

OVERVIEW OF PROVISION IN LIEU OF TAXES (PILS)

THI is subject to the PILs regime, and therefore remits payments in lieu of corporate taxes to the Ontario Energy Financial Corporation, to be applied against the stranded debt of the former Ontario Hydro.

THI files Federal and Provincial tax returns annually. There have been no special circumstances that would require specific tax planning measures to minimize taxes payable.

There are no non-utility activities included in THI's 2013TY, therefore the entire amount of PILs payable is considered in the proposed allowance to be included in the revenue requirement.

There are no outstanding audits, reassessments or disputes relating to the tax returns filed by THI.

E4/T8/S2/Att1 presents the PILs allowance previously approved by the Board. E4/T8/S3/Att1 presents the allowance for PILs of \$Nil to be included in the proposed revenue requirement for the 2013TY. The amount is \$Nil since the deduction for CCA exceeds the amortization addback, creating a regulatory loss.

1

HISTORICAL PILS

2 The model used to derive the allowance for the Payment in Lieu of Taxes ("PILS")
3 included in THI's 2009 Board approved revenue requirement is presented at
4 E4/T8/S2/Att1. THI's 2011 federal and provincial corporate income tax returns are
5 provided at E4/T8/S2/Att2 and E4/T8/S2/Att3 respectively.
6 Actual PILs expense in 2011 exceeded the Board-approved amount due to higher
7 miscellaneous revenues, higher distribution expenses, and lower interest expense.
8 Income tax rates also decreased during this time.

EB-2012-0168

Exhibit 4

Tab 8

Schedule 2

Attachment 1

Previously Approved PILs Model

Tillsonburg Hydro Inc. (ED-2003-0026)

PILs Calculations for 2009 EDR Application (EB-2008-0246)

August 15, 2008

P0 Administration

Enter administrative information about the Application

Application Version

Name of Applicant

License Number

Test Year

File Number(s)

Date of Application

Contact:

Name

email

phone

Date of previous Test Year approval

Tillsonburg Hydro Inc.	
ED-2003-0026	
2009	
EB-2008-0246	
15-Aug-2008	
J. Gott	
jgott@tillsonburg.ca	
519.842.6428x3229	
12-Apr-2006	

P1 Undepreciated Capital Costs (UCC)

2 of 16

P1 Undepreciated Capital Costs (UCC)

¹ per Schedule 8 of 2007 corporate tax return

P1 Undepreciated Capital Costs (UCC)

Printed: 8/30/2012 10:44 AM

P1 Undepreciated Capital Costs (UCC)

Printed: 8/30/2012 10:44 AM

P1 Undepreciated Capital Costs (UCC)

¹ per Schedule 8 of 2007 corporate tax return

Tillsonburg Hydro Inc. (ED-2003-0026)

PILs Calculations for 2009 EDR Application (EB-2008-0246)

August 15, 2008

P2 Cumulative Eligible Capital (CEC)*Enter actual balance, projected changes and deduction rates*

	2008		2009	
CEC Opening Balance ¹				
Eligible Capital Property (ECP) Acquisitions				
Other Adjustments				
Subtotal		x 3/4 =		x 3/4 =
Non-taxable portion of a non-arm's length transferor's gain realized on the transfer of an ECP to the Corporation after December 20, 2002		x 1/2 =		x 1/2 =
Amount transferred on amalgamation or wind-up of subsidiary				
Subtotal before deductions				
ECP Dispositions (net)				
Other Adjustments				
Subtotal		x 3/4 =		x 3/4 =
Balance before tax deduction				
Tax Deduction		Rate:		Rate:
CEC Ending Balance				

¹ 2008 amount per ending balance on Schedule 10 of 2007 corporate tax return

RateMaker PILs r1.1 © Elenchus Research Associates

P3 Interest Expense

	2008	2009
Deemed Interest Expense (A)	<u>317,804</u>	<u>353,251</u>
3900-Interest Expense		
Add: Capitalized Interest (USA #6040)		Enter credit to P&L as positive number
Add: Capitalized Interest (USA #6042)		Enter credit to P&L as positive number
Less: non-debt interest expense (USA #6035)		
		Enter other adjustments for tax purposes
Total Interest Projected (B)		
Excess Interest Expense		(B) less (A); if negative: zero

