

**AGREEMENT AMONG ASSOCIATED CANADIAN-CONTROLLED PRIVATE CORPORATIONS (CCPC's)
TO ALLOCATE THE BUSINESS LIMIT (1998 and later taxation years)**

- For use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to allocate the business limit for purposes of the small business deduction. Information from this schedule will be used to determine the date the balance of tax is due and to calculate the business limit reduction.

- An associated CCPC that has more than one taxation year ending in a calendar year, is required to file an agreement for each taxation year ending in that calendar year.

Column 1: Enter the legal name of each of the corporations in the associated group, including non-CCPCs and CCPCs that have filed an election under subsection 256(2) not to be associated for purposes of the small business deduction.

Column 2: Provide the Business Number for each corporation (if a corporation is not registered, enter "NR").

Column 3: Enter the code that applies to each corporation:

- 1 - associated for purposes of allocating the business limit (unless association code 5 applies)
- 2 - CCPC that is a "third corporation" that has elected under subsection 256(2) not to be associated for purposes of the small business deduction
- 3 - non-CCPC that is a "third corporation" as defined in subsection 256(2)
- 4 - associated non-CCPC
- 5 - associated CCPC that is not associated for purposes of allocating the business limit because of a subsection 256(2) election made by a "third corporation".

Column 4: Enter the amount allocated to each corporation that has an association code 1 in column 3. The total of all amounts in column 4 can not exceed \$200,000.

Column 5: Complete column for a CCPC that has more than one taxation year ending in a calendar year, and is associated in more than one of those years with another CCPC that has a taxation year ending in the same calendar year. Enter the taxation year to which this agreement applies.

Column 6: Enter the gross Part I.3 tax of the prior year. This is used for the business limit reduction.

Allocation of business limit

Date filed (for departmental use only) Year Month Day

Enter the calendar year to which the agreement applies Year
2001

Is this an amended agreement for the above-noted calendar year that
is intended to replace an agreement previously filed by any of the
associated corporations listed below? [Y/N] [N]

1	2	3	4	5	6
Names of associated corporations	Business Number of associated corporations	Association code	Business limit allocated (Note 1)	Taxation year end to which this agreement applies	Gross Part I.3 Tax of the prior year (Notes 2 & 3)
<input type="checkbox"/> 100	<input type="checkbox"/> 200	<input type="checkbox"/> 300	<input type="checkbox"/> 400	<input type="checkbox"/> 500	
Westario Power Inc.	865909790RC0001		0	2001-12-31	0
See attached			200,000		0
			-----		-----
	Totals (not to exceed \$200,000)		200,000		0
			=====		=====

Note 1:

Each corporation will enter the amount allocated to it in column 4 on line 410 of the T2 return unless the corporation's taxation year is less than 51 weeks, in which case the amount allocated in column 4 must be prorated by the number of days in the taxation year divided by 365.

Note 2:**Reduction to the business limit under subsection 125(5.1)**

The reduction to the business limit applies when any member of the associated group had gross Part I.3 tax payable (before the deduction of surtax credits) for its last taxation year ending in the preceding calendar year. The reduction is calculated in the small business deduction area of the T2 return.

The amount to be entered at line 415 of the T2 return, (large corporation tax for preceding year), includes the gross Part I.3 tax payable for each corporation that has an "association code" of 1 or 4 in column 3 for its last taxation year ending in the preceding calendar year.

Note 3:

If the taxation year of the associated corporation was less than 51 weeks, the amount of gross Part I.3 tax is the unprorated amount before the application of subsection 181.1(2).

Sch. 023-Supp.

Westario Power Inc.
Account/Business No.: 865909790RC0001 Year Ended: 2001-12-31
AGREEMENT AMONG ASSOCIATED CCPC's TO ALLOCATE THE BUSINESS LIMIT

1	2	3	4	5	6
Name of associated corporation	Business Number of associated corporation	Asso- ciation code	Business limit allocated (Note)	Taxation year end to which this agreement applies	Gross Part I.3 Tax of the prior year
[100]	[200]	[300]	[400]	[500]	
Westario Power Services Inc	892764614RC0001	1	200,000	2001-12-31	0
Westario Power Holdings Inc	892764416RC0001	1	0	2001-12-31	0
TOTALS			200,000		0

Note: Each corporation will enter the amount allocated to it in column 4 on line 410 of the T2 return unless the corporation's taxation year is less than 51 weeks, in which case the amount allocated in column 4 must be prorated by the number of days in the taxation year divided by 365.

Reduction to the business limit under subsection 125(5.1)
The reduction to the business limit applies when any member of the associated group had gross Part I.3 tax payable (before the deduction of surtax credits) for its last taxation year ending in the preceding calendar year. The reduction is calculated in the small business deduction are of the T2 return.
The amount to be entered at line 415 of the T2 return, (large corporation tax for preceding year), includes the gross Part I.3 tax payable for each corporation that has an "association code" of 1 or 4 in column 3 for its last taxation year ending in the preceding calendar year.

Schedule 23-Supplementary

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

**PART I.3 TAX ON LARGE CORPORATIONS
(1998 and later taxation years)**

- This schedule is for use by corporations (other than financial institutions and insurance corporations) that have Part I.3 tax payable before the deduction for surtax credits.
- Parts, sections, subsections, and paragraphs referred to on this schedule are from the federal "Income Tax Act".
- Subsection 181(1) defines the terms "financial institution," "long-term debt," and "reserves."
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part I.3 in respect of its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or in respect of a partnership in which it has an interest.
- No Part I.3 tax is payable for a taxation year by a corporation that was:
 - 1) a non-resident-owned investment corporation throughout the year;
 - 2) bankrupt [as defined by subsection 128(3)] at the end of the year;
 - 3) a deposit insurance corporation throughout the year, as defined by subsection 137.1(5), or deemed to be a deposit insurance corporation by subsection 137.1(5.1);
 - 4) exempt from tax under section 149 throughout the year on all of its taxable income;
 - 5) neither resident in Canada nor carried on a business through a permanent establishment in Canada at any time in the year; or
 - 6) a corporation described in subsection 136(2) throughout the year, the principal business of which was marketing (including processing incidental to or connected therewith) natural products belonging to or acquired from its members or customers.
- File the completed Schedule 33 with the "T2 Corporation Income Tax Return" within six months of the end of the taxation year.

Year Month Day

Filing date (for departmental use only) 100

Complete the following areas to determine the amounts needed to calculate Part I.3 tax. If the corporation was not resident in Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 5, "Taxable capital employed in Canada - Non-resident corporation."

Part 1 - Capital

Add the following amounts at the end of the year:

Reserves that have not been deducted in computing income for the year under Part I	101	0
Capital stock (or members' contributions if incorporated without share capital)	103	14,064,719
Retained earnings	104	0
Contributed surplus	105	0
Any other surpluses	106	0
Deferred unrealized foreign exchange gains	107	0
All loans and advances to the corporation	108	2,920,173
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, bankers' acceptances, or similar obligations	109	12,491,068
Any dividends declared but not paid by the corporation before the end of the year	110	0
All other indebtedness of the corporation (other than any indebtedness in respect of a lease) that has been outstanding for more than 365 days before the end of the year	111	0

Part 1 - Capital (cont'd)

Proportion of the amount, if any, by which the total of all amounts
(that would be determined under lines 101, 107, 108, 109, 111 and 112)
in respect of the partnership of which the corporation is a member
at the end of the year exceeds the amount of the partnership's deferred
unrealized foreign exchange losses (see note below)

112 0

Subtotal 29,475,960 29,475,960 A

=====

Deduct the following amounts:

Deferred tax debit balance at the end of the year **121** 0
Any deficit deducted in computing the shareholders' equity **122** 1,229,876

Any amount deducted under subsection 135(1) in computing income under
Part I for the year, to the extent that the amount may reasonably be
regarded as being included in any of lines 101 to 112 above **123** 0

The amount of deferred unrealized foreign exchange losses **124** 0

Subtotal 1,229,876 1,229,876 B

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Capital for the year (amount A minus amount B) (if negative, enter "0") **190** 28,246,084

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Note: Lines 101, 107, 108, 109, 111, and 112 are determined as follows:

- Amounts owing to the member or to corporations that are other members of the partnership are not to be included.
- Amounts are determined as at the end of the last fiscal period of the partnership ending in the year of the corporation.
- Amounts at these lines apply to partnerships in the same way that they apply to corporations.
- The proportion of the total amounts is determined in accordance with the corporation's share of the partnership's income or loss for the fiscal period of the partnership.

Part 2 - Investment allowance

Add the carrying value at the end of the year of the following assets of the corporation:

A share of another corporation **401** 0

A loan or advance to another corporation (other than a financial institution) **402** 0

A bond, debenture, note, mortgage, or similar obligation of another corporation
(other than a financial institution) **403** 0

Long-term debt of a financial institution **404** 0

A dividend receivable on a share of the capital stock of another corporation **405** 0

A loan or advance to, or a bond, debenture, note, mortgage or similar obligation of,
a partnership all of the members of which, throughout the year, were other corporations
(other than financial institutions) that were not exempt from tax under Part I.3
(other than by reason of paragraph 181.1(3)(d)) **406** 0

An interest in a partnership **407** 0

Investment allowance for the year **490** 0

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Note: Lines 401 to 405 should not include the carrying value of a share of the capital stock of,
a dividend payable by, or indebtedness of, a corporation that is exempt from tax under Part I of
the Act (other than by reason of paragraph 181.1(3)(d) of the Act).

