

fullsail *Making Headway*

Reporting on the New Brunswick Securities Commission's *Fullsail™* capital markets initiative

FULLSAIL: Improving to meet your needs

Fullsail™ is changing to reflect the recommendations of our many stakeholders and previous *Fullsail* Summit delegates. We listened to your feedback and integrated your suggestions into our *Fullsail* Strategy which encompasses our entire capital markets development initiative. Our focus for 2010-2013 will be on developing access to capital for emerging, on-going and growing business.

Implementation of our capital markets initiative requires the involvement of our partners as catalysts or as active participants using one-on-one engagement, focus groups or larger facilitated working sessions, which will be introduced in our new *Fullsail* Series events.

Intended to replace the former break-out sessions at the Summit, each *Fullsail* Series event will bring together individuals and experts to collaborate on specific initiatives that increase access to capital and encourage business growth in New Brunswick. The purpose of a Series event is to develop and implement initiatives that will have a positive impact on our capital markets. We are planning for our first Series event about sidecar financing options, which will be held in late winter 2010, and are planning to advance other access to capital topics in the near future.

The *Fullsail* Summit will continue to be held on a regular basis. The Summit will be a one-day conference, will focus on capital markets priorities and will offer relevant educational opportunities for all delegates. Panelists and other participants will be informed individuals who have been active in the discussions, planning or promotion of one or more of the *Fullsail* priorities or have benefited from *Fullsail* initiatives. Our next *Fullsail* Summit is tentatively scheduled for April 2011.

If you would like to participate in one of our Series events or would like to be kept up-to-date on *Fullsail* initiatives, please sign up online through our subscribe service.

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PROFILE: Entrepreneurs helping entrepreneurs

In this edition of **Making Headway**, we profile two entrepreneurs who have developed events for other entrepreneurs. Rivers Corbett (www.meetrivers.com) is a long-time entrepreneur and owner of several companies, including Relish Gourmet Burgers. Rivers is the host for The New Brunswick Entrepreneurs Summit taking place in Fredericton in May. Brad LeBlanc is a "serial" entrepreneur who has worked in the entertainment and hospitality industries. Brad's new event management and media agency, The Momentum Group (www.gainmomentum.ca), is managing the 2010 Atlantic Canadian Entrepreneurship Expos throughout New Brunswick, Nova Scotia and PEI.

Where did you get your start as an entrepreneur?

BRAD - I was only ten years old when I started my first business. I took the \$400 I had in the bank after working in the kitchen at a restaurant during the summer and bought a Karaoke machine. It took me six months to get my first booking to do a wedding. It was the best \$20 I ever made because it was mine! I closed the DJ business only last year having done over 600 events.

RIVERS - I got my start in Halifax when me and a friend bought a 1-900 number with the intention to rent it to companies for promotional purposes. After we spent \$2,000, we needed to figure out how to get the business! Our first attempt at making money was advertising the number for an opinion poll about a controversial political issue. I think we made 75 cents on that one. We sold the number at a discount not too long after and learned that you have to know what your target market is before you get started! I think we gave up too soon.



Rivers Corbett running in the Fredericton marathon - May 2008

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Entrepreneurs helping entrepreneurs

What motivates you?

BRAD - I am motivated by the opportunity to do the impossible. Entrepreneurs, especially young entrepreneurs, are told constantly that "it" can't be done. I don't agree. I believe in entrepreneurship, creativity, innovation and the freedom to live life. I believe that everyone has unlimited opportunity by being an entrepreneur.

RIVERS - My purest motivation is not working for someone else because I know I wouldn't be satisfied or be able to give them 100%. I love the freedom and the ability to create my own map of my life as an entrepreneur. I am the only one who could fire me, and that is only if I royally screw up! Time and freedom is really what drives me.

What is the most exciting thing about your latest venture?

BRAD - I have to say that the most exciting thing about Momentum is building my business with my business partner, Phil Calvert. Phil has really brought Momentum to another level. He brings established credibility and an ability to foster relationships. Coupled with my enthusiasm, Phil and I are able to bring clients fresh ideas and the experience to get it done.

