

Westario Power Inc.

1800342

2002-12-31

DOLLARS ONLY

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 either Claim Form from Ontario Media Development Corporation (OMDC) or Ministry of Finance (MOF) CT Schedule 193/199, as applicable.*(Attach the original Certification/Claim Form received from the OMDC or the original Certification Form received from the OMDC along with a completed MOF CT Schedule 193/199, as applicable.)* + 193 0.**Graduate Transitions Tax Credit (GTTC) (s.43.6)***Applies to employment of eligible unemployed post secondary graduate.*No. of Graduates From 6596194 0Eligible Credit From 6598 Summary Schedule G + 195 0.**Ontario Book Publishing Tax Credit (OBPTC) (s.43.7)***Applies to qualifying expenditures in respect of eligible literary works by eligible Canadian authors.*Eligible Credit From 6900 OBPTC Claim Form (Attach both the original Claim Form and 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 Media Development Corporation*(Attach the original Claim/Certification 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 productions where the OFTTC has not been claimed.*Eligible Credit From 7300 either Claim Form from Ontario Media Development Corporation (OMDC) or Ministry of Finance (MOF) CT Schedule 193/199, as applicable.*(Attach the original Certification/Claim Form received from the OMDC or the original Certification Form received from the OMDC along with a completed MOF CT Schedule 193/199, as applicable.)* + 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 Media Development Corporation*(Attach original Claim/Certification Form.)* + 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 both the original Claim Form and the Certification Form) + 201 0.or (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 (amount cannot be negative) = 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 17**.

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**.

Westario Power Inc.

1800342

2002-12-31

DOLLARS ONLY

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] 34,954,594.
 * Total Revenue of the corporation + [241] 57,914,811.

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] 22,736,369. + [244] 4,286,030.

..... + [245] + [246]

..... + [247] + [248]

Aggregate Total Assets [240] + [243] + [245] + [247], etc. = [249] 57,690,963.

Aggregate Total Revenue [241] + [244] + [246] + [248], etc. = [250] 62,200,841.

If CMT is applicable to current taxation year, complete section **Calculation: CMT** below and **Corporate Minimum Tax Schedules A through E** on Pages 18, 19 and 20 of CT23.

Calculation: CMT (Attach Schedule A: Calculation of CMT Base on Page 18.)

C CMT Payable CMT Base From [2135] 1,672,464. X From [30] 100.0000% X 4.0000% = [276] 66,899.
 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 17.) = [280] 66,899.

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 17.**

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 17 and transfer [280] to Page 17, and to **Schedule D: Continuity of CMT Credit Carryovers, on Page 20.**

CMT Credit Carryover available From [2307] 66,899.

Application of CMT Credit Carryovers

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

Gross CMT Payable + From [276] 66,899.

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

If [276] - [277] is negative, enter NIL in [290] = 66,899. - [290] 66,899.

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 17

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].

Westario Power Inc.

1800342

2002-12-31

DOLLARS ONLY

Capital Tax (Refer to Guide and Int.B. 3011)

If your corporation is a Financial Institution (s.58(2)), complete lines 480 and 430 on page 10 then proceed to page 13.

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 \$1,500,000 or less and the taxation year ends on or after January 1, 2001, or (2) the Gross Revenue and Total Assets as calculated on Page 10 in 480 and 430 are both \$3,000,000 or less and the taxation year commences after September 30, 2001, your corporation 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 12 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 or joint venture of which they are a member. 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 (Int.B. 3017).

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) (Int.B. 3010).

Paid-up Capital

Paid-up capital stock (Int.B. 3012 and 3015)	+	350	14,064,719.
Retained earnings (if deficit, deduct) (Int.B. 3012)	±	351	941,512.
Capital and other surpluses, excluding appraisal surplus (Int.B. 3012)	+	352	0.
Loans and advances (Attach schedule) (Int.B. 3013)	+	353	2,148,959.
Bank loans (Int.B. 3013)	+	354	1,887,404.
Bankers acceptances (Int.B. 3013)	+	355	0.
Bonds and debentures payable (Int.B. 3013)	+	356	0.
Mortgages payable (Int.B. 3013)	+	357	12,469,868.
Lien notes payable (Int.B. 3013)	+	358	0.
Deferred credits (including income tax reserves, and deferred revenue where it would also be added in paid-up capital for the purposes of the large corporations tax) (Int.B. 3013)	+	359	103,000.
Contingent, investment, inventory and similar reserves (Int.B. 3012)	+	360	0.
Other reserves not allowed as deductions for income tax purposes (Attach schedule) (Int.B. 3012)	+	361	0.
Share of partnership(s) or joint venture(s) paid-up capital (Attach schedule(s)) (Int.B. 3017)	+	362	0.
Subtotal	=	370	31,615,462.
Subtract: Amounts deducted for income tax purposes in excess of amounts booked (Retain calculations. Do not submit.) (Int.B. 3012)	-	371	1,403,579.
Deductible R & D expenditures and ONTTI costs deferred for income tax if not already deducted for book purposes (Int.B. 3015)	-	372	0.
Total Paid-up Capital	=	380	30,211,883.
Subtract: Deferred mining exploration and development expenses (s.62(1)(d)) (Int.B. 3015)	-	381	0.
Electrical Generating Corporations Only - All amounts with respect to electrical generating assets, except to the extent that they have been deducted by the corporation in computing its income for income tax purposes for the current or any prior taxation year, that are deductible by the corporation under clause 11(10)(a) of the Corporations Tax Act, and the assets are used both in generating electricity from a renewable or alternative energy source and are qualifying property as prescribed by regulation	-	382	0.
Net Paid-up Capital	=	390	30,211,883.

Eligible Investments (Refer to Guide and Int.B. 3015)

Attach computations and list of corporations' names and investment amounts. Short-term investments (bankers acceptances, commercial paper, 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.

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

Year Ended:

NBV vs. UCC

NBV of Fixed Assets	18,140,862.00
Less: Land	-107,769.00
Less: UCC	-20,216,587.00
	0.00
Regulatory Assets	5,057,469.00
Less: Regulatory Expenses Deducted per Sch 001	-1,470,396.00
	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
Total	----- 1,403,579.00 =====

Westario Power Inc.

1800342

2002-12-31

DOLLARS ONLY

Capital Tax *continued from Page 9***Total Assets** (Int.B. 3015)

Total Assets per balance sheet	+	420	34,954,594.
Mortgages or other liabilities deducted from assets	+	421	0.
Share of partnership(s)/joint venture(s) total assets (Attach schedule)	+	422	0.
Subtract: Investment in partnership(s)/joint venture(s)	-	423	0.
Total Assets as adjusted	=	430	34,954,594.
Amounts in 360 and 361 (if deducted from assets)	+	440	0.
Subtract: Amounts in 371, 372 and 381	-	441	1,403,579.
Subtract: Appraisal surplus if booked	-	442	0.
Add or Subtract: Other adjustments (specify on an attached schedule)	±	443	0.
Total Assets	=	450	33,551,015.

Investment Allowance	(410 ÷ 450) × 390	Not to exceed 410	= 460	0.
Taxable Capital	390 - 460		= 470	30,211,883.

Gross Revenue (as adjusted to include the share of any partnership(s)/joint venture(s) Gross Revenue)	480	37,922,301.
Total Assets (as adjusted)	From 430	34,954,594.

Calculation of Capital Tax for all corporations except Financial Institutions*Note: This version (2003) of the CT23 may only be used for a taxation year that commenced after September 30, 2001.**(Financial Institutions use calculations on page 13.)***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 below and select and complete the one specific subsection (e.g. B3) that applies to the corporation.

OR If the corporation IS a member of an associated group and/or partnership, complete Section C on page 11, and if applicable, complete Section D or Section E on page 12. **Note: if the corporation is a member of a connected partnership, please refer to the 2003 CT23 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 (Int.B. 3018).

Enter NIL in 550 on page 12 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 commences after September 30, 2001 and 430 and 480 on page 10 are both \$3,000,000 or less, enter NIL in 550 on page 12 and complete the return from that point.

B2. If taxable capital, 470 on page 10, is \$5,000,000 or less, enter NIL in 550 on page 12 and complete the return from that point.

B3. If taxable capital, 470 on page 10 exceeds \$5,000,000, complete the following calculation and transfer the amount From 523 to 543 on page 12, and complete the return from that point.

+	From 470	0.										
-		0.										
=	471	0.	×	From 30	100.0000%	×	.3000%	×	555 239	=	523	0.
					Ontario Allocation				** 365			
									(366 if leap year)			
											Transfer to 543 on page 12 and complete the return from that point	

** If floating taxation year, refer to Guide.

continued on Page 11

Westario Power Inc.

1800342

2002-12-31

DOLLARS ONLY

Capital Tax Calculation *continued from Page 10***SECTION C**

This section applies **ONLY** to a corporation that is a member of an associated group (excluding financial institutions and corporations exempt from capital tax) and/or partnership. You must check either ☐ 509 or ☒ 524 and complete this section before you can calculate your capital tax calculation under either Section D or Section E.

C1. ☐ 509 (X if applicable) **All corporations that you are associated with do not have a permanent establishment in Canada.**

If taxable capital ☐ 470 on page 10 is \$5,000,000 or less, enter NIL in ☐ 550 on page 12 and complete the return from that point.

If taxable capital ☐ 470 on page 10 exceeds \$5,000,000 proceed to **Section D**, enter \$5,000,000 in ☐ 542 Section D, and complete Section D and the return from that point.

C2. ☒ 524 (X if applicable) **One or more of the corporations that you are associated with maintains a permanent establishment in Canada.**

If the taxation year ends before January 1, 2003, you must complete the *Calculation* below.

If the taxation year ends after December 31, 2002, you and your associated group may continue to allocate the \$5,000,000 taxable capital exemption by completing the *Calculation* below. Or, the associated group may file an election under subsection 69(2.1) of the Corporations Tax Act, whereby total assets are used to allocate the taxable capital exemption among the associated group. Once a ss.69(2.1) election is filed, all members of the group will then be required to file in accordance with the election and allocate a portion (portion is henceforth referred to as **Net Deduction**) of the \$15,000 capital tax effect, relating to the \$5,000,000 taxable capital exemption, to each corporation in the group on the basis of the ratio that each corporation's total assets multiplied by its Ontario allocation is to the total assets of the group.

The total asset amounts and Ontario allocation percentages to be used for this calculation must be taken from each corporation's financial information from its last taxation year ending in the immediately preceding calendar year.

In addition, although each corporation in the associated group may deduct its Net Deduction amount as apportioned by the total asset formula, the group may, at the group's option, reallocate the group's total Net Deduction among the group on what ever basis the corporate group wishes, as long as the total of the reallocated amounts does not exceed the group's total Net Deduction amount originally calculated for the associated group.

Calculation Do NOT complete this calculation if ss.69(2.1) election is filed

Taxable Capital From ☐ 470 on page 10 + From ☐ 470 30,211,883.

Determine aggregate taxable capital of an associated group (excluding financial institutions and corporations exempt from capital tax) and/or partnership having a permanent establishment in Canada

Names of associated corporations (excluding financial institutions and corporations exempt from capital tax) or related partners having a permanent establishment in Canada (if insufficient space, attach schedule)

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

Taxation Year End

Taxable Capital

See attached

+ ☐ 531 2,770,060.

+ ☐ 532 .

+ ☐ 533 .

Aggregate Taxable Capital ☐ 470 + ☐ 531 + ☐ 532 + ☐ 533, etc. = ☐ 540 32,981,943.

If ☐ 540 above is \$5,000,000 or less, the corporation's Capital Tax for the taxation year, is NIL.
Enter NIL in ☐ 523 in section D on page 12, as applicable.

If ☐ 540 above is greater than \$5,000,000, the corporation must compute its share of the \$5,000,000 exemption below in order to calculate its Capital Tax for the taxation year under Section D on page 12.