Part 3 - Taxable capital

Capital for the year (line 190) 28,246,084 C

Deduct: Investment allowance for the year (line 490) 0 D

Taxable capital for the taxation year

(amount C minus amount D) (if negative, enter "0") **500** 28,246,084

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Part 4 - Taxable capital employed in Canada - Canadian resident corporation

To be completed by a corporation that was resident in Canada at any time in the year.

Taxable capital for the year (line 500)	28,246,084	X	Taxable income earned in Canada	610	1,000	Taxable capital employed in Canada	690	28,246,084
			Taxable income		1,000			

- Notes:**
- 1) Regulation 8601 gives details on calculating the amount of taxable income earned in Canada.
 - 2) Where a corporation's taxable income for a taxation year is "0", it shall, for the purposes of the above calculation, be deemed to have a taxable income for that year of \$1,000.
 - 3) In the case of an airline corporation, Regulation 8601 should be considered when completing the above calculation.

Part 5 - Taxable capital employed in Canada - Non-resident corporation

To be completed by a corporation that was not resident in Canada throughout the year and carried on a business through a permanent establishment in Canada.

Total of all amounts which is the carrying value at the end of the year of an asset of the corporation used in the year or held in the year, in the course of carrying on any business it carried on during the year through a permanent establishment in Canada. 701 0

Deduct the following amounts:

Corporation's indebtedness at the end of the year [other than indebtedness described in any of paragraphs 181.2(3)(c) to (f)] that may reasonably be regarded as relating to a business it carried on during the year through a permanent establishment in Canada. 711 0

Total of all amounts each of which is the carrying value at the end of year of an asset described in subsection 181.2(4) of the corporation that it used in the year, or held in the year, in the course of carrying on any business it carried on during the year in Canada. 712 0

Total amount of carrying value at the end of year of an asset of the corporation that is a ship or aircraft the corporation operated in international traffic, or personal property used or held by the corporation in carrying on any business during the year in Canada. 713 0

Total deductions (add lines 711, 712, and 713) 0 0 E

Taxable capital employed in Canada

(line 701 minus amount E) (if negative, enter "0"). 790 0

Part 6 - Calculation of gross Part I.3 tax

Taxable capital employed in Canada for the year (line 690 or 790, whichever applies) 28,246,084

Deduct: Capital deduction claimed for the year (enter \$10,000,000 or, for related corporations, the amount allocated on Schedule 36). 801 10,000,000

Excess of taxable capital employed in Canada over capital deduction. 811 18,246,084

Gross Part I.3 tax: Line 811 18,246,084 x .2250% = 41,054 F

Where the taxation year of a corporation is less than 51 weeks, calculate the amount of tax payable as follows:

Amount F 41,054 x Number of days in the year 92 = 10,348 G

365

Gross Part I.3 tax (amount F or G, whichever applies). 820 10,348

		line 690 of this schedule				
c) line 600 from the T2 return	0	x	28,246,084	=	0	

			28,246,084			
			line 500 of this schedule			
d) line 700 plus line 660 from the T2 return					0	0
Current year surtax credit (amount H or I, whichever applies)					830	0

Amount on line 830	0	
Less: Part I.3 tax before deducting surtax credits (line 820)	10,348	J

Net amount	-10,348	K

other years that may be applied to reduce Part I.3 tax payable in the current year	10,348	M
	<u>-----</u>	

Amount K (if positive)	0	
<hr style="border-top: 1px dashed black;"/>		
Less: Part I.3 tax credits claimed		
(carried forward from taxation years prior to 1992 - see amount L above)	0	
<hr style="border-top: 1px dashed black;"/>		
Current year unused surtax credit (enter this amount on Schedule 37)	0	850
<hr style="border-top: 1px dashed black;"/>		

Part 10 - Calculation of net Part I.3 tax payable

Gross Part I.3 tax (line 820)			10,348	N
Deduct the following amounts:				
Current year surtax credit applied (the lesser of lines 820 and 830)	861	0		
Unused surtax credit from prior years applied	862	0		

Total (cannot exceed amount on line 820)		0	0	O

Net Part I.3 tax payable (amount N minus amount O)				
Enter this amount at line 704 of the T2 return	870		10,348	
			=====	

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

**AGREEMENT AMONG RELATED CORPORATIONS - PART I.3 TAX
(1998 and later taxation years)**

- Members of a related group of corporations should use this schedule to allocate the capital deduction of \$10,000,000 among the members of the related group.

Do not file this agreement if no members of the related group are liable to pay Part I.3 tax.

Are any members of the related group liable to pay Part I.3 tax? [Y/N] [Y]

- In cases where a related corporation has more than one taxation year ending in a calendar year, it is required to file an agreement for each taxation year ending in that calendar year.

- A corporation that is related to any other corporation at any time in a taxation year of the corporation ending in a calendar year may file such an agreement.

- In accordance with subsection 181.5(7) of the federal "Income Tax Act", a Canadian-controlled private corporation is not considered to be related to another corporation for purposes of the capital deduction unless it is also associated with that corporation.

- Attach additional schedules if space for agreement is not sufficient.

Agreement

Year Month Day

Date filed (for departmental use only) 010

Is this an amended agreement? 020 [Y/N] [N]

Enter the calendar year to which the agreement applies 030 Year 2001

Note: This agreement must include all the information indicated below for all members of the related group, including members to which no amount of capital deduction is allocated for the year. However, any member which is exempt from Part I.3 tax under subsection 181.1(3) is not required to be included.

Names of all corporations which are members of the related group	Business Number (Note 1)	Allocation of capital deduction for the year \$	Taxation year end to which this agreement applies (Note 2)
200	300	400	500
Westario Power Inc.	865909790RC0001	10,000,000	2001-12-31
See attached		0	
Total (not to exceed \$10,000,000)		10,000,000 =====	

Note 1: If a corporation is not registered enter, "NR".

Note 2: An entry is only required for a corporation that has more than one taxation year ending in the same calendar year and is related in two or more of those taxation years to another corporation that has a taxation year ending in that calendar year. The capital deduction of the first corporation for each such taxation year at the end of which it is related to the other corporation is an amount equal to its capital deduction for the first such taxation year. Enter the taxation year end to which this agreement applies.

- Members of a related group of corporations should use this schedule to allocate the capital deduction of \$10,000,000 among the members of the related group.
- In accordance with subsection 181.5(7) of the federal Income Tax Act, a Canadian-controlled private corporation is not considered to be related to another corporation for purposes of the capital deduction unless it is also associated with that corporation.

Names of all corporations which are members of the related group		Allocation of capital deduction for the year	Taxation year end to which this agreement applies
	Business Number (Note 1)		(Note 2)
[200]	[300]	[400]	[500]

Westario Power Services Inc	892764614RC0001	0	2001-12-31
Westario Power Holdings Inc	892764416RC0001	0	2001-12-31
TOTAL		0	

Note 1: If a corporation is not registered, enter "NR".

Note 2: An entry is only required for a corporation that has more than one taxation ending in the same calendar year and is related in two or more of those taxation years to another corporation that has a taxation year ending in that calendar year. The capital deduction of the first corporation for each such taxation year at the end of which it is related to the other corporation is an amount equal to its capital deduction for the first such taxation year. Enter the taxation year end to which this agreement applies.

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

SHAREHOLDER INFORMATION
(1998 and later taxation years)

All private corporations must complete this schedule for any shareholder who holds 10% or more of the corporation's common and/or preferred shares.

Name of shareholder	Business Number	Social Insurance Number	Percentage common shares	Percentage preferred shares
	(note 1)	(note 2)		
	100	200	400	500
Westario Power Holdings Inc	892764416RC0001		100.00	100.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00

Note 1: If a corporate shareholder does not have a business number, NR must be entered to indicate the corporation is not registered.

Note 2: If an individual shareholder does not have a social insurance number, NA must be entered to indicate the SIN is not available.

Appendix 18

2001 CT23 Provincial Tax Return



Ministry of Finance
Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E5

2001 CT23 Corporations Tax and Annual Return

For taxation years
commencing after May 4, 1999

Corporations Tax Act - Ministry of Finance (MOF)
Corporations Information Act - Ministry of Consumer and Business Services (MCBS)
(formerly Ministry of Consumer and Commercial Relations)

YOUR COPY

This return is a combination of the Ministry of Finance (MOF) CT23 Corporations Tax Return and the Ministry of Consumer and Business Services (MCBS) Annual Return. Page 1 is a common page required for both returns. For tax purposes, depending on which criteria the corporation satisfies, it must complete either the Exempt from Filing (EFF) declaration on page 2 or file the CT23 Return, together with the applicable schedules. Corporations that do not meet the EFF criteria but do meet the Short-Form criteria, may request and file the CT23 Short-Form Return (see page 2).

