

Gouvernement du Québec

**O.C. 832-96, 3 July 1996**

An Act respecting the Société de développement industriel du Québec  
(R.S.Q., c. S-11.01)

**Business Start-up Support Program**

Business Start-up Support Program

WHEREAS under section 2 of the Act respecting the Société de développement industriel du Québec (R.S.Q., c. S-11.01), the object of the Corporation is to promote economic development in Québec;

WHEREAS under section 3 of that Act, the Corporation shall grant financial assistance under a program;

WHEREAS under section 5 of that Act, the Government may establish, by regulation, financial assistance programs designed to promote economic development in Québec;

WHEREAS under section 47 of that Act, the Government may make regulations, in particular to establish criteria to determine which businesses may receive financial assistance, to determine the form of financial assistance and the conditions a business must fulfil to obtain financial assistance;

WHEREAS under section 12 of the Regulations Act (R.S.Q., c. R-18.1), a proposed regulation may be made notwithstanding the publication requirement in section 8 of that Act where the authority making it is of the opinion that the urgency of the situation requires it;

WHEREAS under section 13 of that Act, the reason justifying the absence of prior publication shall be published with the Regulation;

WHEREAS under section 18 of that Act, a regulation may come into force between the date of its publication in the *Gazette officielle du Québec* and the date applicable under section 17 of that Act, where the authority that has made it is of the opinion that the urgency of the situation requires it;

WHEREAS the Government is of the opinion that the urgency due to the following circumstances justifies the absence of prior publication of the Regulation and its coming into force on a date earlier than that applicable under section 17 of that Act;

(1) the measures in this Regulation will make it possible for several businesses that have received financial assistance under the Regulation respecting the Business Start-up Investment Program to survive and keep growing;

(2) it is important that businesses be able to take advantage of the proposed measures as soon as possible;

IT IS ORDERED, therefore, on the recommendation of the Minister of State for the Economy and Finance and Minister of Industry, Trade, Science and Technology:

THAT the Business Start-up Support Program, attached to this Order in Council, be made.

MICHEL CARPENTIER,  
*Clerk of the Conseil exécutif*

**Business Start-up Support Program**

An Act respecting the Société de développement industriel du Québec  
(R.S.Q., c. S-11.01, ss. 5 and 47)

**DIVISION I**  
PROGRAM OBJECTIVE

**1.** The objective of this Program is to enable the Société de développement industriel du Québec to promote the pursuing of the activities of certain businesses that have received a loan guaranteed by the Corporation under the Regulation respecting the Business Start-up Investment Program, made by Order in Council 1620-94 dated 16 November 1994 and amended by the Regulations made by Orders in Council 908-95 dated 28 June 1995 and 1490-95 dated 15 November 1995.

**DIVISION II**  
ELIGIBILITY CRITERIA AND AWARDED CONDITIONS

**2.** A business is eligible for this Program if its activity is referred to in the Schedule, if it has been in operation for at least one year and if it has received a loan guaranteed by the Corporation under the Regulation mentioned in section 1.

**3.** Financial assistance under this Program shall be granted to a business that meets the following conditions:

(1) it has attained or is on the way to attaining the profitability and job creation objectives it had submitted in support of the application for which a first loan guaranteed by the Corporation was granted to it;

(2) its financial forecasts evidence growth and profitability perspectives; and

(3) its financial statements evidence the need for additional financing.

### **DIVISION III FINANCIAL ASSISTANCE**

**4.** Financial assistance granted to a business by the Corporation under this Program shall take the form of a guarantee of repayment of 80 % of the net loss that may result from a loan, which loss is calculated by adding the outstanding principal at the date of the loan's recall and the arrears in interest at that date, without exceeding 3 months, and by subtracting the net proceeds of the securities.

**5.** A loan granted to a business may not exceed \$50 000; however, it may be consolidated with the first loan guaranteed by the Corporation obtained by that business under the Regulation mentioned in section 1.

**6.** A loan shall be used to purchase goods or services or to finance the working capital of the business.

It may not be used to repay another loan or a credit line or for the acquisition or financing adjustment of another business.

**7.** Interest, at a rate not exceeding the rate of the first loan guaranteed by the Corporation, is payable to the lender, a bank within the meaning of the Act respecting banks and banking (S.C., 1991, c. 46) or a savings or credit union (R.S.Q., c. C-4.1), from the first disbursement of the loan.

Repayment of principal shall be made at the same time as the first loan guaranteed by the Corporation.

**8.** The guarantee is conditional on the lender's obtention of a surety from a natural person or securities on the property of such person for an amount equivalent to 15 % of the amount obtained by adding the balance on the first loan guaranteed by the Corporation and the new loan requested.

