

This confidential offering memorandum ("Offering Memorandum") constitutes an offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities and to those persons to whom they may be lawfully offered for sale. This offering is not made to, nor will subscriptions be accepted from any non-resident of Canada or any resident in the United States of America. No prospectus has been filed with any securities regulatory authority in connection with the securities offered hereunder. This Offering Memorandum is not to be construed as a prospectus or advertisement or a public offering of these securities.

OFFERING MEMORANDUM

Dated October 12, 2016



The Corporation:

Name: **IMPAK FINANCE INC.** (the "Corporation" or "Impak Finance")

Head Office Address: 2700 – 1000 Sherbrooke Street West
Montreal, Quebec H3A 3G4

Telephone: (514) 987-5000

E-mail Address: paul.allard@impakfinance.com

Currently Listed or Quoted: **The Common Shares do not trade on any exchange or market.**

Reporting Issuer? No.

SEDAR filer? No.

The Offering:

Securities Offered: Common Shares of the capital stock of the Corporation (the "Common Shares"). See ITEM 5.

Price per Security: \$1.00 per Common Share.

Minimum/Maximum Offering: The minimum is \$500,000 of Common Shares. The maximum is \$5,000,000 of Common Shares. **Funds available under the Offering may not be sufficient to accomplish the Corporation's proposed objectives.**

Minimum Subscription Amount: The minimum subscription amount per subscriber is \$100.

Payment Terms: The full Subscription Price is payable upon subscription, by certified cheque, electronic transfer or bank draft payable to "Impak Finance Inc.". See ITEM 5.2.

Proposed Closing Dates: The closing of the sale of the Common Shares offered hereunder will take place at such times as are chosen by the Corporation (each, a "Closing"). The Corporation reserves the right to close the Offering at any time as subscriptions are received.

Income Tax consequences: There are important tax consequences to these securities. See ITEM 6.

Selling Agents: The Corporation has retained Silver Maple Ventures Inc., a registered exempt market dealer, for the distribution and sale of the Common Shares. However, the Corporation may also distribute through additional Selling Agents. See ITEM 7.

Resale Restrictions

You will be restricted from selling your securities for an indefinite period. See ITEM 10.

Purchaser's Rights

You have two business days to cancel your agreement to purchase these securities. If there is a misrepresentation in this Offering Memorandum, you have the right either to sue for damages or to cancel the agreement. See ITEM 11.

This Offering is being made to, and subscriptions will only be accepted from, persons resident in the Provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick and Nova Scotia. This Offering is being made pursuant to certain exemptions contained in National Instrument 45-106 – Prospectus Exemptions ("NI 45-106").

No securities regulatory authority or regulator has assessed the merits of these securities or reviewed this Offering Memorandum. Any representation to the contrary is an offence. This is a risky investment. See ITEM 8.

CONFIDENTIALITY

This Offering Memorandum is confidential and has been prepared solely for delivery to and review by selected prospective purchasers of the securities offered hereby. This copy of the Offering Memorandum is personal to the person to whom it is delivered and does not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire any of the securities offered hereby. Distribution of this Offering Memorandum to any person other than the person to whom it is delivered and those persons, if any, retained to advise such person with respect thereto is unauthorized, and any disclosure of any of its contents without the prior written consent of the Corporation is prohibited. Each prospective purchaser, by accepting delivery of this Offering Memorandum, agrees to the foregoing and undertakes to make no photocopies of or to otherwise reproduce, in whole or in part, this Offering Memorandum, or any documents relating thereto and, if such prospective purchaser does not purchase any of the securities offered hereby or the Offering is terminated, to return promptly this Offering Memorandum and all such documents to the Corporation, if so requested by the Corporation.

ABOUT THIS OFFERING MEMORANDUM

The information contained in this Offering Memorandum is intended only for the persons to whom it is transmitted for the purposes of evaluating the securities offered hereby. Prospective purchasers should only rely on the information in this Offering Memorandum. No persons are authorized to give any information or make any representation in respect of the Corporation or the securities offered herein and any such information or representation must not be relied upon.

This Offering is a private placement and is not, and under no circumstances is to be construed as, a public offering of the securities described herein. The securities are being offered in reliance upon exemptions from the registration and prospectus requirements set forth in applicable securities legislation.

The securities referred to in this Offering Memorandum have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent U.S. registration or an applicable exemption from the U.S. registration requirements. This Offering Memorandum does not constitute an offer for sale of securities for sale, nor a solicitation for offers to buy any securities. Any public offering of securities in the United States must be made by means of a prospectus containing detailed information about the company and management, as well as financial statements.

THIS IS A SPECULATIVE OFFERING. An investment in the securities described in this Offering Memorandum must be regarded as highly speculative due to the nature of the Corporation's business and its relatively early stage of development. Purchasers must rely on the ability, expertise, judgment, discretion, integrity and good faith of the management of the Corporation. The securities are suitable only for purchasers who are able to accept the risks inherent in the Corporation's business. In addition, there are a number of other risk factors that should be considered by persons proposing to make an investment in the securities. **Purchasers should consult their own professional advisors to assess the income tax, legal and other aspects of the investment. See ITEM 8.**

All dollar amounts stated in this Offering Memorandum are expressed in Canadian currency, except where otherwise indicated.

PRESENTATION OF FINANCIAL INFORMATION

The financial statements of the Corporation included and incorporated by reference in this Offering Memorandum are reported in Canadian dollars. Unless otherwise indicated, all financial information included and incorporated by reference in this Offering Memorandum have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

NOTE REGARDING FORWARD LOOKING STATEMENTS

Certain statements contained in this Offering Memorandum constitute forward-looking information. These statements relate to future events or our future performance. Forward-looking information can often be identified by

the use of words such as “anticipate”, “continue”, “estimate”, “expect”, “may”, “will”, “project”, “should”, “believe”, “budget”, “plan”, “forecast”, “potential”, “intend” or similar words suggesting future outcomes, or other expectations, beliefs, plans, objective, assumptions, intentions, or statements about future events or performance. All statements other than statements of historical fact are forward-looking statements. These statements reflect the Corporation’s current views with respect to future events and are subject to known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements.

Risks and other factors that could cause actual results to differ materially from expectations include, among other things, general economic and market factors, business competition, changes in government regulations or in tax laws, in addition to those factors discussed or referenced in ITEM 8. These factors should not be considered exhaustive. Many of these risk factors are beyond the Corporation’s control and each contributes to the possibility that the forward-looking statements will not occur or that actual results, performance or achievements may differ materially from those expressed or implied by such statements. The impact of any one risk, uncertainty or factor on a particular forward-looking statement is not determinable with certainty as these risks, uncertainties and factors are interdependent and management’s future course of action depends upon our assessment of all information available at that time.

The forward-looking statements made herein relate only to events or information as of the date of this Offering Memorandum and are expressly qualified by this cautionary statement. Except as required by law, the Corporation undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events.

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GLOSSARY

The following terms appear throughout this Offering Memorandum. Care should be taken to read each term in the context of the particular provision of this Offering Memorandum in which such term is used.

“**affiliate**” or “**affiliates**” has the same meaning as in the Quebec Securities Act;

“**Business Day**” means a day other than a Saturday, Sunday or any day on which the principal office of the Corporation’s bankers located in Montreal, Quebec, is not open for business during normal banking hours;

“**Closing**” means a closing of the sale of Common Shares as the Corporation may determine from time to time;

“**Common Share**” means a Common share in the capital of the Corporation;

“**Date of Closing**” means in respect of any Common Share the date upon which the subscription for such Common Share is accepted by the Corporation;

“**Fiscal Year**” means each consecutive period of 12 months ending on December 31;

“**Net Subscription Proceeds**” means the gross proceeds to the Corporation from the sale of the Common Shares less the costs of this Offering and any Sales Fee;

“**Offering**” means this offering of up to 5,000,000 Common Shares;

“**Quebec Securities Act**” means the *Securities Act* (Quebec), with all amendments thereto in force from time to time and any statutes that may be passed which have the effect of supplementing or superseding such statute;

“**Securities Authority**” means the Autorité des marchés financiers and any other applicable provincial securities commission;

“**Shareholder**” means those investors whose subscriptions to purchase Common Shares are accepted by the Corporation and thereafter at any particular time the persons entered in the central securities register of the Corporation as holders of Common Shares and the singular form means one such registered holder;

“**Subscriber**” means a subscriber for Common Shares;

“**Subscription Agreement**” means the subscription agreement to subscribe for Common Shares as attached as Exhibit II hereto;

“**Subscription Price**” means \$1.00 per Common Share; and

“**Tax Act**” means the *Income Tax Act* (Canada), R.S.C. 1985 (5th Supp.) c.11, and the regulations promulgated thereunder, as amended from time to time.

ITEM 1 – USE OF AVAILABLE FUNDS

1.1 Funds

The net proceeds of the Offering and other funds available to the Corporation after this Offering are as follows:

		Assuming minimum Offering ⁽¹⁾	Assuming maximum Offering ⁽¹⁾
A	Amount to be raised by this Offering	\$500,000	\$5,000,000
B	Selling commissions and fees	\$46,875 ⁽³⁾	\$461,250 ⁽³⁾
C	Estimated offering costs (e.g. legal, accounting, audit etc.)	\$20,000	\$20,000
D	Available funds: $D = A - (B+C)$	\$433,125	\$4,518,750
E	Additional sources of funding required	\$20,000 ⁽²⁾	\$0
F	Working capital deficiency	N/A	N/A
G	Total: $G = (D + E) - F$	\$453,125	\$4,518,750

Note:

- (1) The Corporation may raise only a portion of the maximum Offering.
- (2) If necessary, the Corporation will provide funds from existing working capital to cover the estimated Offering costs, or the directors may lend and pay on behalf of the Corporation all costs incurred in connection with the preparation for and completion of the Offering, including legal and accounting and audit fees. All costs in connection with the Offering funded by the directors will be repaid, without interest from funds received by the Corporation from Subscribers or from income generated by the Corporation.
- (3) Assumes the cash commission of 6% is paid on all subscription proceeds and 250 transactions occurred with 125 corporations and 125 individuals. The amount is an estimate as the calculation of the commission is based on the number of individuals and corporations. The See ITEM 7.
- (4) Assumes the cash commission of 6% is paid on all subscription proceeds and 2,500 transactions occurred with 1,250 corporations and 1,250 individuals. The amount is an estimate as the calculation of the commission is based on the number of individuals and corporations. The See ITEM 7.

1.2 Use of Available Funds

The Corporation will use the available funds as follows:

Description of intended use of available funds listed in order of priority	Assuming minimum Offering	Assuming maximum Offering
Applying for status as a Schedule I Bank under the <i>Bank Act</i> (Canada)	\$200,000	\$300,000
Permitted investments	\$0	\$0
Daily operations and general working capital	\$253,125	\$4,218,750
Total:	\$453,125	\$4,518,750

1.3 Reallocation

The Corporation intends to spend the available funds as stated. The Corporation will reallocate funds only for sound business reasons. The Corporation will scale the levels of expenditures on the basis of the actual gross proceeds of the Offering.

ITEM 2 – THE BUSINESS OF IMPAK FINANCE

2.1 *Structure*

Impak Finance was incorporated under the *Canada Business Corporations Act* on May 5, 2016.

The head and principal office of the Corporation is located at 2700 – 1000 Sherbrooke Street West, Montreal, Quebec, Canada H3A 3G4. The registered and records office of the Corporation is located at 2700 – 1000 Sherbrooke Street West, Montreal, Quebec, Canada H3A 3G4.

The Corporation does not have any subsidiaries. The Corporation's financial year-end is December 31.

Voting Trust and Restrictions on Transfer Agreement

Shareholders of the Common Shares are expected to be subject to the Voting Trust and Restriction on Transfer Agreement (the “**Voting Trust Agreement**”) dated August 9, 2016 pursuant to which Paul Allard, Bill Young and Marguerite Mendell (collectively, the “**Voting Trustees**”) have been granted voting control over such Common Shares. Decisions of the Voting Trustees shall be made by simple majority of the Voting Trustees. Pursuant to the Voting Trust Agreement, Shareholders of the Common Shares agree not to transfer any of the Common Shares before the earliest of (i) the Corporation having enabled an over-the-counter market for the Common Shares, and (ii) December 31, 2019. As per the Voting Trust Agreement, the directors of the Corporation might approve transfers between related parties but the only other authorised transfers shall be offered through an over-the-counter market organised and maintained by Impak Finance (“**OTC**”). Rules governing the OTC transfers shall be adopted by the Trustees and are likely to include that the Common Shares will be tradable during pre-determined periods of time at a pre-determined price equal to the fair market value thereof as determined by independent evaluators retained and paid by Impak Finance and that ownership of any person or group of related persons or acting in concert will be limited to 9.99% of the outstanding Common Shares of Impak Finance. The board of directors of Impak Finance might also retain the right to refuse the transfer of Common Shares to buyers that are not in compliance with the mission and the vision of Impak Finance (for example, criminal groups with an history of money laundering or non-resident investors not able to demonstrate acceptable source of funds could be refused).