From ☐ 470 30,211,883. + From ☐ 540 32,981,943. x 5,000,000 = ☐ 541 4,580,064.
Transfer to ☐ 542 in Section D on page 12

S.s.69(2.1) Election Filed

☐ 591 (X if applicable) **Election filed. Attach a copy of the election with this CT23 Return.**
Proceed to **Section E** on page 12.

continued on Page 12

Capital Tax Calculation *continued from Page 11*

SECTION D

This section applies if the corporation IS a member of an associated group and/or partnership whose total AGGREGATE taxable capital, 540 on page 11, exceeds \$5,000,000.

Complete the following calculation and transfer the amount From 523 to 543, and complete the return from that point.

+ From	470	30,211,883.												
-	542	4,580,064.												
=	471	25,631,819.	X From	30	100.0000%	X	.3000%	X	Days in taxation year <div style="display: flex; align-items: center; justify-content: center;"> <div style="border-bottom: 1px solid black; width: 40px; text-align: center;">555</div> <div style="border-bottom: 1px solid black; width: 40px; text-align: center;">239</div> </div> <div style="text-align: center; margin-top: 5px;"> <div style="border-top: 1px solid black; width: 40px; text-align: center;">365</div> <div style="font-size: 0.8em;">(366 if leap year)</div> </div>	= +	523	Total Capital Tax for the taxation year <i>Transfer to 543 and complete the return from that point</i>	50,351.

SECTION E

This section applies if a corporation is a member of an associated group and the associated group has filed a ss.69(2.1) election

$$+ \text{ From } 470 \text{ } 0. \times \text{ From } 30 \text{ } 100.0000\% \times .3000\% \dots\dots\dots = + 561 \text{ } 0.$$

- Capital tax deduction From 995 relating to *your corporation's* capital tax deduction, on ss.69(2.1) election form - From 995 0
= 562 0

$$\begin{array}{r} \text{Capital Tax} \quad \dots\dots\dots \boxed{562} \quad \underline{\hspace{1cm}} \quad 0. \quad \times \quad \begin{array}{r} \text{Days in taxation year} \\ \boxed{555} \quad \underline{239} \\ \text{**} \quad 365 \\ (366 \text{ if leap year}) \end{array} \quad \dots\dots\dots = \boxed{563} \quad \underline{\hspace{1cm}} \quad 0. \\ \text{Transfer to } \boxed{543} \text{ and complete} \\ \text{the return from that point} \end{array}$$

** If floating taxation year, refer to Guide.

Capital Tax before application of specified credits	=	543	50,351.
Subtract: Specified Tax Credits applied to reduce capital tax payable (Refer to Guide)	-	546	0.
Capital Tax 543 - 546 (amount cannot be negative)	=	550	50,351.

Transfer to Page 12

Transfer to Page 17

Capital Tax *continued from Page 12***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 12, 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.)

$$\begin{array}{l} \text{565 } 0. \times 0.6\% \times \text{From } 30 \text{ Ontario Allocation } \times \frac{\text{555 } 0 \div \text{Days in taxation year } 0}{(366 \text{ if leap year})} = + \text{569 } 0. \\ \text{Lesser of adjusted TPUC and Basic Capital Amount in accordance with Division B.1} \end{array}$$

$$\begin{array}{l} \text{570 } 0. \times \text{571 } 0.00\% \times \text{From } 30 \text{ Ontario Allocation } \times \frac{\text{555 } 0 \div \text{Days in taxation year } 0}{(366 \text{ if leap year})} = + \text{574 } 0. \\ \text{Adjusted TPUC in accordance with Division B.1 in excess of Basic Capital Amount} \end{array}$$

Capital Tax for Financial Institutions – other than Credit Unions (before Section II)

$$\text{569} + \text{574} = \text{575 } 0.$$

**** 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.)

$$\text{Allowable Credit for Eligible Investments} = \text{585 } 0.$$

Financial Institutions: Claiming a tax credit for investment in Community Small Business Investment Fund (CSBIF)? (x) ☐ Yes

$$\text{Capital Tax – Financial Institutions } \text{575} - \text{585} = \text{586 } 0.$$

Transfer to **543** on Page 12

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

$$\begin{array}{l} \text{(1) Uninsured Benefits Arrangements } \text{587 } 0. \times 2\% = \text{588 } 0. \\ \text{Applies to Ontario-related uninsured benefits arrangements.} \end{array}$$

(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**.)

Applies to Insurance Brokers and other persons placing insurance for persons resident or property situated in Ontario with unlicensed insurers.

$$\text{Deduct: Specified Tax Credits applied to reduce premium tax (Refer to Guide)} = \text{589 } 0.$$

$$\text{Premium Tax } \text{588} - \text{589} = \text{590 } 0.$$

Transfer to page 17

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

+ 600 960,016.

Transfer to Page 15

Add:

Federal capital cost allowance	601	1,496,961.
Federal cumulative eligible capital deduction	602	77,734.
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 after Sept. 30, 2001 and before Jan. 1, 2004 Total Days
33 239 + 73 239

612 0. x 5 ÷ 12.5000 x 33 239 + 73 239 = + 633 0.

Days after Dec. 31, 2003 Total Days
34 0 + 73 239

612 0. x 5 ÷ 14.0000 x 34 0 + 73 239 = + 634 0.

Total add-back amount for Management fees, etc. 633 + 634 = 0. + 613 0.

Federal Scientific Research Expenses claimed in year from line 460 of fed. form T661 excluding any negative amount in 473 from Ont. CT23 schedule 161 + 615 0.

Add any negative amount in 473 from Ont. CT23 Schedule 161 + 616 0.

Federal allowable business investment loss + 620 0.

Total of other items not allowed by Ontario but allowed federally (Attach schedule) + 614 0.

Total of Additions 601 to 611 + 613 + 615 + 616 + 620 + 614 = 1,574,695. 640 1,574,695.

Transfer to Page 15

Deduct:

Ontario capital cost allowance (excludes amounts deducted under 675)	650	1,496,961.
Ontario cumulative eligible capital deduction	651	77,734.
Federal taxable capital gain	652	0.
Ontario non-allowable reserves. Balance beginning of year	653	0.
Ontario allowable reserves. Balance end of year	654	0.
Federal non-allowable reserves. Balance end of year	655	0.
Federal allowable reserves. Balance beginning of year	656	0.
Ontario exploration expenses (e.g. CEDE, CEE, CDE, COGPE) (Retain calculations. Do not submit.)	657	0.
Ontario depletion allowance	658	0.
Ontario resource allowance	659	0.
Ontario current cost adjustment (Attach schedule)	661	0.
Incentive for new electricity supply (section 13.6 deduction from income) (Applies only to electrical generating corporations.)	674	0.
CCA for investments in qualifying energy-efficient equipment and for assets used to generate electricity from natural gas, alternative or renewable resources.	675	0.
Subtotal of deductions for this page 650 to 659 + 661 + 674 + 675	681	1,574,695.

Transfer to Page 15

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

continued from Page 14

Net Income (loss) for federal income tax purposes, per federal T2 SCH 1 From \pm **600** 960,016.Total of Additions From $=$ **640** 1,574,695.Sub Total of deductions on page 14 From $=$ **681** 1,574,695.**Deduct:****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 calculation:**

Gross-up of CCA		
From 662	$0 \times \frac{100}{100.0000}$	- From 662 0 = 663 0.
	From 30 100.0000	Ontario Allocation

Workplace Child Care Tax Incentive

Qualifying expenditures: 665 0	$\times 30.00\%$	$\times \frac{100}{100.0000}$	= 666 0.
	From 30	100.0000	Ontario Allocation

Workplace Accessibility Tax Incentive

Qualifying expenditures: 667 0	$\times 100.00\%$	$\times \frac{100}{100.0000}$	= 668 0.
	From 30	100.0000	Ontario Allocation

Number of**Employees accommodated** **669** 0**Ontario School Bus Safety Tax Incentive (OSBSTI) (Applies to the eligible acquisition of school buses purchased after May 4, 1999 and before January 1, 2006.) (Refer to Guide)**

Qualifying expenditures: 670 0	$\times 30.00\%$	$\times \frac{100}{100.0000}$	= 671 0.
	From 30	100.0000	Ontario Allocation

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

Qualifying expenditures: 672 0	$\times 15.00\%$	$\times \frac{100}{100.0000}$	= 673 0.
	From 30	100.0000	Ontario Allocation

Ontario allowable business investment loss + **678** 0.Ontario Scientific Research Expenses claimed in year in **477** from Ont. CT23 Schedule 161 + **679** 0.Amount added to income federally for an amount that was negative on federal form T661, line 454 or 455 (if filed after June 30, 2003) + **677** 0.Total of other deductions allowed by Ontario (Attach schedule) + **664** 0.Total of Deductions **681** + **663** + **666** + **668** + **671** + **673** + **678** + **679** + **677** + **664** .. = 1,574,695. **680** 1,574,695.Net income (loss) for Ontario Purposes **600** + **640** - **680** = **690** 960,016.
Transfer to Page 4

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) 1,631,411	710 (2) 0	720 (2) 0	730 0	740 0	750 0
Add:						
Current year's losses (7)	701 0	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 0	713 0	723 0	733 0	743 0	753 0
Subtract:						
Utilized during the year to reduce taxable income	704 (2) 960,016	715 (2) (4) 0	724 (2) 0	734 (2) (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 17 0	716 (2) to Page 17 0	726 (2) to Page 17 0	736 (2) to Page 17 0	746 0	
Subtotal	707 960,016	717 0	727 0	737 0	747 0	757 0
Balance at End of Year	709 (8) 671,395	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) Commencing 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 adjustment is required where losses are carried at 100% of the loss amount.

Analysis of Balance at End of Year 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	9th preceding taxation year 1995-09-30				850 0	870 0
801	8th preceding taxation year 1996-09-30				851 0	871 0
802	7th preceding taxation year 1997-09-30				852 0	872 0
803	6th preceding taxation year 1998-09-30	820 0	830 0	840 0	853 0	873 0
804	5th preceding taxation year 1999-09-30	821 0	831 0	841 0	854 0	874 0
805	4th preceding taxation year 2000-09-30	822 0	832 0	842 0	855 0	875 0
806	3rd preceding taxation year 2001-09-30	823 0	833 0	843 0	856 0	876 0
807	2nd preceding taxation year 2001-12-31	824 0	834 0	844 0	857 0	877 0
808	1st preceding taxation year 2002-05-06	825 671,395	835 0	845 0	858 0	878 0
809	Current taxation year 2002-12-31	826 0	836 0	846 0	859 0	879 0
Total		829 671,395	839 0	849 0	869 0	889 0

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:
 - the first day of the taxation year after the loss year,
 - the day on which the corporation's return for the loss year is delivered to the Minister, or
 - 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 0	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)				
Taxation Year Ending year month day				
i) 3rd preceding 901	911 0	921 0	931 0	941 0
ii) 2nd preceding 902	912 0	922 0	932 0	942 0
iii) 1st preceding 903	913 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 0	929 0	939 0	949 0

Summary

Income tax	+ From 230 or 320	0.
Corporate Minimum Tax	+ From 280	66,899.
Capital Tax	+ From 550	50,351.
Premium Tax	+ From 590	0.
Total Tax Payable	= 950	117,250.
Subtract: Payments	- 960	43,694.
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	73,556.
If payment due	Enclosed * 990	73,556.
If overpayment: Refund (Refer to Guide)	.. = 975	0.
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. (Refer to Guide for other payment methods.)

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.

Attached Sch.
2002-12-31

Westario Power Inc.

1800342

2002-12-31

Corporate Minimum Tax - Schedule A:**Calculation of CMT Base**

DOLLARS ONLY

Banks - Net income/loss as per report accepted by Superintendent of Financial Institutions (SFI) under the Bank Act (Canada), adjusted so consolidation/equity methods are not used.

