



BDC CDAP Loan

Info session for Digital Advisors

Agenda



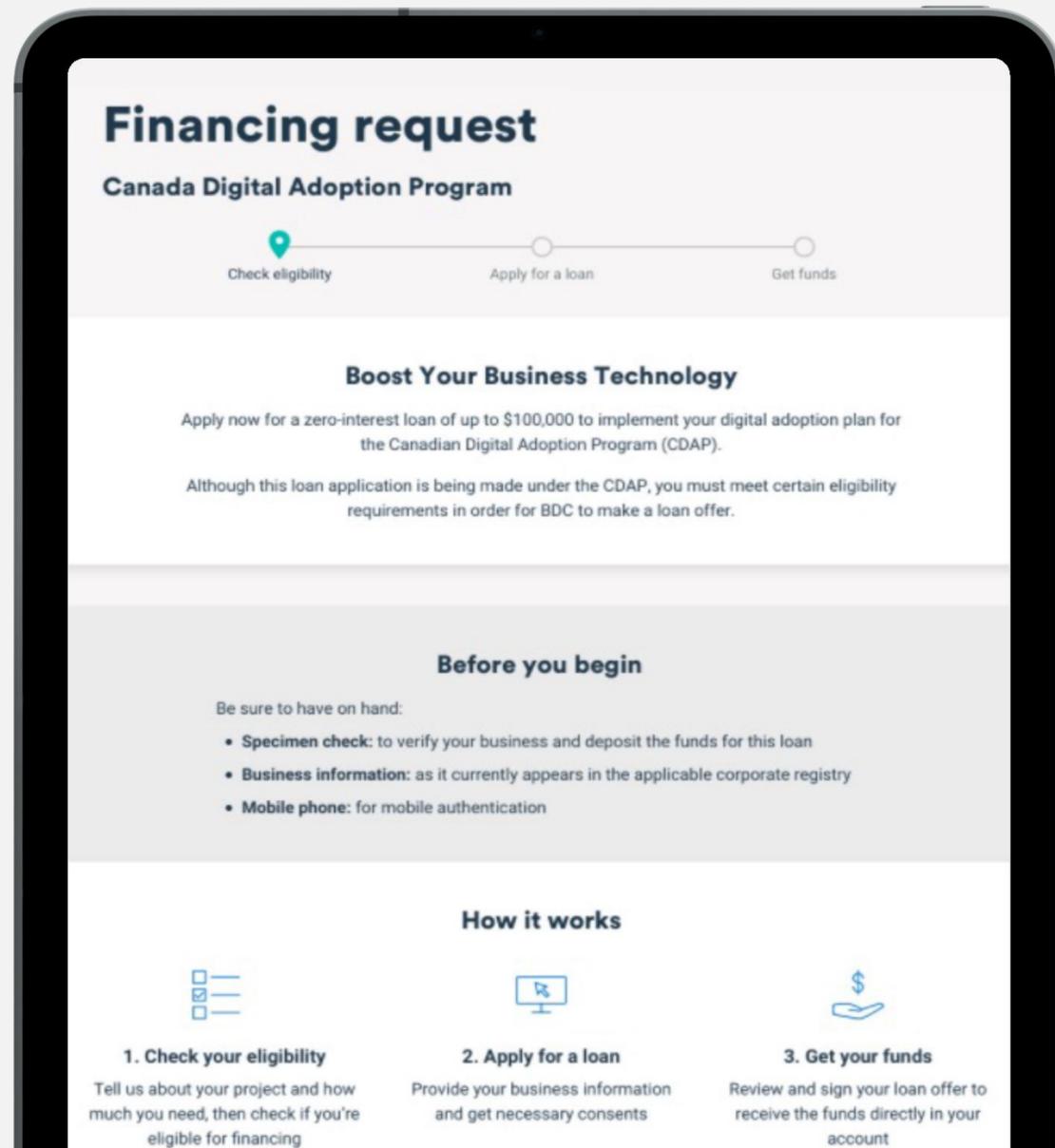
- 1. Loan: amount, terms and conditions & process**
- 2. Use of the loan**
- 3. Available resources**

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CDAP Loan

CDAP Loan: Terms and conditions



CDAP loan terms and conditions:

- 100% online application
- 0% interest loan
- No guarantees (no personal guaranty or security agreement)
- No fees
- Amortization period: 6 years (5 years plus an initial postponement of 12 months)

How much can you request? It depends on your annual gross revenues...

