

ITEMS INCLUDED IN LETTER FROM START-UP APPLICANTS

This letter is to accompany a new application from Applicants who are considered to be a start-up business and who have not prepared a full year end financial statement and filed a tax return with the Canada Revenue Agency.

The letter is to be signed by someone who is not an officer, director or employee of the Applicant Company. The company's accountant or lawyer will suffice. The letter should be on the letterhead of the person/firm signing.

Items to be include in letter:

- i. Date of incorporation;
- ii. The proposed business activity;
- iii. A statement confirming who the principle(s)/founding shareholder(s) of the company are and the address of the Applicant company at the time of application;
- iv. A statement that a minimum of \$25,000 cash was put in the company, the date the funds were invested in the company and the type of equity (Preferred or Common Share) issued in exchange for the cash;
- v. A statement as to whether or not there has been any revenue earned and expenses paid since time of incorporation to date of application;
- vi. A statement indicating that due to the company being incorporated for less than 12 months the company does not have financial statements for a twelve month period nor has the company filed an income tax return.

The Applicant Company is to provide a current Balance Sheet reflecting the initial equity in (iv.) above. If the company has incurred expenses between the time of incorporation and the date of application then the Balance Sheet can look like the following:

Stated Capital	\$25,000
Deficit (expenses)	<u>(\$24,000)</u>
Net Stated Capital	\$1,000