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The Atlantic Enterprise Program



Helping business grow.



Government
of Canada

Gouvernement
du Canada

Regional Industrial
Expansion

Expansion industrielle
régionale

Canada

The Atlantic Enterprise Program

DEC 22 1997
BIBLIOTHEQUE
MINISTÈRE DE L'EXPANSION
INDUSTRIELLE REGIONALE

A new partnership between government and the private sector.

Building on its partnership with private business, the Government of Canada has created the Atlantic Enterprise Program (AEP) to encourage long-term economic growth in the Atlantic region.

The program has been restructured and streamlined making it available to more businesses than before.

Qualifying businesses can receive needed assistance to help them invest in Atlantic Canada.

The Atlantic Enterprise Program can provide qualifying businesses with the tools to grow in two important ways: by lowering the cost of borrowing and providing loan insurance. In this way, AEP makes investment dollars available to new and expanding businesses.

AEP offers federal assistance to businesses across a wide range of industry sectors and complements DRIE's other assistance programs, such as the Industrial and Regional Development Program (IRDP), the Small Businesses Loans Act (SBLA) and federal-provincial sub-agreements.

With a regionally based private sector board to review projects, the Atlantic Enterprise Program's aim is to assist businesses

operating in the Atlantic region to grow, providing new jobs for Atlantic Canadians.

Two types of support are available.

**Loan insurance and interest
buy-downs:**

**Substantially lower cost
of borrowing.**

With interest buy-downs of up to 6 percentage points on new term loans to carry out a project in an eligible sector.

Special loan insurance

With 85% insurance on new term loans to carry out a project in an eligible sector.



Program Elements

Interest buy-downs — for new term loans of \$25,000 and more.

Contributions may be offered to businesses under AEP to buy down, or reduce, the interest rate up to a maximum of six percentage points on new term loans for approved projects. For example, a borrower might normally have to pay interest charges of 13%. With AEP assistance, the borrower would receive a contribution reducing the interest to as low as 7%.

Application can be made for either the loan insurance or the interest buy-down, or both. Loans for mergers, acquisitions and refinancing do not qualify for support.

Loan Insurance — for new term loans of \$100,000 and more.

AEP can offer 85% insurance on loans by eligible lenders for new capital investment on projects in an eligible sector. Lenders are charged a yearly fee of 1% of the insured amount.

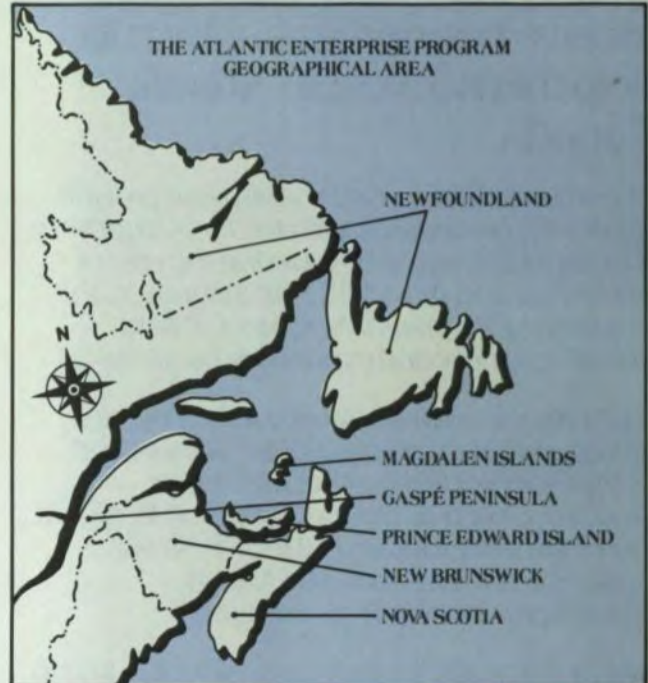
A wide range of eligible business and industry sectors:

- Aquaculture
- Commercial research and development facilities
- Freight forwarding
- Logging
- Manufacturing
- Mining
- Services to business and the resource sector
- Storage and warehousing
- Tourism

For a more complete list of eligible sectors, please consult the AEP regulations, and terms and conditions available at your nearest DRIE office.

New and expanding businesses in Atlantic Canada.

The Atlantic Enterprise Program applies to projects in the provinces of Newfoundland, Nova Scotia, Prince Edward Island and New Brunswick, as well as the Gaspé Peninsula (including Kamouraska County) and the Magdalen Islands in Quebec.



Eligible Projects.

A project is defined as the establishment, expansion or modernization of a commercial



operation in an eligible sector. Projects in the tourism sector must be of a quality and scope to attract international and national tourists.