RIVERS - Where I am in my life is most exciting right now. I have cool businesses that allow me to have the lifestyle I want and to pursue my passion: working with start-up businesses. My newest venture, Relish Gourmet Burgers, is a neat business model that is all about having fun and of course, my passion is food. I am not a chef in fact; I can't even make a bowl of soup! But, I work with amazing people, have a great support system at home and 'relish' what I do!

What are you hoping entrepreneurs will take away from your upcoming event?

BRAD - The Entrepreneurship Expo will be a day of "YES" for participants. They will experience what it is like to take away a "YES - it can be done" attitude. Our upcoming events in 2010 will change lives. Whether it is to motivate an entrepreneur to keep fighting for their dream or to encourage a young person to start their first venture, the Expo will motivate them to do anything they set their mind to.

RIVERS - The New Brunswick Entrepreneurs Summit is all about celebration. Entrepreneurs are one of the most important elements of society. They need to feel good about what they are doing. I think that if we celebrate more we will encourage more businesses to start and even more to continue. We hear so much about 85% of companies failing within the first 5 years and we only hear about what goes wrong. I don't accept that, I think we need to talk about the 15% that persevere and learn from them so we can turn the statistics around.



February 2009 - Atlantic Entrepreneurship Expos News Conference
(L-R) Rick Francioni, Staples, David Barry, NBSC, Hon. Victor Boudreau, Business New Brunswick, Brad LeBlanc, The Momentum Group, John Thompson, Enterprise Greater Moncton, Valerie Roy, Greater Moncton Chamber of Commerce

Have your say...



"The New Brunswick Securities Commission (NBSC) has taken a wonderful initiative by offering free presentations to improve the public's knowledge of a very worthwhile program, the Small Business Investor Tax Credit (SBITC). It allows investors to receive a 30% provincial tax credit on investments in shares in small New Brunswick business, to a maximum of \$250,000. Details on the program may be obtained from www.gnb.ca.

I had a very rewarding experience giving the presentations in various locations in the province. I received good comments and realized to what extent the program was misunderstood or unknown, even though it has been around since 2003. I'm always pleased to talk to business people, especially when I can suggest ways they can lower their tax bill while investing in New Brunswick's small and medium-sized business. The result is doubly positive: the individual enjoys savings, and the business benefits from the leverage effect by receiving investments in equity!

This was a winning initiative for the NBSC."

Wanita McGraw, CA
Benoit, McGraw & Paulin Chartered Accountants
[translated]

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www.nbsc-cvmnb.ca



New Brunswick's first Capital Pool Company

Through NBSC's *Fullsail* capital markets initiative, business owners expressed that they needed alternatives for raising capital in the public markets. Consulting with stakeholders, the NBSC evaluated the options and determined that the Capital Pool Company (CPC) program offered exclusively by the TSX Venture Exchange was a model that could meet New Brunswick business needs.

The NBSC worked with the Exchange to implement the required regulatory framework and made the program accessible to business. A series of information sessions were held around the province in 2007 to bring the program to the attention of capital markets stakeholders.

A CPC provides an alternative to a traditional initial public offering (IPO). It involves a two-step introduction of an issuer into the capital markets by allowing seasoned directors and officers to form a CPC with no assets other than cash to then list on the Exchange and raise a pool of capital. Within 24 months the CPC can seek an investment opportunity in an existing business.

Once the CPC has acquired assets or an operating company that meets Exchange listing requirements - called the "Qualifying Transaction" - its shares continue trading as a regular listing on TSX Venture Exchange.

Azura Ventures Ltd. is the first New Brunswick incorporated company to become a CPC using the New Brunswick Securities Commission as its principal regulator. Azura received conditional acceptance from the TSX Venture Exchange subject to completing an IPO of its common shares.

There are approximately 133 CPC companies currently listed on the TSX Venture Exchange. New Brunswick and Nova Scotia are the only two Atlantic Provinces that allow CPC offerings.