Net Income/Loss (unconsolidated, determined in accordance with GAAP) ± [2100] 1,374,388.

Subtract (to the extent reflected in net income/loss):

Provision for recovery of income taxes / benefit of current income taxes	..... +	[2101]	0.
Provision for deferred income taxes (credits) / benefit of future income taxes	..... +	[2102]	0.
Equity income from corporations	..... +	[2103]	0.
Share of partnership(s)/joint venture(s) income	..... +	[2104]	0.
Dividends received/receivable deductible under fed.s.112	..... +	[2105]	0.
Dividends received/receivable deductible under fed.s.113	..... +	[2106]	0.
Dividends received/receivable deductible under fed.s.83(2)	..... +	[2107]	0.
Federal Part VI.1 tax paid on dividends declared and paid, under fed.s.191.1(1)	..... +	[2108]	0.
			0. X 9/3

Subtotal = [2109] 0.

Add (to extent reflected in net income/loss):

Provision for current taxes / cost of current income taxes	..... +	[2110]	52,590.
Provision for deferred income taxes (debits) / cost of future income taxes	..... +	[2111]	900,000.
Equity losses from corporations	..... +	[2112]	0.
Share of partnership(s)/joint venture(s) losses	..... +	[2113]	0.

Dividends that have been deducted to arrive at net income per Financial Statements s.57.4(1.1) (excluding dividends under fed.s.137(4.1)) + [2114] 0.

Subtotal = 952,590. [2115] 952,590.

Add/Subtract:

Amounts relating to s.57.9 election/regulations for disposals etc. of property for current/prior years

** Fed.s.85	..... +	[2116]	0.	or	[2117]	0.
** Fed.s.85.1	..... +	[2118]	0.	or	[2119]	0.
** Fed.s.97	..... +	[2120]	0.	or	[2121]	0.

** Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for current/prior years + [2122] 0. or [2123] 0.

** Amounts relating to wind-ups (fed.s.88) as prescribed in regulations for current/prior years + [2124] 0. or [2125] 0.

** Amounts relating to s.57.10 election/regulations for replacement re fed.s.13(4), 14(6) and 44 for current/prior years + [2126] 0. or [2127] 0.

Interest allowable under ss.20(1)(c) or (d) of ITA to the extent not otherwise deducted in determining CMT adjusted net income - [2150] 0.

Subtotal (Additions) = 0. [2128] 0.

Subtotal (Subtractions) = 0. [2129] 0.

** Other adjustments ± [2130] 533,432.

Total ± [2100] - [2109] + [2115] + [2128] - [2129] ± [2130] = [2131] 2,860,410.

** Share of partnership(s)/joint venture(s) adjusted net income/loss ± [2132] 0.

Adjusted net income (loss) (if loss, transfer to [2202] in Schedule B: Continuity of CMT Losses Carried Forward, Page 19.) = [2133] 2,860,410.

Deduct: * CMT losses: pre-1994 Loss + From [2210] 0.

* CMT losses: other eligible losses + [2211] 1,187,946.

= 1,187,946. [2134] 1,187,946.

* CMT losses applied cannot exceed adjusted net income or increase a loss

** Retain calculations. Do not submit with this tax return.

CMT Base = [2135] 1,672,464.

Transfer to CMT Base on Page 8

Corporate Minimum Tax (CMT)



DOLLARS ONLY

Schedule B: Continuity of CMT Losses Carried Forward

Balance at Beginning of year (1), (2)	.....	+	2201	1,187,946.	
Add: Current year's losses	.....	+	2202	0.	
Losses from predecessor corporations on amalgamation (3)	.....	+	2203	0.	
Losses from predecessor corporations on wind-up (3)	.....	+	2204	0.	
Amalgamation (x) 2205 <input type="checkbox"/> Yes						
Wind-up (x) 2206 <input type="checkbox"/> Yes						
Subtotal	=	0.	+	2207	0.
Adjustments (attach schedule)	.....	±	2208	0.	
CMT losses available	2201 + 2207 ± 2208	=	2209	1,187,946.	
Subtract: Pre-1994 loss utilized during the year to reduce adjusted net income	.....	+	2210	0.	
Other eligible losses utilized during the year to reduce adjusted net income (4)	.....	+	2211	1,187,946.	
Losses expired during the year	.....	+	2212	0.	
Subtotal	=	1,187,946.	-	2213	1,187,946.
Balances at End of Year (5)	2209 - 2213	=	2214	0.	

Notes:

(1) Pre-1994 CMT loss (see s.57.1(1)) should be included in the balance at beginning of the year. Attach schedule showing computation of pre-1994 CMT loss.

(2) Where acquisition of control of the corporation has occurred, the utilization of CMT losses can be restricted. (see s.57.5(3) and s.57.5(7))

(3) Include and indicate whether CMT losses are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.57.5(8) and s.57.5(9))

(4) CMT losses must be used to the extent of the lesser of the adjusted net income 2213 and CMT losses available 2209.

(5) Amount in 2214 must equal sum of 2270 + 2290.

Schedule C: Analysis of CMT Losses Year End Balance by Year of Origin

For a pre-1994 loss, use the date of the last taxation year end before your corporation's first taxation year commencing after 1993.

	Year of Origin (oldest year first) year month day	CMT Losses of Corporation	CMT Losses of Predecessor Corporations
2240	9th preceding taxation year 1995-09-30	2260 0	2280 0
2241	8th preceding taxation year 1996-09-30	2261 0	2281 0
2242	7th preceding taxation year 1997-09-30	2262 0	2282 0
2243	6th preceding taxation year 1998-09-30	2263 0	2283 0
2244	5th preceding taxation year 1999-09-30	2264 0	2284 0
2245	4th preceding taxation year 2000-09-30	2265 0	2285 0
2246	3rd preceding taxation year 2001-09-30	2266 0	2286 0
2247	2nd preceding taxation year 2001-12-31	2267 0	2287 0
2248	1st preceding taxation year 2002-05-06	2268 0	2288 0
2249	Current taxation year 2002-12-31	2269 0	2289 0
Totals		2270 0	2290 0

The sum of amounts 2270 + 2290
must equal amount in 2214.

Corporate Minimum Tax (CMT)



DOLLARS ONLY

Schedule D: Continuity of CMT Credit Carryovers

Balance at Beginning of year (1)	.....	+	2301	0.
Add: Current year's CMT Credit (280 on page 8. If negative, enter NIL)	.....	+	From 280	66,899.
CMT Credit Carryovers from predecessor corporations (2)	.....	+	2302	0.
Amalgamation (x) 2303 <input type="checkbox"/> Yes Wind-up (x) 2304 <input type="checkbox"/> Yes	.....		
Subtotal	.....	=	66,899.	+ 2305 66,899.
Adjustments (Attach schedule)	.....	±	2306	0.
CMT credit carryover available	2301 + 2305 ± 2306	.....	= 2307	66,899.
				Transfer to Page 8
Subtract: CMT Credit utilized during the year to reduce income tax (Page 8)	.....	+	From 310	0.
CMT Credit expired during the year	.....	+	2308	0.
Subtotal	.....	=	0.	- 2309 0.
Balance at End of Year (3)	2307 - 2309	.....	= 2310	66,899.

Notes:

- (1) Where acquisition of control of the corporation has occurred, the utilization of CMT credits can be restricted. (see s.43.1(5))
- (2) Include and indicate whether CMT credits are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.43.1(4))
- (3) Amount in 2310 must equal sum of 2370 + 2390.

Schedule E: Analysis of CMT Credit Carryovers Year End Balance by Year of Origin

	Year of Origin (oldest year first) year month day	CMT Credit Carryovers of Corporation	CMT Credit Carryovers of Predecessor Corporation(s)
2340	9th preceding taxation year	2360	2380
	1995-09-30	0	0
2341	8th preceding taxation year	2361	2381
	1996-09-30	0	0
2342	7th preceding taxation year	2362	2382
	1997-09-30	0	0
2343	6th preceding taxation year	2363	2383
	1998-09-30	0	0
2344	5th preceding taxation year	2364	2384
	1999-09-30	0	0
2345	4th preceding taxation year	2365	2385
	2000-09-30	0	0
2346	3rd preceding taxation year	2366	2386
	2001-09-30	0	0
2347	2nd preceding taxation year	2367	2387
	2001-12-31	0	0
2348	1st preceding taxation year	2368	2388
	2002-05-06	0	0
2349	Current taxation year	2369	2389
	2002-12-31	66,899	0
Totals		2370	2390
		66,899	0

The sum of amounts 2370 + 2390
must equal amount in 2310.

Surtax on Canadian-Controlled Private Corporations

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Westario Power Inc.	1800342	2002-12-31

Name of Associated Corporation (Canadian and Foreign)	Corporations Tax Number	Taxation Year End	Taxable Income (if loss, enter nil)
			+ 1,100
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
Total			= 1,100

Transfer to 85 of the CT23

Westario Power Inc.
Corp. Tax Acct. No.

Ministry of Finance
Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Summary of Capital Cost Allowance

Is the corporation electing under regulation 1101.5(g)? [Y/N] N

1	2	3	4	5	6	7	8	9	10	11	12	13
Class number	Ontario under-precipitated capital cost at the beginning of the year (under-precipitated capital cost at the end of the prior year's CCA schedule)	Cost of acquisitions during the year (new property must be available for use)	Net adjustments (show negative amounts in brackets)	Proceeds of dispositions during the year (amount not to exceed the capital cost)	Ontario under-precipitated capital cost (column 2 plus column 3 or minus column 4 minus column 5)	50% rule (1/2 of the amount, if any, by which the net cost of acquisitions column 7 exceeds column 5)	Reduced under-precipitated capital cost (column 6 minus column 7)	CCA rate %	Recapture of capital cost allowance	Terminal loss	Ontario capital cost allowance (column 8 multiplied by column 9; or a lower amount)	Ontario under-precipitated capital cost at the end of the year (column 6 minus column 12)
		See note 1 below				See note 2 below						
1	876,960	0	9,550,564	0	10,427,524	0	10,427,524	4	0	0	261,631	10,165,893
2	0	0	8,382,003	0	8,382,003	0	8,382,003	6	0	0	329,309	8,052,694
8	0	0	1,186,915	0	1,186,915	0	1,186,915	20	0	0	155,437	1,031,478
12	1,141,633	0	575,473	0	1,717,106	0	1,717,106	100	0	0	750,584	966,522
Total	2,018,593	0	19,694,955	0	21,713,548	0	21,713,548		0	0	1,496,961	20,216,587
								Enter in boxes	[650]	[650]	[650]	on the CR23

Note 1. Include any property acquired in previous years that has now become available for use. This property would have been previously excluded from column 3. List separately any acquisitions that are not subject to the 50% rule. See Regulation 1100(2) and (2.2) of the "Income Tax Act" (Canada).

Note 2. The net cost of acquisitions is the cost of acquisitions plus or minus certain adjustments from column 4.

Note 3. If the taxation year is shorter than 365 days, prorate the CCA claim.

Note 4. Ontario recapture should be included in net income after deducting the federal recapture and the Ontario terminal loss is deducted from net income after including the federal terminal loss.



Ministry of Finance
Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Ontario Cumulative Eligible Capital Deduction Schedule 10

(For taxation years 2000 and later)

Corporation's Legal Name Westario Power Inc.	Ontario Corporations Tax Account No. (MOF) 1800342	Taxation Year End 2002-12-31
--------------------------------------------------------	-----------------------------------------------------------------	----------------------------------------

- For use by a corporation that has eligible capital property.
- A separate cumulative eligible capital account must be kept for each business.