The Annual Return (common page 1 and MCBS Schedules A or K) contains non-tax information collected under the authority of the Corporations Information Act for the purpose of maintaining a public database of corporate information. This return must be completed by Ontario share-capital corporations or Foreign-Business share-capital corporations that have an extra-provincial licence to operate in Ontario.

MCBS Annual Return Required? (Refer to Guide)

Yes ☒ No ☐

Page 1 of 24

Ministry Use

Corporation's Legal Name (including punctuation) and Mailing Address

Westario Power Inc.

Westario Power Inc.

385 Queen Street

Kincardine

ON CA N2Z-2R4

Has address changed since last filed CT23 Return?

Yes ☐

Date
of Change

year month day

Registered/Head Office Address

Westario Power Inc.

385 Queen Street

Kincardine

ON CA N2Z-2R4

Location of Books and Records

Westario Power Inc.

385 Queen Street

Kincardine

ON CA N2Z-2R4

Name of person to contact regarding this CT23 Return

Telephone No.

Fax No.

PAT BELL

Address of Principal Office in Ontario (Extra-Provincial Corporations only)

(MCBS)

ON CA

Former Corporation Name (Extra-Provincial Corporations only)

(Not Applicable) ☒

(MCBS)

Information on Directors/Officers/Administrators must be completed on MCBS Schedule A or K as appropriate. If additional space is required for Schedule A, only this schedule may be photocopied. State number submitted (MCBS).

No. of Schedule(s)

0

If there is no change to the Directors/Officers/Administrators' information previously submitted to MCBS, please ☒ this box. Schedule(s) A and K are not required (MCBS).

☒ No change

Ontario Corporations Tax Account No. (MOF)

1800223

This CT23 Return covers the Taxation Year

Start

year month day

2001-10-01

End

year month day

2001-12-31

Date of Incorporation or Amalgamation

year month day

2000-10-31

Ontario
Corporation No.
(MCBS)

1447793

Canada Customs and Revenue Agency
(formerly Revenue Canada) Business No.

If applicable, enter

865909790RC0001

Jurisdiction
Incorporated

Ontario

If not incorporated in Ontario, indicate the date Ontario business activity commenced and ceased:

Commenced

year month day

Ceased

year month day

(Not Applicable) ☒

Preferred Language/Langue de préférence

English
anglais

☒

French
français

☐

Ministry use



Certification (MCBS)

I certify that all information set out in the Annual Return is true, correct and complete.

Name of Authorized Person (Print clearly or type in full)

PAT BELL

Title: ☐ Director

☐ Officer

☒ Other individual having knowledge

of the affairs of the Corporation

Note: Sections 13 and 14 of the Corporations Information Act provide penalties for making false or misleading statements or omissions.

Westario Power Inc.

1800223

2001-12-31

CT23 Corporations Tax Return

Identification continued (for CT23 filers only)

Type of Corporation – Please "X" box(es) if applicable in sections 1 & 2

☒ 1 Canadian-controlled Private (CCPC) all year
(Generally a private corporation of which
50% or more shares are owned by
Canadian residents.) (fed.s.125(7)(b))

2 ☐ Other Private

3 ☐ Public

4 ☐ Non-share Capital

5 ☐ Other (specify)

Share Capital with full voting rights
owned by Canadian Residents (nearest percent) %

Ontario Retail Sales Tax Vendor Permit No.
(Use Head Office no.)

if applicable, enter

Ontario Employer Health Tax Account No.
(Use Head Office no.)

if applicable, enter

Specify major business activity

☐ 2 1 ☐ Family Farm Corporation s.1 (2)

12 ☐ Non-resident ship or aircraft under reciprocal
agreement with Canada s.28(b)

2 ☐ Family Fishing Corporation s.1 (2)

14 ☐ Bare Trustee Corporation

3 ☐ Mortgage Investment Corporation s.47

15 ☐ Branch of Non-residents s.63(1)

4 ☐ Credit Union s.51

16 ☐ Financial institution prescribed by
Regulation only

5 ☐ Bank Mortgage Subsidiary s.61 (4)

17 ☐ Investment Dealer

6 ☐ Bank s.1 (2)

18 ☐ Generator of electrical energy for sale or
producer of steam for use in the generation
of electrical energy for sale

7 ☐ Loan and Trust Corporation s.61 (4)

8 ☐ Non-resident Corporation
s.2(2)(a) or (b)

19 ☒ Hydro successor, Municipal Electrical Utility
or subsidiary of either

9 ☐ Non-resident Corporation s.2(2)(c)

10 ☐ Mutual Fund Corporation s.48

20 ☐ Producer and seller of steam for uses other
than for the generation of electricity

11 ☐ Non-resident owned investment
Corporation s.49

21 ☐ Insurance Exchange s.74.4

Please "X" box(es) if applicable:

☐ First Year of Filing

☐ Final Taxation Year up to Dissolution (wind-up)

☐ Transfer or Receipt of Asset(s) involving a
corporation having a Canadian permanent
establishment outside Ontario

☐ Amended Return

☐ Final Taxation Year before Amalgamation

☒ Taxation Year End has changed - Canada Customs
and Revenue Agency (formerly Revenue Canada)
approval required

☐ Floating Fiscal Year End

☐ Acquisition of Control fed s.249(4)

Date Control was acquired

year month day

Was the corporation inactive throughout the taxation year?

Yes No
☐ ☒

Has the corporation's Federal T2 Return been filed with the Canada Customs and Revenue Agency (CCRA)?

☒ ☐

Are you requesting a refund due to: the Carry-back of a Loss?

☐ ☒

an Overpayment?

☒ ☐

a Specified Refundable Tax Credit?

☐ ☒

Are you a Member of a Partnership or Joint Venture?

☐ ☒

Westario Power Inc.

1800223

2001-12-31

DOLLARS ONLY

Income Tax

Allocation – If you carry on a business through a permanent establishment in a jurisdiction outside Ontario, you may allocate that portion of taxable income deemed earned in that jurisdiction, to that jurisdiction (s.39) (Inter. Bulletin 2617). Attach a schedule (or a copy of federal T2 SCH 5) showing allocation of gross revenue, salaries and wages, including applicable percentages.

Net Income (loss) for Ontario purposes (per reconciliation schedule, page 16)	±	From	690	-650,211.
Subtract: Charitable donations	-		1	0.
Subtract: Gifts to Her Majesty in right of Canada or a province and gifts of cultural property (Attach schedule)	-		2	0.
Subtract: Taxable dividends deductible, per federal T2 SCH 3	-		3	0.
Subtract: Ontario political contributions (Attach schedule)	-		4	0.
Subtract: Federal Part VI.1 tax	-		5	0.
Subtract: Prior years' losses applied – Non-capital losses	-	From	704	0.
Net capital losses	-	From	715	0.
Farm losses	-		724	0.
Restricted farm losses	-		734	0.
Limited partnership losses	-		754	0.
Taxable Income (Non-capital loss)	=		10	-650,211.
Addition to taxable income for unused foreign tax deduction for federal purposes	+		11	0.
Adjusted Taxable Income	=		20	0.

Taxable Income

From 10 (or 20 if applicable)	0. x 30	100.0000% X 15.5000% X	22	0	÷	73	92	= +	23	0.
Ontario Allocation										
From 10 (or 20 if applicable)	0. x 30	100.0000% X 14.5000% X	24	0	÷	73	92	= +	25	0.
Ontario Allocation										
From 10 (or 20 if applicable)	0. x 30	100.0000% X 14.0000% X	26	0	÷	73	92	= +	27	0.
Ontario Allocation										
From 10 (or 20 if applicable)	0. x 30	100.0000% X 12.5000% X	28	92	÷	73	92	= +	29	0.
Ontario Allocation										
Income Tax Payable (before deduction of tax credits)			23	+	25	+	27	+	29	= 40 0.

Note: The rate change effective October 1, 2001 has not yet received legislative authority at the time of printing.

Incentive Deduction for Small Business Corporations (IDSBC) (s.41)

(If this section is not completed, the IDSBC will be denied.)

Did you claim the federal Small Business Deduction (fed.s.125(1)) in the taxation year or would you have claimed the federal Small Business Deduction had the provisions of fed.s.125(5.1) not been applicable in the taxation year?

(X) ☐ Yes ☒ No

Income from active business carried on in Canada for federal purposes (fed.s.125(1)(a))		50	0.
Federal taxable income, less adjustment for foreign tax credit (fed.s.125(1)(b))	+	51	0.
Add: Losses of other years deducted for federal purposes (fed.s.111)	+	52	0.
Subtract: Losses of other years deducted for Ontario purposes (s.34)	-	53	0.
	=	54	0.
Federal Business limit for the year before the application of fed.s.125(5.1) (not exceeding \$ 200,000) (Attach federal T2 SCH 23 if associated)	..... +	55	0.
Add: Ontario enhancement of federal business limit			

Number of Days in Taxation Year	
40,000 x	Days after Dec 31, 2000 and before Oct 1, 2001
557	0 ÷ 73 92
X From	55 0 ÷ 200,000
	=+ 42 0.
80,000 x	Days after Sept 30, 2001 and before Jan 1, 2003
69	92 ÷ 73 92
X From	55 0 ÷ 200,000
	=+ 43 0.
Ontario enhancement of federal business limit	42 + 43 = 44 0.
Business Limit for Ontario purposes	55 + 44 = 45 0.
Income eligible for the IDSBC	From 30 100.0000% X 56 0. = 60 0.

