

NORTHERN ONTARIO GROW BONDS

The Ontario government is establishing a Northern Ontario Grow Bonds pilot program as part of its commitment to help make the North strong and prosperous.

Grow Bonds are on sale from March 21 to April 11, 2005. The proceeds from the provincially guaranteed Bonds will be used to provide loans to new and growing businesses in Northern Ontario.

Only residents of Northern Ontario are able to buy Grow Bonds, which provide a safe investment while contributing to local business growth and the economic well-being of the North. Grow Bonds can help Northern communities become more self-sustaining by giving them the means to invest in their own economic prosperity.

Grow Bonds offer a competitive rate comparable to similar investment products like Guaranteed Investment Certificates (GICs) and term deposits. The five-year term bonds are available in increments of \$100 to a maximum of \$500,000 and are guaranteed 100 per cent by the provincial government.

Purchases are available by telephone, on the Internet and by acquiring application forms from local municipal offices, Chambers of Commerce, local participating businesses and a variety of Ontario government offices in the North such as Northern Development Offices and Government Information Centres.

The Ontario Financing Authority (OFA) of the Ontario Ministry of Finance will oversee the Grow Bond issue. The OFA is the agency responsible for all provincial borrowing and debt management activities.

Grow Bond Loans

The Northern Ontario Grow Bonds pilot program has two components: the sale of bonds and the loan program for businesses. Loan applications are being accepted until April 15, 2005.

By increasing the total amount of capital available for business start-ups and expansions in the North, Grow Bond loans will help attract and retain investment and create jobs in Northern Ontario.

New and existing small and medium-sized businesses that are located and controlled by residents in Northern Ontario are eligible to apply for loans. Loans of \$125,000 to \$1 million will be provided to approved applicants for capital investments. Funding to any one project will not exceed 50 per cent of eligible costs.

Eligible projects must result in an increase in permanent, full-time employment in their business operations in Northern Ontario. Businesses are also expected to repay their loans prior to the five-year maturity date of the bonds.

The Ministry of Northern Development and Mines is overseeing the evaluation and administration of the Grow Bonds loans. Information about the loans program and acquiring applications is available on line and through the toll-free number listed below.

Northern Prosperity Plan

The new Grow Bonds program is part of a comprehensive Ontario government strategy to make Northern Ontario strong, healthy and prosperous. The Northern Prosperity Plan consists of a range of targeted initiatives aimed at stimulating growth, job creation and a better quality of life for Northern Ontario.

The plan is based on four pillars: Strengthening the North and its Communities; Listening to and Serving Northerners Better; Competing Globally; and Providing New Opportunities for All.

Components of the plan include:

- A refocused Northern Ontario Heritage Fund Corporation (NOHFC) that will work with the private sector to diversify and grow the Northern economy, with additional initiatives in community infrastructure to help increase job creation
- A Go North Investor program, designed to market the North's strengths across the continent and around the world
- The Northern Ontario Grow Bonds pilot project
- Northern Development Councils, which will provide a direct link from northerners to the Minister of Northern Development and Mines.

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Disponible en français

To buy Grow Bonds directly call toll-free : 1-866-301-2367
For more information call 1-866-668-5437 or visit : www.northernontariogrowbonds.com