partnership since the annual priorities intervene to join its field of expertise.

5. NON-COMPLIANCE WITH THE POLICY

The IC must respect the Businesses Support Policy. The IC may request a derogation from the MRC Pontiac at any time with respect of the investment framework of the agreement of the Territory Development Fund. Any deviation leading to a modification of the Agreement on the Territory Development Fund should be agreed with the Ministry of Municipal Affairs and agreed to in writing.

Thus, the MAMOT acknowledges that CI may change, if it sees fit, the maximum investment $150,000.

6. POLICY MODIFICATION
MRC Pontiac and the Ministry of Municipal Affairs, Regions and Land Occupancy, may, by mutual agreement, amend the Agreement on the Territory Development Fund, which will be reflected in the Businesses Support Policy, provided that such changes remain within the framework established by the Agreement. If the change request is not from the IC, then either of the two parties may consult the IC to request review of any changes.

7. SIGNATURES

La présente constitue le texte intégral de la politique de soutien aux entreprises adoptée par la MRC de Pontiac.

This constitutes the full text the Businesses Support Policy adopted by the MRC Pontiac.

____________________________________________
Raymond Durocher, Warden, MRC Pontiac
DATE: ________________ 20___

___________________________________
Rémi Bertrand, Director General, MRC Pontiac
DATE: ________________ 20___
SOCIAL ECONOMY ENTERPRISE

Regarding non-profit organizations (NPOs) created under Part III of the Companies Act of Quebec, only the social economy enterprises are eligible for financial assistance, provided they meet the following conditions:

- Be a social economy enterprise meeting the following characteristics:
  - Producing social goods and services;
  - Democratic management process;
  - Primacy of the individual over the capital;
  - Taking collective responsibility;
  - Impact on local and community development, including the creation of sustainable jobs, the development of new services and improving quality of life;
  - According to an entrepreneurial management philosophy.

- Operating in a market economy context;
- Be in the process of expansion;
- Count a majority of permanent jobs (not subsidized by ad hoc programs); in addition to job quality, they should not be a substitution for jobs in the public and parapublic sectors;
- Have a net worth corresponding to at least 15% of total assets;
- Finance itself sufficiently to assume the part of their funding in the submitted projects. Contractual agreements and ensuring government funding may be required.

It is up to the MRC Pontiac to determine whether a company fulfills the criteria of a social enterprise.