* Note: Ontario Allocation for IDSBC purposes may differ from continued on Page 5

30 if Taxable Income is allocated to foreign jurisdictions. See special rules (s.41(4)).

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Income Tax *continued from Page 4*

Calculation of IDSBC Rate

		Number of Days in Taxation Year			
		Days after Dec 31, 1998 and before Jan 1, 2000	Total Days		
.....	7.00%	x [74]	0 ÷ [73]	[92]	= + [75] .0000.
.....	7.50%	x [76]	0 ÷ [73]	[92]	= + [77] .0000.
.....	6.50%	x [69]	92 ÷ [73]	[92]	= + [79] 6.5000.
IDSBC Rate for Taxation Year				[75] + [77] + [79]	= [78] 6.5000.
Claim	.....	From [60]	0.	x From [78]	6.5000% = [70] 0.

Corporations claiming the IDSBC must complete the Surtax section below if the corporation's taxable income (or if associated, the associated group's taxable income) is greater than the amount in [114] below.

Surtax on Canadian-controlled private corporations (s.41.1)

Applies if you have claimed the Incentive Deduction for Small Business Corporations.

**** Short Taxation Years** - Special rules apply where the taxation year is less than 51 weeks for the corporation and/or any corporation associated with it.

Associated Corporation - The taxable income of associated corporations is the taxable income for the taxation year ending on or before the date of this corporation's taxation year end.

**** Taxable Income of the corporation** From [10] (or [20] if applicable) + [80] 0.

If you are a member of an associated group (X) [81] ☒ (Yes)

Name of associated corporation (Canadian & foreign)
(if insufficient space, attach schedule)

Ontario Corporations Tax
Account No. (MOF)
(if applicable)

Taxation Year End

**** Taxable Income**
(if loss, enter nil)

See attached + [82] 96,139.
 + [83]
 + [84]
 Aggregate Taxable Income [80] + [82] + [83] + [84], etc. = [85] 96,139.

		Number of Days in Taxation Year			
		Days before Jan 1, 2001	Total Days		
Subtract: 200,000	x [558]	0 ÷ [73]	[92]	= + [111] 0.	
240,000	x [557]	0 ÷ [73]	[92]	= + [112] 0.	
280,000	x [556]	92 ÷ [73]	[92]	= + [113] 280,000.	
				[111] + [112] + [113] =	280,000.
(If negative, enter nil)					- [114] 280,000.
					= [86] 0.

		Number of Days in Taxation Year			
		Days after Dec 31, 1998 and before Jan 1, 2000	Total Days		
Calculation of Specified Rate for Surtax	.....	4.67%	x [74]	0 ÷ [73]	[92] = + [92] .0000
.....	5.00%	x [76]	0 ÷ [73]	[92]	= + [93] .0000
.....	4.3330%	x [69]	92 ÷ [73]	[92]	= + [95] 4.3330
Specified rate of surtax for Taxation Year				[92] + [93] + [95]	= [94] 4.3330
From [86] 0. x From [94] 4.3330%					= [87] 0.
From [87] 0. x From [60] 0. ÷ From [114] 280,000.					= [88] 0.
Surtax Lesser of [70] or [88]					= [100] 0

Continued on Page 6

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Income Tax *continued from Page 5***Additional Deduction for Credit Unions (s.51(4))** *(Attach schedule)*

110 0.

Manufacturing and Processing Profits Credit (M&P) (s.43)

Applies to Eligible Canadian Profits from manufacturing and processing, farming, mining, logging and fishing carried on in Canada, as determined by regulations.

Eligible Canadian Profits from mining are the "resource profits from the mining operations", as determined for Ontario depletion purposes, after deducting depletion and resource allowances but excluding amounts from sale of Canadian resource property, rentals or royalties. If you are claiming this credit, attach a copy of the federal T2 SCH 27 including necessary changes for Ontario tax purposes (e.g. different C.C.A. claimed).

The whole of the active business income qualifies as Eligible Canadian Profits if: a) your active business income from sources other than manufacturing and processing, mining, farming, logging or fishing is 20% or less of the total active business income and b) the total active business income is \$250,000 or less.

Eligible Canadian Profits	.....	+	120	0.
Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC)	.....	-	From 56	0.
Add: Adjustment for Surtax on Canadian-controlled private corporations	.....	+	
From 100	0. ÷ From 30		.0000	% ÷ From 78
			6.5000	% = 121
				0.
				* Ontario Allocation
Lesser of 56 or 121	.....	+	122	0.
120 - 56 + 122	.....	=	130	0.
Taxable Income	.....	+	From 10	0.
Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC)	.....	-	From 56	0.
Add: Adjustments for Surtax on Canadian-controlled private corporations	.....	+	From 122	0.
Subtract: Taxable Income From 10	0. X Allocation % to jurisdictions outside Canada		.0000	% = 140
Subtract: Amount by which Canadian and foreign investment income exceeds net capital losses	.....	-	141	0.
10 - 56 + 122 - 140 - 141	.....	=	142	0.

Claim

		Number of Days in Taxation Year		
143	0. X From 30	.0000	% X 2.0000	% X
Lesser of 130 or 142				
				* Ontario Allocation
143	0. X From 30	.0000	% X 1.5000	% X
Lesser of 130 or 142				
				* Ontario Allocation
		Days before Oct 1, 2001		Total Days
		0 ÷ 73	92	
		Days after Sept 30, 2001 and before Jan 1, 2003		Total Days
		69 ÷ 73	92	
				= + 160
				0.

* Note: Ontario Allocation for M&P Credit purposes may differ from 30 if Taxable Income is allocated to foreign jurisdictions. See special rules (s.43(1))

Manufacturing and Processing Profits Credit for Electrical Generating Corporations

= 161 0.

Manufacturing and Processing Profits Credit for Corporations that Produce and Sell Steam for uses other than the Generation of Electricity

= 162 0.

Note: The M&P for corporations that generate electrical energy for sale, or produce steam for use in the generation of electrical energy for sale, or produce steam for sale for uses other than the generation of electricity, has not yet received legislative authority at the time of printing. (Refer to Guide.)

Credit for Foreign Taxes Paid (s.40)

Applies if you paid tax to a jurisdiction outside Canada on foreign investment income (Info. Bulletins 15-79 & 2739) (Attach schedule).

170 0.

Credit for Investment in Small Business Development Corporations (SBDC)

Applies if you have an unapplied, previously approved credit from prior years' investments in new issues of equity shares in Small Business Development Corporations. Any unused portion may be carried forward indefinitely and applied to reduce subsequent years' income taxes. (Refer to the former Small Business Development Corporations Act)

Eligible Credit 175 0. Credit Claimed 180 0.

Subtotal of Income Tax 40 - 70 + 100 - 110 - 160 - 161 - 162 - 170 - 180 = 190 0.*continued on Page 7*

Income Tax *continued from Page 6*
Specified Tax Credits *(Refer to Guide)*
Ontario Innovation Tax Credit (OITC) (s.43.3) *Applies to research and development in Ontario.*

Eligible Credit From **5620** OITC Claim Form (Attach original Claim Form) + **191** 0.

Co-operative Education Tax Credit (CETC) (s.43.4) *Applies to employment of eligible students.*

Eligible Credit From **5798** Summary Schedule F + **192** 0.

Ontario Film & Television Tax Credit (OFTTC) (s.43.5)
Applies to qualifying Ontario labour expenditures for eligible Canadian content film and television productions.

Eligible Credit From **5899** Claim Form Certified by Ontario Film Development Corporation
(Retain original Claim Form. Do not submit the Claim Form with the CT23 Tax Return.) + **193** 0.

Graduate Transitions Tax Credit (GTTC) (s.43.6)
Applies to employment of eligible unemployed graduate students.

Eligible Credit From **6598** Summary Schedule G + **195** 0.

No. of Graduates From **6596**
194 0

Ontario Book Publishing Tax Credit (OBPTC) (s.43.7)
Applies to qualifying expenditures in respect of eligible literary works by first-time Canadian authors.

Eligible Credit From **6900** OBPTC Claim Form (Attach only the original Claim Form. Retain the Certification Form) + **196** 0.

Ontario Computer Animation and Special Effects Tax Credit (OCASE) (s.43.8)
Applies to labour relating to computer animation and special effects on an eligible production.

Eligible Credit From **6700** Claim Form Certified by Ontario Film Development Corporation
(Retain original Claim Form. Do not submit the Claim Form with the CT23 Tax Return.) + **197** 0.

Ontario Business-Research Institute Tax Credit (OBRITC) (s.43.9)
Applies to qualifying R&D expenditures under an eligible research institute contract.