Tillsonburg Hydro Inc. (ED-2003-0026)

PILs Calculations for 2009 EDR Application (EB-2008-0246)

August 15, 2008

P4 Loss Carry-Forward (LCF)*Enter details of historical losses available to offset projected taxable income*

	Balance <input type="checkbox"/> 31 Dec/07 ¹	Less: Non- Distribution Portion	Utility Balance <input type="checkbox"/> 31 Dec/07	2008	2009
Non-Capital LCF:					
Opening Balance					
Application of LCF to reduce taxable income					
Ending Balance					
Net Capital LCF:					
Opening Balance					
Application of LCF to reduce taxable capital gains					
Ending Balance					

¹ per Schedule 7-1 of 2007 corporate tax return

Tillsonburg Hydro Inc. (ED-2003-0026)

PILs Calculations for 2009 EDR Application (EB-2008-0246)

August 15, 2008

P5 Reserve Balances*Enter balance amounts and projected changes in tax and accounting reserves*

	Balance <input type="checkbox"/> 31 Dec/07 ¹	Less: Non- Distribution Portion	Utility Balance <input type="checkbox"/> 31 Dec/07	Changes <input type="checkbox"/> (+ / -) <input type="checkbox"/> in 2008	Balance <input type="checkbox"/> 31 Dec/08	Changes <input type="checkbox"/> (+ / -) <input type="checkbox"/> in 2009	Balance <input type="checkbox"/> 31 Dec/09
Capital Gains Reserves ss.40(1)							
Tax Reserves not deducted for book purposes:							
Reserve for doubtful accounts ss. 20(1)(l)							
Reserve for goods and services not delivered ss. 20(1)(m)							
Reserve for unpaid amounts ss. 20(1)(n)							
Debt & Share Issue Expenses ss. 20(1)(e)							
TOTAL							
Accounting Reserves not deducted for tax purposes:							
General Reserve for Inventory Obsolescence (non-specific)							
General reserve for bad debts							
Accrued Employee Future Benefits:							
- Medical and Life Insurance							
- Short & Long-term Disability							
- Accumulated Sick Leave							
Termination Cost							
- Other Post-Employment Benefits							
Provision for Environmental Costs							
Restructuring Costs							
Accrued Contingent Litigation Costs							
Accrued Self-Insurance Costs							
Other Contingent Liabilities							
Bonuses Accrued and Not Paid Within 180 Days of Year-End ss. 78(4)							
Unpaid Amounts to Related Person and Not Paid Within 3 Taxation Years ss. 78(1)							
TOTAL							

¹ per Schedule 13 of 2007 corporate tax return

RateMaker PILs r1.1 © Elenchus Research Associates

P6 Taxable Income

	T2 S1 line #	2006 EDR Approved			2008 Projection	2009 @ existing rates	2009 @ new dist. rates
		Tax Return	Less: Non- Distribution Portion	Utility Only			
Income/(Loss) before PILs/Taxes (Accounting) ¹					420,867	126,211	301,486
Additions:							
Interest and penalties on taxes	103						
Amortization of tangible assets	104				462,589	491,357	491,357
Amortization of intangible assets	106						
Recapture of capital cost allowance from Schedule 8	107						
Gain on sale of eligible capital property from Schedule 10	108						
Income or loss for tax purposes- joint ventures or partnerships	109						
Loss in equity of subsidiaries and affiliates	110						
Loss on disposal of assets	111						
Charitable donations	112						
Taxable Capital Gains	113						
Political Donations	114						
Deferred and prepaid expenses	116						
Scientific research expenditures deducted on financial statements	118						
Capitalized interest	119						
Non-deductible club dues and fees	120						
Non-deductible meals and entertainment expense	121						
Non-deductible automobile expenses	122						
Non-deductible life insurance premiums	123						
Non-deductible company pension plans	124						
Tax reserves beginning of year	125						
Reserves from financial statements- balance at end of year	126						