Information about specific CPCs can be obtained from the SEDAR website at www.sedar.ca. Further information about the CPC program is available on the TSX website at www.tmx.com. Investors who are considering buying shares of the Initial Public Offering of a CPC should consult their investment adviser. These shares are often accessible through syndication agreements between securities dealers that are Investment Industry Regulatory Organization of Canada (IIROC) member firms.



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Coming soon to a community near you

The NBSC is pleased to present with Business New Brunswick and the Enterprise Network, the education session *Learning the Ropes - Grow your business without growing debt*.

Entrepreneurs, lawyers, accountants and other capital markets participants are invited to information sessions to learn about capital raising options available beyond traditional lending.

Join us as local business people share their experience with the New Brunswick Small Business Investor Tax Credit (SBITC) program and other options for raising capital in New Brunswick.

City	Date	Presentation Language
Fredericton	March 16	English
Moncton	March 17	English
Moncton	March 17	French
Saint John	March 18	English
Grand Falls	March 23	English
Edmundston	March 23	French
Kedgwick	March 24	French
Caracquet	March 25	French

Register today!

www.nbsc-cvmnb.ca or 1 866-933-2222

ASK THE NEW BRUNSWICK EXPERTS

What is the most common mistake start-ups make?



Jeff White - Deloitte

"Entrepreneurs often underestimate the initial and ongoing investments of time, energy, financial support and other resources required to achieve sustainability."



Peter Klohn - Stewart McKelvey

"Inevitably, people underestimate two key factors when they start a business - time and expense. Make sure budgets in both areas are very realistic. Take whatever you think is reasonable and double it!"



LEARNING THE ROPES - a *Fullsail* initiative

The Canadian National Stock Exchange (CNSX)

Co-hosted with the Saint John Board of Trade, the NBSC presented the session: Grow your business without growing debt with a focus on the Canadian National Stock Exchange (CNSX). The Toronto-based CNSX trades in securities for companies in all stages of growth. CNSX representatives explained how the capital markets in Canada have opened up and how competition in the marketplace has increased opportunities for investors and companies alike.

Going public or listing a company is a way for business to raise capital to expand or grow. In Atlantic Canada, there are many family-owned businesses with owners nearing retirement and in some cases, there are no family members to continue in the leadership position. Raising capital through the public markets can be considered as a possible exit strategy or for succession planning without giving up full ownership of the company.

The CNSX operates in the same environment as the larger Toronto Stock Exchange (TSX); it has the same regulatory status, the same application of securities rules through the National Instruments, the same monitoring by the Investment Industry Regulatory Organization of Canada (IIROC) and is a designated stock exchange under the Income Tax Act.

For more information about the CNSX visit www.cnsx.ca.

Upcoming Entrepreneurship Events

New Brunswick Entrepreneurs Summit

www.TheEntrepreneursSummit.com

Saturday, May 1st & Sunday, May 2nd, 2010

Kingswood Lodge, Fredericton, NB

2010 Entrepreneurship Expos

www.AtlanticExpo.ca

Friday, April 9th, 2010

Delta Fredericton, Fredericton, NB

Tuesday, October 19th, 2010

Moncton Coliseum, Moncton, NB

Friday, October 22nd, 2010

Delta Brunswick, Saint John, NB

NBIF R3 Gala

www.nbif.ca

Wednesday, March 18th, 2010

Delta Fredericton, Fredericton, NB

We want to hear from you

information@nbsc-cvmnb.ca

Tell us what you'd like to read in the next edition of **Making Headway**. You can submit your story or send us an email telling us about something great that is happening in New Brunswick's capital markets.

NEW BRUNSWICK
SECURITIES COMMISSION

COMMISSION DES
VALEURS MOBILIÈRES
DU NOUVEAU-BRUNSWICK



The New Brunswick Securities Commission is the Crown corporation established by the Province of New Brunswick in 2004 to regulate the securities industry and ensure the efficiency and integrity of capital markets in New Brunswick.

Our mandate is to protect investors from unfair, improper or fraudulent practices, and to foster fair and efficient capital markets and confidence in capital markets.

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