Corporate governance

In order to mitigate potential conflicting interests of shareholders, members, management and employees of Impak Finance, the Trustees will exercise the voting rights granted to them under the Voting Trust Agreement as to encompass corporate governance rules dealing specifically with the election of the directors of Impak Finance. It is anticipated that a certain number of board seats will be elected by different categories of stakeholders, including, without limitation, the Trustees, the management of the Corporation, the employees of the Corporation, the clients of the Corporation (as the case may be) and the civil society. To achieve these purposes, it is anticipated that the Voting Trust arrangement will gradually be replaced by other mechanics to ensure as much as possible the protection of the mission and of the vision of Impak Finance, which might include the use of a non-for-profit foundation.

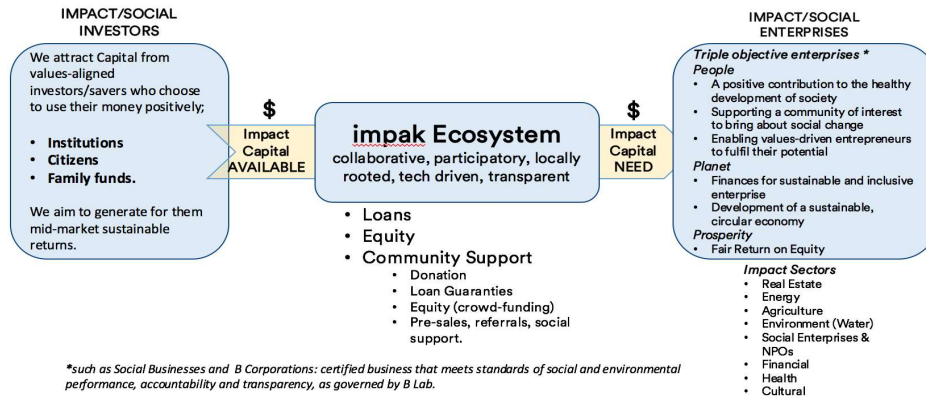
2.2 *Our Business*

Overview of Impak Finance

Impak Finance is an independent financial institution founded by entrepreneurs and banking professionals wanting to positively contribute and address some of the greatest social and environmental issues of our time. The Corporation's mission is to make money work for positive social, innovative and environmental impact through an online collaborative financial ecosystem powered by disruptive financial technologies developed by the Corporation and third party vendors. Impak Finance connects savers and investors who want to change the world for the better with entrepreneurs and sustainable companies having the same objectives.



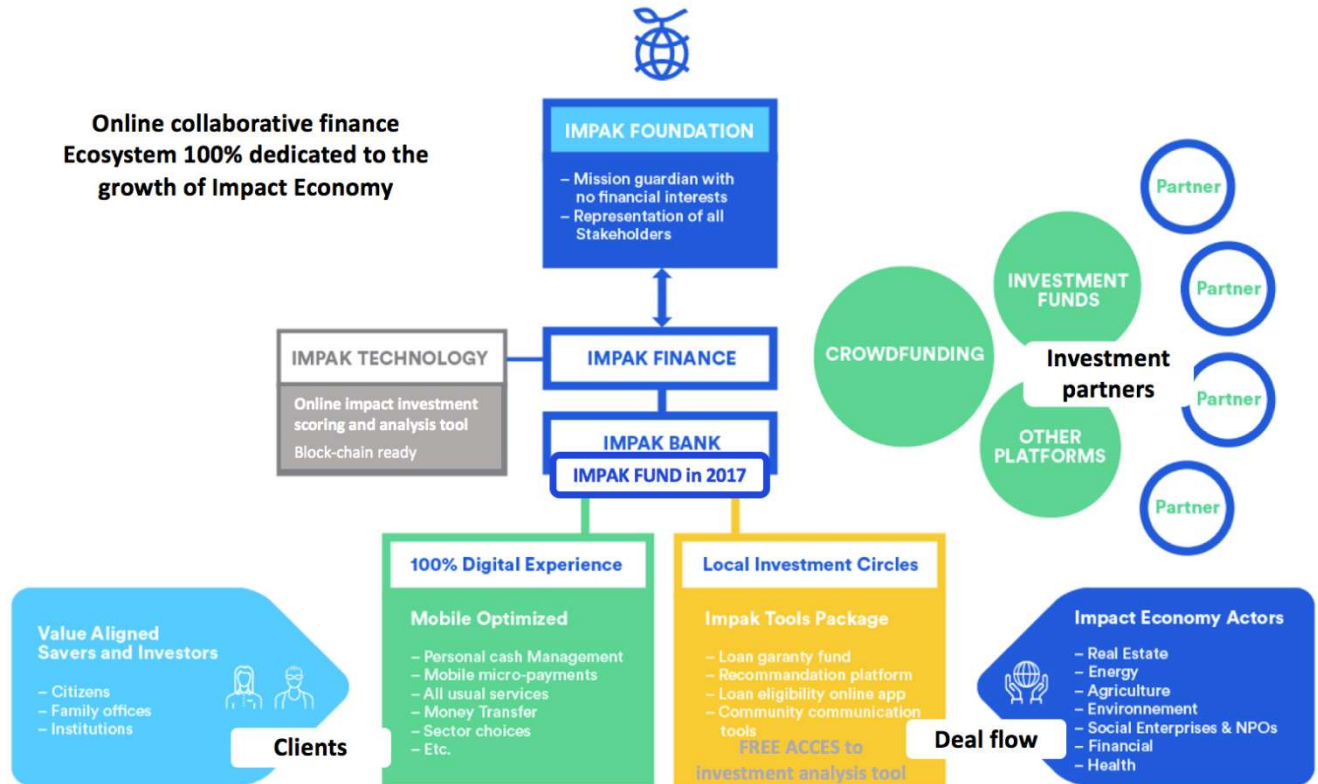
We connect savers and investors who want to change the world for the better with entrepreneurs and sustainable companies doing just that.



The Corporation is in a start-up phase and as such has not commenced commercial operations. Provided that the Corporation achieves sufficient funds under this Offering, it intends to obtain status as a Schedule I Bank under the *Bank Act* to launch its online banking operations. The Corporation plans to launch “Impak Fund” an online impact lending platform within a non-banking regulatory environment by the end of 2017.

Stated Business Objectives

As more particularly discussed in this Offering Memorandum and under the headings “Use of Proceeds” and “Business Strategy”, the Corporation intends to offer integrated lending and investment opportunities that are 100% dedicated to the impact economy in Canada within an online collaborative ecosystem. The Corporation intends to support local, innovative and sustainable projects. Its mission is to become a leading player in collaborative finance in North America and its goal is to contribute and develop the impact economy by putting in place a collaborative, participatory, locally rooted, technology driven and transparent online financial ecosystem.



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Products Overview

The Corporation plans to offer two online products in the next years:

- Impak Fund: an impact lending fund planned to be launched in its beta version for end of 2017 and
- Impak Bank: 100% impact dedicated online collaborative bank planned to be launched towards end of 2018/early 2019

Impak Fund

The Corporation intends to develop and launch an online impact investment fund (the “**Impak Fund**”) with its mobile device application (the “**Impak App**”) empowering individuals to directly support the impact economy by investing in the fund which is entirely dedicated to providing loans to impact projects in Canada. The Corporation plans to make the Impak Fund RRSP (Registered Retirement Savings Plan) eligible.

Online or through the Impak App, users will be able to:

- create their own Impak investment account and do all the paper work seamlessly online,
- set Impak investment objectives and manage their investment at their rhythm,
- view their positive impact on the economy, and

- create links with impact projects of their interest or in their area.

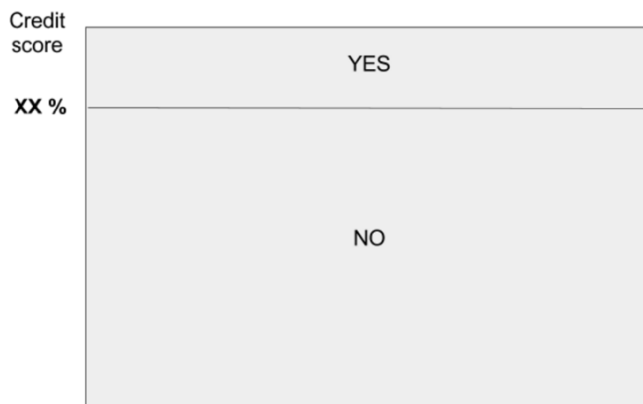
By investing money to the Impak Fund account, users subscribe to a bond eligible to RRSP (Registered Retirement Savings Plan) labelled debt fund managed by the Corporation. The Impak App will also provide personal finance management features to help users set their goals and to follow their achievements.

Impak Bank

The Corporation will be leveraging its scoring technology, mobile app, loan expertise, risk management expertise, compliancy expertise and online community to launch its online banking service. The services and products offered by Impak Bank will initially focus on a basic essential range of products reflecting the bank's core values and enabling the Corporation to fulfill its mission: collecting funds in order to support positive-impact projects. Rapidly, Impak Bank will offer the full scale of products and services needed and expected by its customers.

The Impak Loans

The Corporation intends to provide enterprises and associations with a business financing portal allowing them to apply for an Impak Loan and also access several financing related tools. Impak Loans are different from traditional bank loans as the credit score is calculated differently. Banks use a score system to decide whether or not they will approve a loan application from a business (or an individual). This score is based uniquely on financial ratios and data. If the score calculated by the financial institution is below a certain threshold, the loan application will be rejected and very limited information will be given to the applicant as to why the loan application was denied.



Traditional credit approval process

Impak Finance approach is different. The Corporation has designed and will utilise its proprietary impact investment scoring and analysis algorithm (the “**Impak Scoring Tool**”) that takes in account community support, social and environmental criteria to calculate an applicant's credit score. In addition, Impak Finance will also proactively propose to its online community impact projects they could support in all sort of ways such as direct investment, donation, expertise, pre-sales, etc. This data and community support will all be monitored and taken in account by the Impak Scoring Tool.

As an example, when an applicant's credit score is close to the risk threshold, Impak Finance may

- ask for comments from experts, customers or suppliers; and/or
- ask the community to further support the applicant's project through loan guaranty, crowdfunding, equity crowdfunding, etc.

Depending on the community's response, Impak Finance credit score can be improved to surpass the threshold for the loan application to be approved.

Credit score	YES
XX %	HELP FROM COMMUNITY? YES OTHERWISE: NO
YY %	NO + EXPLANATIONS

Impak Finance ecosystem's credit approval process

Local Circles of Investments (LCI)

Local Circles of Investments are group of angels investors, incubators, co-working organisations, companies and individuals that support and finance local impact projects. They will be attracted by the free impact investment online tools the Corporation will provide them through the Impak online community such as the Impak investment scoring and analysis tool.

Members of LCI will be able to

- use Impak Finance advanced due diligence framework and detailed credit scores to make your investment decisions, and
- help impact businesses by giving them time, expertise, etc.
- seek assistance from any other Impak community members for support

Market

Three major market trends

The product offering of the Corporation is at the cornerstone of three major market trends we observe worldwide and specifically in Canada.

❖ The collaborative/sharing economy:

The international sharing economy reached about \$15 billion in 2014, reports PricewaterhouseCoopers (PwC), and it is on track to reach \$335 billion by 2025. Public opt-in to the collaborative economy almost doubled from 2013 to 2014. An AGC Partners report said that investors committed \$4.93 billion to 71 deals related to the sharing economy in 2014, up five times from 2013.

❖ The Fintech explosion: (Financial Technologies)

According to Accenture recent Study – April 2016, global investment in financial technology (fintech) ventures in the first quarter of 2016 reached \$5.3 billion, a 67 percent increase over the same period last year. According to Accenture: “The so-called ‘Fourth Industrial Revolution’ is a global phenomenon that brings new innovation and digital companies that compete and collaborate with traditional financial services. Bank customers stand to gain from this.”

Global fintech investment in 2015 grew 75 percent, or \$9.6 billion, to \$22.3 billion in 2015. North American fintech investment grew 44 percent to \$14.8 billion in 2015 and the U.S. continued to dominate the sector with 667 fintech deals, a 16 percent increase.

Canada's fintech market is beginning to see major momentum. Global investment grew from \$3.0 billion in 2013 to over \$6.8 billion in 2014 and an expected \$15 billion will be spent in 2018.

The 5 largest Canadian fintech venture capital investment where Shopify \$100 million (Ottawa), Verafin \$60 million (St-John's), Lightspeed Retail \$35 million (Montreal), Blockstream \$75 million (Montreal), Zafin \$15 million (Vancouver). *Source: marsDD*

❖ The rapid growth of Impact investment:

According to Purpose Capital, a consultancy firm specialized in impact investment, the Canadian impact investment sector was over \$60 billion in 2015 and will reach over \$500 billion in the next 10 years.

Impact investments are investments made into companies, organizations, and funds with the intention to generate social and environmental impact alongside a financial return.

The growing impact investment market provides capital to address the world's most pressing challenges in sectors such as sustainable agriculture, clean technology, microfinance, and affordable and accessible basic services including housing, healthcare, and education.

The transformation of the Canadian Banking sector

The Canadian banking industry is essentially an oligopoly with the "Big Six" (the six are RBC, NBC, TD, CIBC, Scotia, BM) controlling more than 85% of the sectors total assets. The Big Six consolidated revenue rose to \$35.5 billion in 2015, up from \$20.5 billion in 2014 and up from \$18.9 billion in 2013. The industry's performance is still being driven by a benign credit environment and the ongoing strength of retail banking in Canada.