- \$500k to \$5M: loan between \$25k and \$50k
- \$5M and more: loan between \$25k and \$100k

CDAP Loan: Amount



To qualify for the program, the minimal thresholds of \$500k annual sales must have been met at least once in the last 3 years.

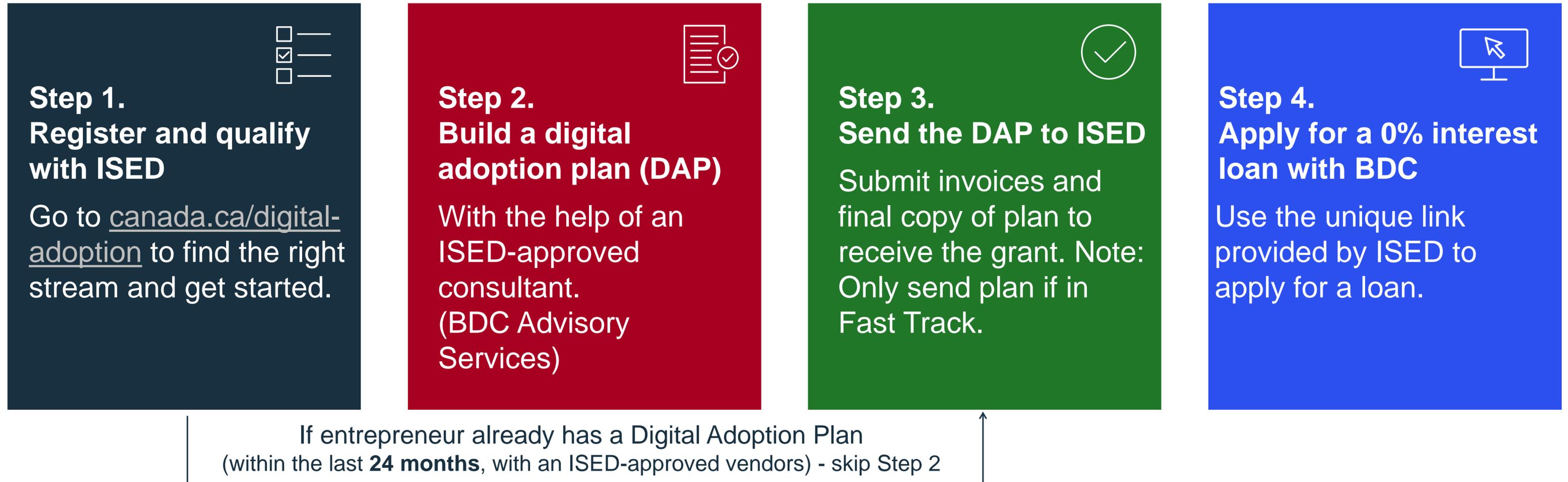


To determine the maximum eligible amount, BDC look at the last year end financial statement

High level CDAP process



How it works: SMEs' must first apply online to ISED (Innovation Science, and Economic Development Canada) in order to get pre-approved for a grant, then complete a Digital Plan before proceeding with financing application.



Note: Additional BDC eligibility criteria & due diligence will apply.

BDC application for 0% interest loan process





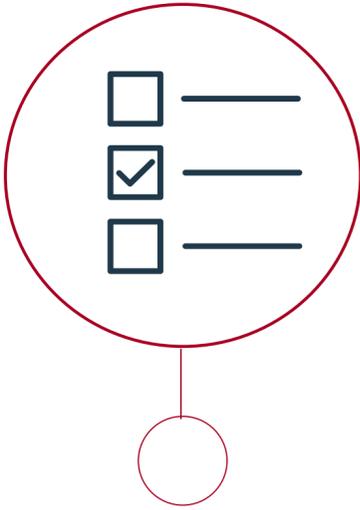
Apply for a 0% interest loan with BDC

Use the unique link provided by ISED to apply for a loan (up to 6 months after receiving the link)

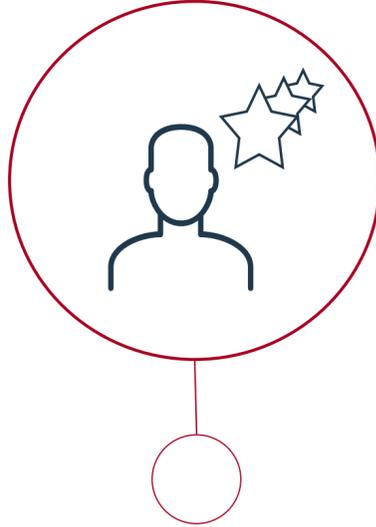
Step 1
Client completes loan application