Eligible Credit From **7100** OBRITC Claim Form (Attach original Claim Form) + **198** 0.

Ontario Production Services Tax Credit (OPSTC) (s.43.10)
Applies to qualifying Ontario labour expenditures for eligible non-Canadian content film and television productions.

Eligible Credit From **7300** Claim Form certified by Ontario Film Development Corporation
(Retain original Claim Form. Do not submit the Claim Form with the CT23 Tax Return.) + **199** 0.

Ontario Interactive Digital Media Tax Credit (OIDMTC) (s.43.11)
Applies to qualifying labour expenditures of eligible products for the taxation year.

Eligible Credit From **7400** Claim Form certified by Ontario Film Development Corporation
(Retain original Claim Form. Do not submit the Claim Form with the CT23 Tax Return.) + **200** 0.

Ontario Sound Recording Tax Credit (OSRTC) (s.43.12)
Applies to qualifying expenditures in respect of eligible Canadian sound recordings.

Eligible Credit From **7500** OSRTC Claim Form (Attach only the original Claim Form. Retain the Certification Form) + **201** 0.

Other (specify) + 201.1 0.

Total Specified Tax Credits **191** + **192** + **193** + **195** + **196** + **197** + **198** + **199** + **200** + **201** + 201.1 = **220** 0.

Specified Tax Credits Applied to reduce Income Tax = **225** 0.

Income Tax **190** - **225** OR Enter NIL if reporting Non-Capital Loss = **230** 0.

To determine if the Corporate Minimum Tax (CMT) is applicable to your Corporation, see **Determination of Applicability** section for the CMT on **Page 8**. If CMT is not applicable, transfer amount in **230** to Income Tax in **Summary** section on **Page 18**.

OR

If CMT is not applicable for the current taxation year but your corporation has CMT Credit Carryovers that you want to apply to reduce income tax otherwise payable, then proceed to and complete the **Application of CMT Credit Carryovers** section part B, on **Page 8**.

Corporate Minimum Tax (CMT)

Determination of Applicability

Applies if either Total Assets [249] exceeds \$5,000,000 or Total Revenue [250] exceeds \$10,000,000.

* These amounts include the corporation's and associated corporations' share of any partnership(s)/joint venture(s) total assets and total revenue.

Short Taxation Years - Special rules apply for determining total revenue where the taxation year of the corporation or any associated corporation or any fiscal period of any partnership(s)/joint venture(s) of which the corporation or associated corporation is a member, is less than 51 weeks.

Associated Corporation - The total assets or total revenue of associated corporations is the total assets or total revenue for the taxation year ending on or before the date of the claiming corporation's taxation year end.

* Total Assets of the corporation + [240] 33,315,112.
* Total Revenue of the corporation + [241] 36,886,194.

If you are a member of an associated group (x) [242] ☒ (Yes)

Name of associated corporation (Canadian & foreign) (if insufficient space, attach schedule)	Ontario Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	* Total assets	* Total Revenue
See attached			+ [243] 23,906,362.	+ [244] 868,000.
			+ [245] .	+ [246] .
			+ [247] .	+ [248] .
Aggregate Total Assets	[240] + [243] + [245] + [247], etc.		= [249] 57,221,474.	
Aggregate Total Revenue	[241] + [244] + [246] + [248], etc.			= [250] 37,754,194.

If CMT is applicable to current taxation year, complete section **Calculation: CMT** below and **Corporate Minimum Tax Schedules A through E** on Pages 19, 20 and 21 of CT23.

Calculation: CMT (Attach Schedule A: Calculation of CMT Base on Page 19.)

Gross CMT Payable CMT Base From [2135] 0. X From [30] 100.0000% X 4% = [276] 0.
If negative, enter zero Ontario Allocation

Subtract: Foreign Tax Credit for CMT purposes (Attach schedule) - [277] 0.

Subtract: Income Tax - From [190] 0.

Net CMT Payable (If negative, enter Nil on Page 18.) = [280] 0.

If [280] is less than zero and you do not have a CMT credit carryover, transfer [230] from Page 7 to **Income tax Summary, on Page 18.**

If [280] is less than zero and you have a CMT credit carryover, complete A & B below.

If [280] is greater than or equal to zero, transfer [230] to Page 18 and transfer [280] to Page 18, and to **Schedule D: Continuity of CMT Credit Carryovers, on Page 21.**

CMT Credit Carryover available From [2307] 0.

Application of CMT Credit Carryovers

A. Income Tax (before deduction of specified credits) + From [190] 0.

Gross CMT Payable + From [276] 0.

Subtract: Foreign Tax Credit for CMT purposes - From [277] 0.

If [276] - [277] is negative, enter NIL in [290] = 0. - [290] 0.

Income Tax eligible for CMT Credit = [300] 0.

B. Income tax (after deduction of specified credits) + From [230] 0.

Subtract: CMT credit used to reduce income taxes - [310] 0.

Income Tax = [320] 0.

Transfer to page 18

If A & B apply, [310] cannot exceed the lesser of [230], [300] and your CMT credit carryover available [2307].

If only B applies, [310] cannot exceed the lesser of [230] and your CMT credit carryover available [2307].

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Capital Tax (Refer to Guide)

If your corporation is a Financial Institution (s.58(2)), proceed to page 14.

If your corporation is not a member of an associated group and/or partnership and (1) the Gross Revenue and Total Assets as calculated on Page 10 in 480 and 430 are both \$1,000,000 or less and the taxation year ends on or after January 1, 2000, or (2) the Gross Revenue and Total Assets as calculated on Page 10 in 480 and 430 are both \$1,500,000 or less and the taxation year ends on or after January 1, 2001, it is exempt from Capital Tax for the taxation year. A corporation that meets these criteria should disregard all other Capital Tax items (including the calculation of Taxable Capital). Enter NIL in 550 on Page 13 and complete the return from that point. All other corporations must compute their Taxable Capital in order to determine their Capital Tax payable.

Members of a partnership (limited or general) or a joint venture, must attach all financial statements of each partnership. The Paid-up Capital of each corporate partner must include its share of liabilities that would otherwise be included if the partnership were a corporation. If Investment Allowance is claimed, Total Assets

must be adjusted by adding the corporation's share of the partnership's Total Assets and by deducting investments in the partnership as it appears on the corporation's balance sheet, in addition to any other required adjustments (s.61(5)). Special rules apply to limited partnerships (Inf.B.15-79, Int.B.L-12 and Int.B.L-16)

Any Assets and liabilities of a corporation that are being utilized in a joint venture must be included along with the corporation's other Assets and liabilities when calculating its Taxable Paid-up Capital.

Special rules and rates apply to Non-Resident corporations (s.63, s.64 and s.69(3)).

Paid-up Capital of Non-resident: Paid-up capital employed in Canada of a non-resident subject to tax by virtue of s.2(a) or (b), and whose business is not carried on solely in Canada is deemed to be the greater of (1) taxable income in Canada divided by 8 percent or (2) total assets in Canada minus certain indebtedness in accordance with the provisions of s.63(1)(a).

Paid-up Capital

Paid-up capital stock	+	350	14,064,719.
Retained earnings (if deficit, deduct)	±	351	-1,229,876.
Capital and other surpluses, excluding appraisal surplus (Inf.B.30-83)	+	352	0.
Loans and advances (Attach schedule)	+	353	15,766,565.
Bank loans	+	354	74,000.
Bankers acceptances	+	355	0.
Bonds and debentures payable	+	356	0.
Mortgages payable	+	357	0.
Lien notes payable	+	358	0.
Deferred credits (including income tax reserves, and deferred revenue where it would also be included in paid-up capital for the purposes of the large corporations tax)	+	359	0.
Contingent, investment, inventory and similar reserves	+	360	0.
Other reserves not allowed as deductions for income tax purposes (Attach schedule)	+	361	964,358.
Share of partnership(s) or joint venture(s) paid-up capital (Attach schedule(s))	+	362	0.
Subtotal	=	370	29,639,766.
Subtract: Amounts deducted for income tax purposes in excess of amounts booked (Retain calculations. Do not submit.)	-	371	0.
Deductible R & D expenditures and ONTTI costs deferred for income tax if not already deducted for book purposes	-	372	0.
Total Paid-up Capital	=	380	29,639,766.
Subtract: Deferred mining exploration and development expenses (s.62(1)(d))	-	381	0.
Net Paid-up Capital	=	390	29,639,766.

Eligible Investments (Refer to Guide)

Attach computations and list of corporations' names and investment amounts. Short-term investments (bankers acceptances, commercial paper, term deposits, etc.) are eligible for the allowance only if issued for a term of and held for 120 days or more prior to the year end of the investor corporation.