Despite the dominance of the Big Six, they are falling short of consumer expectations. Such shortfall creates opportunities for start-up companies to enter into the banking industry. The banking industry is ripe for disruption with consumers wanting businesses to play a much more important and visible role in society in a manner that allows the consumers to participate. Furthermore, the rise of financial technology or "Fintech" has also disrupted how banks used to operate. Financial services once offered exclusively by bricks-and-mortar financial institutions are now being unbundled by emergent start-ups, offering new technologies to deliver innovate financial services products directly to consumers. This section will provide an overview of (i) the social and behavioral change of consumers; and (ii) the rise of financial technology.

Consumers

Consumers are primed for financial institutions to change fundamentally both with respect to their use of technology that will both make it easier for consumers to transact with financial institutions as well as provide customized wealth management advice. Additionally, consumers, specifically the Millennial Generation, want to interact with banks that provide real transparency and demonstrate that they are committed to impacting the community in a positive manner.

The Millennial Generation or Generation Y are the demographic cohort between Generation X and Generation Z. It is the largest generation and fastest growing demographic. Their unique habits and preferences may reshape the banking industry.

Millennials want services that provide access to product but not ownership. They aren't influenced by advertising. They review blogs before making a purchase. They value authenticity over content. Their future inheritances won't change their buying behavior. They want to engage with brands on social networks. They want to co-create products

with companies. They are using multiple technology devices. They expect brands to give back to society and to the community. *Source: Viacom Media Research 2015*

The disruptive force of financial technology

Fintech - information and communications technology to better deliver financial services - has undergone explosive growth in recent years. Technology spending by the Canadian financial sector is estimated to reach \$14.8 billion by 2018. While Fintech itself is nothing new, from ATMs to online banking, financial institutions have been using technology to deliver services to end users for over 30 years, there is market opportunity for new entrants that promise to deliver a new user experience, especially to the Millennials that grew up on smartphones and tablets.

Business Strategy

The Corporation intends to offer integrated lending and investment opportunities that are 100% dedicated to the impact economy in Canada within an online collaborative ecosystem. The Corporation intends to support local, innovative and sustainable projects. Its mission is to become a leading player in collaborative finance in North America and its goal is to contribute and develop the impact economy by putting in place a collaborative, participatory, locally rooted, technology driven and transparent online financial ecosystem.

The Corporation plans to deploy two online products in the next years:

- Online Impak Fund: an impact investment fund planned to be launched in its beta version for end of 2017; and
- Online Impak Bank: 100% impact dedicated online collaborative bank planned to be launched towards end of 2018/early 2019

Impak Bank intends to become a mobile bank, and the related app will offer the users a completely different banking experience by giving them access to its collaborative impact financial ecosystem.

The usage of the most recent technology infrastructure will lower the Corporation operating costs and these savings are passed along to consumers. The lower operating costs allow the Corporation to deploy more money to impact projects while providing saving accounts with good interest rates and cheap loans. The Corporation intends to invest in businesses that focus on impact projects.

Impact Investing

The term “Impact Investments” describes investments intended to create positive impact beyond financial returns. “People”, “Planet”, and “Profits” are the three “Ps” on which impact investments seek to have a positive effect.

Impact Investments are differentiated from traditional investments by:

- **Investor intention:** Investors seek to allocate capital (debt, equity or hybrid forms) to investments where they expect both to receive a financial return (ranging from return of principal to market-beating returns) and a defined societal impact.
- **Investee intention:** Business models for investees (whether they are for-profit or non-profit enterprises, funds or other financial vehicles) are intentionally constructed to seek financial and social value.
- **Impact measurement:** Investors and investees are able to demonstrate how these stated intentions translate into measurable social impact.

Impact Investment is more directly participatory and meaningful than other forms of investment and ultimately recognizes a greater degree of humanity within investment relationships. Impact investments ensure that almost everyone has the possibility of interacting with entrepreneurial ideas and activities that benefit society and each participant can become a co-creator and participant in the most practical, direct way.

Impact Investing: Sector review

This sector-based analysis focuses on specific sectors in Canada that are well aligned with opportunities in impact investing in which the Corporation plans to be active in: (i) real estate; (ii) energy; (iii) agriculture; (iv) environment and water; (v) financial; (vi) health; and (vii) social enterprise and non-profit organizations.

(i) Real Estate

(a) Green building

The Canadian green building market is vigorous and growing, according to the findings of a study conducted by McGraw Hill Construction in partnership with the Canada Green Building Council. The study demonstrates that green building activity is being driven by the market, and by the benefits that accrue from good sustainable building practices.

Over half of the Canadian respondents (building owners, architects and contractors) report that over 30% of the projects they build are currently green, and by 2017, 70% expect to be doing at least that level of green construction, with 50% reporting that more than 60% of their projects will be green. This suggests that the share of green building in Canada's construction market is likely to see significant increases, creating strong opportunities for firms in this market that can capitalize effectively on this shift.

In the U.S. non-residential construction market, from 2010 to 2013, the increasing share of green in a small and stagnant market still led to the growth of the green market by 30%, from \$48 billion to \$62 billion. By 2013, the gains in the share of green had begun to modulate, with growth in green between 2013 and 2016 expected to jump from 44% of the market in 2013, to 47%–55% of the market by 2016. However, the aggressive growth of the market itself leads to an expectation that the calculated \$68 billion green opportunity in 2013 will expand to between \$106 and \$125 billion by 2016.

Source:

Canada Green Building Trends - Canada Green Building Council – Benefits driving the new and retrofit market - 2014

(b) Affordable housing

Affordable housing is an issue with both financial and social implications. The affordable housing sector represents an area of great potential, with approximately 1.5 million Canadians in core housing need. 200,000 Canadians experience homelessness each year and 520,000 Canadians living with mental illness are in need of supportive housing units. The cost to the Canadian economy to provide social services, health care, corrections services and emergency shelter to this population is approximately \$7 billion per year.

Sources:

Gaetz, S., Donaldson, J., Richter, T., & Gulliver, T. (2013). The State of Homelessness in Canada 2013.

Nelles, H. & Spence, A. (2013). Blended Financing for Impact: Opportunity for Social Finance in Supportive

(c) Housing Market opportunity

Given the existing housing stock, we estimate that the number of additional affordable and supportive housing units needed in Canada is just over 1 million units. As the average capital cost to build a new unit of affordable housing is \$200,000, the total affordable and supportive housing capital cost is \$200 billion.

In 2012, provincial and federal governments spent \$3.4 billion dollars on affordable housing. The resulting difference is a funding gap of up to \$200 billion. Federal expenditures on social housing are expected to decrease to \$500 million in 2020. The decline in government spending is accentuated by the inability of affordable housing providers to secure private financing, as “few housing providers have the adequate cash flow/balance sheets necessary to secure debt financing from banks.” The declining trend in government spending and the inability of affordable housing providers to leverage mainstream financing denote an opportunity in the sector for impact investing.

Sources:

Canadian Task Force on Social Finance. (2010). Mobilizing Private Capital for Public Good. Available at: http://www.marsdd.com/wp-content/uploads/2012/06/socialfinance_taskforcereport_2010.pdf.

(ii) Energy

(a) Overview

The renewable energy sector is accelerating quickly, driven by global concern and domestic targets for climate-friendly energy production. Energy conservation and energy efficiency remain important supporting priorities. Impact investment opportunities exist across the value chain, notably small-scale projects in the hydro, biomass and energy conservation segments.

Renewable energy is the production of electricity generated through bioenergy, solar, wind or hydro-electric methods. By reducing the greenhouse gas emissions and other related environmental challenges of conventional energy sources, renewable energy mitigates our environmental impact. Investments into research and development (R&D) and technology to facilitate an accelerated adoption of renewable energy, as well as energy conservation and energy efficiency, can further reduce this impact. In addition to its clear environmental benefits, renewable energy can also have social benefits when projects are developed with the involvement of vulnerable populations, such as Aboriginal peoples and other excluded groups. The production of renewable energy has increased dramatically, as the importance of environmentally conscious energy strategies has become a global imperative. In Canada, Federal and provincial governments have set targets for renewable energy production within their energy portfolios, including a federal target of 90% of Canada’s electricity from zero-emitting sources by 2020.

Source:

Climatechange.gc.ca - Canada's Action on Climate Change - 2016

(b) Market opportunity

Global investment in renewable energy reached \$244 billion in 2012. Canada has the third largest renewable energy capacity in the world, with 17% of its total energy supply and over 60% of total electricity generated by renewable resources. While hydroelectric power composes a substantial portion of Canada’s renewable energy portfolio, there are strong companies rapidly developing in the wind and solar energy sectors. Energy conservation and energy efficiency have also become increasingly important for Canadians, with more than half of Canadians taking some measures to conserve energy. In spite of this growing market, there is a significant lack of funding available for the development of new technologies in this sector. Although various levels of government have developed funding and grants for R&D, there is a need for risk capital to support technology development.

Sources:

*Global Trends in Renewable Energy Investment 2013 - UNEP
Canada - A Global Leader in Renewable Energy 2013*

(iii) Agriculture

Driven by strong consumer demand, the sustainable agriculture sector has taken off. Impact investors are placing their capital in ventures that are working to improve environmental outcomes, either through the direct production of agricultural goods or through supportive technologies to reduce environmental impact.

Sustainable agriculture encompasses ventures using agricultural processes and technologies with the intention of creating environmental benefits. Specifically, sustainable agriculture addresses issues such as the degradation of soil, water, land and animal ecosystems through standard agricultural practices. Further down the value chain, sustainable food manufacturers and retailers who sell local, organic products also fall within this sector.

The depletion of resources through environmental damage is a fundamental driver of sustainable agriculture programs that have both economic and environmental benefits. The Canadian organic market is estimated at \$3.7 billion and consumer trends within the “green/organic” food industry suggest there is a growing desire for sustainable products. In 2012, 58% of Canadians reported buying organic groceries on a weekly basis.

Investment within the sector is not limited to activities that are directly involved in the value chain of agriculture production. For example, a whole class of ventures is developing technologies that support the use of sustainable agricultural practices, or that have the potential to use agricultural outputs sustainably. These ventures fall under the subsectors of biochemical, bioenergy, biofertilizer, biopesticide, greenhouse technology and sustainable aquaculture.

Source:

Impact Investing in Canada: State of the Nation 2014

(iv) Environment & Water

This sector has a well-developed selection of investment opportunities designed to finance sustainability enhancements. One of those is in green infrastructure, an approach to resource management that uses natural systems to address environmental, social and economic needs. A second opportunity is in water, including water quality and quantity trading, water and wastewater infrastructure, and water-efficiency technologies. A third opportunity is in air-quality markets, which trade in the reduction of emissions. A fourth opportunity is biodiversity and habitat markets, which leverage financial tools to protect ecosystems and species. Increasing environmental consciousness and global environmental threats continue to drive individuals, businesses and governments to demand products and services that mitigate our environmental impact.

(v) Financial

The financial services sector is notable for its use of innovative tools to provide access to financial services for those who might not otherwise qualify, including microfinance. Microfinance is the provision of affordable financial services to individuals and small businesses that otherwise would not be able to access them. Microfinance draws on a more than 40-year history of innovation at the intersection of the financial sector and international development.

(vi) Health

The health sector encompasses products and services that reduce cost in the health sector, improve patient outcomes and comfort, and improve overall well-being.

One key market opportunity in this sector is the emergence of digital health, the technologies and networks used by all stakeholders in the health care delivery ecosystem to enhance collaboration and individual wellness and reduce overall costs. This opportunity can be expected to grow, as a recent industry report notes that in 2008, 60% of all Canadians over the age of 45 and 52% of seniors accessed health information online.

Source:
Impact Investing in Canada: State of the Nation 2014

7. Social enterprises and non-profit organizations

Canada's non-profit sector is robust, vibrant and, at six times as large as the domestic automotive sector. There are an estimated 175,000 to 200,000 non-profit organizations in Canada, including 78,000 with a charitable status. These organizations collectively generate revenues of more than \$90 billion a year from increasingly diverse sources and employ 1.3 million people. The sector is diverse, ranging from arts and culture to health and social services. Within these sectors, non-profit organizations are exploring ways to generate revenue via social enterprise business models or to develop alternative revenue sources that can be directed toward programs.

Sources:
Impact Investing in Canada: State of the Nation 2014
Financing Social Good: A Primer on Impact Investing in Canada – 2014 RBC report
Canadian Centre for Philanthropy - <http://www.imaginecanada.ca/>

2.3 *Development of Business*

Target markets

Prior to launching Impak Fund and throughout its development phase, the Corporation will maintain a transparent and regular communication with all of its shareholders and stakeholders through its online channels.

Once the Impak Fund is launched, the corporation has developed a strategy to acquire customers and users through a variety of offline and online channels, with a heavy focus on four target segments: (i) the Millennials wishing to combine purpose and return with their investments; (ii) the individual investors wishing to be active in the impact economy; (iii) the impact entrepreneurs and companies seeking for funding; and (iv) the funds and family offices wishing to allocate a portion of their funds into the impact economy.

The Corporation expects to benefit from the scalability of internet based services, and the reach of internet based marketing and traffic acquisition.

Marketing Plans and Strategies

The Corporation will employ online and offline marketing to raise awareness around Impak's technology and ecosystem. Marketing campaigns will emphasize on the stability and impact of impact economy, our expertise, the power of the ecosystem and of our online analysis technology to attract users who are sensitive to impact investment.