Part 1 - Calculation of current year deduction and carry-forward

Ontario Cumulative eligible capital – balance at end of preceding taxation year (if negative, enter zero) **1,695,929^A**

Add: Cost of eligible capital property acquired during the taxation year + **0^B**
Amount transferred on amalgamation or wind-up of subsidiary + **0^C**
Other adjustments + **0^D**
Total of B + C + D = **0** X 0.75 = **0^E**
Subtotal A + E = **1,695,929^F**

Deduct: Ontario proceeds of sales (less outlays and expenses not otherwise deductible)
from the disposition of all eligible capital property during the taxation year + **0^G**
The gross amount of a reduction in respect of a forgiven debt obligation
as provided for in subsection 80(7) of the *Income Tax Act* (Canada) + **0^H**
Other adjustments + **0^I**
Total of G + H + I = **0** X 0.75 = **0^J**

Ontario cumulative eligible capital balance F – J = **1,695,929^K**

If **K** is negative, enter zero at line **M** and proceed to Part 2

Current year deduction **1,695,929^K** X 7.00%* = **77,734^L**

* The maximum current year deduction is 7%. However, you can claim any amount up to the maximum.

Enter amount in box **651** of the CT23

Ontario cumulative eligible capital - closing balance K – L (if negative, enter zero) = **1,618,195^M**

Note: Any amount up to the maximum deduction of 7% may be claimed. Taxation years starting after December 21, 2000, the deduction may not exceed the maximum amount prorated for the number of days in the taxation year divided by 365 or 366 days.

Part 2 - Amount to be included in income arising from disposition

Only complete this part if the amount at line **K** is negative

Amount from line **K** above (show as a positive amount) **0^N**

Total cumulative eligible capital deductions from income for
taxation years beginning after June 30, 1988 **0¹**

Total of all amounts which reduced cumulative eligible capital
in the current or prior years under subsection 80(7) of the ITA **0²**

Total of cumulative eligible capital deductions claimed for
taxation years beginning before July 1, 1988 **0³**

Negative balances in the cumulative eligible capital account
that were included in income for taxation years beginning
before July 1, 1988 **0⁴**

Line **3** deduct line **4** **0** **0⁵**

Total lines **1 + 2 + 5** **0⁶**

Line **T** from previous Ontario Schedule 10 for taxation years ending after February 27, 2000 **0⁷**

Deduct line **7** from line **6** **0**

N – O (cannot be negative) **0^O**

Amount on line **5** **0** X 1/2 **0^P**

P – Q **0^Q**

Amount on line **R** **0** X 2/3* **0^R**

Lesser of line **N** or line **O** **0^S**

Amount to be included in income S + T **0^T**

* Note: For taxation years ending after February 27, 2000 and before October 18, 2000 use 8/9 to calculate **S**



(Applicable to an associated group that has a permanent establishment in Canada)

Schedule CT21

This schedule must be completed in determining the aggregate taxable capital of an associated group and/or partnership that has a permanent establishment (PE) in Canada.

Transfer to box **540** of the CT23

FEDERAL TAX INSTALMENTS

For The Taxation Year Ended: 2003-12-31

The following is a list of federal instalments payable for the current taxation year. The last column indicates the instalments payable to Revenue Canada. The instalments are due no later than on the dates indicated, otherwise non-deductible interest will be charged. A cheque or money order should be made payable to the Receiver General. Payment may be made either to an authorized financial institution or filed with form T9 (instalment form) and addressed to the appropriate Revenue Canada Taxation Centre.

Date	Instalments Required	Instalments Paid	Cumulative Difference	Instalments Payable
2003-01-31	3,706	0	0	3,706
2003-02-28	3,706	0	0	3,706
2003-03-31	3,706	0	0	3,706
2003-04-30	3,706	0	0	3,706
2003-05-31	3,706	0	0	3,706
2003-06-30	3,706	0	0	3,706
2003-07-31	3,706	0	0	3,706
2003-08-31	3,706	0	0	3,706
2003-09-30	3,706	0	0	3,706
2003-10-31	3,706	0	0	3,706
2003-11-30	3,706	0	0	3,706
2003-12-31	3,706	0	0	3,706
	-----	-----		-----
Total	44,472	0		44,472
	=====	=====		=====

ONTARIO TAX INSTALMENTS

For The Taxation Year Ended: 2003-12-31

The following is a list of Ontario instalments payable for the current taxation year. The last column indicates the instalments payable to the Ontario Ministry of Revenue. The instalments are due no later than on the dates indicated otherwise non-deductible interest will be charged. A cheque or money order should be made payable to the Minister of Finance. Payment may be made either to a chartered bank in Ontario or filed with an instalment form and addressed to:

Ministry of Revenue (Ontario)
Corporation Tax Branch
P.O. Box 620
33 King Street West
Oshawa, Ontario
L1H 8E9

Quarterly Instalment

Date	Instalments Required	Instalments Paid	Cumulative Difference	Instalments Payable
2003-03-31	0	0	0	0
2003-06-30	0	0	0	0
2003-09-30	0	0	0	0
2003-12-31	0	0	0	0
	-----	-----		-----
	0	0		0
	=====	=====		=====

Date	Instalments Required	Instalments Paid	Cumulative Difference	Instalments Payable
2003-01-31	14,922	0	0	14,922
2003-02-28	14,922	0	0	14,922
2003-03-31	14,922	0	0	14,922
2003-04-30	14,922	0	0	14,922
2003-05-31	14,922	0	0	14,922
2003-06-30	14,922	0	0	14,922
2003-07-31	14,922	0	0	14,922
2003-08-31	14,922	0	0	14,922
2003-09-30	14,922	0	0	14,922
2003-10-31	14,922	0	0	14,922
2003-11-30	14,922	0	0	14,922
2003-12-31	14,922	0	0	14,922
	-----	-----		-----
Total	179,064	0		179,064
	=====	=====		=====

Indicate Instalment Method Chosen [1-3]: 1

1. 1st Instalment Base Method
2. Combined 1st and 2nd Instalment Base Method
3. Estimated Tax Method

Do not used the quarterly payment even if applicable "X" to continue monthly payments []

If instalments are starting late, indicate the MONTH in which you want them to start (1=January, 2=February, etc.) 1

1. 1st INSTALMENT BASE METHOD

1st Instalment Base Amount (Amt (I) Below)	179,064 / 12 =	14,922
	Monthly Instalments Required	14,922
	Quarterly Instalments Required	0

2. COMBINED 1st AND 2nd INSTALMENT BASE METHOD

2nd Instalment Base Amount:		
Indicate:	Income Tax, C.M.T.	0
	Capital Tax, Prem. Tax	0
	Total	0 / 12 = (A) 0
Each of the first 2 Instalment Payments	= (B)	0
Total tax from (I) below	179,064	
Less: Amount (A) above x 2	0	
	179,064 / 10 =	17,907
Each of the remaining 10 Instalment Payments	=	17,907
	Quarterly Instalments Required	0

3. ESTIMATED TAX METHOD

Instalment Base Amount (Amt (I) Below)	0 / 12 =	0
	Monthly Instalments Required	0
	Quarterly Instalments Required	0

INSTALMENT BASE CALCULATION

		1st Instalment Base Method	Estimated Tax Method
Ontario Taxable Income		0	0
		=====	=====
CALCULATION OF TAX PAYABLE			
Gross Ontario Tax (A)		0	0
Less Total of:			
Incentive Deduction for an S.B.C., net of surtax		0	0
Manufacturing and Processing Profits Credit		0	0
Additional deduction for credit unions		0	0
Credit for foreign taxes paid		0	0
Credit for Investment in S.B.D.C.		0	0
Specified credits applied against income tax		0	0
		-----	-----
Total Deduction and Credits (B)		0	0
Income Tax (A) - (B) = (C)		0	0
Add: Capital Tax (D)		50,351	0
Corporate minimum tax paid (credited) (E)		66,899	0
Premium Tax (F)		0	0
		-----	-----
Total Income Tax and Other Taxes (C+D+E+F) = (G)		117,250	0
Adjustment for Short Taxation Years			
x 365 / number of days in year if < 365 (H)	365 / 239	179,064	0
Less: Total estimated current year credits		0	0
		-----	-----
	(I)	179,064	0
		=====	=====

Indicate Instalment Method Chosen [1-3]: 1
 1st Instalment Base Method

If instalments are starting late, indicate the MONTH in which you want them to start (1=January, 2=February, etc.) 1

1. 1st INSTALMENT BASE METHOD

1st Instalment Base Amount		44,469	/	12	=	3,706
(Amount (I) Below)						3,706
						Monthly Instalments Required 3,706

2. COMBINED 1st AND 2nd INSTALMENT BASE METHOD

2nd Instalment Base Amount:						
Indicate:	Part I Tax	0				
	Part I.3, VI & VI.I Tax	0				
	Provincial Tax	0				
		0				
	Total	0	/	12	= (A)	0
Less: 1/12 of Estimated Current Yr Credits [(H) below / 12]						0
Each of the first 2 Instalment Payments = (B)						0
Tax from (I) below		44,469				
Less: Amount (B) above x 2		0				
		44,469	/	10	=	4,447
Each of the remaining 10 Instalment Payments						4,447

3. ESTIMATED TAX METHOD

Instalment Base Amount		0	/	12	=	0
(Amount (I) Below)						0
						Monthly Instalments Required 0

INSTALMENT BASE CALCULATION

	1st Instalment Base Method	Estimated Tax Method
Taxable Income	0	0
	=====	=====
CALCULATION OF TAX PAYABLE		
Total of:		
Federal Part I Tax	0	0
Federal Surtax	0	0
Refundable Tax on a CCPC's Investment Income	0	0
	-----	-----
Subtotal (A)	0	0
Less Total of:		
Small Business Deduction	0	0
Investment Corporation Deduction	0	0
Federal Tax Abatement	0	0
Manufacturing and Processing Profits Deduction	0	0
Non-Business Foreign Tax Credit	0	0
Business Foreign Tax Credit	0	0
Tax Reduction, General and Accelerated	0	0
Logging Tax Credit	0	0
Federal Political Contribution Tax Credit	0	0
Investment tax credit per Schedule 31 and resource deduction	0	0
Qualifying Environmental Trust Tax Credit	0	0
	-----	-----
Subtotal (B)	0	0
Taxable Part I Tax Payable (A) - (B) = (C)	0	0
Additional Part I.3 Tax (D)	29,118	0
Part VI Tax (D.1)	0	0
Part VI.I Tax (D.2)	0	0
Provincial/Territorial Tax (E)	0	0
Total	-----	-----
Parts I, I.3, VI, VI.I and Provincial/Territorial Tax = (F)	29,118	0
Adjustment for Short Taxation Years: x 365/# of days in year if < 365 (G)	365 / 239 44,469	365 / 365 0
Less - Estimated Current Year Credits:		
Investment Tax Credit Refund	0	0
Dividend Refund	0	0
Federal Capital Gains Refund	0	0
Provincial and Territorial Capital Gains Refund	0	0
ⓐ Allowable Refund per Sch. 26	0	0
Tax Withheld at Source	0	0
Other Estimated Credits	0	0
	-----	-----
Total Estimated Current Year Credits (H)	0	0
INSTALMENT BASE AMOUNT (G) - (H) = (I)	44,469	0
	=====	=====

Appendix 22

2002 Notice of Assessments

NG IS NOT AVAILABLE.

Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Keep this portion for your records.

Notice of Reassessment

Electricity Act, 1998 • Corporations Tax Act, R.S.O. 1990
from 2002/05/07 to 2002/12/31

Account No.	Reassessment Date (year, month, day)	Page
1800342	2006/02/23	1 of 3

POWER INC.

ASSESSMENT NO. 68 REPLACING ASSESSMENT DATED: 2003/07/16

Tax: Federal and Provincial PIL
Assessment Interest

Total Reassessment Liability

146,368.00
12,571.82
<u>158,939.82</u>

SUMMARY OF 2002/12/31 TAXATION YEAR TRANSACTIONS

Payments/Transfers
Refunds

152,639.52CR
5,088.82

Sub-Total

TAXATION YEAR BALANCE DUE **

147,550.70CR
11,389.12

In accordance with s.s.80(8) of the Corporations Tax Act, as made applicable by s.95 of the Electricity Act, 1998, notice is hereby given of the amount of tax, penalty and interest for which you are assessed.