Term deposits and investment certificates in foreign financial institutions for taxation years ending prior to December 15, 1999 (Refer to Guide)	+	400	0.
Bonds, lien notes and similar obligations, (similar obligations, e.g. stripped interest coupons, applies to taxation years ending after October 30, 1998)	+	402	0.
Mortgages due from other corporations	+	403	0.
Shares in other corporations (certain restrictions apply) (Refer to Guide)	+	404	0.
Loans and advances to unrelated corporations	+	405	0.
Eligible loans and advances to related corporations (certain restrictions apply) (Refer to Guide)	+	406	0.
Share of partnership(s) or joint venture(s) eligible investments (Attach schedule)	+	407	0.
Total Eligible Investments	=	410	0.

continued on Page 10

Capital Tax *continued from Page 9*
Total Assets

Total Assets per balance sheet	+	420	33,315,112.
Mortgages or other liabilities deducted from assets	+	421	0.
Share of partnership(s)/joint venture(s) total assets (<i>Attach schedule</i>)	+	422	0.
Subtract: Investment in partnership(s)/joint venture(s)	-	423	0.
Total Assets as adjusted	=	430	33,315,112.
Amounts in 360 and 361 (if deducted from assets)	+	440	0.
Subtract: Amounts in 371, 372 and 381	-	441	0.
Subtract: Appraisal surplus if booked	-	442	0.
Add or Subtract: Other adjustments (specify on an attached schedule)	±	443	0.
Total Assets	=	450	33,315,112.

Investment Allowance	$(\frac{410}{450}) \times 390$	Not to exceed 410	=	460	0.
Taxable Capital	390 - 460		=	470	29,639,766.

Gross Revenue (as adjusted to include the share of any partnership(s)/joint venture(s) Gross Revenue)	480	9,297,342.
Total Assets (as adjusted)	From 430	33,315,112.

Calculation of Capital Tax for all corporations except Financial Institutions

Note: This version (2001) of the CT23 may only be used for a taxation year that commenced on or after May 5, 1999.

(Financial Institutions use calculations on page 14.)

- Important:** If the corporation is a family farm corporation, family fishing corporation or a credit union that is not a Financial Institution, complete only Section A below.
- OR** If the corporation is NOT a member of an associated group and/or partnership, review only the capital tax calculations in Section B on pages 10 to 11 and select and complete the one specific subsection (e.g. B4) that applies to the corporation.
- OR** If the corporation IS a member of an associated group and/or partnership, complete Section C on page 12. Next review, and if applicable, complete Section D on page 12. If Section D is not applicable review Section E on page 13 and complete the applicable subsection: either E1 or E2. **Note:** if the corporation is a member of a connected partnership, please refer to the guide for additional instructions before completing the capital tax section.

SECTION A

This section applies only if the corporation is a family farm corporation, a family fishing corporation or a credit union that is not a Financial Institution.

Enter NIL in 550 on page 13 and complete the return from that point.

SECTION B

This section applies if the corporation is NOT a member of an associated group and/or partnership.

B1. If the taxation year end is before January 1, 2001 and 430 and 480 are both \$1,000,000 or less, enter NIL in 550 on page 13 and complete the return from that point.

B2. If the taxation year end is after December 31, 2000 and 430 and 480 are both \$1,500,000 or less, enter NIL in 550 on page 13 and complete the return from that point.

B3. If taxable capital, 470 on page 10, is \$2,000,000 or less, enter NIL in 550 on page 13 and complete the return from that point.

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Capital Tax Calculation *continued from page 10*

B4. If taxable capital, 470 on page 10, exceeds \$2,000,000 but is \$3,600,000 or less, complete the following calculations and transfer the total From 508 to 543 on page 13 and complete the return from that point.

Calculation: Portion of Capital Tax relating to the days in the taxation year after May 4, 1999 and before January 1, 2000

(a) From 470 0. X .3000% = + 490 0.

Deduct: From 470

\$2,400,000 - 0. X 1.5% = - 492 0. *If 2,400,000 - 470 is negative, enter NIL in 492*

(504 = 490 - 492) = 504 0. X From 30 100.0000% X 0 = + 505 0.

Ontario Allocation ** 365 (366 if leap year)

Days in taxation year after May 4, 1999 and before Jan 1, 2000 552

Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 1999 and before January 1, 2001

(b) From 470 0. X .3000% = + 490 0.

Deduct: From 470

\$2,800,000 - 0. X 0.75% = - 493 0. *If 2,800,000 - 470 is negative, enter NIL in 493*

(506 = 490 - 493) = 506 0. X From 30 100.0000% X 0 = + 507 0.

Ontario Allocation ** 365 (366 if leap year)

Days in taxation year after Dec 31, 1999 and before Jan 1, 2001 553

Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 2000 and before October 1, 2001

(c) From 470 0. X .3000% = + 490 0.

Deduct: From 470

\$3,200,000 - 0. X 0.5% = - 495 0. *If 3,200,000 - 470 is negative, enter NIL in 495*

(509 = 490 - 495) = 509 0. X From 30 100.0000% X 0 = + 522 0.

Ontario Allocation ** 365 (366 if leap year)

Days in taxation year after Dec 31, 2000 and before Oct 1, 2001 554

Total Capital Tax for the taxation year 505 + 507 + 522 = 508 0.

Transfer to 543 on page 13 and complete the return from that point.

B5. If taxable capital, 470 on page 10, exceeds \$3,600,000, complete the following calculation and transfer the amount From 502 to 543 on page 13 and complete the return from that point.

From 470 0. X From 30 100.0000% X .3000% X 0 = 502.1 0.

Ontario Allocation ** 365 (366 if leap year)

Days in taxation year before Oct 1, 2001 555

From 470 Exemption 0. X From 30 100.0000% X .3000% X 92 = 502.2 0.

Ontario Allocation ** 365 (366 if leap year)

Days in taxation year after Sept 30, 2001 92

Note: The \$5 million deduction from Taxable Paid Up Capital has not yet received legislative authority at the time of printing.

Total Capital Tax for the taxation year 502.1 + 502.2 = 502 0.

** If floating taxation year, refer to Guide.

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Capital Tax Calculation *continued from page 11***SECTION C***If the corporation is a member of an associated group and/or partnership, complete the following, and*(x) ☐ 510 ☒ (Yes)Taxable Capital + From 29,639,766.Name of associated corporations or related partners (Canadian & foreign)
(if insufficient space, attach schedule)Ontario Corporations Tax
Account No. (MOF)
(if applicable)

Taxation Year End

Taxable Capital

See attached + 2,735,345...... + + Aggregate Taxable Capital + + + , etc. = 32,375,111.*If is greater
than \$2,000,000*If is greater than \$2,000,000 and the taxation year ends,

- prior to January 1, 2000 and is less than \$2,400,000;

OR • after December 31, 1999 and before January 1, 2001 and is less than \$2,800,000;OR • after December 31, 2000 and before January 1, 2002 and is less than \$3,200,000;OR • after December 31, 2001 and before January 1, 2003 and is less than \$3,600,000;

the corporation must compute the following ratio before calculating its Capital Tax in Section E.

From 0. ÷ From 0. = .0000**Note:** cannot exceed 1.00000**SECTION D**This section applies if the corporation IS a member of an associated group and/or partnership whose AGGREGATE taxable capital,
 on this page, is \$2,000,000 or less.Enter NIL in on page 13 and complete the return from that point.

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Capital Tax Calculation *continued from Page 12***SECTION E**

This section applies if the corporation IS a member of an associated group and/or partnership whose AGGREGATE taxable capital, [520] on page 12, exceeds \$2,000,000.

E1. If aggregate taxable capital [520] exceeds \$2,000,000 but is \$3,600,000 or less, complete the following calculations and transfer the total From [508] to [543] and complete the return from that point.

Calculation: Portion of Capital Tax relating to the days in the taxation year after May 4, 1999 and before January 1, 2000

(a) From [470] 0. x .3000% = + [490] 0.

Deduct:

From [520] 0. x 1.5% x [521] .0000 = - [492] 0.

([504] = [490] - [492]) = [504] 0. x [100.0000] % x [30] 552 = + [505] 0.

Ontario Allocation ** 365 (366 if leap year)

Days in taxation year after May 4, 1999 and before Jan 1, 2000

If 2,400,000 - [520] is negative, enter NIL in [492]

Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 1999 and before January 1, 2001

(b) From [470] 0. x .3000% = + [490] 0.

Deduct:

From [520] 0. x 0.75% x [521] .0000 = - [493] 0.

([506] = [490] - [493]) = [506] 0. x [100.0000] % x [30] 553 = + [507] 0.

Ontario Allocation ** 365 (366 if leap year)

Days in taxation year after Dec 31, 1999 and before Jan 1, 2001

If 2,800,000 - [520] is negative, enter NIL in [493]

Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 2000 and before October 1, 2001

(c) From [470] 0. x .3000% = + [490] 0.

Deduct:

From [520] 0. x 0.5% x [521] .0000 = - [495] 0.

([509] = [490] - [495]) = [509] 0. x [100.0000] % x [30] 557 = + [522] 0.

Ontario Allocation ** 365 (366 if leap year)

Days in taxation year after Dec 31, 2000 and before Oct 1, 2001

If 3,200,000 - [520] is negative, enter NIL in [495]

Total Capital Tax for the taxation year [505] + [507] + [522] = [508] 0.

Transfer to [543] and complete the return from that point.