Marketing programs are designed and executed by marketing professionals employed by the Corporation, and outside consultants, as required. The Corporation also seeks to expand the Impak Ecosystem through strategic partnerships. Marketing programs include:

- **Online Marketing and Growth Strategy:** The Corporation intends to invest in brand awareness and online marketing efforts by capitalizing on every digital touch point that potential users engage with on daily bases. The Corporation markets its brand through paid search advertising, display advertising, social media, and referral and affiliate programs.
- **Traditional Outbound Marketing:** The Corporation will also use traditional event marketing.

The Corporation's marketing strategy will use quantitative metrics to optimize the cost per acquisition of a customer compared to the estimated customer lifetime value. The Corporation will also invest in infrastructure such as data, analytics, and technology on the Impak Platform to help ensure that success metrics are in line and each marketing channel reports a return on investment.

2.4 *Long Term Objectives*

The Corporation goal is to obtain a Schedule I Bank licence under the *Bank Act* to launch its online responsible banking operations. Prior to obtaining the banking licence, the Corporation plans to launch by the end of 2017 the "**Impak Fund**", an online impact lending platform within a non-banking regulatory environment.

The Corporation's long term objective is to become a full service online mobile responsible bank. With the "Impak Bank App", Canadians will be able to

- create a deposit account,
- obtain a debit or credit card,
- manage payments and money transfers,
- obtain proactive advices on personal finances,
- avoid overdrafts, and
- plan projects and savings.

2.5 *Short Term Objectives and How We Intend to Achieve Them*

The Corporation's intended goal for the next 12 months is to complete the Offering and use the proceeds to (i) develop the Impak online ecosystem and launch the Impak Fund (ii) create awareness of the Impak platform; (iii) continue to advance the business plan of the Corporation; and (iv) apply for status as a Schedule I Bank. The following table summarizes how we intend to meet these objectives, and the anticipated costs for such steps:

What we must do and how we will do it	Target completion date	Our Maximum Cost to Complete
Completion of this current crowdfunding Offering	Expected to be completed on or about December 15 th 2016	\$70,000
Completion of funding	Q1 of 2017	\$100,000
Development of the Impak Investment Criteria	Q2 of 2017	\$150,000
Development of the Impak Scoring and Analysis algorithm v1.0	Q3 of 2017	\$350,000
Development of the Impak Fund platform and ecosystem v1.0	Q4 of 2017	\$950,000
Application to obtain status as Schedule I Bank	on-going process until obtaining	\$300,000

2.6 *Insufficient Funds*

The maximum proceeds of the Offering are anticipated to be sufficient to accomplish all of the Corporation's proposed objectives barring unforeseen events. The Corporation will scale the levels of expenditures on the basis of the actual gross proceeds of the Offering. **Funds available under this Offering may not be sufficient to accomplish our proposed objectives.**

In the event that adequate funds are raised under the Offering, however unforeseen events take place, there can be no assurance that alternative financing will be available or obtained on favorable terms, or at all.

2.7 *Material Agreements*

The following summarizes the material agreements to which the Corporation is currently a party:

Voting Trust and Restrictions on Transfer Agreement dated as of August 9, 2016 between the Corporation, Paul Allard, Bill Young and Marguerite Mendell (collectively, the "**Trustees**") by which the shareholders of the Corporation agree (i) to pool all their voting rights resulting from their ownership of Shares in the capital stock of the Corporation to be voted by the Trustees, by way of majority vote and (ii) not to transfer any of its Shares to any person before the earliest of (a) the Corporation having enabled an over-the-counter market for the Shares and (b) December 31, 2019.

ITEM 3 – INTERESTS OF DIRECTORS, MANAGEMENT, PROMOTERS AND PRINCIPAL HOLDERS

3.1 *Compensation and Securities Held*

The following table provides the specified information about the directors and officers of the Corporation who directly or indirectly beneficially owns or controls, or who will own or control following the maximum Offering, 10% or more of any class of voting securities of the Corporation.

Name and Municipality of principal residence	Positions held and the date of obtaining that position	Compensation paid by Corporation in the most recently completed financial year and the compensation anticipated to be paid in the current financial year	Number, type and percentage of securities of the Corporation held after completion of min. Offering	Number, type and percentage of securities of the Corporation held after completion of max. Offering
Paul Allard Montreal, Quebec	President (May 2016 to present)	Nil	2,083,333 Common Shares (27.8%)	2,083,333 Common Shares (17.4%)
	Director (May 5, 2016 to present)		Nil Warrants for Common Shares	Nil Warrants for Common Shares
			Nil Options	Nil Options
Tima Gros Montreal, Quebec	Secretary (May 2016 to present)	Nil	500,000 Common Shares (0.07%)	500,000 Common Shares (0.04%)
	Director (May 5, 2016 to present)		Nil Warrants for Common Shares	Nil Warrants for Common Shares
			Nil Options	Nil Options

3.2 *Management Experience*

Directors and Senior Officers

The name and principal occupation of the directors and officers of the Corporation over the past five years are as follows:

Name	Principal occupation and related experience
<p>Paul Allard President and Director</p>	<p>With more than 20 years of experience in management, marketing and funding of innovative companies in growth environments specifically in the media and technology industry, Mr. Allard is currently founder and President of Impak Finance Inc.</p> <p>Since 2015, he is senior advisor at Redwood Capital, an investment bank specialised in M&A based in New-York.</p> <p>From 2007 to 2014 he is founder and CEO of Engagement Labs (TSX-V: EL), a technology company specialized in real-time intelligent social media data, analytics and insights for organizations that are actively engaging on social and digital networks. Elabs has offices in London, New-York, Toronto and Montreal.</p> <p>From 2007 to 2012, he is lecturer at Université du Québec à Montréal for a series of seminars on entrepreneurship.</p> <p>In 2006 he co-founded and operated for 3 years <i>AlternativeChannel.tv</i>, the first Multilanguage WebTV channel devoted to sustainable development.</p> <p>Since 2005, he is involved in different transactions with listed and private companies.</p> <p>In 1997, he founded ZAQ Inc., a web services and interactive TV technology company, which he was President & CEO. He brought it public in 2000 (TSX-V:ZQA) and in 2003 the company was sold to Intasys Corp. (NASDAQ: INTA) and ISAC Technologies LLC (TSX-V:ISF).</p> <p>Mr. Allard also was co-founder and Chairman of Association des Producteurs en Multimedia du Quebec now known as Alliance Numérique from 1997 to 1999. In 1999 Mr. Allard also acted as co-founder and Chairman of Interactive Multimedia Producers of Canada until 2001. These two organizations were responsible for discussing and negotiating government policies (federal and provincial) affecting this new industry.</p> <p>Prior to his business career, he worked in the entertainment industry, specifically in theatre and television for more than 10 years (Les Miz, Paul McCartney's musical ways, L'Opéra de quatsous, Gala, etc.).</p> <p>Mr. Allard holds a Bachelor of Arts in music and an MBA in International Marketing & Finance from the HEC from Montreal.</p>
<p>Tima Gros Director</p>	<p>15 years' sustainable development advocate and manager Passionate about collective intelligence & professional co-development. Believes in "la part du colibri" to change our world. Holds a master in Social psychology and an MBA in change management.</p>

Founders

The following table sets out the biography of the founding members of Impak Finance Inc.:

Name	Principal occupation and related experience
Paul Allard President and Director	Please see above for Mr. Allard's biography.
Andy Krupski Lead Strategist & Trust Officer	<p>A graduate of McGill Andy Krupski is the Chairman of The Hive Marketing Inc., a full-service North American Advertising and Communications Agency, located in Toronto, Canada. Under Andy's leadership, The Hive has grown by over 500% over the past 14 years through, in part; by adding 3 new business units one of which operates in the US. Generating results, Andy believes, comes from developing innovative ideas to intuitively connect brands with their consumers and through this approach has applied his strategic vision to key [global & North American] brands such as Coca Cola, Jack Daniels, Weston, OLG and Rogers. Andy's success is attributed, in part, to his ability to change business models to meet the rapidly changing nature of the communications business.</p> <p>Prior to joining The Hive, Andy was the President and Managing Partner of Genesis Media Inc., and grew the company through Mergers and Acquisitions as well as through the introduction of retail media buying and media analytics departments. In addition to holding the position of President Residential for Sprint Canada, Andy was the President & CEO at Grey Canada and led the introduction of Canada's first full digital agency offering (LASSO).</p> <p>Before joining Grey, Andy was the President & CEO of J. Walter Thompson and grew the company to become the largest agency in the country which resulted in it being recognized a one of the highest performing companies in the global agency network. Prior to this, Andy held senior executive positions at Scali, McCabe, Sloves - Unilever and Nestle.</p> <p>A consummate professional driven by a passion for results, Andy's commitment extends beyond the agency boardroom into community involvement. Andy was Chairman of the Special Olympics Canada and was on the board and executive committee for 14 years. Andy is also a board member of the Women's Brain Health Foundation. In addition to this, Andy is an active member of the Advisory Board at Emergentics International and is a co-founder of Impak Finance.</p>
Stéphane Dumont Head of Marketing	For the past 15 years he has co-founded and co-developed businesses that create bold stories for both brands and organizations in order to create emotional value and attractive experiences for the customer.
Tima Gros Chief Happiness Officer	Please see above for Ms. Gros' biography.
Jean Oulhen Senior Risk Management Director	<p>Jean, with a Master of Science in engineering and an Actuary degree, has spent most of his career in the banking industry. After 4 years in software R&D, in 2006 he joined BPCE, second-ranking banking group in France, where he carried out various projects in financial risk and balance sheet management. He led, after the 2008 financial turmoil, the team in charge of liquidity management for the group, with the goal of conducting the implementation of new Basel III Liquidity regulation within BPCE's business lines (retail and corporate & investment banking). In 2013, he took the opportunity to deal with the large & mid-cap corporate clients' liquidity management products within Natixis (BPCE's CIB subsidiary) Global Transaction Banking division.</p> <p>In 2015, after observing that the new banking regulations had exacerbated funding difficulties for small businesses, Jean co-founded Intérêts Communs in France with Armen Ouzounian, bringing alternative finance solutions to SMEs, and connecting them to institutional investors.</p> <p>With the conviction that banking, one of the oldest industries, is going through a crucial moment in its history and must evolve to survive, Jean was enthusiastic to join the Impak Finance endeavor, which fully embodies this necessary evolution towards a better finance.</p>

Name	Principal occupation and related experience
<p>Armen Ouzounian Senior Regulatory director</p>	<p>Curious and passionate about sciences, mathematics and their application in the real world, Armen has earned a MSc degree from one of the top engineering schools in France.</p> <p>Following a first experience in machine learning, Armen joined Sia Partners, a fast growing Consulting firm with an entrepreneurial spirit where he specialized in Risk Management and Financial Management topics. Armen has been on hot topics in Europe's biggest banks.</p> <p>In 2011, Armen joined Groupe BPCE, a cooperative banks network representing France's second largest bank. Among the Assets & Liability Management department, he has been part of Jean's team and then in charge of the liquidity norms & regulators relationship. Thus, he negotiated, alongside with other major banks, the Basel 3 framework with the authorities and BPCE specificities.</p> <p>Business-wise, Armen was part of the task-force that brought BPCE above 100% LCR compliance years before the regulatory requirement.</p> <p>In 2015, with Jean, Armen quitted BPCE to launch Intérêts Communs, a set of tools and services helping SMEs access alternative financing means. This service comprise a web-based bond-emitting tools used in private placement.</p> <p>Convinced that finance can positively impact our society and that there is space for a new player in North America, Armen has naturally joined the team. He will be in charge, with Jean, of designing the financial products offering and the financial and risk management framework.</p>
<p>Jean-François Pelland Corporate Lawyer</p>	<p>Member of the Québec Bar since 1994 and holder of a tax degree obtained from the University of Montreal (HEC) in 1998. Jean-François is a partner of the firm McMillan LLP since 2004 and conducts a domestic and international business law practice with an emphasis in the fields of institutional, public and private corporate finance, mergers and acquisitions, structuring and tax planning for private and public corporations and institutions. He also serves from time to time as director or officer of issuers listed on the TSX and TSX-V and of private corporations.</p> <p>In addition, Jean-Francois is an active member of the Quebec-based venture capitalists association Réseau Capital and also volunteers as an international source of legal expertise for the New-York based Financial Services Volunteer Corps (www.fsvc.org). As such, he has completed missions in countries such as Tunisia and Jordan, helping local communities, governments, non-for-profit corporations, entrepreneurs, venture capitalists and commerce chambers to improve their financial ecosystems.</p> <p>Jean-Francois's implication in Impak Finance is a direct combination of all his professional experience, helping entrepreneurs to build corporations based on solid core values: "Volunteering with FSVC helped me to come to the conclusion that most of the countries trying to build or transform their economy are facing the same structural issues, expressed in different ways but always showing deficiencies in the ecosystem preventing the proper deployment of capital to the benefit of the local communities. That is why we came with this connectivity solution, using technology to maximize capital deployment where it is really needed and offering the best global returns to all the stakeholders, with the entrepreneurs at the center of the value creation chain.</p>
<p>Philippe Gablain Head of Product</p>	<p>Bringing sense to technology for the user's benefit has always been Philippe's motivation.</p> <p>Since early 1998 Philippe has been pionner in new forms of digital communication, winning prize of best corporate campaign in 2000 for B2L/BBDO (France). At Paris Première (French TV channel) he built bridges between traditionnal TV and the web by designing the brand's rich media content portal. Then he advised big companies on their content strategy at Hummingbird, the canadian leader of enterprise content solutions. 5 years later Philippe joined the french startup jechange.fr as CTO a comparator aimed to simplify the process of choosing between complex insurance, credit, banking or broadband contracts. But he felt he could do more. Three years later Philippe co-founded Mighty Watch, an innovating service empowering brands to boost their interactions with their community on social media by combining monitoring, publishing and analytics in a single tool. In 2013, Mighty Watch has been acquired by Engagement Labs, the social media analytics company. There, as the head of product, Philippe unify, simplify and creates an unique experience from the company's products, in order to adapt them to marketers needs.</p> <p>At Impak Finance, Philippe is imagining products that will concretize Impak Finance's mission: create an inclusive experience that will empower citizens to be an active part of the ecosystem as much a the technological vision that will be able to support it.</p>