RateMaker PILs r1.1 © Elenchus Research Associates

P6 Taxable Income

	T2 S1 line #	2006 EDR Approved			2008 Projection	2009 @ existing rates	2009 @ new dist. rates
		Tax Return	Less: Non- Distribution Portion	Utility Only			
Income/(Loss) before PILs/Taxes (Accounting) ¹					420,867	126,211	301,486
Soft costs on construction and renovation of buildings	127						
Book loss on joint ventures or partnerships	205						
Capital items expensed	206						
Debt issue expense	208						
Development expenses claimed in current year	212						
Financing fees deducted in books	216						
Gain on settlement of debt	220						
Non-deductible advertising	226						
Non-deductible interest	227						
Non-deductible legal and accounting fees	228						
Recapture of SR&ED expenditures	231						
Share issue expense	235						
Write down of capital property	236						
Amounts received in respect of qualifying environment trust per paragraphs 12(1)(z.1) and 12(1)(z.2)	237						
Excess Interest Expense							
Total Additions					462,589	491,357	491,357

RateMaker PILs r1.1 © Elenchus Research Associates

P6 Taxable Income

	T2 S1 line #	2006 EDR Approved			2008 Projection	2009 @ existing rates	2009 @ new dist. rates
		Tax Return	Less: Non- Distribution Portion	Utility Only			
Income/(Loss) before PILs/Taxes (Accounting) ¹					420,867	126,211	301,486
Deductions:							
Gain on disposal of assets per financial statements	401						
Dividends not taxable under section 83	402						
Capital cost allowance from Schedule 8	403				449,343	478,280	478,280
Terminal loss from Schedule 8	404						
Cumulative eligible capital deduction from Schedule 10 CEC	405						
Allowable business investment loss	406						
Deferred and prepaid expenses	409						
Scientific research expenses claimed in year	411						
Tax reserves end of year	413						
Reserves from financial statements - balance at beginning of year	414						
Contributions to deferred income plans	416						
Book income of joint venture or partnership	305						
Equity in income from subsidiary or affiliates	306						
Total Deductions					449,343	478,280	478,280

RateMaker PILs r1.1 © Elenchus Research Associates

P6 Taxable Income

	T2 S1 line #	2006 EDR Approved			2008 Projection	2009 @ existing rates	2009 @ new dist. rates
		Tax Return	Less: Non- Distribution Portion	Utility Only			
Income/(Loss) before PILs/Taxes (Accounting) ¹					420,867	126,211	301,486
NET INCOME (LOSS) FOR TAX PURPOSES					434,113	139,288	314,563
Charitable donations from Schedule 2							
Taxable dividends deductible under section 112 or 113, from Schedule 3 (item 82)							
Non-capital losses of preceding taxation years from Schedule 4							
Net-capital losses of preceding taxation years from Schedule 4							
Limited partnership losses of preceding taxation years from Schedule 4							
TAXABLE INCOME (LOSS)					434,113	139,288	314,563

¹ 2008 Projection = "Earnings before Tax" (sheet E1); 2009 @ existing rates = "Earnings before Tax" (sheet E2); 2009 @ new dist. rates = "Deemed Return On Equity" (sheet E3)

Tillsonburg Hydro Inc. (ED-2003-0026)

PILs Calculations for 2009 EDR Application (EB-2008-0246)

August 15, 2008

P7 Capital Taxes

Enter rate base amounts

Rates and exemptions from sheet Y1

	2008	2009	
OCT (Ontario Capital Tax):			
Rate Base	8,397,948	9,053,092	'Calculated Value' from sheet E3
Less: Exemption	<u>12,500,000</u>	<u>15,000,000</u>	
Deemed Taxable Capital			
Tax Rate	0.285%	0.285%	
OCT payable			
Federal LCT (Large Corporations Tax):			
Rate Base	8,397,948	9,053,092	
Less: Exemption	<u>50,000,000</u>	<u>50,000,000</u>	
Deemed Taxable Capital			
Tax Rate			
LCT payable			

RateMaker PILs r1.1 © Elenchus Research Associates

P8 Total PILs Expense

	2008 Projection	2009 at Existing Rates	2009 at new Revenue Req.	
Regulatory Taxable Income/(Loss)	434,113	139,288	314,563	from sheet P6
Combined Income Tax Rate	17.61%	16.50%	16.50%	"t" (from sheet Y1)
Total Income Taxes	76,461	22,982	51,903	
Investment & Miscellaneous Tax Credits				Input amounts
Income Tax Payable	76,461	22,982	51,903	"i"
Large Corporations Tax (LCT)				from sheet P7
Ontario Capital Tax (OCT)				from sheet P7
Grossed-up Income Tax	92,808		62,159	= i / (1 - t)
Grossed-up LCT				= LCT / (1 - t)
Total PILs Expense	92,808	22,982	62,159	Enter these results on sheet E4

EB-2012-0168

Exhibit 4

Tab 8

Schedule 2

Attachment 2

Latest Filed Federal Tax Return



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

All legislative references on this return are to the federal *Income Tax Act*. This return may contain changes that had not yet become law at the time of publication.