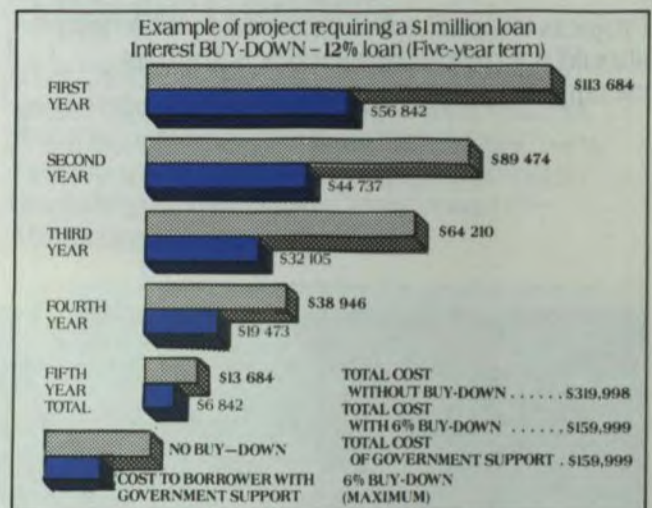
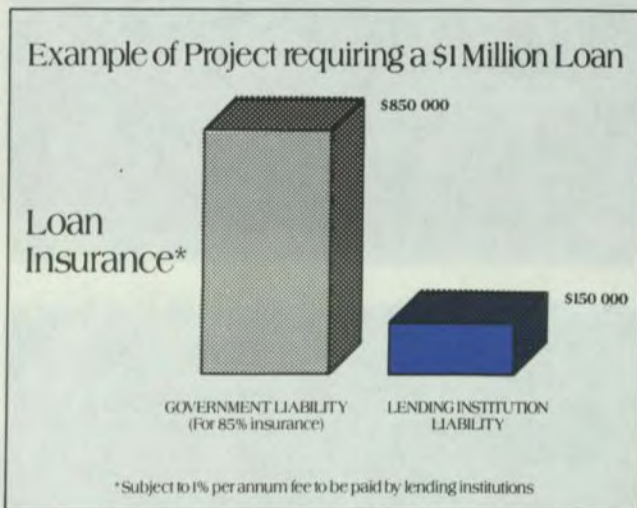
Assistance can be provided for projects which would otherwise not proceed and which will make a significant economic contribution to both the Atlantic region and Canada as a whole.

Projects should be commercially viable and should not have adverse effects such as creating overcapacity in a sector.



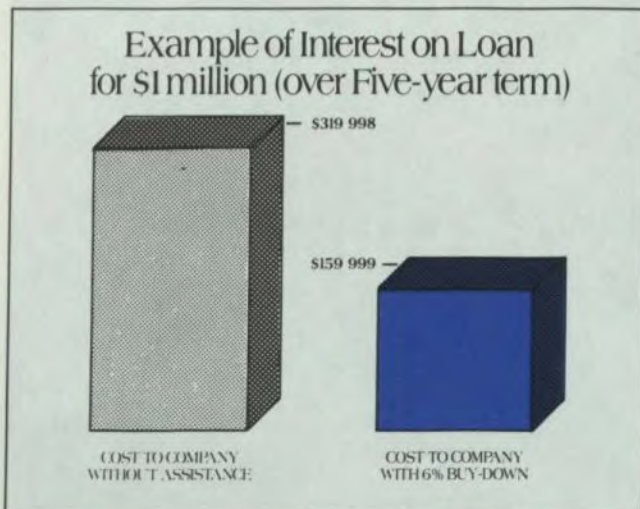
General Program Criteria

Increase your borrowing power and cut your interest costs significantly.



Interest Buy-downs up to 6 percentage points.

Loan insurance of 85%.



Fast Decisions/Broader Coverage

The Atlantic Enterprise Program has been streamlined to reduce paper burden and to provide faster decisions. The qualifying loan thresholds have been reduced making the program available to more businesses than before.

Applicants.

Individuals, partnerships, co-operatives and corporations may apply under AEP. Excluded are federal, provincial and municipal governments, as well as legal entities owned or controlled by any government, such as Crown corporations and companies, as well as their subsidiaries.

Eligible Lender.

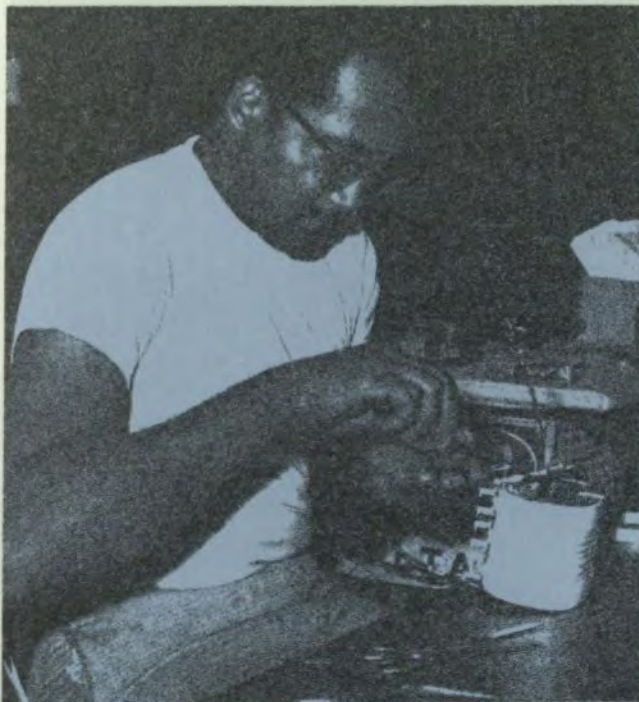
Loans under AEP may be made by a private lender such as a bank, credit union, caisse populaire or other co-operative society, trust company, loan company, insurance company or pension fund.