Name	Principal occupation and related experience
<p>Kosta Kostic Corporate Lawyer</p>	<p>Partner and member of McMillan LLP's National Capital Markets and M&A Group, Kosta's practice is predominantly focused on corporate finance, securities and mergers and acquisitions matters. Representing both issuers and investment dealers, Kosta has extensive experience in private and public debt and equity offerings. He has also acted as lead counsel in a number of private and public merger and acquisition transactions, corporate reorganization and restructuring transactions, as well as a variety of negotiated transactions, including take-over bids and proxy contests.</p> <p>Kosta is a member of the Local Advisory Committee for the TSX Venture Exchange and has also served as a director or corporate secretary of several publicly-listed and private companies.</p> <p>A member of the Quebec Bar since 2002, Kosta received a B.C.L./LL.B. from McGill University in 2001 and a B.A. in Communication Studies from Concordia University in 1996. He has also completed an executive training program on financial information at the McGill International Executive Institute.</p>
<p>Benoit Salvas Senior Risk Analyst</p>	<p>Holder of a Master degree in Economics from the Université de Montréal, he started his career at the Montreal Exchange. After working for the Montreal Exchange as a pit official and then as a director, he worked at the Montreal Exchange as an independent trader in the futures pit and later as an options specialist and pro trader for BMO-NB. Mr. Salvas was Vice President Trading / Wealth Management at National Bank Financial where he was given a turnaround mandate that he successfully achieved.</p>
<p>Vikash Jain COO</p>	<p>Vikash has over twenty years experience in financial management and served most recently as the Chief Investment Officer of Morguard Financial Corp., the public markets division of Morguard Corp., a Canadian company with \$19 billion in pension assets under management. Prior to that, Vikash launched archerETF Investment Management, a firm offering diversified ETF-based portfolio management to individual investors.</p> <p>Vikash began his career as a journalist with the CBC, later with Dow Jones News based in India and then with an oil sector research firm in Singapore, before returning to Canada to join a Bay Street pension fund manager.</p> <p>Vikash holds degrees from the University of Toronto and the National University of Singapore and has been a CFA charterholder since 2002.</p> <p>Vikash lives in Toronto with his wife and two young sons and is a board member and youth leader at his local temple.</p>

Advisory Committee

The following table sets out the biography of the members of the Advisory Board:

Name	Principal occupation and related experience
Bill Young President, Social Capital Partners	Prior to founding Social Capital Partners in 2001, Bill spent twenty years in the private sector leading high growth, entrepreneurial organizations. He was CEO of Hamilton Computers, a publicly traded company that grew from \$15 million to \$250 million under his leadership and was sold to GE Capital. Bill was also the CEO and subsequently the Chairman of Optel Communications Corp. (later Axxent). Bill began his career as a Chartered Accountant with Ernst & Young and holds an Honours BA from the University of Toronto and an MBA from the Harvard Business School. He currently sits on a variety of boards for social enterprises and community organizations, and is a member of the Canadian Task Force on Social Finance. In 2013, Bill was appointed as a member of the Order of Canada for his contributions to Canadian society and his innovative achievements as a social entrepreneur and philanthropist.
Laure Waridel Executive Director, CIRODD	Laure is Executive Director at Centre interdisciplinaire de recherche en opérationnalisation du développement durable (CIRODD — interdisciplinary research centre on sustainable development operationalization) A revolutionary with a smile, Laure Waridel fell into citizen engagement as a young child. Over the last 25 years, she has worn both the work boots of major ecological solidarity endeavours and the velvet gloves of sustainable-development work. As a woman with a big heart and a rigorous approach, she recently undertook doctoral studies on the emergence of an ecologically- and socially-minded economy at the Graduate Institute of International and Development Studies (IHEID) in Geneva, for which she won a prestigious Trudeau Scholarship.
Mr. Pierre Valentin Chairman of ECOFI Investissements	Pierre is the chairman of ECOFI Investissements since 2015, the first investment fund to move on social responsibility and impact finance. ECOFI is part of Groupe Crédit Coopératif, a complete banking ecosystem reaching 16bn €, dedicated to social impact toward finance. At Crédit Coopératif, Pierre was deputy CEO since 2007, in charge of finance, international and commitments. He started as an engineer after graduating from Ecole Polytechnique and earning a PhD in Physics. In 2002 he is member of the board of Equalt Alternative Asset Management as head of Quantitative Asset Management. He joins Crédit Coopératif in 2004 as CFO.
Jacques Bernier Managing Partner at Teralys Capital	Jacques is co-founder of Teralys Capital. He is a highly respected venture capitalist, entrepreneur and investor who has helped shape the Canadian technological innovation scene. Through a 35-year career of contributions to the high-tech community, he has been actively involved in more than a dozen emerging high-tech companies as founder or angel investor as well as Senior Vice-President of the Fonds de solidarité FTQ. Jacques' widely valued wisdom and experience continue to define, develop and implement a new approach to venture capital in Canada and abroad. Jacques serves on the board of PolyFinances, InnoCité Montréal, Quartier de l'Innovation, IRIC and he also does philanthropy work. Jacques holds a Bachelor's degree in Industrial Engineering from École polytechnique de Montréal (B.A.Sc.)
Marguerite (Margie) Mendell	PhD in Economics from McGill University (1983) Ms. Mendell has been teaching at Concordia since 1986. Her current research and teaching are on the social economy, alternative investment strategies, comparative community economic development, economic democracy, and the work of Karl Polanyi whose influence continues to grow today. Member of the Centre de recherche sur les innovations sociales dans économie sociale, les entreprises et les syndicats (CRISES - UQAM); member of the Advisory Council of the B.C.-Alberta Research Alliance on the Social Economy (BALTA) and member of the Scientific Advisory Group on Social Economy and Social Innovation of the Trento Center for Local Development. Organisation for Economic Cooperation and Development (OECD-Paris), among others.
Assaf Weisz Co-founder and Managing Director of Purpose Capital,	Purpose Capital is a North American impact investment and advisory firm that supports leading financial institutions, foundations and families to integrate impact considerations across their portfolios. Assaf acts as the key contact and spokesperson for Purpose Capital and is responsible for leading the strategic direction of the company as well as oversight on firm-wide activities. Within Purpose Capital, Assaf also serves as the Executive Director for Nexus Canada, part of a global movement to bridge communities of wealth with social entrepreneurship.

3.3 Penalties, Sanctions and Bankruptcy

- (a) There has been no penalty or sanction that has been in effect during the last 10 years, or any cease trade order that has been in effect for a period of more than 30 consecutive days during the past 10 years, against:
- (i) a director, executive officer or control person of the Corporation; or
 - (ii) any company of which a person referred to in 3.3(a)(i) above was a director, executive officer or control person at that time;
- (b) There has been no declaration of bankruptcy, voluntary assignment in bankruptcy, proposal under any bankruptcy or insolvency legislation, proceedings, arrangement or compromise with creditors or appointment of a receiver, receiver manager or trustee to hold assets, that has been in effect during the last 10 years with regard to any:
- (i) director, executive officer or control person of the Corporation; or
 - (ii) any companies of which a person referred to in 3.3(b)(i) above was a director, executive officer or control person at that time.

3.4 Loans

There are no debentures or loans from director, management, promoters and principal holders of the Corporation as at the date of this Offering Memorandum.

ITEM 4 – CAPITAL STRUCTURE

4.1 Share Capital

Description of Security	Number of authorized to be issued	Price per Security	Number outstanding as at October 11, 2016	Number outstanding after min. Offering	Number outstanding after max. Offering
Common Shares ⁽¹⁾	unlimited	N/A	7,511,230	8,011,230	12, 511,230

Notes:

- (1) For more information about the rights and privileges associated with the Common Shares, see ITEM 5.1.

4.2 Long-Term Debt Securities

Not applicable.

4.3 *Prior Sales*

As of the date of this Offering Memorandum, the following Common Shares were issued:

Date of Issuance	Type of Security Issued	Number of Securities Issued	Price per Security	Total Funds Received
May 5, 2016	Common Shares	1,500,000	\$0.00001	\$15
June 1, 2016	Common Shares	4,900,000	\$0.00001	\$49
August 31, 2016	Common Shares	366,665	\$0.30	\$110,000
September 26, 2016	Common Shares	159,524	\$0.30	\$47,857.20
September 26, 2016	Common Shares	166,666	\$0.60	\$100,000
October 5, 2016	Common Shares	150,000	\$0.60	\$90,000
October 11, 2016	Common Shares	268,375	\$0.60	\$161,025

ITEM 5 – SECURITIES OFFERED

5.1 *Terms of Securities*

Each Common Share entitles the holder thereof to receive notice of any meetings of shareholders of the Corporation, to attend and to cast one vote in person or by proxy per Common Share at all such meetings. Holders of Common Shares of the Corporation do not have cumulative voting rights with respect to the election of directors and accordingly, holders of a majority of the Common Shares entitled to vote in any election of directors may elect all directors standing for election. Holders of Common Shares are entitled to receive on a pro-rata basis such dividends, if any, as and when declared by the Corporation's board of directors at its discretion from funds legally available therefore and upon the liquidation, dissolution or winding up of the Corporation are entitled to receive on a pro-rata basis the net assets of the Corporation after payment of debts and other liabilities, in each case subject to the rights, privileges, restrictions and conditions attaching to any other series or class of shares ranking senior in priority to or on pro-rata basis with the holders of Common Shares with respect to dividends or liquidation. The Common Shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions.

Voting Trust and Restrictions on Transfer Agreement dated as of August 9, 2016 between the Corporation, Paul Allard, Bill Young and Marguerite Mendell (collectively, the "**Trustees**") by which the shareholders of the Corporation agree (i) to pool all their voting rights resulting from their ownership of Shares in the capital stock of the Corporation to be voted by the Trustees, by way of majority vote and (ii) not to transfer any of its Shares to any person before the earliest of (a) the Corporation having enabled an over-the-counter market for the Shares and (b) December 31, 2019.

Section 4 of the Corporation's Articles provides that no Common Shares may be sold, transferred or otherwise disposed of without the consent of the directors of the Corporation. See also Item 10 "*Resale Restrictions*" for further restrictions on the transferability of the Corporation's Common Shares.

The Common Shares currently are not listed on any stock exchange. As at the date of this Offering Memorandum, there are a total of 7,511,230 Common Shares issued and outstanding.

5.2 *Subscription Procedure*

(a) Subscription Documents

Subscribers who wish to purchase Common Shares will be required to enter into a Subscription Agreement with the Corporation by completing and delivering the Subscription Agreement and related documentation to the Corporation. The Subscription Agreement contains, among other things, representations and warranties required to be made by the purchaser that it is duly authorized to purchase the Common Shares, that it is purchasing the Common Shares for investment and not with a view for resale and as to its corporate status or other qualifications to purchase the Common Shares on a “private placement” basis. Reference is made to the Subscription Agreement and related documentation, copies of which are attached hereto as Exhibit “II”, for the specific terms of these representations, warranties and conditions.

Common Shares may be purchased in the following manner:

- (i) execute a Subscription Agreement, a copy of which is attached hereto as Exhibit “II”, as well as any documentation required by the applicable securities laws of the jurisdiction in which they are resident (copies of which are attached to the Subscription Agreement);
- (ii) pay the Subscription Price in respect of the Common Shares subscribed for, by way of a certified cheque, bank draft or wire transfer payable to “Impak Finance Inc.”; and
- (iii) deliver all of the foregoing to Impak Finance Inc., 2700-1000 Sherbrooke Street West, Montreal, Quebec H3A 3G4 (Attention: Paul Allard).

Subject to applicable securities laws, and the purchaser’s two-day cancellation right, a subscription for Common Shares, evidenced by a duly completed Subscription Agreement delivered to the Corporation shall be irrevocable by the purchaser. See ITEM 11 – Purchaser’s Rights. The subscription funds delivered together with a Subscription Agreement will be held in trust until midnight of the second business day subsequent to the date that each Subscription Agreement is signed by a purchaser. The Corporation will return all consideration to you if you exercise the right to cancel the Subscription Agreement within the prescribed time.