Send one completed copy of this return, including schedules and the *General Index of Financial Information* (GIFI), to your tax centre or tax services office. You have to file the return within six months after the end of the corporation's tax year.

For more information see www.cra.gc.ca or Guide T4012, *T2 Corporation – Income Tax Guide*.

055 Do not use this area

COPY
Federal
*Return***Identification**

Business number (BN) 001 86374 2599 RC 0001

Corporation's name
002 Tillsonburg Hydro Inc.**Address of head office**Has this address changed since the last time we were notified? 010 1 Yes ☐ 2 No ☒

(If yes, complete lines 011 to 018)

011 200 Broadway, 2nd Floor

012

City Province, territory, or state

015 Tillsonburg 016 ON

Country (other than Canada) Postal code/Zip code

017 018 N4G 5A7

Mailing address (if different from head office address)Has this address changed since the last time we were notified? 020 1 Yes ☐ 2 No ☒

(If yes, complete lines 021 to 028)

021 c/o

022 200 Broadway, 2nd Floor

023

City Province, territory, or state

025 Tillsonburg 026 ON

Country (other than Canada) Postal code/Zip code

027 028 N4G 5A7

Location of books and recordsHas the location of books and records changed since the last time we were notified? 030 1 Yes ☐ 2 No ☒

(If yes, complete lines 031 to 038)

031 200 Broadway, 2nd Floor

032

City Province, territory, or state

035 Tillsonburg 036 ON

Country (other than Canada) Postal code/Zip code

037 038 N4G 5A7

040 Type of corporation at the end of the tax year1 ☒ Canadian-controlled private corporation (CCPC) 4 ☐ Corporation controlled by a public corporation2 ☐ Other private corporation 5 ☐ Other corporation (specify, below)3 ☐ Public corporation

If the type of corporation changed during the tax year, provide the effective date of the change 043

To which tax year does this return apply?

Tax year start

Tax year-end

060 2011/01/01

061 2011/12/31

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

If yes, provide the date control was acquired 065

Is the date on line 061 a deemed tax year-end according to:subparagraph 88(2)(a)(iv)? 064 1 Yes ☐ 2 No ☒subsection 249(3.1)? 066 1 Yes ☐ 2 No ☒**Is the corporation a professional corporation that is a member of a partnership?** 067 1 Yes ☐ 2 No ☒**Is this the first year of filing after:**Incorporation? 070 1 Yes ☐ 2 No ☒Amalgamation? 071 1 Yes ☐ 2 No ☒

If yes, complete lines 030 to 038 and attach Schedule 24.

Has there been a wind-up of a subsidiary under section 88 during the current tax year? 072 1 Yes ☐ 2 No ☒

If yes, complete and attach Schedule 24.

Is this the final tax year before amalgamation? 076 1 Yes ☐ 2 No ☒**Is this the final return up to dissolution?** 078 1 Yes ☐ 2 No ☒**If an election was made under section 261, state the functional currency used** 079**Is the corporation a resident of Canada?** 080 1 Yes ☒ 2 No ☐

If no, give the country of residence on line 081 and complete and attach Schedule 97.

081

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

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

Do not use this area

095

096

Attachments**Financial statement information:** Use GIFI schedules 100, 125, and 141.**Schedules** - Answer the following questions. For each **yes** response, **attach** the schedule to the T2 return, unless otherwise instructed.