Adjustment to the computation of Corporate Minimum Tax reported.

Adjustment to the computation of Capital Tax.

NEW AMALGAMATION: Instalments based on grossed up/aggregate of predecessor companies.

**Remember to include additional interest due with your payment. Interest on the balance is compounded daily from the date of this Notice/Statement until payment is received by the Ontario Electricity Financial Corporation (OEFC). The current interest rate is 0.0219178%.

V-127.

0920 - cc 920 200

611000 - 11389.12 - tax paid

611000 - 14.99 - mlti

11404.11

199039

Tax (Re)Assessment Enquiries:

- Toronto (416) 730-5585
- FAX (416) 730-5593

Account Billing Enquiries & Change of Address Information:

- Oshawa and Local (905) 433-6708
- Toronto (416) 920-9048 ext. 3036
- Toll-Free 1-800-262-0784 ext. 3036
- FAX (905) 433-5197

Appendix 23

2003 T2 Federal Tax Return

This form serves as a federal, provincial, and territorial corporation income tax return, unless the corporation is located in Quebec, Ontario, or Alberta. If the corporation is located in one of these provinces, you have to file a separate provincial corporate return.

Parts, sections, subsections, and paragraphs mentioned on this return refer to the *Income Tax Act*. This return may contain changes that had not yet become law at the time of printing. If you need more information about items on the return, see the corresponding items in the *T2 Corporation – Income Tax Guide* (T4012).

Send one completed copy of this return, including schedules and the *General Index of Financial Information* (GIFI), to your tax services office or tax centre. You have to file the return within six months after the end of the corporation's taxation year. For more information on when and how to file T2 returns, see items 1 to 5 in the guide.

055 Do not use this area

Identification

Business Number (BN) 001 865909790RC0001

Corporation's name

002 Westario Power Inc.

Has the corporation changed its name since the last time we were notified? 003 1 Yes 2 No X

If Yes, do you have a copy of the articles of amendment? 004 1 Yes 2 No

Address of head office

Has the address changed since the last time we were notified? 010 1 Yes 2 No X

011 385 Queen Street

012 City Province, territory, or state

015 Kincardine 016 ON

017 Country (other than Canada) 018 N2Z-2R4

Mailing address (if different from head office address)

Has the address changed since the last time we were notified? 020 1 Yes 2 No X

c/o
022 385 Queen Street

023 City Province, territory, or state

025 Kincardine 026 ON

027 Country (other than Canada) 028 N2Z-2R4

Location of books and records

Has the location of books and records changed since the last time we were notified? 030 1 Yes 2 No X

031 385 Queen Street

032 City Province, territory, or state

035 Kincardine 036 ON

037 Country (other than Canada) 038 N2Z-2R4

40 Type of corporation at the end of the taxation year

- 1 X Canadian-controlled private corporation (CCPC) 4 Corporation controlled by a public corporation
2 Other private corporation 5 Other corporation (specify, below)
3 Public corporation

If the type of corporation changed during the taxation year, provide the effective date of the change 043 YYYY/MM/DD

AMENDED

To which taxation year does this return apply?

Taxation year start Taxation year-end
060 2003-01-01 061 2003-12-31
YYYY/MM/DD YYYY/MM/DD

Has there been an acquisition of control to which subsection 249(4) applies since the previous taxation year? 063 1 Yes 2 No X

If Yes, give the date control was acquired 065 YYYY/MM/DD

Is the corporation a professional corporation that is a member of a partnership? 067 1 Yes 2 No X

Is this the first year of filing after:

Incorporation? 070 1 Yes 2 No X
Amalgamation? 071 1 Yes 2 No X

If Yes, complete and attach Schedule 24.

Has there been a windup of a subsidiary under section 88 during the current taxation year? 072 1 Yes 2 No X

If Yes, complete and attach Schedule 24.

Is this the final taxation year before amalgamation? 076 1 Yes 2 No X

Is this the final return up to dissolution? 078 1 Yes 2 No X

Is the corporation a resident of Canada?

080 1 Yes X 2 No If No, give the country of residence.

081 Is the non-resident corporation claiming an exemption under an income tax treaty? 082 1 Yes 2 No X

If Yes, complete and attach Schedule 91.

If the corporation is exempt from tax under section 149, tick one of the following boxes:

- 085 1 Exempt under paragraph 149(1)(e) or (l)
2 Exempt under paragraph 149(1)(j)
3 Exempt under paragraph 149(1)(t)
4 Exempt under other paragraphs of section 149

Attachments – continued from page 2

Guide item

Yes Schedule

44	Did the corporation have any foreign affiliates that are not controlled foreign affiliates?	256	<input type="checkbox"/>	T1134-A
44	Did the corporation have any controlled foreign affiliates?	258	<input type="checkbox"/>	T1134-B
44	Did the corporation own specified foreign property in the year with a cost amount over \$100,000?	259	<input type="checkbox"/>	T1135
44	Did the corporation transfer or loan property to a non-resident trust?	260	<input type="checkbox"/>	T1141
44	Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?	261	<input type="checkbox"/>	T1142
—	Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?	262	<input type="checkbox"/>	T1145
—	Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts?	263	<input type="checkbox"/>	T1146
—	Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?	264	<input type="checkbox"/>	T1174

Additional information

Is the corporation inactive? 280 1 Yes ☐ 2 No ☒

Has the major business activity changed since the last return was filed? (enter Yes for first-time filers) 281 1 Yes ☐ 2 No ☒

What is the corporation's major business activity? 282 _____
(Only complete if Yes was entered at line 281)

If the major activity involves the resale of goods, indicate whether it is wholesale or retail 283 1 Wholesale ☐ 2 Retail ☐

Specify the principal product(s) mined, manufactured, sold, constructed, or services provided, giving the approximate percentage of the total revenue that each product or service represents.

284	Hydro Services	285	100%
286		287	0%
288		289	0%

Did the corporation immigrate to Canada during the taxation year? 291 1 Yes ☐ 2 No ☒

Did the corporation emigrate from Canada during the taxation year? 292 1 Yes ☐ 2 No ☒

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFL 300 -128,790 A

Deduct:

Charitable donations from Schedule 2	311	0
Gifts to Canada, a province, or a territory from Schedule 2	312	0
Cultural gifts from Schedule 2	313	0
Ecological gifts from Schedule 2	314	0
Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3	320	0
Part VI.1 tax deduction from Schedule 43**	325	0
Non-capital losses of preceding taxation years from Schedule 4	331	0
Net-capital losses of preceding taxation years from Schedule 4	332	0
Restricted farm losses of preceding taxation years from Schedule 4	333	0
Farm losses of preceding taxation years from Schedule 4	334	0
Limited partnership losses of preceding taxation years from Schedule 4	335	0
Taxable capital gains or taxable dividends allocated from a central credit union	340	0
Prospector's and grubstaker's shares	350	0
Subtotal		0 B
Subtotal (amount A minus amount B) (if negative, enter "0")		0 C
Add: Section 110.5 additions and/or subparagraph 115(1)(a)(vii) additions	355	0 D
Taxable income (amount C plus amount D)	360	0
Income exempt under paragraph 149(1)(t)	370	0
Taxable income for a corporation with exempt income under paragraph 149(1)(t) (line 360 minus line 370)		0 Z

** This amount is equal to 3 times the Part VI.1 tax payable at line 724 on page 8.

Small business deduction**Canadian-controlled private corporations (CCPCs) throughout the taxation year**Income from active business carried on in Canada from Schedule 7 **400** 0 ATaxable income from line 360 on page 3, **minus** 10/3 of the amount at line 632* on page 7, **minus** 3 times the amount at line 636** on page 7, and **minus** any amount that, because of federal law, is exempt from Part I tax ... **405** 0 B**Calculation of the business limit:**

For all CCPCs, calculate the amount at line 4 below.

200,000	x	Number of days in the taxation year before 2003	<u>0</u>	=	.....	<u>0</u>	1
		Number of days in the taxation year	365				
225,000	x	Number of days in the taxation year in 2003	<u>365</u>	=	.....	<u>225,000</u>	2
		Number of days in the taxation year	365				
250,000	x	Number of days in the taxation year in 2004	<u>0</u>	=	.....	<u>0</u>	3
		Number of days in the taxation year	365				
300,000	x	Number of days in the taxation year after 2004	<u>0</u>	=	.....	<u>0</u>	3.1
		Number of days in the taxation year	365				

Add amounts at lines 1, 2, 3, and 3.1 225,000 4Business limit (see notes 1 and 2 below) **410** 0 C

Notes: 1. For CCPCs that are not associated, enter the amount from line 4 at line 410. However, if the corporation's taxation year is less than 51 weeks, prorate the amount from line 4 by the number of days in the taxation year divided by 365, and enter the result on line 410.

2. For associated CCPCs, use Schedule 23 to calculate the amount to be entered at line 410.

Business limit reduction:Amount C 0 x **415***** 36,156 D = 0 E
11,250Reduced business limit (amount C minus amount E) (if negative, enter "0") **425** 0 F**Small business deduction** -16.00% of whichever amount is least: A, B, C, or F **430** 0 G
(enter amount G on line 9 of page 7)

* Calculate the amount of foreign non-business income tax credit deductible at line 632 without reference to the refundable tax on the CCPC's investment income (line 604) and without reference to the corporate tax reductions under section 123.4.

** Calculate the amount of foreign business income tax credit deductible at line 636 without reference to the corporate tax reductions under section 123.4.

***** Large corporation tax**

- The large corporation tax to be entered at line 415 is the gross Part I.3 tax, which is the amount before deducting the surtax credits, increased to reflect a full-year tax liability if the taxation year is less than 51 weeks. For the purpose of the business limit reduction, the gross Part I.3 tax is equal to 0.225% x (taxable capital employed in Canada minus \$10,000,000).
- If the corporation is not associated with any corporations in both the current and the preceding taxation years, enter the corporation's gross Part I.3 tax for its **preceding** taxation year.
- If the corporation is not associated with any corporations in the current taxation year, but was associated in the preceding taxation year, and its current taxation year:
 - starts before December 21, 2002, enter the corporation's gross Part I.3 tax for its **preceding** taxation year; or
 - starts after December 20, 2002, enter the corporation's gross Part I.3 tax for its **current** taxation year.
- For corporations associated in the current taxation year, see Schedule 23 for the special rules that apply.

Accelerated tax reduction**Canadian-controlled private corporations throughout the taxation year that claimed the small business deduction**Reduced business limit (amount from line 425) 0 x $\frac{300,000}{\text{line 4 above}}$ = 0 ANet active business income (amount from line 400) * 0 BTaxable income from line 360 on page 3 **minus** 3 times the amount at line 636** on page 7, and **minus** any amount that, because of federal law, is exempt from Part I tax 0 C**Deduct:**Aggregate investment income (amount from line 440 of page 6) 0 DAmount C minus amount D (if negative, enter "0") 0 EAmount A, B, or E above, whichever is less 0 FAmount Z from Part 9 of Schedule 27 0 x 100/7 = 0 GAmount QQ from Part 13 of Schedule 27 0 HTaxable resource income from line 435 of page 5 0 IAmount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17) .. 0 JAmount on line 400, 405, 410, or 425 of the small business deduction, whichever is less .. 0 KTotal of amounts G, H, I, J, and K 0 LAmount F minus amount L (if negative, enter "0") 0 M**Accelerated tax reduction** - 7% of amount M (enter amount N on line 637 of page 7) 0 N

* If the amount at line 450 of Schedule 7 is positive, members of partnerships need to use Schedule 70 to calculate net active business income.

** Calculate the amount of foreign business income tax credit deductible at line 636 without reference to the corporate tax reductions under section 123.4.

