



PROVINCE OF BRITISH COLUMBIA

Eligible Business Corporation ANNUAL RETURN

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Freedom of Information and Protection of Privacy Act (FIPPA) The information collected on this form is collected under the authority of the Small Business Venture Capital Act, RSBC 1996 c. 429 (Act) and is subject to the provisions of the FIPPA. The personal information will be used for the administration of the Act and the issuance of tax credits. For more information regarding this form and the FIPPA please contact the Investment Capital Branch, Box 9800 Stn Prov Govt, Victoria, BC V8W 9W1

Full Name of the Eligible Business Corporation (EBC)

THIS ANNUAL RETURN IS FOR THE FISCAL YEAR THAT ENDED ON (dd/mm/yy) \_\_\_\_\_

For the period covered by this Annual Return:

Yes No

Table with 3 rows and 3 columns. Columns: Question number, Yes checkbox, No checkbox, Question text. Row 1: Did the EBC make any significant changes to its eligible activity? Row 2: Did the EBC acquire, cancel, redeem or transfer, except for those permitted under Regulation 3.1, any shares and/or convertible rights held by an eligible investor? Row 3: Have any eligible investors received any dividends from the EBC?

Please indicate the following:

Table with 2 columns: Description, Percentage. Rows: Number of employees at financial year end \* (see page 2); Percentage of salaries/wages paid to employees reporting to work in B.C.\*\* (see page 2); Percentage of assets and expenses in the qualifying activity (see page 2); Percentage of assets located outside B.C.

REQUIRED ATTACHMENTS

Pursuant to Section 28.97 of the Act, copies of the following documents must be attached to the EBC's Annual Return:

- EBC Central Securities Register
EBC Financial Statements (financial statements must be prepared by a CPA, or other person licensed or registered with an accounting association. EBCs that have raised \$750,000 or more in equity capital and/or convertible right, must submit statements prepared under a Review Engagement; EBCs that have raised less than \$750,000 in equity capital and/or convertible right can submit statements prepared under a Notice-to-Reader).
Annual Report filed with the Registrar of Companies
Convertible Right Agreement(s), if applicable
List of convertible right investors, if applicable

CERTIFICATION

- The EBC has not used any income from tax credit supported equity capital or convertible rights, directly or indirectly, for any purposes prohibited by Section 28.93 of the Act;
All Regulation 14 events have been reported to the Administrator or Designate.

I am a Director or Officer of the eligible business corporation duly authorized to execute this Annual Return and a) have read Sections 26 and 35 of the Small Business Venture Capital Act and understand that it is an offence and that it may expose me to personal liability to make a false or misleading statement in this Annual Return; and b) to the best of my knowledge, all statements made and information provided in this Annual Return and attachments are true, correct and complete.

Signature table with columns: Position, Full Name, Telephone, Email, Signature, Date

### ***Qualifying Activities***

The EBC must be **substantially engaged** in one of the seven **qualifying activities** from the time of registration to five years after the date of the last investment for which an investor received a tax credit.

The seven qualifying activities are:

1. Manufacturing and processing of goods;
2. Destination tourism;
3. Research and development of proprietary technology;
4. Development of interactive digital new media product;
5. Community diversification, for businesses located outside the Metro Vancouver Regional District and the Capital Regional District;
6. Development of clean technologies; and
7. Advanced commercialization, for businesses located outside the Metro Vancouver Regional District and the Capital Regional District.

See the program website for descriptions of each qualifying activity ([www.equitycapital.gov.bc.ca](http://www.equitycapital.gov.bc.ca)).

#### ***Substantially Engaged in a Qualifying Activity***

To be substantially engaged, more than 50 percent of the assets and expenses of the business are used in one or more of the prescribed qualifying activities.

Formula: 
$$\frac{\text{Qualifying Activity Assets}}{\text{Total Assets}} + \frac{\text{Qualifying Activity Expenses}}{\text{Total Expenses}} > 0.5$$

Where,

*Qualifying Activity Assets* = the value of assets of the small business used in B.C. in the prescribed business activity.

*Total Assets* = the total value of all assets of the small business.

*Qualifying Activity Expense* = the expenses of the small business incurred during the calculation period with respect to the portion of the prescribed business activity carried on in B.C.

*Total Expenses* = the total of all expenses of the small business incurred during the calculation period with respect to all operations of the small business.

\* Employees = Number of employees who work at least 20 hours per week

\*\* Employment costs = Total of all remuneration, benefits, employer's contributions, etc.