E2. If the aggregate taxable capital [520] on page 12, exceeds \$3,600,000 complete the following calculation and transfer the amount From [502] to [543] on this page, and complete the return from that point.

(a) From [470] 29,639,766. x From [30] [100.0000] % x .3000% x [555] 0 = 502.1 0.

Ontario Allocation ** 365 (366 if leap year)

Days in taxation year before Oct 1, 2001

(b) Exemption is the lesser of:

i) 5,000,000

Taxable Paid up Capital of all Corporations in Associated Group (if any) from [520] 32,375,111.

Minus portion attributable to corporations without a permanent establishment in Canada 0.

ii) TPUC of all corporations post September 30, 2001 32,375,111.

Lesser of i) and ii) 5,000,000.

TPUC from [470] 29,639,766. x 32,375,111.

TPUC of all corporations post September 30, 2001 32,375,111.

Exemption for this corporation 4,577,554.

From [470] Exemption From [30] [100.0000] % x .3000% x [92] 365 = 502.2 18,951.

Ontario Allocation ** 365 (366 if leap year)

Days in taxation year after Sept 30, 2001

Note: The \$5 million deduction from Taxable Paid Up Capital has not yet received legislative authority at the time of printing.

Total Capital Tax for the taxation year 502.1 + 502.2 = [502] 18,951.

** If floating taxation year, refer to Guide.

Transfer to [543] and complete the return from that point.

Capital Tax before application of specified credits = [543] 18,951.

Subtract: Specified Tax Credits applied to reduce capital tax payable (Refer to Guide) = [546] 0.

Capital Tax [543] - [546] = [550] 18,951.

Transfer to Page 18

continued on Page 14

Capital Tax *continued from page 13*

Calculation of Capital Tax for Financial Institutions

I.1. Credit Unions only

For taxation years commencing **after May 4, 1999** enter NIL in **550** on page 13, and complete the return from that point.

I.2. Other than Credit Unions

(Retain details of calculations for amounts in boxes **565** and **570**. Do not submit with this tax return.)

565	0.	x	0.00 %	X From	30	%	X	555	0	÷	0	(366 if leap year)	=	+	569	0.
<div style="display: flex; justify-content: space-between;"> <div style="width: 30%;"> Lesser of adjusted TPUC and Basic Capital Amount in accordance with Division B.1 </div> <div style="width: 30%; text-align: center;"> Ontario Allocation </div> <div style="width: 40%; text-align: right;"> Days in taxation year ** </div> </div>																

570	0.	x	571	0.00 %	X From	30	%	X	555	0	÷	0	(366 if leap year)	=	+	574	0.
<div style="display: flex; justify-content: space-between;"> <div style="width: 30%;"> Adjusted TPUC in accordance with Division B.1 in excess of Basic Capital Amount </div> <div style="width: 30%; text-align: center;"> Capital Tax Rate (Refer to Guide) </div> <div style="width: 40%; text-align: right;"> Days in taxation year ** </div> </div>																	

Capital Tax for Financial Institutions – other than Credit Unions (before Sections II)	569	+	574	=	575	0.
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**** If floating taxation year, refer to Guide.**

II. Small Business Investment Tax Credit

(Retain details of eligible investment calculation and, if claiming an investment in CSBIF, retain the original letter approving the credit issued in accordance with the Community Small Business Investment Fund Act. Do not submit with this tax return.)

Allowable Credit for Eligible Investments	-	585	0.
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Financial institutions: Claiming a tax credit for investment in Community Small Business Investment Fund (CSBIF)? (x) ☐ Yes

Capital Tax – Financial Institutions	575	-	585	=	586	0.
<i>Transfer to 543 on Page 13</i>						

Premium Tax (s.74.2 & 74.3) (Refer to Guide)

(1) Uninsured Benefits Arrangements	587	0.	x 2%	=	588	0.
<i>Applies to Ontario-related uninsured benefits arrangements.</i>						

(2) Unlicensed Insurance (enter premium tax payable in 588 and attach a detailed schedule of calculations. If subject to tax under (1) above, add both taxes together and enter total tax in 588 .)	588	0.	=	588	0.
<i>Applies to Insurance Brokers and other persons placing insurance for persons resident or property situated in Ontario with unlicensed insurers.</i>					

Deduct: Specified Tax Credits applied to reduce premium tax (Refer to Guide)	-	589	0.
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Premium Tax	588	-	589	=	590	0.
<i>Transfer to page 18</i>						

Westario Power Inc.

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2001-12-31

DOLLARS ONLY

Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ

Net Income (loss) for federal income tax purposes, per federal T2 SCH 1

± 600 -650,211.

Transfer to page 16

Add:

Federal capital cost allowance	+	601	147,203.
Federal cumulative eligible capital deduction	+	602	31,214.
Ontario taxable capital gain	+	603	0.
Federal non allowable reserves. Balance beginning of year	+	604	0.
Federal allowable reserves. Balance end of year	+	605	0.
Ontario non-allowable reserves. Balance end of year	+	606	0.
Ontario allowable reserves. Balance beginning of year	+	607	0.
Federal exploration expenses (e.g. CEDE, CEE, CDE, COGPE)	+	608	0.
Federal resource allowance	+	609	0.
Federal depletion allowance	+	610	0.
Federal foreign exploration and development expenses	+	611	0.
Management fees, rents, royalties and similar payments to non-arm's length non-residents			

Number of Days in Taxation Year

Days before May 2, 2000		Total Days	
612	0	22	92

$$0 \times 5 \div 15,5000 \times 22 \div 73 = + 630 \quad 0.$$

Days after May 1, 2000 and before Jan 1, 2001		Total Days	
612	0	24	92

$$0 \times 5 \div 14,5000 \times 24 \div 73 = + 631 \quad 0.$$

Days after Dec 31, 2000 and before Oct 1, 2001		Total Days	
612	0	26	92

$$0 \times 5 \div 14,0000 \times 26 \div 73 = + 632 \quad 0.$$

Days after Sept 30, 2001 and before Jan 1, 2003		Total Days	
612	0	28	92

$$0 \times 5 \div 12,5000 \times 28 \div 73 = + 633 \quad 0.$$

$$\text{Total add-back amount for Management fees, etc.} \quad 630 + 631 + 632 + 633 = + 613 \quad 0.$$

$$\text{Federal allowable business investment loss} \quad + 620 \quad 0.$$

$$\text{Total of other items not allowed by Ontario but allowed federally (Attach schedule)} \quad + 614 \quad 0.$$

$$\text{Subtotal of Additions} \quad 601 \text{ to } 611 + 613 + 620 + 614 = 178,417. \quad 640 \quad 178,417.$$

Transfer to page 16

continued on Page 16

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DOLLARS ONLY

Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ

continued from Page 15

Net Income (loss) for federal income tax purposes, per federal T2 SCH 1 From \pm 600 -650,211.Subtotal of Additions From = 640 178,417.**Deduct:**

Ontario capital cost allowance	+	<u>650</u>	147,203.
Ontario cumulative eligible capital deduction	+	<u>651</u>	31,214.
Federal taxable capital gain	+	<u>652</u>	0.
Ontario non-allowable reserves. Balance beginning of year	+	<u>653</u>	0.
Ontario allowable reserves. Balance end of year	+	<u>654</u>	0.
Federal non-allowable reserves. Balance end of year	+	<u>655</u>	0.
Federal allowable reserves. Balance beginning of year	+	<u>656</u>	0.
Ontario exploration expenses (e.g. CEDE, CEE, CDE, COGPE) (Retain calculations. Do not submit.)	+	<u>657</u>	0.
Ontario depletion allowance	+	<u>658</u>	0.
Ontario resource allowance	+	<u>659</u>	0.
Ontario research and development super allowance (Attach schedule)	+	<u>660</u>	0.
Government Assistance relating to provincial deductions for scientific research and experimental development added back for federal income tax purposes as a result of the Federal 2000 Budget	+	<u>674</u>	0.
Ontario current cost adjustment (Attach schedule)	+	<u>661</u>	0.