Subscription funds received will be held in trust by the Corporation pending closing of the Offering. Subscriptions for Common Shares will be received subject to rejection or allotment in whole or in part, and the right is reserved to close the subscription books at any time without notice. The Corporation intends to complete the initial closing under this Offering Memorandum as soon as practicable, with the intent that such initial closing is expected to occur on or about November 30, 2016. **Funds available under this offering may not be sufficient to accomplish our proposed objectives.**

Subscriptions for Common Shares are subject to acceptance by the Corporation and compliance with applicable securities laws. The Subscription Agreement referred to herein contains representations and warranties of the purchaser, which the Corporation will be relying upon in order to determine the eligibility of the potential purchaser to subscribe for and purchase Common Shares pursuant to the Offering.

Notwithstanding the above, subscription agreements from trustees for RRSPs or RRIFs under the Tax Act will be accepted by the Corporation without the accompanying payment, to accommodate their administrative procedures. In such case, the share certificates for the Common Shares will be delivered by the Corporation in exchange for payment of the Subscription Price.

The Common Shares have not been and will not be registered under the United States *Securities Act of 1933*, as amended, and subject to certain exceptions, may not be offered or sold in the United States.

You should carefully review the terms of the Subscription Agreement attached hereto for more detailed information concerning the rights and obligations applicable to you and the Corporation. Execution and delivery of the Subscription Agreement will bind you to the terms thereof, whether executed by you or by an agent on your behalf. **You should consult with your own professional advisors.**

(b) Distribution

The Offering is being made to, and subscriptions will only be accepted from, persons resident in the Provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick and Nova Scotia pursuant to the Offering Memorandum, “accredited investor” and other applicable exemptions from the prospectus requirements of National Instrument 45-106 adopted by Canadian Securities Administrators. Subscriptions for the Common Shares may also be accepted from Subscribers in other jurisdictions at the Corporation’s discretion, provided that each such purchaser provides to the Corporation the full particulars of the exemption from the registration and prospectus requirements under applicable securities laws being relied on and evidence of the purchaser’s qualifications thereunder.

The foregoing exemptions relieve the Corporation from the provisions of applicable securities laws which otherwise would require the Corporation to file and obtain a receipt for a prospectus. Accordingly, prospective Subscribers for the Common Shares will not receive the benefits associated with a subscription for securities issued pursuant to a filed prospectus, including the review of material by securities regulatory authorities.

Each purchaser is urged to consult with his own legal adviser as to the details of the statutory exemption being relied upon and the consequences of purchasing securities pursuant to such exemption.

ITEM 6 – INCOME TAX CONSEQUENCES

6.1 Tax Advice

You should consult your own professional advisers to obtain advice on the tax consequences that apply to you.

6.2 RRSP Eligibility

Not all securities are eligible for investment in a registered retirement saving plans (RRSP). You should consult your own professional advisors to obtain advice on the RRSP eligibility of these securities.

ITEM 7 – COMPENSATION PAID TO SELLERS AND FINDERS

7.1 Finder’s Fee or Referral Fee

Where allowed by applicable securities laws, the Corporation may offer compensation of up to a maximum of 10% of the gross proceeds realized on the sale of the Common Shares under this Offering to registered dealers, exempt market dealers, or where permitted non-registrants, including parties related to the Corporation, employees and/or contractors of such parties, and officers and directors of the Corporation.

The Corporation has engaged Silver Maple Ventures Inc. (“**Silver Maple**”), a registered “exempt market dealer” under applicable securities laws, to distribute and sell the Common Shares. The Corporation will pay the following commissions to Silver Maple:

- (a) for each subscriber who is an individual, the greater of:
 - (i) a fee equal to 6.00% of the gross proceeds raised through any Subscriber under the Offering in respect of which Silver Maple provides any services with a cap of \$150 per transaction; and
 - (ii) \$35 per Subscriber for the first 500 transactions; \$25 per Subscriber for the following 1,500 transactions; \$20 per Subscriber for all transactions following the 2,000th; and
- (b) for each Subscriber who is not an individual, the greater of:
 - (i) a fee equal to 6.00% of the gross proceeds raised through any subscriber under the Offering in respect of which Silver Maple provides any services; and

- (ii) \$100 per Subscriber.

The Corporation will also be paying to Silver Maple, the following fees:

- a due diligence fee of \$7,500 plus applicable taxes and 7,500 Common Shares; and
- a search fee in the amount of \$75 per officer, director and principal for the performance of Silver Maple's disciplinary and integrity search of officers, directors and principals with significant influence on the business.

The Corporation, in its discretion, may in the future seek assistance from such dealers to effect the sale of the Common Shares on a best effort basis and on a private placement basis (subject to applicable securities laws). In consideration of the services of such dealers, the Corporation may pay the dealers a commission, subject to negotiation.

ITEM 8 – RISK FACTORS

8.1 *Risk Factors*

Investment in the Common Shares should only be made after consulting with independent and qualified sources of investment and tax advice. Investment in the Common Shares at this time is highly speculative due to the stage of the Corporation's development and requirement to raise additional financing to carry out its long-term business plan. Investors must rely on management of the Corporation. Any investment in the Corporation at this stage involves a high degree of risk.

Risks Related to Our Business and Industry

Limited operating history in an evolving industry

The Corporation has no operating history in an evolving industry that may not develop as expected. Assessing its business and future prospects is challenging in light of the risks and difficulties it may encounter. These risks and difficulties include its ability to:

- navigate complex and evolving regulatory and competitive environments;
- increase the number of customers;
- successfully maintain and evolve our internal controls to manage compliance with an evolving and complex regulatory environment;
- improve the terms on which the Corporation lends to its customers as its business becomes more efficient;
- increase the effectiveness of its direct marketing and ability to identify the trends relevant to its targeted demographics;
- successfully develop and deploy new products;
- successfully maintain its funding strategy
- favourably compete with other companies that are currently in, or may in the future enter, the business of financial services to its targeted demographics;
- successfully navigate economic conditions and fluctuations in the financial services market;
- effectively manage the growth of its business;
- successfully expand its business;

- continue to revise its platform's proprietary credit model;
- continue to develop, maintain and scale its platform;
- effectively use limited personnel and technology resources;
- effectively maintain and scale its financial and risk management controls and procedures;
- maintain the security of its platform and the confidentiality of the information provided and utilized across its platform; and
- attract, integrate and retain an appropriate number of qualified employees.

No assurance of profitability

- The Corporation operates at loss and there is no assurance that the Corporation will ever be profitable.

The financial services industry is highly regulated

The Corporation's business is subject to numerous federal, provincial and other local laws, ordinances and regulations in each of the jurisdictions in which it operates, which are subject to change and which may impose significant costs or limitations on the way the Corporation conducts or expands its business. These regulations govern, or affect, among other things:

- lending and collection practices, such as truth in lending and short-term and installment lending and continuous payment authority;
- interest rates and usury;
- loan amount and fee limitations;
- licensing and posting of fees; and
- privacy of personal consumer information.

As the Corporation develops and introduces new products and services, it may become subject to additional laws and regulations. Future legislation or regulations may restrict the Corporation's ability to continue its current methods of operation or expand its operations and may have a negative effect on its business, results of operations and financial condition. In addition, future legislation or regulations, or amendments to existing regulatory regime, could require the Corporation to modify its platform and processes, which may cause the Corporation to incur additional costs.

There is no guarantee that the Corporation will obtain status as a Schedule I Bank under the Bank Act.

After the completion of the Offering and subject to receiving sufficient funds, the Corporation intends to apply to obtain status as a Schedule I Bank as defined under the *Bank Act*. There is no guarantee as to when the Corporation will obtain status as a Schedule I Bank, or if it will ever obtain such status. If the Corporation's application is rejected, the Corporation will be unable to pursue its business plan and it could adversely affect the Corporation's business and financial condition.

Personal data

The Corporation receives, transmits and stores a large volume of personally identifiable information and other sensitive data from its customers and potential customers. There are federal, provincial and foreign laws regarding

privacy and the storing, sharing, use, disclosure and protection of personally identifiable information and sensitive data. Specifically, personally identifiable information is increasingly subject to legislation and regulations to protect the privacy of personal information that is collected, processed and transmitted. Any violations of these laws and regulations may require the Corporation to change its business practices or operational structure, address legal claims and sustain monetary penalties and/or other harms to its business.

The regulatory framework for privacy issues in Canada is constantly evolving and is likely to remain uncertain for the foreseeable future. The interpretation and application of such laws is often uncertain, and such laws may be interpreted and applied in a manner inconsistent with the Corporation's current policies and practices or require changes to the features of its platform. If either the Corporation or its third-party service providers are unable to address any privacy concerns, even if unfounded, or to comply with applicable laws and regulations, it could result in additional costs and liability, damage its reputation and harm its business.

Additional capital may be required

The Corporation intends to continue to make investments to support the growth of its business. As such, it may require additional capital to pursue its business objectives and respond to business opportunities, challenges or unforeseen circumstances, including increasing its marketing expenditures to improve its brand awareness, developing new products or services or further improving existing products or services, enhancing its operating infrastructure and acquiring complementary businesses and technologies. Accordingly, it may need to engage in equity or debt financings to secure additional funds. However, additional funds may not be available when the Corporation needs them, on terms that are acceptable to the Corporation, or at all. In addition, the Corporation's agreements with other lenders may make it more difficult for it to obtain additional capital and to pursue business opportunities.

If the Corporation raises additional funds through further issuances of equity or convertible debt securities, its existing shareholders could suffer significant dilution, and any new equity securities the Corporation issues could have rights, preferences and privileges superior to those of holders of its common stock. If the Corporation is unable to obtain adequate financing or financing on terms satisfactory to the Corporation, when it requires, its ability to continue to pursue its business objectives and to respond to business opportunities, challenges or unforeseen circumstances could be significantly limited, and its business, operating results, financial conditions and prospects could be adversely affected.

Security breaches of customers' confidential information

The Corporation stores customers' personal and banking information and other sensitive data. Any accidental or willful security breaches or other unauthorized access could cause the theft and criminal use of this data. Security breaches or unauthorized access to confidential information could also expose the Corporation to liability related to the loss of the information, time-consuming and expensive litigation and negative publicity. If security measures are breached because of third-party action, employee error, malfeasance or otherwise, or if design flaws in the Corporation's software are exposed and exploited, and, as a result, a third party obtains unauthorized access to any of its customers' data, the Corporation's relationships with its customers will be severely damaged, and the Corporation could incur significant liability.

Because techniques used to obtain unauthorized access or to sabotage systems change frequently and generally are not recognized until they are launched against a target, the Corporation and third-party hosting facilities may be unable to anticipate these techniques or to implement adequate preventative measures. In addition, certain provinces have enacted laws requiring companies to notify individuals of data security breaches involving their personal data. These mandatory disclosures regarding a security breach are costly to implement and often lead to widespread negative publicity, which may cause the Corporation's customers to lose confidence in the effectiveness of its data security measures. Any security breach, whether actual or perceived, would harm its reputation and the Corporation may lose customers.

If products and platform enhancements do not achieve sufficient market acceptance

The Corporation incurs expenses and expends resources upfront to develop, acquire and market new products and platform enhancements to incorporate additional features, improve functionality or otherwise make its platform more desirable to its customers.

It may be difficult and costly to protect the intellectual property rights, and the Corporation may not be able to ensure their protection.

The Corporation's ability to service its customers depends, in part, upon its intellectual property. It primarily relies on copyright, trade secret and trade-mark laws, trade secret protection and confidentiality or license agreements with its employees, customers and others to protect its intellectual property rights. However, the steps it takes to protect its intellectual property rights may be inadequate. The Corporation currently does not have any issued patents.

In order to protect its intellectual property rights, the Corporation may be required to spend significant resources to monitor and protect these rights. Litigation brought to protect and enforce its intellectual property rights could be costly, time-consuming and distracting to management and could result in the impairment or loss of portions of its intellectual property. Furthermore, its efforts to enforce its intellectual property rights may be met with defences, counterclaims and countersuits attacking the validity and enforceability of its intellectual property rights. The Corporation's failure to secure, protect and enforce its intellectual property rights could seriously harm its brand and adversely affect its business.

The Corporation's success and future growth depend in part on its successful marketing efforts and increased brand awareness.

The Corporation believes that an important component of its growth will be continued market penetration through its direct marketing channel. To achieve this growth, the Corporation anticipates relying heavily on marketing and advertising to increase the visibility of the Impak brand with potential customers. The goal of this marketing and advertising is to increase the strength, recognition and trust in the Impak brand, drive more unique visitors to submit applications on its mobile platform, and ultimately increase the number of customers banking with the Corporation or the number of loans made to its customers.

If the Corporation is unable to recover its marketing costs through an increase in the number of saving accounts opened and in the number of loans made, or if it discontinues its broad marketing campaigns, it could have a material adverse effect on its growth, results of operations and financial condition.

The Corporation relies on its management team and need additional key personnel to grow its business, and the loss of key employees or inability to hire key personnel could harm its business.

The Corporation believes its success has depended, and continues to depend, on the efforts and talents of its executives and employees, including Paul Allard, Vikash Jain, Tima Gros, Philippe Gablain, Stéphane Dumont, Armen Ouzounian and Jean Oulhen. Its future success depends on its continuing ability to attract, develop, motivate and retain highly qualified and skilled employees. Qualified individuals are in high demand, and the Corporation may incur significant costs to attract and retain them. In addition, the loss of any of its senior management or key employees could materially adversely affect its ability to execute its business plan and strategy, and it may not be able to find adequate replacements on a timely basis, or at all.

