

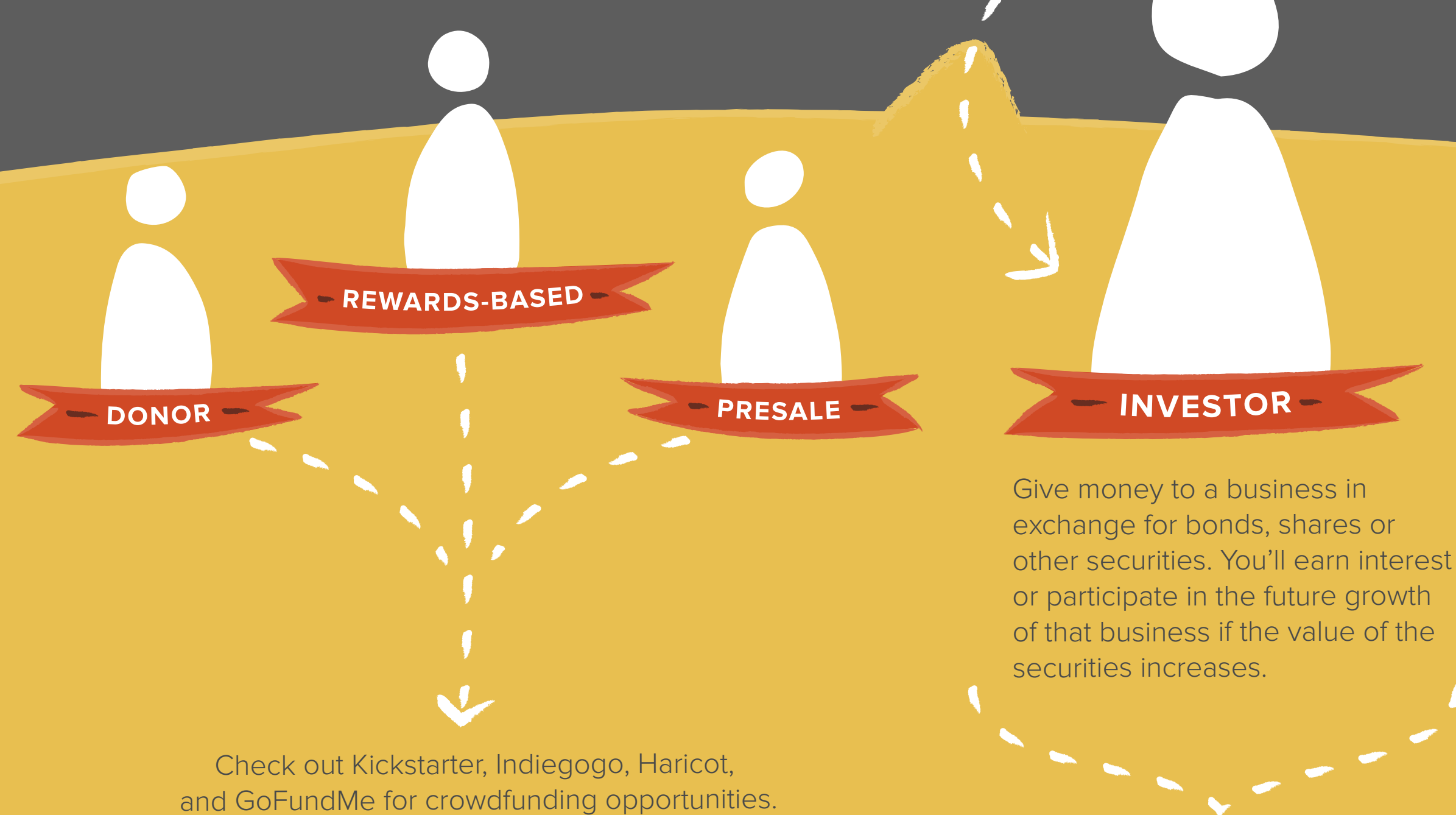


# Types of CROWDFUNDING

## WHAT IS CROWDFUNDING?

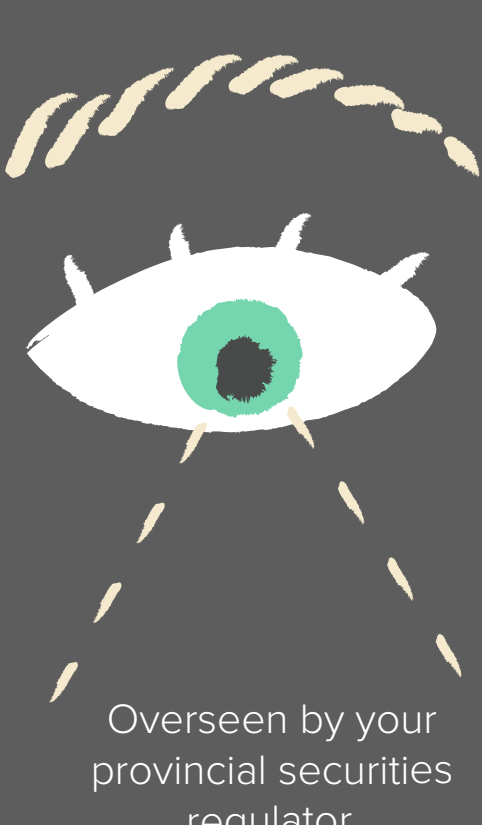
Crowdfunding is a web-based process that gives businesses a way to collect small amounts of money from a large number of people. Businesses use crowdfunding to raise money for a specific project.

## THERE ARE SEVERAL WAYS TO PARTICIPATE

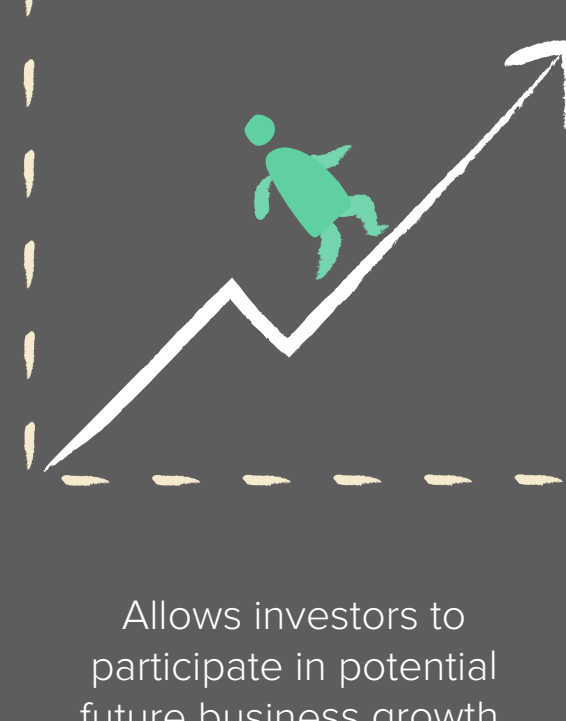


## INVESTOR-BASED CROWDFUNDING IS SOMETIMES CALLED

# START-UP CROWDFUNDING



It's a cost-effective way for new companies to raise small amounts of money, and an easy way for you to support a business you care about.



## HOW TO GET STARTED

### 1

### FIND A PORTAL

Contact your provincial securities regulator to find a crowdfunding portal in your area:

**British Columbia**  
bcsc.bc.ca

**Manitoba**  
mbsecurities.ca

**New Brunswick**  
fcnb.ca

**Nova Scotia**  
nssc.novascotia.ca

**Québec**  
lautorite.qc.ca

**Saskatchewan**  
fcaa.gov.sk.ca

### 2

### DO YOUR HOMEWORK

Choose a reliable funding portal, review the offering document and research the business owners and industry.

### 3

### UNDERSTAND THE RISKS

Many start-up businesses fail, and returns are uncertain. Check out our infographic on "The risks of start-up crowdfunding" for more info.

### 4

### MAKE AN INVESTMENT

You can contribute up to **\$1,500** per start-up crowdfunding offering. In return for your cash investment, the business will give you securities.

## WHAT DO I GET BACK?

### IN EXCHANGE FOR YOUR CASH INVESTMENT, YOU'LL GET ONE OF THESE TYPES OF SECURITIES:

- Equity securities, such as common shares or preferred shares
- Limited partnership units
- Convertible securities, such as warrants that are convertible into either common shares or preferred shares
- Debt securities, such as bonds

## CHOOSE AN INVESTMENT OPPORTUNITY THAT WORKS FOR YOU.

Start-up crowdfunding is risky. Make sure you understand the risks and conditions of your investment. For more information on how to protect yourself and find a start-up crowdfunding opportunity that works for you, check out our "The risks of start-up crowdfunding" infographic.