Ontario New Technology Tax Incentive (ONTTI) Gross-up*Applies* only to those corporations whose Ontario allocation is less than 100% in the current taxation year.Capital Cost Allowance (Ontario) (CCA) on prescribed qualifying intellectual property deducted in the current taxation year 662 0.**ONTTI Gross-up deduction calculation:**

$$\left[\begin{array}{l} \text{From } \underline{662} \quad 0. \times \frac{100}{\text{From } \underline{30} \quad .0000} \\ \text{Gross-up of CCA} \end{array} \right] - \text{From } \underline{662} \quad 0. = \underline{663} \quad 0.$$

Ontario Allocation

Workplace Child Care Tax Incentive: (Applies to qualifying expenditures incurred after May 5, 1998.)

$$\left[\begin{array}{l} \text{Qualifying expenditures: } \underline{665} \quad 0. \times 30.00\% \times \frac{100}{\text{From } \underline{30} \quad 100.0000} \\ \text{Ontario Allocation} \end{array} \right] = \underline{666} \quad 0.$$

Workplace Accessibility Tax Incentive: (Applies to qualifying expenditures incurred after July 1, 1998.)

$$\left[\begin{array}{l} \text{Qualifying expenditures: } \underline{667} \quad 0. \times 100.00\% \times \frac{100}{\text{From } \underline{30} \quad 100.0000} \\ \text{Ontario Allocation} \end{array} \right] = \underline{668} \quad 0.$$

Number of Employees accommodated 669 0**Ontario School Bus Safety Tax Incentive (OSBSTI): (Applies to the eligible acquisition of school buses made within the 3 year period commencing after May 4, 1999.) (Refer to Guide)**

$$\left[\begin{array}{l} \text{Qualifying expenditures: } \underline{670} \quad 0. \times 30.00\% \times \frac{100}{\text{From } \underline{30} \quad 100.0000} \\ \text{Ontario Allocation} \end{array} \right] = \underline{671} \quad 0.$$

Educational Technology Tax Incentive: (Applies to qualifying amounts incurred after May 2, 2000.)

$$\left[\begin{array}{l} \text{Qualifying expenditures: } \underline{672} \quad 0. \times 15.00\% \times \frac{100}{\text{From } \underline{30} \quad 100.0000} \\ \text{Ontario Allocation} \end{array} \right] = \underline{673} \quad 0.$$

Ontario allowable business investment loss + 678 0.Total of other deductions allowed by Ontario (Attach schedule) + 664 0.Subtotal of Deductions 650 to 660 + 674 + 661 + 663 + 666 + 668 + 671 + 673 + 678 + 664 = 178,417. 680 178,417.**Net income (loss) for Ontario Purposes** 600 + 640 - 680 = 690 -650,211.

Transfer to Page 4

Westario Power Inc.

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DOLLARS ONLY

Continuity of Losses Carried Forward

	Non-Capital Losses (1)	Total Capital Losses (9) (10)	Farm Losses	Restricted Farm Losses	Listed Personal Property Losses	Limited Partnership Losses (6)
Balance at Beginning of Year	700 (2) 0	710 (2) 0	720 (2) 0	730 0	740 0	750 0
Add:						
Current year's losses	701 650,211	711 0	721 0	731 0	741 0	751 0
Losses from predecessor corporations (3)	702 0	712 0	722 0	732 0		752 0
Subtotal	703 650,211	713 0	723 0	733 0	743 0	753 0
Subtract:						
Utilized during the year to reduce taxable income	704 0	715 (4) 0	724 0	734 (4) 0	744 (4) 0	754 (4) 0
Expired during the year	705 0		725 0	735 0	745 0	
Carried back to prior years to reduce taxable income (5)	706 (2) to Page 18 0	716 (2) to Page 18 0	726 (2) to Page 18 0	736 (2) to Page 18 0	746 0	
Subtotal	707 0	717 0	727 0	737 0	747 0	757 0
Balance at End of Year	709 650,211	719 0	729 0	739 0	749 0	759 0

Notes:

- (1) Non-capital losses include allowable business investment losses, fed.s.111(8)(b), as made applicable by s.34.
- (2) Where acquisition of control of the corporation has occurred, the utilization of losses can be restricted. See fed.s.111(4) through 111(5.5), as made applicable by s.34.
- (3) Includes losses on amalgamation (fed.s.87(2.1) and s.87(2.11) and/or wind-up (fed.s.88(1.1) and 88(1.2)), as made applicable by s.34.
- (4) To the extent of applicable gains/income/at-risk amount only.
- (5) Generally a three year carry-back applies. See fed.s.111(1) and fed.s.41(2)(b), as made applicable by s.34.
- (6) Where a limited partner has limited partnership losses, attach loss calculations for each partnership.
- (7) Include amount from 11 if taxable income is adjusted to claim unused foreign tax credit for federal purposes.
- (8) Amount in 709 must equal total of 829 + 839.
- (9) Total Capital Losses for a year is the excess of 100% of the Capital Losses in the taxation year minus 100% of the Capital Gains (less any reserves) in the taxation year. Total Capital Losses is before the inclusion rate has been applied.
- (10) In the 2001 CT23 this column now refers to Total Capital Losses (100% of loss), whereas previously the column referred to Net Capital Losses (75% of loss or after the inclusion rate has been applied). Loss amounts that are not carried at 100% of the loss must be grossed back up to 100% by multiplying the balance by 1.333333. No adjustments required where losses are carried at 100% of the loss amount.

Analysis of Balance by Year of Origin

Year of Origin (oldest year first) year month day	Non-Capital Losses	Non-Capital Losses of Predecessor Corporations	Total Capital Losses from Listed Personal Property only (9) (10)	Farm Losses	Restricted Farm Losses
800 1993-09-30				850 0	870 0
801 1994-09-30				851 0	871 0
802 1995-09-30				852 0	872 0
803 1996-09-30	820 0	830 0	840 0	853 0	873 0
804 1997-09-30	821 0	831 0	841 0	854 0	874 0
805 1998-09-30	822 0	832 0	842 0	855 0	875 0
806 1999-09-30	823 0	833 0	843 0	856 0	876 0
807 2000-09-30	824 0	834 0	844 0	857 0	877 0
808 2001-09-30	825 0	835 0	845 0	858 0	878 0
809 2001-12-31	826 650,211	836 0	846 0	859 0	879 0
Total	829 650,211	839 0	849 0	869 0	889 0

Westario Power Inc.

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2001-12-31

DOLLARS ONLY

Request for Loss Carry-Back (s.80(16))

Applies to corporations requesting a reassessment of the return of one or more previous taxation years under s.80(16) with respect to one or more types of losses carried back.

- If, after applying a loss carry-back to one or more previous years, there is a balance of loss available to carry forward to a future year, it is the corporation's responsibility to claim such a balance for those years following the year of loss within the limitations of fed.s.111, as made applicable by s.34.
- Where control of a corporation has been acquired by a person or group of persons, certain restrictions apply to the carry-forward and carry-back provisions of losses under fed.s.111(4) through 111(5.5), as made applicable by s.34.
- Refunds arising from the loss carry-back adjustment may be applied by the Minister of Finance to amounts owing under **any Act administered by the Ministry of Finance**.

- Any late filing penalty applicable to the return for which the loss is being applied will not be reduced by the loss carry-back.
- The application of a loss carry-back will be available for interest calculation purposes on the day that is the latest of the following:
 - 1) the first day of the taxation year after the loss year,
 - 2) the day on which the corporation's return for the loss year is delivered to the Minister, or
 - 3) the day on which the Minister receives a request in writing from the corporation to reassess the particular taxation year to take into account the deduction of the loss.
- If a loss is being carried back to a **predecessor corporation**, enter the predecessor corporation's account number and taxation year end in the spaces provided under Application of Losses below.

Application of Losses

	Non-Capital Losses	Total Capital Losses	Farm Losses	Restricted Farm Losses
Total amount of loss	910 650,211	920 0	930 0	940 0
Deduct: Loss to be carried back to preceding taxation years and applied to reduce taxable income				
Predecessor Ontario Corporation's Tax Account No. (MOF)	911	921	931	941
Taxation Year Ending year month day				
i) 3rd preceding	901 0	921 0	931 0	941 0
ii) 2nd preceding	902 0	922 0	932 0	942 0
iii) 1st preceding	903 0	923 0	933 0	943 0
Total loss to be carried back	From 706 0	From 716 0	From 726 0	From 736 0
Balance of loss available for carry-forward	919 650,211	929 0	939 0	949 0

Summary

Income tax	+ From 230 or 320	0.
Corporate Minimum Tax	+ From 280	0.
Capital Tax	+ From 550	18,951.
Premium Tax	+ From 590	0.
Total Tax Payable	= 950	18,951.
Subtract: Payments	- 960	29,100.
Capital Gains Refund (s.48)	- 965	0.
Qualifying Environmental Trust Tax Credit (Refer to Guide)	- 985	0.
Specified Tax Credits (Refer to Guide)	- 955	0.
Other (specify)	-	0.
Balance	= 970	-10,149.
If payment due	Enclosed * 990	0.
If overpayment: Refund (Refer to Guide)	= 975	10,149.
Apply to	year month day 980	0.

(Includes credit interest)

* Make your cheque (drawn on a Canadian financial institution) or a money order in Canadian funds, **payable to the MINISTER OF FINANCE** and print your Ontario Corporation's Tax Account No. (MOF) on the back of cheque or money order.

Certification

I am an authorized signing officer of the corporation. I certify that this CT23 return, including all schedules and statements filed with or as part of this CT23 return, has been examined by me and is a true, correct and complete return and that the information is in agreement with the books and records of the corporation. I further certify that the financial statements accurately reflect the financial position and operating results of the corporation as required under section 75 of the *Corporations Tax Act*. The method of computing income for this taxation year is consistent with that of the previous year, except as specifically disclosed in a statement attached.

Name (please print)

PAT BELL

Title

Finance Manager

Full Residence Address

385 Queen Street

Kincardine

ON CA N2Z-2R4

Signature

Date

Note: Section 76 of the Corporations Tax Act provides penalties for making false or misleading statements or omissions.