



COVID-19 - Updates from our Chamber and “Partners in Prosperity”

Dear Chatham-Kent Chamber Members and Associates:

I am repeating myself, however, for positive reason and keeping you informed to the best of abilities. My latest tele-meeting was with ‘our own’ Minister Monte McNaughton, Ministry of Labour, Training and Skills Development and his senior team. Together, with my Ontario Chamber peers, Minister McNaughton listened to our concerns and, among the topics, validated that small business is suffering, and in some cases, so much so, they may not see through this crisis. I was pleased to learn that the provincial government continues their discussions on new means of assisting business and those without resource to take benefit of. I am pleased to relay the suggestions I’ve received from our Chamber membership on initiatives that could help ease conditions for them, and all business at large. Whether this be at provincial or federal level, as everyone works through the COVID-19 crisis, team work is the best approach.

My Canadian Chamber meeting of later today will include topics of the on-going strategy of formal partnerships, resources and engagement of like-minded federal organizations, creating alliance, as circumstance would suggest at times such as these. It is also at times like this, that we need to recognize the achievement of our internet and technology sector. Never before has there been such a demand and need for quick, user friendly and accommodating services. The expectations of surety have been met, allowing expansive teleconferences, face to face ‘meetings’ from Chatham-Kent to across our nation and, further, across the globe where some of our local proprietors do business and continue relations. We appreciate the minor glitches as we learn new technology and embrace ‘business of today’. A shout out to all technical and network support businesses for assisting us through our challenges. Thank You!

A friendly reminder to complete our Chamber Member Survey, reaching out to learn of business difficulties, current circumstance and forward future plans. We truly appreciate your input and, if you have not yet contributed, please take a few minutes to do so, as will assist in future conversations and Chamber endeavours.

Follow the ‘Rules on Non-Engagement’, respect others, stay distanced. I envision the day we celebrate the end of this crisis - together – amongst the beauty and bounty of Chatham-Kent. Now, more than ever, we are in this together and the Chamber remains your Partner in Prosperity. We are here working for you, and with you.

Stay Safe. Stay Distanced. Stay Healthy. Gail Hundt / President & CEO Chatham-Kent Chamber of Commerce
gail@chatham-kentchamber.ca

Be sure to follow us on [Facebook](#) and [Twitter](#) for up-to-date information regarding COVID-19. Below, and other, resources area available at www.chatham-kentchamber.ca

Spotlight on Chatham-Kent Positive Initiatives...



The Chilled Cork Restaurant and Retro Suites Hotel have committed \$10,000 to local charities to help during the pandemic. The downtown business says they want to assist those that are having difficult times in our community while spreading a community effort and message of love and generosity.

[Read Full Story Here](#)

We are PROUD of our Chatham-Kent Businesses, our Community Thanks YOU!



COVID-19: Making Sense of Federal and Provincial Business Support Programs with MNP

The federal and provincial governments have made a number of announcements over the last number of days about business supports designed to assist companies through the COVID-19 crisis. What do we know, and what details do we still need to know?

Businesses are looking for answers, and much is still a moving target. Most particularly, which companies are eligible for the Canada Emergency Wage Subsidy of 75%? What is the application process, and how long is it likely to take?

Join us for this webinar on Friday, April 3rd, from 1.30 pm to 2.45 pm, featuring experts from one of the Ontario Chamber of Commercés' members, MNP LLP.

After registering, you will receive a confirmation email containing information about joining the webinar.

<https://tinyurl.com/trdgksp>

****NOTE:** Due to limited capacity on this webinar, should you not be able to attend live, please note that by registering, you will receive a copy of the recording.



Our Trucking Industry: Keeping Canadians Fed During COVID-19

As we all grapple with the impacts of COVID-19, there are unsung heroes that have helped keep supply chains open and flowing. Our long-distance truckers have been on the front lines, putting their own lives at risk to ensure Canadians are fed and watered through this difficult time. To the Canadian trucking industry, we thank you.

For Your Attention

1. The Government of Canada enabled Export Development Canada (EDC) to provide emergency liquidity for micro-, small- and medium-sized domestic companies:

- Through the Business Credit Availability Program (BCAP), EDC will guarantee new operating credit and cash-flow term loans up to \$6.25 million. The program cap for this guarantee will be a total of \$20 billion for export sector and domestic companies.
- Businesses can access loans of up to \$40,000 to cover non-deferrable costs such as payroll, rent, insurance and utilities, under the Canada Emergency Business Account.

2. We held two technical briefings over the past week with government officials to discuss how they can help SMEs through this crisis. If you were unable to attend, you can still access or share the recordings.

