

**Provide an inexpensive benefit and help retain valuable employees.**

**Get the GrowthWorks Atlantic Venture Fund working for you.**

You can help your employees save for their retirement and provide security for their future by matching their RRSP contributions.



More than half of Canada's workforce does not have a pension plan and an estimated 75% of employees are not saving adequately for their retirement.

Employees are a company's most valuable asset. Attracting and retaining employees has become one of the most important concerns for business today. Flexible retirement income plans are important tools in addressing both your company's and your employees' needs.

GrowthWorks Atlantic Venture Fund's Payroll Savings Plan lets you provide your employees with a valuable and desirable benefit, enhancing your reputation as a progressive employer.

**Employees invest \$2,500 per year into an RRSP and you match their contribution.**

	<b>10% Employer Match</b>	<b>50% Employer Match</b>	<b>100% Employer Match</b>
Annual Employee Contribution	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00
Annual Employer Contribution	250.00	1,250.00	2,500.00
Total Annual RRSP Contribution	\$ 2,750.00	\$ 3,750.00	\$ 5,000.00
Employee Tax Credits <sup>1</sup>	962.50	1,312.50	1,750.00
Employee RRSP Tax Savings <sup>2</sup>	923.75	923.75	923.75
Employee After-Tax Annual Cost (Employee contribution less tax credits & RRSP tax savings)	\$ 613.75	\$ 263.75	\$ (173.75)

See notes on back page.

# Setting up your GrowthWorks Atlantic Venture Fund Payroll Savings Plan

Setting up your company's AVF PSP takes five easy steps.

**To open an AVF PSP, simply follow these steps:**

1. Meet with your company's AVF PSP Investment Advisor.
2. Arrange for a seminar with the Advisor and employees. The Advisor will then set up one-on-one meetings for those employees who are interested.
3. The Advisor will forward each employee's documentation to GrowthWorks.
4. GrowthWorks will send back to you an Employer's Reconciliation Report (ERR). The ERR will contain a running list of all of your PSP employees.
5. Each pay period and using the ERR, you can simply highlight which employees are contributing for that PSP period and send the ERR to GrowthWorks with a cheque corresponding to the total contribution amount.

# Payroll Calculation Adjustments

An AVF PSP will affect your regular payroll calculations.

## Typical deductions with an employee/employer contribution to the AVF PSP.

If there are employee and employer contributions:

- Additional salary earmarked for the RRSP contribution increases the employee's gross salary. However, the increase is cancelled out by the related employer RRSP contribution.
- Therefore, taxable income is not affected.

Gross salary <sup>3</sup> (bi-weekly)		\$ 1,538.46
Add'l salary earmarked for employer RRSP contribution		25.00
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Increased gross salary		1,563.46
Employer RRSP contribution		25.00
Employee RRSP contribution		25.00
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Taxable income		1,513.46
Deductions <sup>4</sup>	CPP	70.73
	EI	28.14
	Federal and provincial tax <sup>5</sup>	288.30
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<b>Net pay</b>		<b>\$1,126.29</b>

See notes on back page.

## Ongoing Administration

For any changes to the PSP, simply follow these steps:

### Adding new employees

- The Advisor should meet with the new employee to complete and send a new Client Form to GrowthWorks.
- GrowthWorks will send you a revised Employer Reconciliation Report (ERR) with the employee added and their GrowthWorks account number.
- Use this revised ERR to record contribution amounts and send to GrowthWorks, along with the next remittance cheque.

### Adjusting contribution amounts

- Simply change the contribution amount in the ERR prior to sending to GrowthWorks.

### Removing terminated employees

- Put a line through the terminated employee's information on the ERR and write terminated.
- Let the Advisor know.

### Stopping and re-starting contributions

- To stop or re-start contributions, simply change the amount in the "contribution amount" column in the ERR.

### Depositing lump-sum contributions

- For employees wishing to contribute a lump sum to AVF, apart from the Payroll Savings Plan, contact the Advisor.
- The Advisor will make arrangements with the employee for a separate contribution to AVF.

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<sup>1</sup>Federal tax credits are available on the first \$5,000 invested in retail venture capital funds (RVCs) each year and provincial tax credits are available in Nova Scotia on the first \$5,000 invested in RVCs each year at 20% (an increase to \$10,000 is pending). A PEI tax credit is not currently available. Tax credits are subject to certain conditions, including repayment if shares are not held for eight years. <sup>2</sup>RRSP tax savings are based on a \$40,000 annual salary (approx 36.9% tax rate in NS) and assumes purchaser is within his or her annual RRSP contribution limit. RRSP tax savings on a \$25 purchase of Class A shares are approximately \$9.23 in Nova Scotia. RRSP tax savings are subject to certain conditions, are not unique to the Fund and amounts are taxable when withdrawn. <sup>3</sup>\$40,000 per annum, bi-weekly pay. <sup>4</sup>Source deductions (including CPP, EI and Federal and Provincial taxes) and tax savings are based on a \$40,000 annual salary (approx. 36.9% tax rate). Adjustments to source deductions for RRSP contributions and tax credits may be subject to CRA approval. <sup>5</sup>Based on estimates for 2007 Nova Scotia tax rates for a single individual with no dependants earning \$40,000 per annum. Commissions, trailing commissions, management fees and expenses all may be associated with investments in RVCs. Please read GrowthWorks Atlantic Venture Fund Ltd.'s prospectus before investing. RVCs are not guaranteed, their values change frequently and past performance may not be repeated. On December 16, 2005, the Fund completed a merger by purchasing the assets of Workers Investment Fund Inc. in exchange for Class A shares distributed to former shareholders of that fund.