	Yes	Schedule
Is the corporation related to any other corporations?	150 <input checked="" type="checkbox"/>	9
Is the corporation an associated CCPC?	160 <input checked="" type="checkbox"/>	23
Is the corporation an associated CCPC that is claiming the expenditure limit?	161 <input type="checkbox"/>	49
Does the corporation have any non-resident shareholders?	151 <input type="checkbox"/>	19
Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees, other than transactions in the ordinary course of business? Exclude non-arm's length transactions with non-residents	162 <input type="checkbox"/>	11
If you answered Yes to the above question, and the transaction was between corporations not dealing at arm's length, were all or substantially all of the assets of the transferor disposed of to the transferee?	163 <input type="checkbox"/>	44
Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	164 <input type="checkbox"/>	14
Is the corporation claiming a deduction for payments to a type of employee benefit plan?	165 <input type="checkbox"/>	15
Is the corporation claiming a loss or deduction from a tax shelter acquired after August 31, 1989?	166 <input type="checkbox"/>	T5004
Is the corporation a member of a partnership for which a partnership identification number has been assigned?	167 <input type="checkbox"/>	T5013
Did the corporation, a foreign affiliate controlled by the corporation, or any other corporation or trust that did not deal at arm's length with the corporation have a beneficial interest in a non-resident discretionary trust (without reference to section 94)?	168 <input type="checkbox"/>	22
Did the corporation have any foreign affiliates during the year?	169 <input type="checkbox"/>	25
Has the corporation made any payments to non-residents of Canada under subsections 202(1) and/or 105(1) of the federal <i>Income Tax Regulations</i> ?	170 <input type="checkbox"/>	29
Has the corporation had any non-arm's length transactions with a non-resident?	171 <input type="checkbox"/>	T106
For private corporations: Does the corporation have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	173 <input checked="" type="checkbox"/>	50
Has the corporation made payments to, or received amounts from, a retirement compensation plan arrangement during the year?	172 <input type="checkbox"/>	---
Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes?	201 <input checked="" type="checkbox"/>	1
Has the corporation made any charitable donations; gifts to Canada, a province, or a territory; gifts of cultural or ecological property; or gifts of medicine?	202 <input type="checkbox"/>	2
Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	203 <input checked="" type="checkbox"/>	3
Is the corporation claiming any type of losses?	204 <input type="checkbox"/>	4
Is the corporation claiming a provincial or territorial tax credit or does it have a permanent establishment in more than one jurisdiction?	205 <input type="checkbox"/>	5
Has the corporation realized any capital gains or incurred any capital losses during the tax year?	206 <input type="checkbox"/>	6
i) Is the corporation claiming the small business deduction and reporting income from: a) property (other than dividends deductible on line 320 of the T2 return), b) a partnership, c) a foreign business, or d) a personal services business; or		
ii) Is the corporation claiming the refundable portion of Part I tax?	207 <input type="checkbox"/>	7
Does the corporation have any property that is eligible for capital cost allowance?	208 <input checked="" type="checkbox"/>	8
Does the corporation have any property that is eligible capital property?	210 <input type="checkbox"/>	10
Does the corporation have any resource-related deductions?	212 <input type="checkbox"/>	12
Is the corporation claiming deductible reserves?	213 <input type="checkbox"/>	13
Is the corporation claiming a patronage dividend deduction?	216 <input type="checkbox"/>	16
Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an additional deduction?	217 <input type="checkbox"/>	17
Is the corporation an investment corporation or a mutual fund corporation?	218 <input type="checkbox"/>	18
Is the corporation carrying on business in Canada as a non-resident corporation?	220 <input type="checkbox"/>	20
Is the corporation claiming any federal or provincial foreign tax credits, or any federal or provincial logging tax credits?	221 <input type="checkbox"/>	21
Does the corporation have any Canadian manufacturing and processing profits?	227 <input type="checkbox"/>	27
Is the corporation claiming an investment tax credit?	231 <input type="checkbox"/>	31
Is the corporation claiming any scientific research and experimental development (SR&ED) expenditures?	232 <input type="checkbox"/>	T661
Is the total taxable capital employed in Canada of the corporation and its related corporations over \$10,000,000?	233 <input type="checkbox"/>	---
Is the total taxable capital employed in Canada of the corporation and its associated corporations over \$10,000,000?	234 <input type="checkbox"/>	---
Is the corporation claiming a surtax credit?	237 <input type="checkbox"/>	37
Is the corporation subject to gross Part VI tax on capital of financial institutions?	238 <input type="checkbox"/>	38
Is the corporation claiming a Part I tax credit?	242 <input type="checkbox"/>	42
Is the corporation subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid?	243 <input type="checkbox"/>	43
Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	244 <input type="checkbox"/>	45
Is the corporation subject to Part II - Tobacco Manufacturers' surtax?	249 <input type="checkbox"/>	46
For financial institutions: Is the corporation a member of a related group of financial institutions with one or more members subject to gross Part VI tax?	250 <input type="checkbox"/>	39
Is the corporation claiming a Canadian film or video production tax credit refund?	253 <input type="checkbox"/>	T1131
Is the corporation claiming a film or video production services tax credit refund?	254 <input type="checkbox"/>	T1177
Is the corporation subject to Part XIII.1 tax?	255 <input type="checkbox"/>	92 *

* We do not print this schedule.

