

# Start-Up Crowdfunding Exemption

## Form 3 – Offering Document

### Instructions:

This form should be completed by the business seeking to raise money using the Start-Up Crowdfunding Exemption. The form must be filed with each participating jurisdiction listed below where you wish to raise money at least 10 business days before you start raising money and must be accompanied by completed Form 1 – *Issuer Information* and Form 2 – *Individual Information* for each promoter, director, officer and control person of the issuer. The portal must make this form available to investors online before securities are purchased for this offering.

### Contact Information

Date

1. Issuer Name

Address

Telephone

Fax

Website URL

2. Issuer Contact Person Name

Address

Telephone

Fax

Email

3. Provide the full name of each promoter, director, officer and control person of the Issuer below.

Name

Name

Position Type

Position Type

Name

Name

Position Type

Position Type

Name

Name

Position Type

Position Type

## About Our Business

4. We are a (choose one):  A Corporation  A Limited Partnership

5. You can see our Article of Incorporation, Limited Partnership Agreement, or similar document at:

6. This is what we do:

This is how we've previously raised funds and what they were used for:

This is our management team's business experience:

7. We have financial statements available  Yes  No

You can read our financial statements at \_\_\_\_\_

Our company's current financial condition:

## The Investment Opportunity

8. We want to raise a minimum \$

under this offering by (date)

9. We will use the money to:

10. If we raise more than the minimum amount we need, the additional money will be used to:

11. We are selling (type of securities):

*Note: The securities you are selling must be one of the following:*

- *Common shares*
- *Non-convertible preference shares*
- *Securities convertible into common shares or preference shares*
- *Non-convertible debt securities linked to a fixed or a floating interest rate, such as bonds or promissory notes*
- *Units of a limited partnership*

12. The price per security is \$

13. (Optional) You must invest a minimum \$

and a maximum \$

*Note: Investors can only invest up to \$1,500 per offering under the Start-Up Crowdfunding Exemption.*

14. Purchasing this security gives you the following rights (choose all that apply):

Voting Rights

Dividends

Rights on Dissolution

Conversion Rights: Each security is convertible into

Other

15. This is how we will report to our investors:

**The Risks of Investing**

16. As with any investment, there are risks to making this investment:

*Directions for the Issuer: Briefly describe the six most important risks an investor should consider before investing in your business. These risks should be specific to your business and this investment. For example, company/organization risks, industry risks, are additional regulatory approvals required, is the business seasonal, can it be deeply affected by weather changes or other elements outside your control?*

## Your Legal Rights

The offering of securities described in this document is made pursuant to a blanket order from the participating jurisdictions exempting from the prospectus and registration requirements under the applicable securities laws. Therefore, your rights as an investor will be limited and you will not have the rights attached to a prospectus under applicable securities laws.

Please consult with a professional adviser to go over your legal rights in detail.

## Glossary (for information purpose only)

**Bond:** In this type of investment, an investor loans money to a company for a defined period of time at a fixed interest rate.

**Dividends:** A distribution of a portion of a business corporation's earnings, decided by the board of directors, to a class of its shareholders. Dividends may be in the form of cash, stock or property.

**Limited Partnership:** A limited partnership is a type of business in which two or more partners united to conduct a business jointly. In this scenario, the partners are generally only responsible for the amount of money they put in to the business.

**If you hold units of a limited partnership, you will not be involved in the management of the company. If the company fails, you will not generally be responsible for any debt and will only lose your original investment amount.**

**Promissory Note:** This kind of investment is essentially a loan on which you collect interest. It includes a written promise to repay the investor either on demand or at a specified future date.

**Promoter:** Someone who took the initiative to found, organize or substantially reorganize the issuer or someone connected to these activities that received 10% or more of any type of security or of any proceeds of an offering for the activities.

**Security:** Includes a share, a unit of a limited partnership, a bond and a promissory note.

**Share:** There are two main types of share: common and preferred.

Common shares usually entitle the owner to vote at shareholders' meetings and to receive *dividends* (a portion of the company's earnings, if any).

Preferred shares generally do not have voting rights, but have a higher claim on assets and earnings than common shares. For example, owners of preferred shares receive dividends before common shareholders and have priority in the event that a company goes bankrupt and is liquidated.

Also known as "equity."

**Voting:** The right of a shareholder to vote on matters of corporate policy and who will make up the board of directors. Voting often involves decisions on issuing securities, initiating corporate actions and making substantial changes in the corporation's operations. The number of votes that a shareholder has corresponds to the numbers of shares that he owns. For example, a shareholder that owns 100 shares will have a 100 times more votes than a shareholder that owns a single share.

You must print and mail this form to each participating jurisdiction where the issuer wishes to raise money to the address(es) indicated below. Alternatively, you may also send a copy of the completed form by e-mail to each participating jurisdiction where the issuer wishes to raise money (e-mail addresses to come).

**Participating jurisdictions:**

Manitoba	The Manitoba Securities Commission 500 – 400 St Mary Avenue Winnipeg, Manitoba R3C 4K5 Telephone: 204-945-2548 Toll Free in Manitoba: 1-800-655-2548 <a href="http://www.msc.gov.mb.ca">www.msc.gov.mb.ca</a>
New Brunswick	Financial and Consumer Services Commission 85 Charlotte Street, Suite 300 Saint John, New Brunswick E2L 2J2 Toll Free: 1-866-933-2222 <a href="http://www.fcnb.ca">www.fcnb.ca</a>
Nova Scotia	Nova Scotia Securities Commission Suite 400, 5251 Duke Street Halifax, Nova Scotia B3J 1P3 Telephone: 902-424-7768 Toll Free in Nova Scotia: 1-855-424-2499 <a href="http://nssc.gov.ns.ca">nssc.gov.ns.ca</a>
Québec	Autorité des marchés financiers Direction du financement des sociétés 800, rue du Square-Victoria, 22nd floor P.O. Box 246, Tour de la Bourse Montréal, Québec H4Z 1G3 Telephone: 514-395-0337 Toll Free in Québec: 1-877-525-0337 <a href="http://www.lautorite.qc.ca">www.lautorite.qc.ca</a>
Saskatchewan	Financial and Consumer Affairs Authority Securities Division - Saskatchewan Equity Crowdfunding Exemption Suite 601 -- 1919 Saskatchewan Drive Regina, Saskatchewan S4P 4H2 Telephone: 306-787-5645 <a href="http://www.fcaa.gov.sk.ca">www.fcaa.gov.sk.ca</a>