

1.0 INTRODUCTION

The Startup Investment Fund (SIF) provides entrepreneurs located in New Brunswick with access to startup capital to support the formation, initial capitalization and development of new and innovative growth businesses in the province.

The SIF is designed to provide entrepreneurial New Brunswickers with the unique opportunity to obtain the early-stage equity capital they require to transform their innovations and business concepts into commercially viable ventures.

2.0 TYPES OF INVESTMENT

Investments will take the form of equity, typically through the purchase of common stock or the issuance of convertible debentures. Companies are eligible for up to \$100,000 under the SIF. As a partner in the venture, NBIF will work with the company and its founding team to realize the growth potential of the business. While NBIF prefers to invest with others, it will invest alone from time to time. The initial investment from NBIF is expected to leverage additional funding to support the business for at least a 12-month period.

3.0 USE OF FUNDS

The funds are to be used solely to start and develop a new business in New Brunswick, with specific emphasis on the development, refinement and commercialization of an innovative product, service, technology or process. For example, the funds will generally be used to support the following activities:

- company creation,
- product development and testing,
- market research,
- intellectual property protection, and
- general business development.

4.0 ELIGIBILITY

Eligible parties include newly launched business ventures that are located and operating in New Brunswick, or entrepreneurs who are ready and committed to operating a new business venture in New Brunswick. The company must also be either provincially incorporated in New Brunswick or federally incorporated and registered to conduct business in New Brunswick. If applicable, NBIF can assist with the incorporation process.

5.0 EVALUATION

Applications will be evaluated based on the merits and viability of the business plan and financial model, the innovative nature and commercial viability of the product or service, the growth potential of the business, the capacity of management, and the potential economic impact and benefits to New Brunswick. NBIF favours opportunities that fit with one of its strategic industries.

6.0 FUNDING RESTRICTIONS

Funding will be provided on a one-time-only basis. Companies that are either self-sustainable or have the capacity to raise sufficient capital through traditional sources are not eligible for funding under the SIF. Companies that have progressed beyond the startup stage yet require equity capital to grow and expand, should consider applying to NBIF's Venture Capital Fund.

Participation in the SIF does not guarantee future funding from NBIF or any of its funds. Companies successfully emerging from the SIF may be eligible for further financing under the Venture Capital Fund.

The following activities are ineligible for funding:

- Retirement of existing investments,
- Debt consolidation or repayment,
- Refinancing of a business operation,
- Purchasing fixed assets including land, buildings and vehicles,
- Undertaking construction, renovations or leasehold improvements.

7.0 APPLICATIONS

To be considered for funding, a business plan and budget must be submitted to NBIF electronically at proposals@nbif.ca

We recognize that as a startup company your business plan may be a work in progress. We encourage you to review NBIF's Business Plan Model and work to at least complete it to the best of your abilities and knowledge.

Investments are subject to due diligence, negotiation, and appropriate approvals. The intention is to turnaround decisions within 30 days of receiving a fully completed business plan.

QUESTIONS?

Contact us at:

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