Resource deduction

Taxable resource income [as defined in subsection 125.11(1)]		435	0	A
Amount A	0	x	Number of days in the taxation year in 2003 365	x 1% = 0 B
Amount A	0	x	Number of days in the taxation year in 2004 365	x 2% = 0 C
Amount A	0	x	Number of days in the taxation year in 2005 365	x 3% = 0 C.1
Amount A	0	x	Number of days in the taxation year in 2006 365	x 5% = 0 C.2
Resource deduction – total of amounts B, C, C.1, and C.2 (enter amount D on line 10 of page 7)		438	0	D

General tax reduction for Canadian-controlled private corporations**Canadian-controlled private corporations throughout the taxation year**

Taxable income from line 360 on page 3		0	E	
Amount Z from Part 9 of Schedule 27	0	x 100/7 = 0	F	
Amount QQ from Part 13 of Schedule 27	0	G		
Taxable resource income from line 435 above	0	H		
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)	0	I		
Amount on line 400, 405, 410, or 425 on page 4, whichever is less	0	J		
Aggregate investment income from line 440 of page 6	0	K		
Amount used to calculate the accelerated tax reduction (amount M of page 4)	0	L		
Total of amounts F, G, H, I, J, K, and L	0	0	M	
Amount E minus amount M (if negative, enter "0")	0	N		
Amount N	0	x	Number of days in the taxation year in 2002 365	x 3% = 0 O
Amount N	0	x	Number of days in the taxation year in 2003 365	x 5% = 0 P
Amount N	0	x	Number of days in the taxation year after 2003 365	x 7% = 0 Q
General tax reduction for Canadian-controlled private corporations - total of amounts O, P, and Q (enter amount R on line 638 of page 7)		0	R	

General tax reduction**Corporations other than a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, a mutual fund corporation, or a non-resident-owned investment corporation**

Taxable income from line 360 on page 3		0	S	
Amount Z from Part 9 of Schedule 27	0	x 100/7 = 0	T	
Amount QQ from Part 13 of Schedule 27	0	U		
Taxable resource income from line 435 above	0	V		
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)	0	W		
Total of amounts T, U, V, and W	0	0	X	
Amount S minus amount X (if negative, enter "0")	0	Y		
Amount Y	0	x	Number of days in the taxation year in 2002 365	x 3% = 0 Z
Amount Y	0	x	Number of days in the taxation year in 2003 365	x 5% = 0 AA
Amount Y	0	x	Number of days in the taxation year after 2003 365	x 7% = 0 BB
General tax reduction - total of amounts Z, AA, and BB (enter amount CC on line 639 of page 7)		0	CC	

Refundable portion of Part I tax**Canadian-controlled private corporations throughout the taxation year**

Aggregate investment income 440 0 x 26 2/3% = 0 A
(amount P from Part 1 of Schedule 7)

Foreign non-business income tax credit from line 632 on page 7 0

Deduct:

Foreign investment income 445 0 x 9 1/3% = 0
(amount O from Part 1 of Schedule 7) (if negative, enter "0") 0 B

Amount A minus amount B (if negative, enter "0") 0 C

Taxable income from line 360 on page 3 0

Deduct:

Amount on line 400, 405, 410, or 425 on page 4, whichever is less 0

Foreign non-business
income tax credit from
line 632 of page 7 0 x 25/9 = 0

Foreign business income
tax credit from line 636
of page 7 0 x 3 = 0

..... 0 x 26 2/3% = 0 D

Part I tax payable minus investment tax credit refund (line 700 minus line 780 of page 8) 0

Deduct: Corporate surtax from line 600 of page 7 0

Net amount 0 E

Refundable portion of Part I tax – Amount C, D, or E, whichever is less 450 0 F

Refundable dividend tax on hand

Refundable dividend tax on hand at the end of the preceding taxation year 460 0

Deduct: Dividend refund for the previous taxation year 465 0

..... 0 A

Add the total of:

Refundable portion of Part I tax from line 450 above 0

Total Part IV tax payable from line 360 on page 3 of Schedule 3 0

Net refundable dividend tax on hand transferred from a predecessor
corporation on amalgamation, or from a wound-up subsidiary corporation 480 0

..... 0 B

Refundable dividend tax on hand at the end of the taxation year – Amount A plus amount B 485 0

Dividend refund**Private and subject corporations at the time taxable dividends were paid in the taxation year**

Taxable dividends paid in the taxation year from line 460 on page 3 of Schedule 3 0 x 1/3 0 A

Refundable dividend tax on hand at the end of the taxation year from line 485 above 0 B

Dividend refund – Amount A or B, whichever is less (enter this amount on line 784 of page 8) 0

Part I tax

Base amount of Part I tax — 38.00% of taxable income (line 360 or amount Z, whichever applies) from page 3 **550** **0** A

Corporate surtax calculation

Base amount from line A above	<u>0</u>	1
Deduct:		
10% of taxable income (line 360 or amount Z, whichever applies) from page 3	<u>0</u>	2
Investment corporation deduction from line 620 below	<u>0</u>	3
Federal logging tax credit from line 640 below	<u>0</u>	4
Federal qualifying environmental trust tax credit from line 648 below	<u>0</u>	5

For a mutual fund corporation or an investment corporation throughout the taxation year, enter amount a, b, or c below on line 6, whichever is less:

28.00% of taxable income from line 360 of page 3 ...	<u>0</u> a	}	<u>0</u> 6
28.00% of taxed capital gains	<u>0</u> b		
Part I tax otherwise payable	<u>0</u> c		
(line A plus lines C and D minus line F)			
Total of lines 2 to 6	<u>0</u>	7	
Net amount (line 1 minus line 7)	<u>0</u>	8	

Corporate surtax — 4.00% of the amount on line 8 **600** **0** B

Recapture of investment tax credit from line PPP in Part 21 of Schedule 31 **602** **0** C

Calculation for the refundable tax on the Canadian-controlled private corporation's (CCPC) investment income
(for a CCPC throughout the taxation year)

Aggregate investment income from line 440 on page 6	<u>0</u> i
Taxable income from line 360 on page 3	<u>0</u>
Deduct:	
Amount on lines 400, 405, 410, or 425 of page 4, whichever is less ..	<u>0</u>
Net amount	<u>0</u> ii

Refundable tax on CCPC's investment income — 6 2/3% of the lesser of amounts i or ii **604** **0** D

Subtotal (add lines A, B, C, and D) **0** E

Deduct:

Small business deduction from line 430 of page 4	<u>0</u> 9
Federal tax abatement	608 <u>0</u>
Manufacturing and processing profits deduction from amount BB or amount RR of Schedule 27	616 <u>0</u>
Investment corporation deduction	620 <u>0</u>
(taxed capital gains 624 <u>0</u>)	
Additional deduction — credit unions from Schedule 17	628 <u>0</u>
Federal foreign non-business income tax credit from Schedule 21	632 <u>0</u>
Federal foreign business income tax credit from Schedule 21	636 <u>0</u>
Accelerated tax reduction from amount N of page 4	637 <u>0</u>
Resource deduction from line 438 of page 5	<u>0</u> 10
General tax reduction for CCPCs from amount R of page 5	638 <u>0</u>
General tax reduction from amount CC of page 5	639 <u>0</u>
Federal logging tax credit from Schedule 21	640 <u>0</u>
Federal political contribution tax credit	644 <u>0</u>
Federal political contributions 646 <u>0</u>	
Federal qualifying environmental trust tax credit	648 <u>0</u>
Investment tax credit from Schedule 31	652 <u>0</u>
Subtotal	<u>0</u> F

Part I tax payable — Line E minus line F (enter amount G on line 700 of page 8) **0** G

Summary of tax and credits**Federal tax**

Part I tax payable from page 7	700	0
Part I.3 tax payable from Schedule 33, 34, or 35	704	50,252
Part II surtax payable from Schedule 46	708	0
Part IV tax payable from Schedule 3	712	0
Part IV.1 tax payable from Schedule 43	716	0
Part VI tax payable from Schedule 38	720	0
Part VI.1 tax payable from Schedule 43	724	0
Part XIII.1 tax payable from Schedule 92	727	0
Part XIV tax payable from Schedule 20	728	0
Total federal tax		50,252

Add provincial or territorial tax:

Provincial or territorial jurisdiction	750	ON
(if more than one jurisdiction, enter "multiple" and complete Schedule 5)		
Net provincial or territorial tax payable (except Quebec, Ontario, and Alberta)	760	0
Provincial tax on large corporations (New Brunswick and Nova Scotia)	765	0
Total tax payable	770	50,252 A

Deduct other credits:

Investment tax credit refund from Schedule 31	780	0
Dividend refund from page 6	784	0
Federal capital gains refund from Schedule 18	788	0
Federal qualifying environmental trust tax credit refund	792	0
Canadian film or video production tax credit refund from Form T1131	796	0
Film or video production services tax credit refund from Form T1177	797	0
Tax withheld at source	800	0
Total payments on which tax has been withheld	801	0
Allowable refund for non-resident-owned investment corporations from Schedule 26	804	0
Provincial and territorial capital gains refund from Schedule 18	808	0
Provincial and territorial refundable tax credits from Schedule 5	812	0
Royalties deductible under Syncrude Remission Order	815	0
Tax remitted under Syncrude Remission Order	816	0
Tax instalments paid	840	46,740
Total credits	890	46,740
Balance (line A minus line B)		3,512

Refund code **894** **0** Overpayment 0**Direct deposit request**

To have the corporation's refund deposited directly into the corporation's bank account at a financial institution in Canada, or to change banking information you already gave us, complete the information below:

☐ Start ☐ Change information **910** _____
Branch number

914 _____ **918** _____
Institution number Account number

If the result is negative, you have an **overpayment**.If the result is positive, you have a **balance unpaid**.

Enter the amount on whichever line applies.

We do not charge or refund a difference of \$2 or less.

Balance unpaid **3,512**Enclosed payment **898** **3,512**

If the corporation is a Canadian-controlled private corporation throughout the taxation year, does it qualify for the one-month extension of the date the balance of tax is due?

..... **896** 1 Yes ☐ 2 No ☒**Certification**

950 Young Last name in block letters **951** Greg First name in block letters **954** Finance Manager Position, office, or rank

I am an authorized signing officer of the corporation. I certify that I have examined this return, including accompanying schedules and statements, and that the information given on this return is, to the best of my knowledge, correct and complete. I further certify that the method of calculating income for this taxation year is consistent with that of the previous year except as specifically disclosed in a statement attached to this return.

955 _____ **956** 519-396-3485
Date (yyyy/mm/dd) Signature of the authorized signing officer of the corporation Telephone number

Is the contact person the same as the authorized signing officer? If No, complete the information below **957** 1 Yes ☒ 2 No ☐

958 _____ **959** _____
Name in block letters Telephone number

Language of correspondence - Langue de correspondance

990 Indicate the language of your choice. 1 English/Anglais ☒ 2 Français/French ☐
Indiquer la langue de correspondance de votre choix.

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

NET INCOME (LOSS) FOR INCOME TAX PURPOSES

- The purpose of this schedule is to provide a reconciliation between the corporation's net income (loss) as reported on the financial statements and its net income (loss) for tax purposes.
- Please provide us with the applicable details in the identification area, and complete the applicable lines that contain a numbered black box. You should report amounts in accordance with the Generally Accepted Accounting Principles (GAAP).
- Sections, subsections, and paragraphs referred to in this schedule are from the "Income Tax Act."
- For more information, see the "T2 Corporation Income Tax Guide."