- [Federal Employment and Wage Support Programs](#)
- [Canada-U.S., Border and International Trade](#)

We're hosting a third technical briefing this Friday to discuss access to capital.

Finance Minister Bill Morneau, the Minister of Small Business, Export Promotion and International Trade, Mary Ng, and the Minister of Innovation, Science and Industry, Navdeep Bains, announced the details of the proposed Canada Emergency Wage Subsidy:

The Canada Emergency Wage Subsidy would apply at a rate of 75 per cent of the first \$58,700 normally earned by employees – representing a benefit of up to \$847 per week. The program would be in place for a 12-week period, from March 15 to June 6, 2020.

- Eligible employers who suffer a drop in gross revenues of at least 30 per cent in March, April or May, when compared to the same month in 2019, would be able to access the subsidy.
- Eligible employers would include employers of all sizes and across all sectors of the economy, with the exception of public sector entities.
- For non-profit organizations and registered charities similarly affected by a loss of revenue, the government will continue to work with the sector to ensure the definition of revenue is appropriate to their circumstances. The government is also considering additional support for non-profits and charities, particularly those involved in the front line response to COVID-19. Further details will be announced in the near term.
- An eligible employer's entitlement to this wage subsidy will be based entirely on the salary or wages actually paid to employees. All employers would be expected to at least make best efforts to top up salaries to 100% of the maximum wages covered.

Eligible employers would be able to access the Canada Emergency Wage Subsidy by applying through a Canada Revenue Agency online portal. More details regarding how to apply for the program will follow.

Those organizations that do not qualify for the Canada Emergency Wage Subsidy may continue to qualify for the previously announced wage subsidy of 10 per cent of remuneration paid from March 18 to before June 20, up to a maximum subsidy of \$1,375 per employee and \$25,000 per employer.

Office of the Minister of Small Business, Export Promotion and International Trade

Backgrounders are now live as well:

EN <https://www.canada.ca/en/department-finance/news/2020/04/the-canada-emergency-wage-subsidy.html>

FR <https://www.canada.ca/fr/ministere-finances/nouvelles/2020/04/subvention-salariale-durgence-du-canada.html>

Office of the Minister of Small Business, Export Promotion and International Trade



To ensure producers, agribusinesses and food processors can remain focused on business-critical functions rather than worrying about how to access funds to keep operating through this challenging period, effective immediately, FCC has put in place:

- a deferral of principal and interest payments up to six months for existing loans; or
 - a deferral of principal payments up to 12 months

access to an additional credit line up to \$500,000, secured by general security agreements or universal movable hypothec (Québec only)

If you'd like more information on these options or on how FCC can help improve your financial position, please contact your [local office](#) or the Customer Service Centre at 1-888-332-3301 for further details.

Please note: FCC is a lending organization. We do not provide grants or interest-free loans. Normal lending due diligence will be taken on all applications.

For more details, please follow the link: <https://www.fcc-fac.ca/en/covid-19/program-details.html>

*Here is an example of partners readying for their clients in response to Government announcements!
The many financial institutions are preparing to be at your avail, contact your local finance partner.*



Update on the Canada Emergency Business Account

Dear Client,

We are reaching out to you with additional details about the Canada Emergency Business Account, announced by the federal government on March 27.

What is it?

- A \$40,000 interest-free, government guaranteed loan to help you pay for operating costs that you're not able to defer as a result of COVID 19.
- \$10,000 (25%) of the \$40,000 loan is eligible for complete forgiveness if \$30,000 is fully repaid on or before December 31, 2022.
- If the loan cannot be repaid by December 31, 2022, it can be converted into a 3 year term loan charging an interest rate of 5%.

Who is eligible for the loan?

Businesses or not for profits, will be eligible to apply for this loan if they have:

- an operating company registered in Canada;
- annual payroll of between \$50,000 and \$1 million (based on your 2019 T4SUM Summary of Remuneration Paid); and
- CIBC as their primary bank. This means that the business uses a CIBC Business Operating Account (opened on or before March 1, 2020) for day to day payments and cash management activities. Otherwise, please apply through the financial institution that holds your primary Business Operating Account.

When will the loan be available?

The loan will be available beginning the week of April 6th — and as such, we are not accepting applications until then. Full qualification criteria and application details will be published on our COVID 19 site and on our Relief FAQ page. In the meantime, there are steps you can take now to get your business ready.

What can I do now to ensure I am ready to apply?

To ensure we can manage application volumes and process loans quickly, all applications must be submitted online via CIBC Online Banking for Business. With that in mind, if your business is not registered for CIBC Online Banking for Business, you must register here in advance using your CIBC Business Convenience Card number.