Litigation may adversely affect the Corporation's business and financial condition.

The Corporation's business is subject to the risk of litigation by employees, customers, consumers, suppliers, competitors, shareholders, government agencies, or others through private actions, class actions, administrative proceedings, regulatory actions or other litigation. The outcome of litigation, particularly class action lawsuits, regulatory actions and intellectual property claims, is difficult to assess or quantify. Plaintiffs in these types of law suits may seek recovery of very large or indeterminate amounts, and the magnitude of the potential loss relating to these lawsuits may remain unknown for substantial periods of time. In addition, certain of these lawsuits, if decided

adversely to the Corporation or settled by the Corporation, may result in liability material to its financial statements as a whole or may negatively affect its operating results if changes to its business operations are required. The cost to defend future litigation may be significant. There also may be adverse publicity associated with litigation that could negatively affect customer perception of its business, regardless of whether the allegations are valid or whether the Corporation are ultimately found liable. As a result, litigation may adversely affect its business and financial condition.

Risks Related to this Offering

Speculative investment

An investment in the Common Shares is highly speculative. Investment in the Common Shares should be considered only by investors who are able to make a long term investment and are aware of the risk factors involved in such an investment. You should only invest in the Common Shares if you are able to bear the risk of the entire loss of your investment and have no need for immediate liquidity in such investment.

Shareholders of the Corporation may experience more dilution.

The Corporation is authorized to issue an unlimited number of Common Shares. The board of directors has the authority to cause the Corporation to issue additional Common Shares without consent of any of the Corporation's shareholders. Consequently, shareholders may experience more dilution in their ownership of the Corporation in the future.

The Corporation may not declare any dividends.

The Corporation has not declared or paid any dividends on its Common Shares since inception and does not anticipate paying any such dividends on its Common Shares for the foreseeable future. Investors seeking dividend income or liquidity should not invest in the Common Shares.

Prospectus exemption

The Offering is being made pursuant to exemptions from the prospectus and registration requirements of applicable securities legislation (the "**Exemptions**"). As a consequence of acquiring the Common Shares offered hereby pursuant to such Exemptions and the fact that no prospectus has or is required to be filed with respect to any of the Common Shares offered hereby under applicable securities legislation in Canada: (i) you will be restricted from using certain of the civil remedies available under applicable securities legislation; (ii) certain protections, rights and remedies provided in such legislation will not be available to you; (iii) you may not receive information that might otherwise be required to be provided to you under such legislation; and (iv) the Corporation is relieved from certain obligations that would otherwise apply under such legislation.

No public market exist for the Common Shares.

There is no market for resale of the Common Shares as they are not traded on any stock exchange. Consequently, it may be difficult or even impossible for investors to sell them. In addition, the Common Shares may not be readily acceptable as collateral for loans.

There are restrictions on resale of the Common Shares by investors. Such restrictions on resale may never expire and investors should consult with their professional advisors in respect of resale of the Common Shares. See Item 10 - "*Resale Restrictions*" in this regard.

The Corporation does not presently intend to qualify its securities for sale to the public by way of prospectus.

The Common Shares are not insured.

The Corporation is not a member institution of the Canada Deposit Insurance Corporation and the Common Shares offered pursuant to this Offering Memorandum are not insured against loss through the Canada Deposit Insurance Corporation.

Less than Full Offering

There can be no assurance that more than the minimum Offering will be sold. In that case, less than the maximum proceeds will be available to the Corporation and, consequently, its business development plans and prospects could be adversely affected.

Changes in Legislation

There can be no assurance that income tax laws and laws relating to the banking industry will not be changed in a manner which adversely affects the Corporation or distributions received by its security holders.

Absence of validation of the information provided to the Corporation and reproduced in this Offering Memorandum

The information provided to the Corporation by any person and reproduced in this Offering Memorandum about such persons or about activities of any other person than the Corporation has not been at this stage verified by the Corporation and as such, might not be accurate in whole or in part and no one shall rely on any of such information for the purposes of participating in the Offering.

Tax Matters

The return on the Shareholder's investment in the Common Shares is subject to changes in Canadian federal and provincial tax laws, tax proposals, other governmental policies or regulations and governmental, administrative or judicial interpretation of the same. There can be no assurance that tax laws, tax proposals, policies or regulations, or the interpretation thereof, will not be changed in a manner which will fundamentally alter the tax consequences to shareholders acquiring, holding or disposing of Common Shares.

For all of the aforesaid reasons and others set forth and not set forth herein, the Common Shares involve a certain degree of risk. Any person considering the purchase of the Common Shares should be aware of these and other factors set forth in this Offering Memorandum and should consult with his/her legal, tax and financial advisors prior to making an investment in the Common Shares. The Common Shares should only be purchased by persons who can afford to lose all of their total investment.

ITEM 9 – REPORTING OBLIGATIONS

9.1 Documents Provided to Shareholders Annually

The Corporation is not required to send you any documents on an annual or ongoing basis. The Corporation is not a “reporting issuer” as such term is defined in applicable securities legislation and accordingly is not subject to most of the continuous disclosure reporting obligations imposed on reporting issuers by securities legislation in Quebec. In accordance with requirements of the *Canada Business Corporations Act*, the Corporation is required to place audited financial statements before its shareholders at each annual general meeting and to deposit copies for inspection in its corporate records maintained at its records office which are available for inspection by any shareholders during normal business hours.

9.2 Sources of Information About the Corporation

Information about the Corporation's incorporation, amendments to its documents, Directors, officers, annual corporate filings and other corporate information can be obtained from the Quebec Registrar of Companies, 2050, rue De Bleury, RC 10 (Station Place-des-Arts), Montreal, Quebec.

ITEM 10 – RESALE RESTRICTIONS

10.1 *General Statement*

These securities will be subject to a number of resale restrictions, including a restriction on trading. Until the restriction on trading expires, you will not be able to trade the securities unless you comply with an exemption from the prospectus and registration requirements under applicable securities legislation.

10.2 *Restricted Period*

Unless permitted under securities legislation, you cannot trade the securities before the date that is four months and a day from the later of: (a) the Closing Date; and (b) the date the Corporation becomes a reporting issuer in any province or territory of Canada.

After such period, the Common Shares may be transferable, subject to restrictions on transfer required in order to comply with certain provisions of the Tax Act.

ITEM 11 – PURCHASER’S RIGHTS

If you purchase these securities, you will have certain rights, some of which are described below. For information about your rights, you should consult a lawyer.

The following is a summary of the statutory or contractual rights of action for damages or rescission which may be available to a purchaser of Common Shares. The applicable securities laws in certain jurisdictions provides purchasers, or requires purchasers be provided, with remedies for rescission or damages, or both, if this Offering Memorandum or any amendment to it or any information or documents incorporated or deemed to be incorporated herein by reference contains a misrepresentation. However, these remedies must be exercised within the time limits prescribed. Purchasers should refer to the applicable legislative provisions for the complete text of these rights and/or consult with a legal advisor. The rights of action described herein are in addition to and without derogation from any other right or remedy that a purchaser may have at law.

Any Offering Memorandum marketing materials related to the Offering and which are delivered or made reasonably available to a purchaser before the closing of that purchaser’s subscription for Common Shares are deemed to be incorporated by reference in this Offering Memorandum.

As used herein, except where otherwise specifically defined, “misrepresentation” means an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make any statement in this Offering Memorandum or any amendment hereto or any information or documents incorporated or deemed to be incorporated herein by reference not misleading in light of the circumstances in which it was made. A “material fact” means a fact that significantly affects or would reasonably be expected to have a significant effect on the market price or value of the Common Shares.

The following summaries are subject to any express provisions of the securities legislation of each selling jurisdiction and the regulations, rules and policy statements thereunder and reference is made thereto for the complete text of such provisions.

11.1 *Two Day Cancellation Right*

You can cancel your agreement to purchase these securities. To do so, you must send a notice to the Corporation by midnight on the second business day after you sign the Subscription Agreement to buy the Common Shares.

11.2 *British Columbia*

If you are a resident of British Columbia, and if there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue (a) the Corporation to cancel your agreement to buy the Common Shares, or (b) for damages against the Corporation, every person who was a director of the Corporation at the date of this Offering Memorandum and every other person who signed this Offering Memorandum.

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defences available to the persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities. Additionally, if you elect to exercise a right of rescission against the Corporation, you will have no right of action against the persons described in (b) above.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date that you purchased the securities. You must commence your action for damages within the earlier of 180 days after you first had knowledge of the facts giving rise to the cause of action and three years after the day you purchased the securities.

11.3 Alberta

If you are a resident of Alberta, and if there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue (a) the Corporation to cancel your agreement to buy the Common Shares, or (b) for damages against the Corporation, every person who was a director of the Corporation at the date of this Offering Memorandum and every other person who signed this Offering Memorandum.

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defences available to the persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities. Additionally, if you elect to exercise a right of rescission against the Corporation, you will have no right of action against the persons described in (b) above.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date that you purchased the securities. You must commence your action for damages within the earlier of 180 days after you first had knowledge of the facts giving rise to the cause of action and three years after the day you purchased the securities.

11.4 Ontario

In accordance with Section 130.1 of the *Securities Act* (Ontario) (the “**Ontario Act**”), in the event that this Offering Memorandum or any amendment thereto contains a misrepresentation (as defined in the Ontario Act), the purchaser who purchases the Common Shares offered by this Offering Memorandum during the period of distribution has, without regard to whether the purchaser relied upon the misrepresentation, a right of action against the Corporation for damages, or, while the purchaser is still the owner of the Common Shares purchased by that purchaser, for rescission, in which case, if the purchaser elects to exercise the right of rescission, the purchaser will have no right of action for damages against the Corporation, provided that (a) the Corporation will not be liable if it proves that the purchaser purchased the Common Shares with knowledge of the misrepresentation; (b) in the case of an action for damages, the Corporation will not be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the Common Shares as a result of the misrepresentation relied upon; and (c) in no case will the amount recoverable in any action exceed the price at which the Common Shares were sold to the purchaser.

The foregoing rights provided in accordance with Section 130.1 of the Ontario Act do not apply to the following Subscribers relying upon the accredited investor exemption in Ontario:

- (a) a Canadian financial institution, meaning either:
 - (i) an association governed by the *Cooperative Credit Associations Act* (Canada) or a central cooperative credit society for which an order has been made under section 473(1) of that Act; or
 - (ii) a bank, loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services corporation, or league that, in each case, is authorized by an enactment of Canada or a jurisdiction of Canada to carry on business in Canada or a jurisdiction in Canada;

- (b) a Schedule III bank, meaning an authorized foreign bank named in Schedule III of the *Bank Act* (Canada),
- (c) The Business Development Bank of Canada incorporated under the *Business Development Bank of Canada Act* (Canada), or
- (d) a subsidiary of any person referred to in paragraphs (a), (b) or (c) if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by the directors of the subsidiary.

No action will be commenced to enforce these statutory rights more than (a) in an action for rescission, 180 days from the date of the transaction that gave rise to the cause of action; or (b) in an action for damages, the earlier of (i) 180 days after the plaintiff first had knowledge of the facts giving rise to the cause of action; or (ii) three years after the date of the transaction that gave rise to the cause of action.

The rights of action described above are in addition to and without derogation from any other right or remedy that the purchaser may have at law.

11.5 *Quebec*

If this Offering Memorandum, together with any amendment to it, is delivered to a Subscriber resident in Quebec and contains a misrepresentation that was a misrepresentation at the time of purchase, the Subscriber will be deemed to have relied upon the misrepresentation and will have a statutory right of action against the Corporation, the officers and directors of the Corporation or any dealer under contract with the Corporation for damages or for rescission or revision of the purchase price.

This right of action is subject to the following limitations:

- (a) the right of action for rescission or revision of the price must be exercised within three years of the date of the transaction that gave rise to the cause of action; or, in the case of any action other than an action for rescission or revision of the purchase price, the earlier of: (i) three years after the plaintiff first had knowledge of the facts giving rise to the cause of action unless the delay in knowledge is caused by the negligence of the plaintiff, or (ii) five years after the Offering Memorandum is filed with the *Autorité des marchés financiers*;
- (b) no person or company will be liable if it proves that the Subscriber acquired the Common Shares with knowledge of the misrepresentation;
- (c) in the case of an action for damages, the officers or directors of the issuer or the dealer under contract with the issuer will not be liable if they acted with prudence and diligence; and
- (d) a defendant may defeat an action based on a misrepresentation in forward-looking information by proving that
 - i. the document containing the forward-looking information contained, proximate to that information,
 - A. reasonable cautionary language identifying the forward-looking information as such, and identifying material factors that could cause actual results to differ materially from a conclusion, forecast or projection in the forward-looking information; and
 - B. a statement of the material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection; and
 - ii. the defendant had a reasonable basis for drawing the conclusions or making the forecasts or projections set out in the forward-looking information.