Equity.

The project should be financed with a reasonable percentage of private equity.

Termination Date.

No assistance will be given under AEP if an application is received after December 31, 1990.



The Atlantic Enterprise Board.

The Atlantic Enterprise Board is a private sector board appointed by the Minister of Regional Industrial Expansion to review cases and make recommendations for assistance.

The Board, which has representatives from each of the designated provinces, also provides the minister with advice on policy matters relating to the Atlantic Enterprise Program.

How to apply to the Atlantic Enterprise Program.

For more information on the Atlantic Enterprise Program, call our Toll-Free Number 1-800-561-7862 (in Canada). Outside Canada, call us at 1-506-857-6708.

Applications for AEP loan insurance and/or interest buy-downs can be obtained from any DRIE office across Canada. A list of the office addresses and phone numbers follows:

Newfoundland
P.O. Box 8950
Parsons Building
90 O'Leary Avenue
St. John's, Newfoundland
A1B 3R9
Tel: (709) 772-4917

Local Offices:
Corner Brook
Tel.: (709) 637-4477
Happy Valley—Goose Bay, Labrador
Tel.: (709) 896-2741



Prince Edward Island
P.O. Box 1115
Confederation Court Mall
134 Kent Street, Suite 400
Charlottetown, Prince Edward Island
CIA 7M8
Tel: (902) 566-7400

Nova Scotia
P.O. Box 940, Station M
1496 Lower Water Street
Halifax, Nova Scotia
B3J 2V9
Tel: (902) 426-2018

Enterprise Cape Breton
Sydney
Tel.: (902) 564-3614

New Brunswick
P.O. Box 1210
Assumption Building
770 Main Street
Moncton, New Brunswick
E1C 8P9
Tel: (506) 857-6400

Local Offices:
Bathurst
Tel: (506) 548-8907
Fredericton
Tel: (506) 452-3134



Atlantic Enterprise Program

Programme Entreprise Atlantique

Québec

C.P. 247

Tour de la Bourse

800, place Victoria, Pièce 3800

Montréal (Québec)

H4Z 1E8

Tel: (514) 283-8185/1-800-361-5367

Local Offices:

Alma

Tel.: (418) 668-3084/1-800-463-9808

Drummondville

Tel: (819) 478-4664/1-800-567-1418

Québec

Tel: (418) 648-4826/1-800-463-5204

Rimouski

Tel: (418) 722-3282/1-800-252-9073

Sherbrooke

Tel: (819) 565-4713/1-800-567-6084

Trois-Rivières

Tel: (819) 374-5544/1-800-567-8637

Val-d'Or

Tel: (819) 825-5260/1-800-567-6451



Ontario

P.O. Box 98
1 First Canadian Place, Suite 4660
Toronto, Ontario
M5X 1B1
Tel: (416) 365-3737

District Offices:
Southwestern (London)
Tel: (519) 679-5820

Northeastern (Sudbury)
Tel: (705) 675-0711
Northwestern (Thunder Bay)
Tel: (807) 623-4436
Eastern (Ottawa)
Tel: (613) 993-4963

Manitoba

P.O. Box 981
Room 608
330 Portage Avenue
Winnipeg, Manitoba
R3C 2V2
Tel: (204) 949-6182

Local Office:
Thompson
Tel: (204) 778-4486

Saskatchewan

105-21st Street East
6th floor
Saskatoon, Saskatchewan
S7K 0B3
Tel: (306) 975-4400

Local Offices:
Regina
Tel: (306) 780-6108
Prince Albert
Tel: (306) 764-6800



Alberta

Cornerpoint Building
10179 - 105th Street, Suite 505
Edmonton, Alberta
T5J 3S3
Tel: (403) 420-2944

Local Office:
Calgary
Tel: (403) 292-4575

British Columbia

P.O. Box 49178
Bentall Tower 4
1101-1055 Dunsmuir Street
Vancouver, British Columbia
V7X 1K8
Tel: (604) 666-0434

Local Offices:
Victoria
Tel: (604) 388-3181
Prince George
Tel: (604) 562-4451

Northwest Territories

P.O. Bag 6100, Precambrian Building
Yellowknife, Northwest Territories
X1A 1C0

Tel: (403) 920-8571

Yukon

301 - 108 Lambert Street
Whitehorse, Yukon
Y1A 1Z2

Tel: (403) 668-4655



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