

Regional Relief and Recovery Fund – Maximum \$40K

Loan Requirements

Criteria of Fed Dev Ontario

- Established prior to March 1, 2020
- Impacted adversely due to the COVID-19 pandemic
- Viable and not experiencing liquidity or other financial difficulties prior to March 1, 2020
- Have attempted to access other federal relief supports and were ineligible, rejected, or require funding for expenses in excess of support already received with priority given to applicants who were ineligible or rejected from other federal relief supports
- Have not or will not apply or accept other Government of Canada equivalent support

Submission Documents/Information Required from clients

- RRRF Loan Application
- Personal Financial Statement
- Summary of other solutions or supports they have accessed (in the application form)
- Description of current impact of COVID-19 to business (e.g. closure details, layoffs, revenue etc.), intended use of funding and associated outcomes for RRRF support (e.g. main activities, efforts to avoid layoffs or closure, intending to maintain jobs with additional working capital)
- Indication of whether applicant has access to other forms of credit and/or barriers to access
- Financial information demonstrating total revenues and net income/loss, angel or venture capital, arrears on debt, etc. (e.g. financial statements, recent interim financial statement, review engagement, notice to reader, CFO or CEO equivalent attested financial information)
- Equality and Diversity attestation
- Attestation of other federal support measures that applicant has applied for, was ineligible or rejected by, or still experiencing ongoing financial pressures despite accessing other measures, including but not limited to: see attestation form (in the application form)
- 2 pieces of photo ID (including passport if available)
- Master Business License/ Incorporation Documents including Shareholders Certificate, Directors/Officer's Certificate/Register, Bylaws
- Income Tax Returns for prior 2 years
- Financial Statements for prior 2 years
- Interim financials (monthly to most recent month end)
- Void cheque (when loan is approved)
- 12 month cash flow projection (January 1, 2020 to December 31, 2020) – in Excel spreadsheet
- CRA Statement of account of latest CRA Source Deductions, HST, Corp Tax
- Copy of most recent personal tax return and NOA

Eligible costs for funding support

- Rent, Salaries, Benefits
- Taxes
- Utilities
- Cleaning supplies and additional safety measures
- Bank interest/charges and loan repayment (interest)
- Professional fees
- Insurances
- Other eligible expenses associated with retooling, rethinking workflows, automation, robotics, developing new markets etc.

Fees

- No application fees

Interest Rates and Terms

- 0% interest and no principal payments until December 31, 2022
- Principal repayments can be voluntarily made at any time without penalty
- 25 percent (not to exceed \$10,000) of any loan can be forgiven provided the recipient has paid 75 percent of the original loan amount prior to December 31, 2022
- If the recipient is unable to repay the loan by December 31, 2022, the loan will be converted to a three-year term loan with interest rates up to 5 percent, effective January 1, 2023. The full balance must be repaid no later than December 31, 2025.
- Loan pooling or equity investments are prohibited
- Grants and contributions are prohibited