11.6 *Saskatchewan*

Section 138 of *The Securities Act*, 1988 (Saskatchewan), as amended (the “**Saskatchewan Act**”) provides that where an offering memorandum (such as this Offering Memorandum) or any amendment to it is sent or delivered to a purchaser and it contains a misrepresentation (as defined in the Saskatchewan Act), a purchaser who purchases a security covered by the offering memorandum or any amendment to it is deemed to have relied upon that misrepresentation, if it was a misrepresentation at the time of purchase, and has a right of action for rescission against the issuer or a selling security holder on whose behalf the distribution is made or has a right of action for damages against:

- (a) the issuer or a selling security holder on whose behalf the distribution is made;
- (b) every promoter and director of the issuer or the selling security holder, as the case may be, at the time the offering memorandum or any amendment to it was sent or delivered;
- (c) every person or company whose consent has been filed respecting the offering, but only with respect to reports, opinions or statements that have been made by them;
- (d) every person who or company that, in addition to the persons or companies mentioned in (a) to (c) above, signed the offering memorandum or the amendment to the offering memorandum; and
- (e) every person who or company that sells securities on behalf of the issuer or selling security holder under the offering memorandum or amendment to the offering memorandum.

Such rights of rescission and damages are subject to certain limitations including the following:

- (a) if the purchaser elects to exercise its right of rescission against the issuer or selling security holder, it shall have no right of action for damages against that party;
- (b) in an action for damages, a defendant will not be liable for all or any portion of the damages that he, she or it proves do not represent the depreciation in value of the securities resulting from the misrepresentation relied on;
- (c) no person or company, other than the issuer or a selling security holder, will be liable for any part of the offering memorandum or any amendment to it not purporting to be made on the authority of an expert and not purporting to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person or company failed to conduct a reasonable investigation sufficient to provide reasonable grounds for a belief that there had been no misrepresentation or believed that there had been a misrepresentation;
- (d) in no case shall the amount recoverable exceed the price at which the securities were offered; and
- (e) no person or company is liable in an action for rescission or damages if that person or company proves that the purchaser purchased the securities with knowledge of the misrepresentation.

In addition, no person or company, other than the issuer or selling security holder, will be liable if the person or company proves that:

- (a) the offering memorandum or any amendment to it was sent or delivered without the person’s or company’s knowledge or consent and that, on becoming aware of it being sent or delivered, that person or company gave reasonable general notice that it was so sent or delivered; or
- (b) with respect to any part of the offering memorandum or any amendment to it purporting to be made on the authority of an expert, or purporting to be a copy of, or an extract from, a report, an opinion or a statement of an expert, that person or company had no reasonable grounds to believe and did not believe that there had been a misrepresentation, the part of the offering memorandum or any amendment to it did not fairly represent the report, opinion or statement of the expert, or was not a fair copy of, or an extract from, the report, opinion or statement of the expert.

Not all defences upon which the Corporation or others may rely are described herein. Please refer to the full text of the Saskatchewan Act for a complete listing.

Similar rights of action for damages and rescission are provided in section 138.1 of the Saskatchewan Act in respect of a misrepresentation in advertising and sales literature disseminated in connection with an offering of securities.

Section 138.2 of the Saskatchewan Act also provides that where an individual makes a verbal statement to a prospective purchaser that contains a misrepresentation relating to the security purchased and the verbal statement is made either before or contemporaneously with the purchase of the security, the purchaser is deemed to have relied on the misrepresentation, if it was a misrepresentation at the time of purchase, and has a right of action for damages against the individual who made the verbal statement.

Section 141(1) of the Saskatchewan Act provides a purchaser with the right to void the purchase agreement and to recover all money and other consideration paid by the purchaser for the securities if the securities are sold in contravention of the Saskatchewan Act, the regulations to the Saskatchewan Act or a decision of the Saskatchewan Financial Services Commission.

Section 141(2) of the Saskatchewan Act also provides a right of action for rescission or damages to a purchaser of securities to whom an offering memorandum or any amendment to it was not sent or delivered prior to or at the same time as the purchaser enters into an agreement to purchase the securities, as required by Section 80.1 of the Saskatchewan Act.

The rights of action for damages or rescission under the Saskatchewan Act are in addition to and do not derogate from any other right which a purchaser may have at law.

Section 147 of the Saskatchewan Act provides that no action shall be commenced to enforce any of the foregoing rights more than:

- (a) in the case of an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or
- (b) in the case of any other action, other than an action for rescission, the earlier of:
 - i. one year after the plaintiff first had knowledge of the facts giving rise to the cause of action; or
 - ii. six years after the date of the transaction that gave rise to the cause of action.

The Saskatchewan Act also provides a purchaser who has received an amended offering memorandum delivered in accordance with subsection 80.1(3) of the Saskatchewan Act has a right to withdraw from the agreement to purchase the securities by delivering a notice to the person who or company that is selling the securities, indicating the purchaser's intention not to be bound by the purchase agreement, provided such notice is delivered by the purchaser within two business days of receiving the amended offering memorandum.

11.7 *Manitoba*

Section 141.1 of *The Securities Act* (Manitoba), as amended (the "**Manitoba Act**") provides that where an offering memorandum (such as this Offering Memorandum) or any amendment to it contains a misrepresentation, a purchaser who purchases a security offered by the offering memorandum is deemed to have relied on the representation if it was a misrepresentation at the time of purchase and has a right of rescission against the issuer or has a right of action for damages against (i) the issuer, (ii) every director of the issuer at the date of the offering memorandum, and (iii) every person or company who signed the offering memorandum.

Such rights of rescission and damages are subject to certain limitations including the following:

- (a) if the purchaser chooses to exercise a right of rescission against the issuer, the purchaser shall have no right of action for damages against the parties listed under (i), (ii) and (iii);

- (b) in an action for damages, a defendant will not be liable for all or any part of the damages that he or she proves do not represent the depreciation in value of the security as a result of the misrepresentation;
- (c) in no case shall the amount recoverable exceed the price at which the securities were offered under the offering memorandum; and
- (d) no person or company is liable in an action for rescission or damages if that person or company proves that the purchaser had knowledge of the misrepresentation.

In addition, no person or company, other than the issuer, will be liable if the person or company proves that:

- (a) the offering memorandum was sent to the purchaser without the person's or company's knowledge or consent, and that, after becoming aware that it was sent, the person or company promptly gave reasonable notice to the issuer that it was sent without the person's or company's knowledge and consent;
- (b) with respect to any part of the offering memorandum purporting to be made on the authority of an expert or to be a copy of, or an extract from, an expert's report, opinion or statement, the person or company proves that the person or company did not have any reasonable grounds to believe and did not believe that (i) there had been a misrepresentation, or (ii) the relevant part of the offering memorandum (A) did not fairly represent the expert's report, opinion or statement, or (B) was not a fair copy of, or an extract from, the expert's report, opinion or statement; or
- (c) with respect to any part of the offering memorandum not purporting to be made on an expert's authority and not purporting to be a copy of, or an extract from, an expert's report, opinion or statement, unless the person or company (i) did not conduct an investigation sufficient to provide reasonable grounds for a belief that there had been no misrepresentation, or (ii) believed there had been a misrepresentation.

Not all defences upon which the Corporation or others may rely are described herein. Please refer to the full text of the Manitoba Act for a complete listing.

Section 141.2 of the Manitoba Act provides that a purchaser of a security to whom an offering memorandum was required to be sent in compliance with Manitoba securities legislation, but was not sent within the prescribed time has a right of action for rescission or damages against the dealer, offeror or issuer who did not comply with the requirement.

Section 141.3 of the Manitoba Act also provides that a purchaser of a security to whom an offering memorandum is required to be sent may rescind the contract to purchase the security by sending a written notice of rescission to the issuer not later than midnight on the second day, excluding Saturdays and holidays, after the purchaser signs the agreement to purchase the securities.

Section 141.4 of the Manitoba Act provides that no action may be commenced to enforce any of the foregoing rights:

- (a) in the case of an action for rescission, more than 180 days after the day of the transaction that gave rise to the cause of action; or
- (b) in the case of any other action, other than an action for rescission, the earlier of:
 - i. 180 days after the day that the plaintiff first had knowledge of the facts giving rise to the cause of action, or
 - ii. two years after the day of the transaction that gave rise to the cause of action.

11.8 Nova Scotia

The right of action for damages or rescission described herein is conferred by section 138 of the *Securities Act* (Nova Scotia). Section 138 of the *Securities Act* (Nova Scotia) provides, in relevant part, that in the event that an offering memorandum (such as this Offering Memorandum), together with any amendment thereto, or any

advertising or sales literature (as defined in the *Securities Act* (Nova Scotia)) contains a Misrepresentation, the purchaser will be deemed to have relied upon such Misrepresentation if it was a Misrepresentation at the time of purchase and has, subject to certain limitations and defences, a statutory right of action for damages against the issuer and, subject to certain additional defences, every director of the issuer at the date of the offering memorandum and every person who signed the offering memorandum or, alternatively, while still the owner of the securities purchased by the purchaser, may elect instead to exercise a statutory right of rescission against the issuer, in which case the purchaser shall have no right of action for damages against the issuer, directors of the issuer or persons who have signed the offering memorandum, provided that, among other limitations:

- (a) no action shall be commenced to enforce the right of action for rescission or damages by a purchaser resident in Nova Scotia later than 120 days after the date on which the initial payment was made for the securities;
- (b) no person will be liable if it proves that the purchaser purchased the securities with knowledge of the Misrepresentation;
- (c) in the case of an action for damages, no person will be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the securities as a result of the Misrepresentation relied upon; and
- (d) in no case will the amount recoverable in any action exceed the price at which the securities were offered to the purchaser.

In addition, a person or company, other than the issuer, will not be liable if that person or company proves that:

- (a) the offering memorandum or amendment to the offering memorandum was sent or delivered to the purchaser without the person's or company's knowledge or consent and that, on becoming aware of its delivery, the person or company gave reasonable general notice that it was delivered without the person's or company's knowledge or consent;
- (b) after delivery of the offering memorandum or amendment to the offering memorandum and before the purchase of the securities by the purchaser, on becoming aware of any Misrepresentation in the offering memorandum or amendment to the offering memorandum the person or company withdrew the person's or company's consent to the offering memorandum or amendment to the offering memorandum, and gave reasonable general notice of the withdrawal and the reason for it; or
- (c) with respect to any part of the offering memorandum or amendment to the offering memorandum purporting (i) to be made on the authority of an expert, or (ii) to be a copy of, or an extract from, a report, an opinion or a statement of an expert, the person or company had no reasonable grounds to believe and did not believe that (A) there had been a Misrepresentation, or (B) the relevant part of the offering memorandum or amendment to offering memorandum did not fairly represent the report, opinion or statement of the expert, or was not a fair copy of, or an extract from, the report, opinion or statement of the expert.

Furthermore, no person or company, other than the issuer, will be liable with respect to any part of the offering memorandum or amendment to the offering memorandum not purporting (a) to be made on the authority of an expert or (b) to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person or company (i) failed to conduct a reasonable investigation to provide reasonable grounds for a belief that there had been no Misrepresentation or (ii) believed that there had been a Misrepresentation.

If a Misrepresentation is contained in a record incorporated by reference into, or deemed incorporated by reference into, the offering memorandum or amendment to the offering memorandum, the Misrepresentation is deemed to be contained in the offering memorandum or an amendment to the offering memorandum.

11.9 New Brunswick

Section 150 of the *Securities Act* (New Brunswick) provides that where an offering memorandum (such as this Offering Memorandum) contains a Misrepresentation, a purchaser who purchases securities shall be deemed to have relied on the Misrepresentation if it was a Misrepresentation at the time of purchase and:

- (a) the purchaser has a right of action for damages against the issuer and any selling security holder(s) on whose behalf the distribution is made, or
- (b) where the purchaser purchased the securities from a person referred to in paragraph (a), the purchaser may elect to exercise a right of rescission against the person, in which case the purchaser shall have no right of action for damages against the person.
- (c) This statutory right of action is available to New Brunswick purchasers whether or not such purchaser relied on the Misrepresentation. However, there are various defences available to the issuer and the selling security holder(s). In particular, no person will be liable for a Misrepresentation if such person proves that the purchaser purchased the securities with knowledge of the Misrepresentation when the purchaser purchased the securities. Moreover, in an action for damages, the amount recoverable will not exceed the price at which the securities were offered under the offering memorandum and any defendant will not be liable for all or any part of the damages that the defendant proves do not represent the depreciation in value of the security as a result of the misrepresentation.

If the purchaser intends to rely on the rights described in (a) or (b) above, such purchaser must do so within strict time limitations. The purchaser must commence an action to cancel the agreement within 180 days after the date of the transaction that gave rise to the cause of action. The purchaser must commence its action for damages within the earlier of:

- (a) one year after the purchaser first had knowledge of the facts giving rise to the cause of action; or
- (b) six years after the date of the transaction that gave rise to the cause of action.

ITEM 12– FINANCIAL STATEMENTS

The interim financial statements of the Corporation for the period from inception and ending as at August 31, 2016 are attached hereto as Exhibit “I”.

ITEM 13 – DATE AND CERTIFICATE

DATED this 12th day of October, 2016.

This Offering Memorandum does not contain a misrepresentation.

“Paul Allard”

PAUL ALLARD, PRESIDENT & DIRECTOR

“Tima Gros”

TIMA GROS, SECRETARY

ON BEHALF OF THE DIRECTORS

“Paul Allard”

PAUL ALLARD

“Tima Gros”

TIMA GROS

EXHIBIT “T”

Financial Statements

EXHIBIT “II”

Subscription Agreement