**9.** The duration of the guarantee granted in favour of a business under this Program may not exceed the term of the first loan guaranteed by the Corporation.

### **DIVISION IV CLAIMS**

**10.** The lender shall send to the Corporation, without delay, a copy of any recall of a loan or a copy of any document served on it in respect of a borrower under the Bankruptcy and Insolvency Act (R.S.C., 1985, c. B-3).

**11.** Having exhausted its recourses and realized its securities, the lender shall establish the amount of the net loss and shall forward its claim to the Corporation.

**12.** A claim shall be paid by the Corporation within 30 days of its receipt, unless the Corporation may refuse to pay it, in which case the Corporation shall so notify the lender within the same time.

**13.** Upon payment of the claim, the lender shall discharge the Corporation for the amount paid and the Corporation shall be subrogated to the rights of the lender.

### **DIVISION V FINAL**

**14.** This Program replaces the Regulation respecting the Business Start-up Investment Program, made by Order in Council 1620-94 dated 16 November 1994; however, it does not cancel any obligations validly created under the former Regulation.

**15.** This Program will come into force on 22 July 1996 and will have effect until the budget allocated to the Business Start-up Investment Program is totally spent, which budget is transferred to the administration of this Program according to the same terms and conditions.

### **SCHEDULE (s. 2)**

#### **ACTIVITIES TO WHICH THE FINANCIAL ASSISTANCE MUST BE RELATED**

Pursuant to section 2 of this Program, the projects for which financial assistance may be granted shall be related to the following activities:

(1) manufacturing;

(2) environmental restoration;

(3) computer, software or package services or other high added-value services related to information technologies;

- (4) operation of a laboratory;
- (5) any activity related to technological innovation and design and exportation;
- (6) centralized call services;
- (7) recycling:
- (a) of rubber;
- (b) of paper;
- (c) of metal scrap;
- (d) of mechanical or electrical automobile units;
- (e) of glass;
- (f) of plastic;
- (g) of barks, sawdust and wood shavings;
- (8) recovery of waste or scrap, their separation and processing or their conditioning with a view to making a product or raw materials to be used in manufacturing products;
- (9) tourism in respect of the products described below and offered as a priority to holiday or convention tourists, who are persons travelling for recreation, vacation, convention, symposia or seminar purposes and requiring accommodations for those purposes outside the location of their principal residence:
- (a) accommodations, provided that the project pertains to:
- i. the modernization of existing accommodation units; or
- ii. the addition of accommodation units, in the context of tourist projects requiring a local accommodation capacity;
- (b) camping, where 40 % of the sites or a minimum of 150 sites, whichever is lower, are available exclusively to campers other than seasonal campers;
- (c) boat excursions on watercourses in Québec, including animation and interpretation;
- (d) hunting and fishing, adventure and wildlife, recreational, artistic and scientific activities and craft work where those activities are offered as part of package trip arrangements including accommodations;
- (e) alpine skiing in a centre already developed and that has a vertical drop of at least 250 metres or located near a minimum of 100 commercial accommodation units or frequented by clients from outside Québec at a

ratio of 50 % where the project does not entail an enlargement of the skiable area or an increase in its accommodation capacity;

(f) a cultural, natural, scientific, recreational attraction or other attraction offered to those tourists on a continuous basis, at least 4 months each year.

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### **O.C. 846-96, 3 July 1996**

An Act respecting prescription drug insurance and amending various legislative provisions (1996, c. 32)

#### **Application of the Act**

Regulation respecting the application of the Act respecting prescription drug insurance and amending various legislative provisions

WHEREAS under section 112 of the Act respecting prescription drug insurance and amending various legislative provisions, the Government may, not later than 31 December 1996, make a regulation under section 78 or section 113 of the Act even if the regulation has not been published as required by section 8 of the Regulations Act (R.S.Q., c. R-18.1). Such a regulation shall come into force, notwithstanding section 17 of that Act, on the date of its publication in the *Gazette officielle du Québec* or on any later date fixed in the regulation. Such a regulation may, if it so provides, apply to any class of eligible persons it determines and from any date not prior to 20 June 1996;

WHEREAS under section 113 of the Act respecting prescription drug insurance and amending various legislative provisions, the Government may make any transitional provision to prescribe, with regard to the persons or classes of persons referred to in Division I of Chapter III of the Act, for the reference period it determines,

(1) what is to be done with the contributions referred to in section 14.3 of the Health Insurance Act (R.S.Q., c. A-29), as it read before being repealed by section 92 of the Act respecting prescription drug insurance and amending various legislative provisions, paid by a beneficiary from a date determined in the regulation;