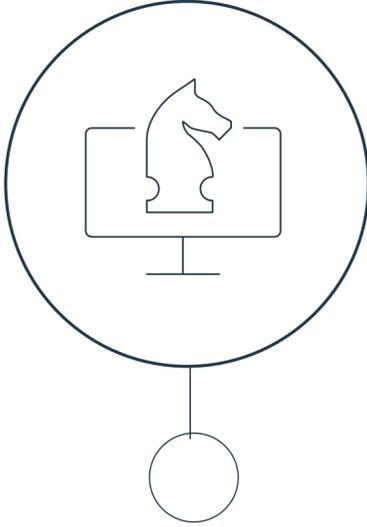
Step 2
OLF CDAP team evaluates loan request



Step 3
OLF CDAP team authorizes or declines the loan



Step 4
Client implements digital adoption plan



Legend:



Credit worthiness: What does it mean?



Documents required:

- BDC Financing application form (online)
- BDC statement of personal affairs for each stakeholder (online)
- Valid ID for each stakeholder
- Last year end financial statements

Why BDC would decline:

- Does not meet minimal credit thresholds
- Potential fraud identified
- Financial statements are showing no equity and/or major losses and/or major declines in sales, etc.

If a client already have a Digital Adoption Plan



ISED will only accept plans from certain Pre-Approved Programs as equivalents.

If your plan was created by one of the programs below within the last 24 months, you may be eligible.

They recognize the following programs:

- ➔ Programme Audit Industrie 4.0
- ➔ Digital Boost 2.0
- ➔ Atlantic Canada Opportunities Agency: Digital Acceleration Pilot
- ➔ Prince Edward Island: Digital Acceleration Fund



If qualified, clients go directly to the loan application.

Clients will receive personalized link to apply for a 0% interest loan

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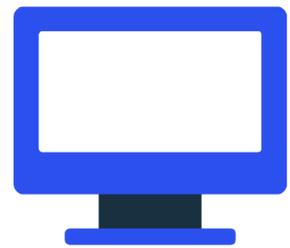


Use of the
loan

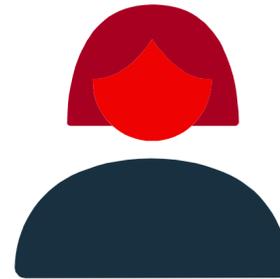
Use of the loan



The loan must be used for the implementation of the digital plan.



