

STARTER COMPANY PLUS - PROGRAM GUIDELINES

Do you want to start your own business or get help to grow your existing business or buy a small business and be your own boss?

If you've got a great idea for starting a new business or have a great business running and need assistance to grow it or you want to buy a small business and need operational assistance, you should consider applying to the Starter Company Program.

The program provides hands-on business coaching and training, as well as mentoring from local business leaders who will help make your Starter Company a reality.

The duration of the program is not less than 6 months in which you will receive:

- Assistance with developing your business plan
- Seminars, workshops and training on all aspects of running a small business
- Ongoing support for running your business
- Coaching and mentoring
- Networking opportunities
- On-site support through a site visit
- A grant of up to \$5000 to run your business

How do I receive up to \$5000 to help start up or expand my business?

If your application is approved, you will be eligible receive up to \$5000 in funding, provided that you can match the funding with a 25% contribution. The matching contribution may include cash or in-kind assets, assessed at fair market value, such as equipment or machinery required to run the business.

Approved applicants will receive an initial award of up to \$3750 to put towards the start-up, expansion or purchase costs and up to \$1250 upon successful completion of the program.

Where do I start?

Contact the [South Georgian Bay Small Business Enterprise Centre](#) and [book an appointment](#) to register your interest in the program, confirm your eligibility and obtain the required application and business plan template. You can also take advantage of the business consulting services and resources available through the network of program providers.

Am I eligible for Starter Company?

You are eligible for Starter Company if you are:

- 18 years of age or older;
- proposing a new business, expansion of an existing business or buying an existing business;
- not a full time student and not returning to school full time;

- a resident of Ontario;
- a Canadian citizen or a permanent resident;
- not enrolled in other provincial employment or self-employment related programs that include or do not include financial assistance;
- not currently enrolled concurrently in any self-employment or entrepreneurship training/financing programs offered by government funded organizations;
- prepared to complete the business training components of the Starter Company Program as prescribed by your Small Business Enterprise Centre Program Provider;
- prepared to commit to a minimum average of 35 hours a week running the business;
- able to demonstrate 25% cash or equivalent in-kind commitment to the business;
- prepared to implement a personal learning plan; and
- are not a recipient of a Starter Company grant in the past.

If you have any questions about your eligibility call us at 705 446 3355.

WHAT TYPE OF BUSINESS CAN I START?

Almost any type of business is eligible, as long as it:

- A sole proprietorship or a corporation where the applicant will be the majority shareholder
- A partnership*
- An independent business venture
- Social enterprise
- Fits the Canada Revenue Agency definition of being self-employed
- Operates at arm's length from family business ventures
- Operates in Ontario
- Operates full-time as defined in the business plan
- Maintains its own books and records
- Maintains a separate business bank account
- Follows government rules and regulations for operating a business

*If only one partner is eligible for Starter Company he/she must demonstrate 51% ownership of the company

Businesses not eligible for Starter Company include:

- Distributorships
- Incorporated businesses that are controlled directly or indirectly by a person who would not be eligible for a Starter Company Award
- Commissioned sales
- Not-for-profit or charitable enterprises
- Multi-level marketing ventures

- Single events such as a theatrical production, a DJ gig, a music concert, a dance/party event, a fundraiser, a sporting tournament, etc.
- Businesses that are strictly pay per click
- 1-900 businesses

HOW DO I APPLY FOR STARTER COMPANY?

To apply you must:

- **Contact** your local program provider to register your interest in the program and obtain the required application documents.
- **Confirm** your eligibility
- **Complete** online or in-person training as prescribed by your program provider
- **Complete** the Starter Company application and business plan
- **Submit** your completed documents to the program provider

Assessment of Suitability:

While Starter Company Plus Initiative is open to all eligible individuals, it is a training and mentoring initiative geared towards assisting those in need of business knowledge and support.

Approval into the Starter Company Plus Initiative is a competitive process and eligible applicants may not all be accepted.

Your application will be reviewed and evaluated by your local program provider. If your business plan is sound and meets the program's criteria, you may qualify for the next step. Selected candidates will be invited to present their business idea to the Grant Approval Panel.

The Grant Approval Panel will read your business plan and listen to you present and generate a suitability score. You will be evaluated on: clarity of the business plan; viability of the business model; feasibility of the business concept; demonstrated need for business training, mentorship and grant funds; and your presentation.

Approved applicants:

After the presentation, if your application is approved by the program provider and grant committee, you will be required to:

- Sign an agreement with your program provider outlining each party's rights and responsibilities
- Agree to comply with the program guidelines and implement the business substantially in accordance with the business plan and cash flow included with your application
- Create a learning plan with the program provider to help identify business needs and achieve goals

- Show your business name registration and any required licensing documents to your program provider for verification
- Open and operate a separate business bank account for the business
- If operating a partnership, provide copies of the partnership agreement and proof of joint signing authority on the business bank account
- Operate your business on a full-time basis, minimum average of 35 hours a week
- Meet with your local program provider/mentors at least once per month for a minimum of 6 consecutive months
- Agree to one site visit by the program provider
- Maintain appropriate business records of income and expenditures including receipts
- Participate in business training provided by the program provider
- Attend an exit interview with your program provider
- Complete the anonymous participant survey at the end of the program cycle
- Agree to continue to provide annual progress reports for a period of not less than three years after being accepted into the program, (data reported will include business expansion and jobs created)

You will receive up to 75% of total eligible funding upon approval. The remaining amount will be received when you achieve the mutually agreed upon milestones/targets laid out in your business plan and have successfully completed the program according to the program requirements.

Notes

1. Funds from Starter Company award cannot be used for the purchase or lease of a vehicle.
2. Failure to successfully complete the program will result in default as specified in the Letter of Agreement.
3. Funding must be used to implement all components outlined in the business plan. Certain restrictions will apply.

Individuals Not Approved

Individuals not approved for the Starter Company Plus initiative will be referred to other programs and services as appropriate.

Tax Treatment of Award

The Starter Company grant is considered taxable under the Canada and Ontario Income Tax Acts. A T4A slip will be issued to the recipient of the Award.