Attachments - Continued from page 2

	Yes	Schedule
Did the corporation have any foreign affiliates that are not controlled foreign affiliates?	256 <input type="checkbox"/>	T1134-A
Did the corporation have any controlled foreign affiliates?	258 <input type="checkbox"/>	T1134-B
Did the corporation own specified foreign property in the year with a cost amount over \$100,000?	259 <input type="checkbox"/>	T1135
Did the corporation transfer or loan property to a non-resident trust?	260 <input type="checkbox"/>	T1141
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
Did the corporation pay taxable dividends (other than capital gains dividends) in the tax year?	265 <input checked="" type="checkbox"/>	55
Has the corporation made an election under subsection 89(11) not to be a CCPC?	266 <input type="checkbox"/>	T2002
Has the corporation revoked any previous election made under subsection 89(11)?	267 <input type="checkbox"/>	T2002
Did the corporation (CCPC or deposit insurance corporation (DIC)) pay eligible dividends, or did its general rate income pool (GRIP) change in the tax year?	268 <input checked="" type="checkbox"/>	53
Did the corporation (other than a CCPC or DIC) pay eligible dividends, or did its low rate income pool (LRIP) change in the tax year?	269 <input type="checkbox"/>	54

Additional information

Did the corporation use the International Financial Reporting Standards (IFRS) when it prepared its financial statements?	270	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>
Is the corporation inactive?	280	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>
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 Electricity distribution	285 100.000 %	
	286	287 %	
	288	289 %	
Did the corporation immigrate to Canada during the tax year?	291	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>
Did the corporation emigrate from Canada during the tax year?	292	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>
Do you want to be considered as a quarterly instalment remitter if you are eligible?	293	1 Yes <input type="checkbox"/>	2 No <input type="checkbox"/>
If the corporation was eligible to remit instalments on a quarterly basis for part of the tax year, provide the date the corporation ceased to be eligible	294		
If the corporation's major business activity is construction, did you have any sub-contractors during the tax year?	295	1 Yes <input type="checkbox"/>	2 No <input type="checkbox"/>

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIF	300	435,291	A
Deduct: Charitable donations from Schedule 2	311		
Gifts to Canada, a province, or a territory from Schedule 2	312		
Cultural gifts from Schedule 2	313		
Ecological gifts from Schedule 2	314		
Gifts of medicine from Schedule 2	315		
Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3	320		
Part VI.1 tax deduction *	325		
Non-capital losses of previous tax years from Schedule 4	331		
Net capital losses of previous tax years from Schedule 4	332		
Restricted farm losses of previous tax years from Schedule 4	333		
Farm losses of previous tax years from Schedule 4	334		
Limited partnership losses of previous tax years from Schedule 4	335		
Taxable capital gains or taxable dividends allocated from a central credit union	340		
Prospector's and grubstaker's shares	350		
Subtotal			B
Subtotal (amount A minus amount B) (if negative, enter "0")		435,291	C
Add: Section 110.5 additions or subparagraph 115(1)(a)(vii) additions	355		D
Taxable Income (amount C plus amount D)	360	435,291	
Income exempt under paragraph 149(1)(t)	370		
Taxable Income for a corporation with exempt income under paragraph 149(1)(t) (line 360 minus line 370)			Z

* This amount is equal to 3.2 times the Part VI.1 tax payable at line 724 on page 8. Use 3.5 for tax years ending after 2011.

Small business deduction**Canadian-controlled private corporations (CCPCs) throughout the tax year**

Income from active business carried on in Canada from Schedule 7	400	435,291	A
Taxable income from line 360 on page 3, minus 100/28* of the amount on line 632** on page 7, minus 3.77358 1/(0.38 - X***) times the amount on line 636**** on page 7, and minus any amount that, because of federal law, is exempt from Part I tax	405		B
Business limit (see notes 1 and 2 below)	410		C

Notes: 1. For CCPCs that are not associated, enter \$500,000 on line 410. However, if the corporation's tax year is less than 51 weeks, prorate this amount by the number of days in the tax 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 on line 410.