Completing this step now will help ensure you gain access to the loan as quickly as possible once the loan becomes available.

In extraordinary times like these, being here for you is our most important job. Thank you for your business and for your trust in our team.

Jon Hountalas, Group Head, Commercial Banking and Wealth Management, Canada



The Chatham-Kent Workforce Planning Board, as part of Workforce Planning West, is conducting a survey to learn about how COVID-19 has impacted people's jobs in our region. We want to hear from a variety of perspectives and would like to invite you to share your experience. The intention of this survey is to hear from those impacted in our workforce. Please feel free to share this survey link with those in your network who might be interested in sharing their feedback with us.

You can take the survey at the following link: <https://www.surveymonkey.com/r/3F7W85Y>

The Chatham-Kent Workforce Planning Board will use the results to better inform efforts to support the community through these challenging times. Thank you for your time and for sharing your experience.

Community Futures Development Corporation of Chatham-Kent

Considering the restrictions levied by the Government with respect to the current Coronavirus situation and how they will have a detrimental effect on businesses, especially cash flow, Community Futures Chatham-Kent is offering to its clients:

A three (3) month deferral of payments based on the client's payment cycle ~ such payments will be added to the end of their current amortization schedule.

This deferral will require written confirmation from the client along with confirmation in writing from all guarantors where required.

For more information please contact us directly @ peter.maguire@cfdcck.on.ca, brenda.richardson@cfdcck.on.ca or donna.pollock@cfdcck.on.ca or call us during regular business hours 226-996-1234.

We are working on a more pro-active initiative as well. We will provide that information once it is available.

Business Development Bank of Canada

Business Credit Availability Program

This program allocates \$10 billion in loans to fund business transactions domestically and internationally. The program will be managed by the Business Development Bank of Canada, Export Development Canada, and Farm Credit Canada. Program details from EDC and FCC have not currently been released.

COVID-19 Relief Program - Working Capital (BDC program):

The working capital program is a 36-month, backend-loaded loan with principal deferment for the first 12 months. The amount of financing provided is based on a detailed projection or forecast identifying the 'carrying cost' or 'burn rate' of the operation for the upcoming 12-24 months.

Loans are available in amounts from \$100,000 to \$2 million. They are currently being offered at BDC's floating rate minus 1.75% (currently 3.3%).

Repayment terms are over 36 months. Interest-only payments apply for the first 12 months, followed by 24 months of interest and principal payments. It is possible to structure payments with a large final balloon payment of up to 60% of the principal.

BDC is offering existing clients with a total BDC loan commitment of \$1 million or less a postponement of payments for up to six months.

Standard BDC rules and due diligence will apply to the loans. Activities that do **not** qualify for these loans include refinancing existing debt, change of ownership transactions, and pre-revenue companies.

Exclusions

- Start-ups
- Refinancing of other debt
- Change of ownership financing
- If the entrepreneur doesn't already have BDC lending and is a good business, BDC requires the following:

- o Application for financing (attached) **Instructions below**
- o Statement of personal affairs (attached – one needs to be filled out and signed by each shareholder with 25%+ ownership) **Instructions below**
- o Ownership chart
- o Last 3 years of accountant prepared financial statements
- o If the company's fiscal year end is more than 3 months old, interim statements are required with prior year comparable figures for the same time period
- o Monthly cash flow forecasts for at least the next 6 months (12 month template attached if clients don't have their own template)
- o Specifics around the impact of COVID-19 on the business (attached is an outline of basic questions we'll need answered; companies can answer questions directly on the word doc and submit)
- o Concurrence from their primary lending institution that they will NOT pull their line of credit or other lending even if our financing puts the company in breach of covenants; if the lenders do NOT agree, we will NOT be providing additional financing

Application for financing

- Client fills it out in the name of the borrowing company at the top and bottom left
- Any owner can then sign and date in the signature position on behalf of the company
- Each owner/Guarantor will then fill out their own name and signature under Guarantor to the right

Statement of Personal Affairs

- Each owner individually fills one out as it gives us net worth and consent
- Personal assets only
- Use Current market value for homes

Resources:

Local

[Public Health Information on COVID-19](#)

[Workplace Information](#)

Provincial & Federal

[Ontario Chamber of Commerce – COVID-19 Preparedness Toolkit](#)

[Canadian Chamber of Commerce – Pandemic Preparedness Guide for Business](#)

[Government of Canada Support for Small Businesses](#)

[Wage subsidy for Businesses](#)