



EQUITY ASSISTANCE GRANT - Call for Applications

Deadline for applications: **February 15th, 2019**

NADF's Equity Assistance Grant call for applications is now open and will be accepting applications until February 15th, 2019. Applications will be reviewed on a first submitted, first assessed basis and reviewed weekly. A maximum of \$10,000 can be approved for each applicant and the grant is NON-REPAYABLE! Qualifying applicants will be for-profit businesses such as sole proprietors, partnerships, and corporations who require assistance in building up equity. The funds are available to assist the business in taking advantage of business opportunities, to create or take advantage of economic development opportunities, to give it a greater chance to become profitable, and to increase and support the number of Aboriginal-owned and controlled businesses in northern Ontario.

This call for applications is based on the limited funding available and the amount of applications received, there is a possibility that further calls for applications will be issued later (TBD).

Approved projects are determined based on NADF's mission and vision along with ensuring diversity and economic development activity in the region are considered when the committee decides.

If approved, the applicant will be required to initially commit 10% of the overall projected costs of the project/activity prior to any payments being made by NADF; requiring supporting documentation proving the applicants 10% cash is on-hand (to be submitted with the initial application). The following are three examples of how the grant funding can be issued and are not meant to be exclusive:

Scenario #1

Total Project/Initiative Costs	\$ 11,100
10% Applicant Contribution	\$ 1,110 (10% of total project/initiative costs)
Approved Community Initiative Grant	\$ 9,990

Scenario #2

Total Project/Initiative Costs	\$ 5,000
10% Applicant Contribution	\$ 500 (10% of total project/initiative costs)
Approved Community Initiative Grant	\$ 4,500

Scenario #3

Total Project/Initiative Costs	\$ 20,000
10% Applicant Contribution	\$ 2,000 (10% of total project/initiative costs)
Approved Community Initiative Grant	\$ 10,000

*** In all 3 scenarios, an approved applicant is required to make the first payment to any supplier covering the **10% Applicant Contribution** in approved costs/expenses, i.e. an approved applicant initiates the project by making the first payment to a supplier utilizing its own 10% equity/money. The minimum cash an approved applicant must have on-hand to get the project started and to begin requesting approved Community Initiative Grant funding is 10% of the total approved costs and/or, if applicable, 10% plus the amount to cover the costs over and above the approved grant. For example, in scenario 3 above the applicant will be required to prove that it has \$10,000.00 in the bank prior to being approved. ***

Projects/initiatives that will be approved are required to ensure the Terms and Conditions of the signed agreement are adhered to, which includes an "Appendix A" to the agreement. The Appendix A will consist of the actual application submitted (with agreed upon changes as required). Given this, it is very important to ensure the initial application being submitted for review to NADF is detailed in terms of objectives/goals, processes, dollar amounts, etc. Quotes are required to be submitted with the initial application to ensure a supplier has the product/service available and a price has been agreed upon.

For approved applicants to be eligible for grant funding to be released for payment or reimbursement, various supporting documentation will be requested until satisfactory evidence of the transaction and objective/goals has been



accomplished. **This makes it paramount in ensuring supporting documentation is obtained for all transactions relating to approved projects/initiatives.**

In general, applicants are required to demonstrate a financial need to be approved for the grant. *This requires the applicant to complete a Financial Disclosure (sole proprietor and partnerships) and/or Financial Statements (corporation).* Successful applicants will initially be reimbursed or have costs paid directly to the supplier **up to a maximum of 50-75%** of the approved grant amount while the remainder of the project/initiative costs will be reimbursed or paid once acceptable reports are submitted. This will require some financial management as the applicant essentially has to have the initial 10% cash contribution and the 25-50% holdback in the bank to ensure no shortage of cash to pay suppliers and complete the project/initiative. Or arrangements will have to be made between the applicant and the supplier, i.e. credit terms.

In all cases, acceptable supporting documentation such as proof of payment and/or invoices, pictures, etc. will be required to have approved costs reimbursed or suppliers paid directly.

Eligible Activities

- capitalization costs, capital costs, operating costs (no more than 6 months), marketing costs, costs of engaging consultants and other qualified professionals, training and development costs, and costs associated with providing financial and business services.

The following business activities are not eligible for support:

- Employee salaries, wages, benefits.
- Community infrastructure development unrelated to the development or expansion of commercial enterprise, such as public office buildings, recreation and friendship centres, gaming houses, and public halls.
- Direct alcohol production, marketing, distribution or sales
- Games of chance operations, casinos, bingo halls, small scale gaming operations etc.
- Sexually exploitive, materials, services, products, marketing, distribution and sales, and
- Pawn shops, cheque cashers, finance companies and others, making small, short-term, high interest rate loans that go by a variety of names: Payday loans, cash advance loans, cheque advance loans, post-dated cheque loans or deferred deposit cheque loans, and
- Projects which create a financial dependency on government programs.
- Projects not specifically related to economic and business development outcomes; that is, job creation, potential and/or immediate economic impact to eligible communities.

Reporting

A successful applicant will be sent a Letter of Offer, Agreement, Appendix A, and Reporting Templates which the agreement is to be signed by the proper authority to indicate acceptance of the terms and conditions.

Throughout the life of the project/initiative, approved applicants will have to submit to NADF acceptable documentation as proof of completed transactions and support for the objectives being met; mainly via electronic means. Again, it is paramount that **acceptable supporting documentation** be obtained and submitted to NADF for verification.

To finalize and close the grant - a final report evidencing that the project/initiative has been completed along with proof the projected outcomes have been achieved is required prior to issuing a final payment. Approved applicants who do not achieve the project/initiative goals may be required to repay any grant funds issued.

Applicants who apply for this grant will not be eligible to apply to the Aboriginal Business Financing Program (ABFP) for the same project.



The application and other documents can be accessed on our website (www.nadf.org) or contact us to request an application. Completed applications can be faxed or emailed.

Funding Provided by:



Submit applications to:

NADF
Financial Support Services
107-100 Anemki Drive
Fort William First Nation, ON P7J 1J4

Email: financialservices@nadf.org

Fax: (807) 622-8271

Phone: (807) 623-5397
Toll Free: 1-800-465-6821

APPLICATION CRITERIA:

- 1) The completion of a **Financial Disclosure**.
- 2) Proof that 51% of the business is owned by Aboriginal people.
- 3) How the project will contribute to the businesses future success.
- 4) A timeline from beginning to completion.
- 5) The amount of funding required. Must identify that the funds are being utilized for only **new** activity, i.e. the funds must be used for only those activities related to expenses that have occurred after the grant has been approved. Funds **cannot** be used to pay for expenses that were incurred prior to the grant approval date.
- 6) Identify how the project enhances the ability for the business to create new jobs and/or develops the businesses ability to create new jobs.
- 7) Identify how the project creates an opportunity for new business and/or business expansion.
- 8) Identify how the project introduces new technology and/or e-commerce into the business.
- 9) The application must include an evaluation mechanism for assessing the success of the project, for example; the amount of jobs that will be created, the estimated economic impact to the local economy, completion of the capital purchase, the ability to produce an amount of product in the future, etc.
- 10) If this is a start-up business, a business plan summary is required.
- 11) Proof the applicant has the required 10% cash contribution (and/or cash to cover the 25-50% hold-back). For example, if the project cost is \$10,000 the applicant will apply for a \$9,000 grant but will be required to have 10% of the project costs on-hand, i.e. \$1,000.00.