



METIS Business Emergency Loan & Subsidy Program

In partnership with Rupertsland Institute and the Metis Nation of Alberta, Apeetogosan (Metis) Development Inc. (AMDI) is pleased to announce and introduce the following new business loan and subsidy program. The METIS Business Emergency Loan & Subsidy (MBEL) Program is designed to provide immediate operating funds for Alberta Metis owned businesses to manage the disruption to their current business operations as result of the Covid-19 pandemic. The loan & subsidy program will provide upwards of \$40,000 (depending on criteria) for eligible businesses with up to 50% of the funds being forgivable providing the funds are used for eligible business purposes. **For clients who have applied or eligible to apply through their Bank for the Canada Emergency Business Account Loan (CEBA), the amount of the subsidy will be reduced to 25% of the funds advanced.** The Program and funding will be advanced through Apeetogosan and bear 0% interest up to June 30, 2021. Clients will have the option of paying out the remaining loan on or before June 30, 2021 whereupon any remaining balance will be termed out over the following 24 months at 5% per annum interest rate.

Client eligibility:

Must own and operate an existing business in the Province of Alberta with the majority of the ownership resting with a Metis individual;

Business operations must currently be negatively impacted by Covid-19 and if currently closed you must plan to re-open once the conditions allow you to do so;

Must submit your most recent annual financial statements or Tax return (if a sole proprietor);

Must submit a valid MNA card of the majority owner (if Apeetogosan does not currently have one on file) or

Provide a copy of a verifiable genealogical profile showing Metis ancestry from the Metis Nation Homeland.

If an existing Apeetogosan client, must not have loan payments in arrears as at Feb 28, 2020.
(At the discretion of management)

Program roll-out:

Due to limited amount of available subsidy funds our order of priority for clients wishing to apply is as follows:

1. Current Apeetogosan loan clients and/or current Pinnacle accounting clients;
2. Previous Apeetogosan clients;
3. Other Metis owned businesses who have never used Apeetogosan previously;

Funding available:

The amount of combined funding available will be dependent on the level of business annual gross revenues based on the latest submitted annual financial statement (2019) or personal tax return.

Available funding amount will be up to the following limits:

MBEL Funding Schedule		CEBA Eligible*	Non-CEBA eligible
		(RLI/MNA)	(RLI/MNA + Fed subsidy)
Annual demonstrated Revenues (2019) (based on latest 2019 annual statements)		25%	50%
	Eligible Combined		
	Loan/Subsidy Amount	Eligible Subsidy Amount	
under \$200,000	\$20,000	\$ 5,000	\$10,000
\$200,0001 - \$400,000	\$30,000	\$ 7.500	\$15,000
over \$400,000	\$40,000	\$10,000	\$20,000
*CEBA Eligible clients have at least \$20,000 in T4 filed payroll in 2019			

Approval & disbursement process:

Apeetogosan will provide a detailed application for past clients and new clients.

We envision 4-5 day approval process and clients will initially receive 50% of funding up-front after all appropriate documents having been executed. Clients will be required to submit bank statement and/or receipts confirming that the funds were used for legitimate business purposes. Once the first 50% funding has been vetted, the remaining 50% will be funded. Again the final 50% will require bank statements and or receipts confirming that funds have been used for business purposes.

Upon review of the submitted receipts and statements, Apeetogosan will then transfer the 50% portion for non-CEBA eligible clients and 25% for CEBA eligible clients against the loan effectively reducing the borrowed amount by 50% for non-CEBA eligible clients and 25% for CEBA eligible clients.

Interest rate on funds supplied: 0% up to June 30, 2021

5% per annum interest on any balance outstanding after June 30, 2021.

Repayment terms:

Clients will have the option to pay all or a portion of the remaining loan up to June 30, 2021.