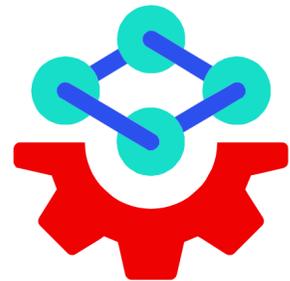
IT Equipment



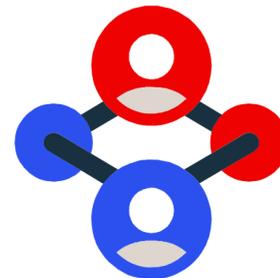
Training staff / hiring



Materials and support services



Installation of new technologies



Additional advisory services



Updates / new CRM



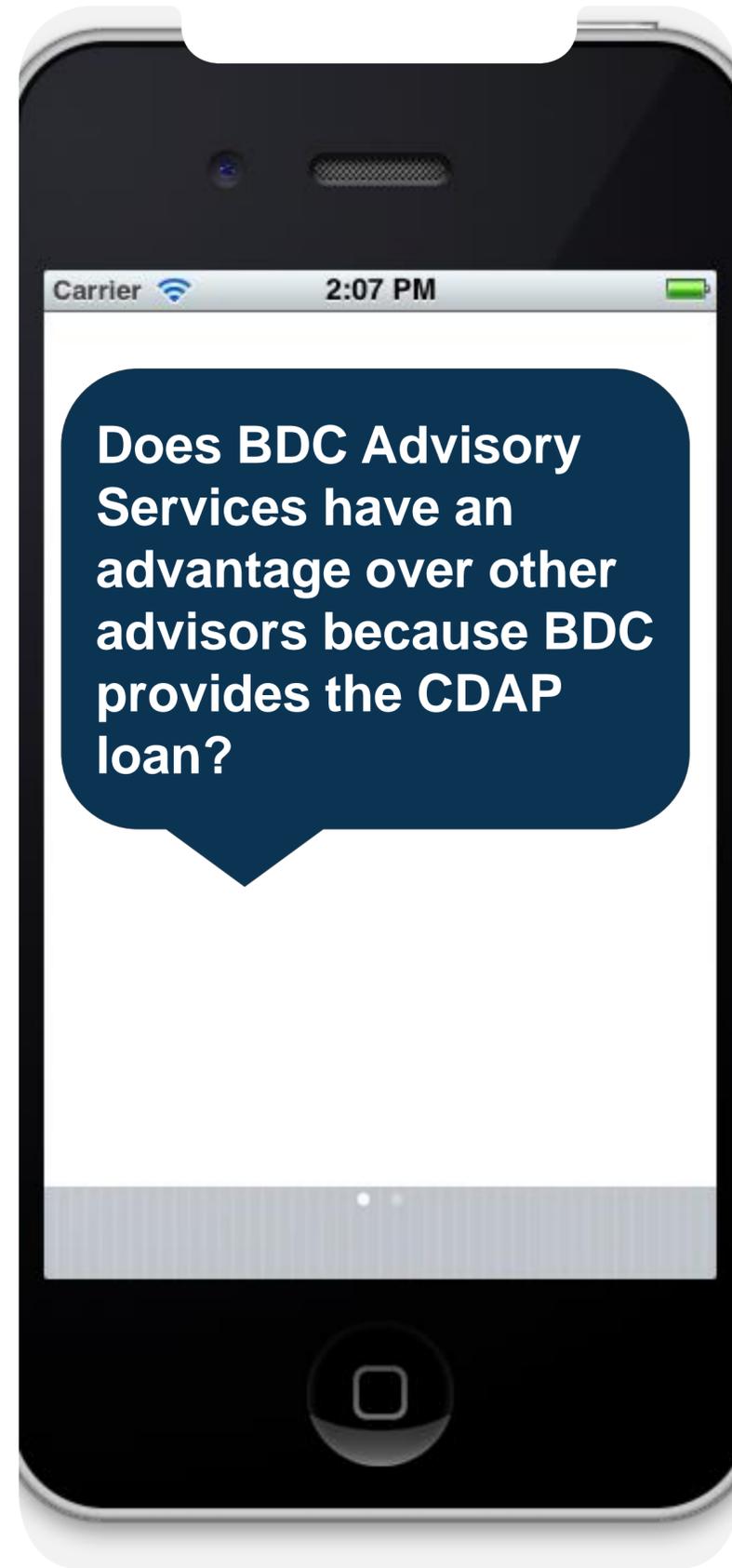
Proceed of the loan can be used to implement, deploy, improve anything that has been identified in the digital plan



Disbursement and audit

- ➔ No validation of the digital plan by BDC
- ➔ No proof of expenditure
- ➔ Disbursement directly into the client's account
- ➔ Audit right given to ISED within the letter of offer

Conflict of interest



No. BDC Advisory Services and Financing are separate teams, and the loan application process is sequential to the development, completion and recognition by ISED of the digital adoption plan. Therefore, the business will need to follow a separate process to apply for a loan.

Once the digital adoption plan is completed, the applicant will receive their grant, and ISED will provide them a personalized link to access the online loan application with BDC.

Please note that although the loan request is being made under CDAP, applicants must meet CDAP eligibility criteria and BDC credit worthiness requirements to receive a loan offer.

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Available
ressources

How to access BDC loan



My plan has been approved and I received the grant, how do I apply for the BDC loan?

Please log back into your CDAP Portal account, the link to apply for the BDC loan and for funded work placement will be activated after the grant payment has been approved.

Once you click on the appropriate link, you will be directed to the BDC application page (leaving CDAP's portal environment to BDC's).

The BDC link does not work, who do I contact?

The link usually works. Clients can email digitaladoption-adoptionnumerique@ised-isde.gc.ca for guidance.

Alternatively, clients can contact BDC by selecting contact us at the bottom of [BDC's CDAP page](#) for further support.



What are some common applicant mistakes when applying for the BDC loan from the portal?

When applying for the BDC loan, please provide the exact same business information you submitted in your CDAP application. The same email address associated with your ISED personalized link/application must be used for the BDC application. The legal business name, and business address must also match.

BDC's CDAP page has a short list of FAQs, the answers may be useful for this info session: <https://www.bdc.ca/en/canada-digital-adoption-program>

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