Net income (loss) after taxes and extraordinary items per financial statements	732,272	A
------------------------------------------------------------------------------------------	---------	---

Additions:

Provision for income taxes - current	101	87,000	
Provision for income taxes - deferred	102	626,000	
Amortization of tangible assets	104	1,124,816	
Amortization of intangible assets	106	21,150	
Non-deductible meals and entertainment expenses	121	11,381	

Subtotal of additions		1,870,347	1,870,347

Other Additions:**Miscellaneous Other Additions:**

600 Capital tax expensed in f/s	290	81,000	

Subtotal of Other Additions	199	81,000	81,000

Total Additions	500	1,951,347	

Deductions:

Capital cost allowance from Schedule 8.....	403	2,216,601	
Cumulative eligible capital deduction from Schedule 10.....	405	113,274	

Subtotal of Deductions.....		2,329,875	2,329,875

Other Deductions:
Miscellaneous Other Deductions:

<div style="display: flex; align-items: center;"> <div style="border: 1px solid black; padding: 2px; margin-right: 5px;">700</div> Capital tax paid </div>	390	68,987	
<div style="display: flex; align-items: center;"> <div style="border: 1px solid black; padding: 2px; margin-right: 5px;">701</div> Regulatory Expenses </div>	391	413,547	

Subtotal of Other Deductions.....	499	482,534	482,534

Total Deductions	510		2,812,409

Net income (loss) for income tax purposes..... (enter on line 300 on the T2 return)	-128,790 =====
-----------------------------------------------------------------------------------------------	-------------------

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

CORPORATION LOSS CONTINUITY AND APPLICATION

- For use by a corporation to determine the continuity and use of available losses; to determine the current-year non-capital loss, farm loss, restricted farm loss, and limited partnership loss; to determine the amount of restricted farm loss and limited partnership loss that may be applied in a year; and to request a loss carryback to previous years.
- The corporation can choose whether or not to deduct an available loss from income in a taxation year. It can deduct losses in any order. However, for each type of loss, deduct the oldest loss first.
- For information on these losses, see the "T2 Corporation Income Tax Guide."
- File one completed copy of this schedule with the T2 return, or send it by itself to the tax centre where the return is filed.
- Parts, sections, subsections, and paragraphs referred to on this schedule are from the federal "Income Tax Act."

Part 1 - Non-capital losses**Determination of current-year non-capital loss**

Net income (loss) for income tax purposes	-128,790	
Deduct: (increase a loss)		
Net capital losses deducted in the year		
(enter as a positive amount)	0	
Taxable dividends deductible under sections 112, 113, or subsection 138(6)	0	
Amount of Part VI.1 tax deductible	0	
Amount deductible as prospector's and grubstaker's shares		
- Paragraph 110(1)(d.2)	0	0

Subtotal (if positive, enter "0")	-128,790	
Deduct: (increase a loss)		
on 110.5 and/or subparagraph 115(1)(a)(vii) - Addition for foreign tax deductions	0	

Subtotal	-128,790	
Add: (decrease a loss)		
Current-year farm loss	0	

Current-year non-capital loss (if positive, enter "0")	-128,790	
		=====

Continuity of non-capital losses and request for a carryback

Non-capital loss at the end of preceding taxation year	671,395	
Deduct: Non-capital loss expired *	<input type="text" value="100"/> 0	
Non-capital losses at beginning of taxation year	<input type="text" value="102"/> 671,395	
Add: Non-capital losses transferred on an amalgamation or the		
windup of a subsidiary corporation	<input type="text" value="105"/> 0	
Current-year non-capital loss (from calculation above)	<input type="text" value="110"/> 128,790	800,185

Part 1 - Non-capital losses (cont'd)**Continuity of non-capital losses and request for a carryback (cont'd)****Deduct:**

Amount applied against taxable income (enter on line 331 of the T2 return)	<input type="text" value="130"/>	0	
Amount applied against taxable dividends subject to Part IV tax	<input type="text" value="135"/>	0	
Section 80 - Adjustments for forgiven amounts	<input type="text" value="140"/>	0	
Subsection 111(10) - Adjustments for fuel tax rebate		0	
Other adjustments	<input type="text" value="150"/>	0	0

		Subtotal	800,185

Deduct - Request to carry back non-capital loss to:

First preceding taxation year to reduce taxable income	<input type="text" value="901"/>	0	
Second preceding taxation year to reduce taxable income	<input type="text" value="902"/>	0	
Third preceding taxation year to reduce taxable income	<input type="text" value="903"/>	0	
First preceding taxation year to reduce taxable dividends subject to Part IV tax	<input type="text" value="911"/>	0	
Second preceding taxation year to reduce taxable dividends subject to Part IV tax	<input type="text" value="912"/>	0	
Third preceding taxation year to reduce taxable dividends subject to Part IV tax	<input type="text" value="913"/>	0	0

Non-capital losses - Closing balance	<input type="text" value="180"/>		800,185
			=====

* A non-capital loss expires as follows:

- After 7 taxation years if it arose in a taxation year ending before March 23, 2004;
or
- After 10 taxation years if it arose in a taxation year ending after March 22, 2004.

Election under paragraph 88(1.1)(f)Paragraph 88(1.1)(f) election indicator Yes []

Loss from a wholly owned subsidiary deemed to be a loss of the parent from its immediately preceding taxation year.

Part 2 - Capital losses**Continuity of capital losses and request for a carryback**

Capital losses at end of preceding taxation year	<input type="text" value="200"/>	0	
Capital losses transferred on an amalgamation or the windup of a subsidiary corporation	<input type="text" value="205"/>	0	
Current-year capital loss (from Schedule 6 calculation)	<input type="text" value="210"/>	0	0
Add:			
Allowable business investment loss expired as non-capital loss	0 x 4/3.. <input type="text" value="220"/>		0

		Subtotal	0
Deduct:			
Amount applied against current-year capital gain (see Note 1)	<input type="text" value="225"/>	0	
Section 80 - Adjustments for forgiven amounts	<input type="text" value="240"/>	0	
Other adjustments	<input type="text" value="250"/>	0	0

		Subtotal	0

Part 2 - Capital losses (cont'd)**Continuity of capital losses and request for a carryback (cont'd)****Deduct - Request to carry back capital loss to: (see Note 2)**

	Capital gain (100%)		Amount carried back (100%)	
First preceding taxation year	0	951	0	
Second preceding taxation year	0	952	0	
Third preceding taxation year	0	953	0	0

Capital losses - Closing balance			280	0
				=====

Note 1

On line 332 of the T2 return, enter the amount from line 225 multiplied by 50%.

Note 2

Enter on lines 225, 951, 952, or 953, whichever applies, the actual amount of the loss. At the time of the application of the loss carryback, the net capital loss amount will be calculated at the inclusion rate of the year to which the net capital loss is applied.

Part 3 - Farm losses**Continuity of farm losses and request for a carryback**

Farm losses at end of preceding taxation year			0	
Deduct: Farm loss expired after 10 taxation years		300	0	
Farm losses at beginning of taxation year		302	0	
Add: Farm losses transferred on an amalgamation or the windup of a subsidiary corporation		305	0	
Current-year farm loss		310	0	0
Deduct:				
Amount applied against taxable income (enter on line 334 of the T2 return)		330	0	
Amount applied against taxable dividends subject to Part IV tax		335	0	
Section 80 - Adjustments for forgiven amounts		340	0	
Other adjustments		350	0	0

			Subtotal	0
Deduct - Request to carry back farm loss to:				
First preceding taxation year to reduce taxable income		921	0	
Second preceding taxation year to reduce taxable income		922	0	
Third preceding taxation year to reduce taxable income		923	0	
First preceding taxation year to reduce taxable dividends subject to Part IV tax		931	0	
Second preceding taxation year to reduce taxable dividends subject to Part IV tax		932	0	
Third preceding taxation year to reduce taxable dividends subject to Part IV tax		933	0	0

Farm losses - Closing balance			380	0
				=====

Restricted Farm Loss Determination:

Is the corporation exempt from the restricted farm loss rules?

(A reply of "NO" triggers the restricted farm loss rules.) [Y/N] [Y]

Part 4 - Restricted farm losses

Current-year restricted farm loss

Total losses for the year from farming business	485	0	A
Minus the deductible farm loss:			
\$2,500 plus B or C, whichever is less	2,500		
(Amount A above 0 - \$2,500) divided by 2	0	B	
	6,250	C	0
			2,500

Current-year restricted farm loss (enter this amount on line 410)			0
			=====

Continuity of restricted farm losses and request for a carryback

Restricted farm losses at end of preceding taxation year	0		
Deduct: Restricted farm loss expired after 10 taxation years	400	0	
Restricted farm losses at beginning of taxation year	402	0	
Add: Restricted farm losses transferred on an amalgamation or the windup of a subsidiary corporation	405	0	
Current-year restricted farm loss (enter on line 233 of Schedule 1)	410	0	0
Deduct:			
Amount applied against farming income (enter on line 333 of the T2 return)	430	0	
Section 80 - Adjustments for forgiven amounts	440	0	
Other adjustments	450	0	0

	Subtotal		0
Deduct - Request to carry back restricted farm loss to:			
First preceding taxation year to reduce farming income	941	0	
Second preceding taxation year to reduce farming income	942	0	
Third preceding taxation year to reduce farming income	943	0	0

Restricted farm losses - Closing balance	480		0
			=====

Note

The total losses for the year from all farming businesses are calculated without including scientific research expenses.

Part 5 - Listed personal property losses

Continuity of listed personal property loss and request for a carryback

Listed personal property losses at end of preceding taxation year		0	
Deduct: Listed personal property loss expired after seven taxation years	500	0	
Listed personal property losses at beginning of taxation year	502	0	
Add: Current-year listed personal property loss (from Schedule 6)	510	0	

	Subtotal		0
Deduct:			
Amount applied against listed personal property gains (enter on line 655 of Schedule 6)	530	0	
Other adjustments	550	0	0

	Subtotal		0

Part 5 - Listed personal property losses (cont'd)

Continuity of listed personal property loss and request for a carryback (cont'd)

Deduct - Request to carry back listed personal property loss to:

First preceding taxation year to reduce listed			
personal property gains	961	0	
Second preceding taxation year to reduce listed			
personal property gains	962	0	
Third preceding taxation year to reduce listed			
personal property gains	963	0	0

Listed personal property losses - Closing balance	580		0
			=====

Part 6 - Analysis of balance of losses by year of origin

Non-capital losses

Year of origin	Balance at Beginning of Year	Loss Incurred in Current Year	Adjustments and Transfers <F1> for help	Loss Carried Back Parts I & IV	Applied to Reduce		Balance at End of Year
					Taxable Income	Part IV Tax	
Current	N/A	128,790	0	0	N/A	0	128,790
2002	671,395	N/A	0	N/A	0	0	671,395
2002	0	N/A	0	N/A	0	0	0
2001	0	N/A	0	N/A	0	0	0
2000	0	N/A	0	N/A	0	0	0
1999	0	N/A	0	N/A	0	0	0
1998	0	N/A	0	N/A	0	0	0
1997	0	N/A	0	N/A	0	0	0 *
Total	671,395	128,790	0	0	0	0	800,185

Farm losses

Year of origin	Balance at Beginning of Year	Loss Incurred in Current Year	Adjustments and Transfers <F1> for help	Loss Carried Back Parts I & IV	Applied to Reduce		Balance at End of Year
					Taxable Income	Part IV Tax	
Current	N/A	0	0	0	N/A	0	0
2002	0	N/A	0	N/A	0	0	0
2002	0	N/A	0	N/A	0	0	0
2001	0	N/A	0	N/A	0	0	0
2000	0	N/A	0	N/A	0	0	0
1999	0	N/A	0	N/A	0	0	0
1998	0	N/A	0	N/A	0	0	0
1997	0	N/A	0	N/A	0	0	0
1996	0	N/A	0	N/A	0	0	0
1995	0	N/A	0	N/A	0	0	0
1994	0	N/A	0	N/A	0	0	0 *
Total	0	0	0	0	0	0	0