Any remaining balance will automatically require blended monthly payments at a per annum interest rate of 5% over the subsequent 24 months. First regular repayment date will be Aug. 1, 2021

Here is a sample of what your monthly payments will be based on the loan balance as at June 30, 2021:

Loan Amount	Pmt Amount
\$ 10,000	\$438.71
\$ 15,000	\$658.07
\$ 20,000	\$877.43
\$ 22,500	\$987.11
\$ 30,000	\$1,316.14

FREQUENTLY ASKED QUESTIONS

Frequently Asked Questions:

Q: I am also eligible to apply at my deposit bank for the Canada Emergency Business Account (CEBA) Loan. Can I also apply for the Metis Business Emergency Loan?

A: Yes you may apply for both; however the amount of the subsidy that will be applied for those CEBA eligible clients will be 25%. If the applicant is subsequently declined from getting CEBA support and provides documentation to that effect, AMDI will apply 50% of the funds advanced to the loan as a subsidy.

Q: What if I don't apply for the CEBA loan and elect to apply solely for the MBEL Program with Apeetogosan...can I receive 50% loan forgiveness?

A: We will consider applying a 50% subsidy however you must declare that your business will not apply for CEBA funding in the future. If it is found that you received a 50% subsidy and also applied for CEBA the full loan and subsidy will be required to be paid back.

Q: Will these loans require security?

A: Yes the amount borrowed will require Apeetogosan to bind the repayment obligation to the business and the owner. The general security documents will require a Promissory Note, a General Security Agreement and a personal guarantee or co-signor of the individual (at the discretion of management).

Q: What am I allowed to use the funds for?

A: We will allow the funds to be used for legitimate business expenses, these include the following:

- Rent or lease payments
- Insurance
- Regular Loan payments on any business debt
- Interest on business loans
- Wages to arms-length employees
- Supplies
- Inventory
- Small tools
- Wages or draw to the owner or spouse (limited to \$3,000 per month)
- Advertising & promotion
- Fuel & oil
- Current source deductions to CRA

Q: I am the owner of the business and pay myself as a proprietor draw, wage or a shareholder dividend. Can I use the funds for this purpose?

A: Yes, however we will limit the amount you can pay yourself or your spouse (non-arms-length) to \$3,000 per month, combined per household. As well if you are also claiming the \$2,000 Canada Emergency Response Benefit (CERB) you will be limited from taking a salary or draw from your business during the months you are receiving the CERB to no more than \$1,000/month per individual.

Q: What can't I use the funds for?

A: You will not be allowed to use the funds to pay:

- Additional lump sum payments on existing business debt
- Prepayment/refinancing of existing debt
- Tax arrears
- Increases in management compensation, dividends or distributions beyond the amount allowed above.

Q: In order to ensure I receive the MBEL subsidy, what documents must I submit?

A: You must be prepared to submit copies of bank statements, credit card statements and/or invoices and receipts confirming that the funds were used for allowable business purposes. You will be assigned a Pinnacle consultant or Apeetogosan representative to work with you to vet the information and submit the claim to ensure the subsidy is applied to your loan account.

Q: What period of time must the full funds be advanced:

A: You will have until Dec. 31, 2020 to draw down the full loan proceeds.

Q: When do I have to complete the eligible expenditures in order to receive the subsidy?

A: We will consider eligible expenses up to and including March 31, 2021.

Q: What are the tax implications for my business if I receive a forgivable portion of my loan (subsidy)?

A: Any funds provided as a subsidy must be treated as revenue to the business in the period when it was received. Apeetogosan will not be issuing any tax slip for these funds.

Q: In addition to the completed application, what other paperwork or information should I be prepared to provide?

A: If Apeetogosan does not currently have it on file, you should provide the following:

- Certificate of Incorporation with confirmation of share structure (if corporation);
- Copy of last Annual Alberta Corporate Registry filing;
- Certificate of trade name registration (if a sole proprietor);
- Business Number with CRA;
- Most recent Annual Financial Statement prepared in 2019. If a sole proprietor your 2019 (if available) or 2018 T1 Tax return;
- Copy of your current MNA Membership card;
- Copy of a cheque or banking information of your business bank account.
- We may request a copy of your 2019 T4 Summary to verify your CEBA eligibility