Restricted farm losses

Year of origin	Balance at Beginning of Year	Loss Incurred in Current Year	Adjustments and Transfers <F1> for help	Loss Carried Back	Applied to Reduce		Balance at End of Year
					Taxable Income	Part IV Tax	
Current	N/A	0	0	0	N/A	N/A	0
2002	0	N/A	0	N/A	0	N/A	0
2002	0	N/A	0	N/A	0	N/A	0
2001	0	N/A	0	N/A	0	N/A	0
2000	0	N/A	0	N/A	0	N/A	0
1999	0	N/A	0	N/A	0	N/A	0
1998	0	N/A	0	N/A	0	N/A	0
1997	0	N/A	0	N/A	0	N/A	0
1996	0	N/A	0	N/A	0	N/A	0
1995	0	N/A	0	N/A	0	N/A	0
1994	0	N/A	0	N/A	0	N/A	0 *
Total	0	0	0	0	0	N/A	0

* This balance expires this year and will not be available next year

Summary of Capital Cost Allowance

Is the corporation electing under regulation 1101(5q)? [101] N

Class No.	UCC at Beginning of Year	Cost of Additions During Year	Adjustments	Lesser of Cost or Proceeds	1/2 of [203]-[207]	Rate %	Recapture of Capital Cost Allowance	Terminal Loss	Capital Cost Allowance	Undepreciated Capital Cost end of year
[200]	[201]	[203]	[205]	[207]	[211]	[212]	[213]	[215]	[217]	[220]
1	10,165,893	1,626,013	0	0	813,006	4	0	0	439,156	11,352,750
2	8,052,694	0	0	0	0	6	0	0	483,162	7,569,532
8	1,031,478	0	0	0	0	20	0	0	206,296	825,182
12	966,522	242,929	0	0	121,464	100	0	0	1,087,987	121,464
Total	20,216,587	1,868,942	0	0	934,470		0	0	2,216,601	19,868,928

This schedule is to be completed by a corporation having one or more of the following:

- related corporation(s)
- associated corporation(s)

Name	Ctry of resi- dence	Business Number (Note)	Rela- tion- ship Code	Number	% of	Number	% of	Book
				of common shares owned	of common shares owned	of preferred shares owned	pre- ferred shares owned	value of capital stock
[100]	[200]	[300]	[400]	[500]	[550]	[600]	[650]	[700]
Westario Power Services Inc.	892764614RC0001	3		0	0.00	0	0.00	0
Westario Power Holdings Inc.	892764416RC0001	1		0	0.00	0	0.00	0

Note: Enter "NR" if a corporation is not registered.

Relationship code:

1 - Parent 2 - Subsidiary 3 - Associated 4 - Related, but not associated

The relationship code represents the relationship that the corporation named has to the filing corporation. For example, if the corporation is the parent corporation of the filing corporation, then the relationship code is "1".

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

CUMULATIVE ELIGIBLE CAPITAL DEDUCTION

- For use by a corporation that has eligible capital property. For more information, see the "T2 Corporation Income Tax Guide."
- A separate cumulative eligible capital account must be kept for each business.

Part 1 - Calculation of current year deduction and carry-forward

Cumulative eligible capital - Balance at the end of the preceding taxation year

(if negative, enter "0") **200** 1,618,195 A

Add: Cost of eligible capital property acquired
during the taxation year **222** 0
Other adjustments **226** 0

Subtotal (line 222 plus line 226) 0 x 0.75 = 0 B
=====

Non-taxable portion of a non-arm's
length transferor's gain realized on
the transfer of an eligible capital
property to the corporation after
December 20, 2002 **228** 0 x 0.50 = 0 C
=====

amount B minus amount C (if negative, enter "0") 0 D

Amount transferred on amalgamation or wind-up of subsidiary **224** 0 ESubtotal (add amounts A, D, and E) **230** 1,618,195 F

Deduct: Proceeds of sale (less outlays and expenses not
otherwise deductible) from the disposition of
all eligible capital property during
the taxation year **242** 0 G
The gross amount of a reduction in respect of
a forgiven debt obligation as provided for in
subsection 80(7) **244** 0 H
Other adjustments **246** 0 I

(add amounts G, H, and I) 0 x 0.75 = **248** 0 J

Cumulative eligible capital balance (amount F minus amount J) 1,618,195 K

(if amount K is negative, enter "0" at line M and proceed to Part 2)

Cumulative eligible capital for a property no longer
owned after ceasing to carry on that business **249** 0amount K 1,618,195
less amount from line 249 0Current year deduction 1,618,195 x 7.00% = **250** 113,274 *

(line 249 plus line 250) (enter this amount at line 405 of Schedule 1) 113,274 113,274 L

Cumulative eligible capital - Closing balance (amount K minus amount L)

(if negative, enter "0") **300** 1,504,921 M

* You can claim any amount up to the maximum deduction of 7%. The deduction may not exceed the maximum
amount prorated by the number of days in the taxation year divided by 365.

Part 2 - Amount to be included in income arising from disposition

(complete this part only if the amount at line K is negative)

Amount from line K (show as positive amount) 0 N

Total of cumulative eligible capital (CEC) deductions from income
for taxation years beginning after June 30, 1988 400 0 1Total of all amounts which reduced CEC in the current or
prior years under subsection 80(7) 401 0 2Total of CEC deductions claimed for taxation years
beginning before July 1, 1988 402 0 3Negative balances in the CEC account that were
included in income for taxation years beginning
before July 1, 1988 408 0 4

Line 3 minus line 4 (if negative, enter "0") 0 0 5

Total of lines 1, 2, and 5 0 6

Amounts included in income under paragraph 14(1)(b), as that
paragraph applied to taxation years ending after June 30, 1988
and before February 28, 2000, to the extent that it is for
an amount described at line 400 0 7Amounts at line T from Schedule 10 previous taxation
years ending after February 27, 2000 0 8Subtotal (line 7 plus line 8) 409 0 0 9

Line 6 minus line 9 (if negative, enter "0") 0 0 O

Line N minus line O (if negative, enter "0") 0 P

Line 5 0 x 1/2 = 0 Q

Line P minus line Q (if negative, enter "0") 0 R

Amount R 0 x 2/3 = 0 S

Amount N or amount O, whichever is less 0 T

Amount to be included in income (amount S plus amount T)
(enter this amount on line 108 of Schedule 1) 410 0

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

**AGREEMENT AMONG ASSOCIATED CANADIAN-CONTROLLED PRIVATE CORPORATIONS
TO ALLOCATE THE BUSINESS LIMIT**

- For use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to assign a percentage for each associated corporation. This percentage will be used to allocate the business limit for purposes of the small business deduction. Information from this schedule will also be used to determine the date the balance of tax is due and to calculate the reduction to the business limit.
- 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) of the "Income Tax Act," 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 business limit for the year of each corporation in the associated group that is computed at line 4 on page 4 of each respective corporation's T2 return.

Column 5: Assign a percentage to allocate the business limit to each corporation that has an association code 1 in column 3. The total of all percentages in column 5 cannot exceed 100%.

Column 6: Enter the business limit allocated to each corporation by multiplying the amount in column 4 times the percentage in column 5. Add all business limits allocated in column 6 and enter the total at line A. Ensure that the total at line A is equal to an amount in one of the following ranges, whichever applies:

- from \$200,001 to \$225,000, if the calendar year to which this agreement applies is 2003;
- from \$225,001 to \$250,000, if the calendar year to which this agreement applies is 2004; or
- from \$250,001 to \$300,000, if the calendar year to which this agreement applies is 2005.

If the calendar year to which this agreement applies is after 2005, ensure that the total at line A does not exceed \$300,000.

Allocation of the business limit

Date filed (do not use this area)	<div style="border: 1px solid black; padding: 2px;">025</div>	Year Month Day
Enter the calendar year to which the agreement applies	<div style="border: 1px solid black; padding: 2px;">050</div>	Year
		2003

Allocation of the business limit (cont'd)

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?..... ☐ 075 [Y/N] [N]

1	2	3	4	5	6
Names of associated corporations	Business Number of associated corporations	Association code	Business limit for the year (before the allocation) \$	Percentage of the business limit %	Business limit allocated * \$
<input type="checkbox"/> 100	<input type="checkbox"/> 200	<input type="checkbox"/> 300		<input type="checkbox"/> 350	<input type="checkbox"/> 400
Westario Power Inc.	865909790RC0001	1	225,000	.0000	0
See attached				100.0000	225,000
				-----	-----
			Total	100.0000	225,000 A
				=====	=====

* The % of the annual business limit required to maximize the small business deduction is .0000%.

100.0000% of the annual business limit can be attributed to an associated corporation.

Business limit reduction under subsection 125(5.1)

The business limit reduction is calculated in the small business deduction area of the T2 return.

One of the amounts used in this calculation is the "Large corporation tax" at line 415 of the T2 return.

If a corporation is a member of an associated group*** of corporations in the current taxation year, and that taxation year:

- starts before December 21, 2002, the amount at line 415 of the T2 return is equal to the gross Part I.3 tax of each corporation in the associated group*** for its last taxation year ending in the preceding calendar year. The gross Part I.3 tax is the amount before deducting the surtax credits, which is increased to reflect a full-year tax liability if the taxation year is less than 51 weeks; or
- starts after December 20, 2002, the amount at line 415 of the T2 return is equal to $0.225\% \times (A - \$10,000,000)$ where, "A" is the total of taxable capital employed in Canada** of each corporation in the associated group*** for its last taxation year ending in the preceding calendar year.

* Each corporation will enter on line 410 of the T2 return, the amount allocated to it in column 6. However, if the corporation's taxation year is less than 51 weeks, prorate the amount in column 6 by the number of days in the taxation year divided by 365, and enter the result on line 410 of the T2 return.

If a CCPC 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, the business limit for the second (and subsequent) taxation year(s) will be equal to the business limit allocated for the first taxation year ending in the calendar year.

** "Taxable capital employed in Canada" has the meaning assigned by subsection 181.2(1) or 181.3(1) or section 181.4 of the "Income Tax Act."

*** The associated group includes the corporation filing this schedule and each corporation that has an "association code" of 1 or 4 in column 3.

1	2	3	4	5	6	7
Names of associated corporations	Business Number of associated corporations	Asso- ciation code	Business limit for the year (before the allocation)	Percentage of the business limit	Business limit allocated	Part I.3 Tax
[100]	[200]	[300]		[350]	[400]	
Westario Power Services Inc.	892764614RC0001	1	225,000	100.0000	225,000	5,931
Westario Power Holdings Inc.	892764416RC0001	1	225,000	.0000	0	0
TOTALS			450,000	100.0000	225,000	5,931

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

PART I.3 TAX ON LARGE CORPORATIONS

- This schedule is for use by corporations (other than financial institutions and insurance corporations) that have Part I.3 tax payable before deducting surtax credits (line 820 in Part 5). You should also use and file this schedule if you calculate a **gross Part I.3 tax for the purposes or unused surtax credit** (line 821 in Part 6) and a **current-year unused surtax credit** (line 850 in Part 8).
- Parts, sections, subsections, and paragraphs referred to on this schedule are from the federal "Income Tax Act" and the "Income Tax Regulations."
- 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 for its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or for 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 carrying 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 any related processing) natural products belonging to or acquired from its members or customers.
- File the completed Schedule 33 with the "T2 Corporation Income Tax Return" no later than six months from the end of the taxation year.
- This schedule may contain changes that had not yet become law at the time of printing.

Complete the following areas to determine the amounts needed to calculate Part I.3 tax. If the corporation was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 4, "Taxable capital employed in Canada."

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	729,000
Capital stock (or members' contributions if incorporated without share capital).	103	14,064,719
Retained earnings.	104	1,673,784
Contributed surplus.	105	0
Any other surpluses.	106	0
Deferred unrealized foreign exchange gains.	107	0
All loans and advances to the corporation.	108	13,923,018
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, hypothecary claims, bankers' acceptances, or similar obligations.	109	0
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