Business limit reduction:

Amount C	X	415 *****	D	=		E
			11,250			
Reduced business limit (amount C minus amount E) (if negative, enter "0")					425	0 F

Small business deduction

Amount A, B, C, or F, whichever is the least	x 17% =	430	0 G
--	---------	-----	-----

Enter amount G on line 1 on page 7.

* 10/3 for tax years ending before November 1, 2011. The result of the multiplication by line 632 has to be pro-rated based on the number of days in the tax year that are in each period: before November 1, 2011, and after October 31, 2011.

** Calculate the amount of foreign non-business income tax credit deductible on 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.

*** General rate reduction percentage for the tax year. It has to be pro-rated based on the number of days in the tax year that are in each calendar year. See page 5.

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

******* Large corporations**

- If the corporation is not associated with any corporations in both the current and the previous tax years, the amount to be entered at line 415 is: (Total taxable capital employed in Canada for the **prior year** minus \$10,000,000) x 0.225%.
- If the corporation is not associated with any corporations in the current tax year, but was associated in the previous tax year, the amount to be entered at line 415 is: (Total taxable capital employed in Canada for the **current year** minus \$10,000,000) x 0.225%
- For corporations associated in the current tax year, see Schedule 23 for the special rules that apply.

General tax reduction for Canadian-controlled private corporations

Canadian-controlled private corporations throughout the tax year

Taxable income from line 360 on page 3*		A
Lesser of amounts V and Y from Part 9 of Schedule 27		B
Amount QQ from Part 13 of Schedule 27		C
Personal service business income**	432	D
Amount used to calculate the credit union deduction from Schedule 17		E
Amount from line 400, 405, 410, or 425 on page 4, whichever is the least		F
Aggregate investment income from line 440 on page 6***		G
Total of amounts B to G		H
Amount A minus amount H (if negative, enter "0")		I

Amount I	x	Number of days in the tax year after December 31, 2008 and before January 1, 2010	365	x 9% =	J
Amount I	x	Number of days in the tax year	365		
Amount I	x	Number of days in the tax year after December 31, 2009 and before January 1, 2011	365	x 10% =	K
Amount I	x	Number of days in the tax year	365		
Amount I	x	Number of days in the tax year after December 31, 2010 and before January 1, 2012	365	x 11.5% =	L
Amount I	x	Number of days in the tax year	365		
Amount I	x	Number of days in the tax year after December 31, 2011	365	x 13% =	M
Amount I	x	Number of days in the tax year	365		

General tax reduction for Canadian-controlled private corporations – Total of amounts J to M N

Enter amount N on line 638 of page 7.

* For tax years ending after October 31, 2011, line 360 or amount Z, whichever applies.

** For tax years beginning after October 31, 2011.

*** Except for a corporation that is, throughout the year, a cooperative corporation (within the meaning assigned by subsection 136(2)) or a credit union.

General tax reduction**Do not complete this area if you are a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, mutual fund corporation, or any corporation with taxable income that is not subject to the corporation tax rate of 38%.**

Taxable income from page 3 (line 360 or amount Z, whichever applies)		O
Lesser of amounts V and Y from Part 9 of Schedule 27		P
Amount QQ from Part 13 of Schedule 27		Q
Personal service business income*	434	R
Amount used to calculate the credit union deduction from Schedule 17		S
Total of amounts P to S		T
Amount O minus amount T (if negative, enter "0")		U

Amount U	x	Number of days in the tax year after December 31, 2008 and before January 1, 2010		x 9% =	V
Amount U	x	Number of days in the tax year			
Amount U	x	Number of days in the tax year after December 31, 2009 and before January 1, 2011		x 10% =	W
Amount U	x	Number of days in the tax year			
Amount U	x	Number of days in the tax year after December 31, 2010 and before January 1, 2012		x 11.5% =	X
Amount U	x	Number of days in the tax year			
Amount U	x	Number of days in the tax year after December 31, 2011		x 13% =	Y
Amount U	x	Number of days in the tax year			

General tax reduction – Total of amounts V to Y Z

Enter amount Z on line 639 of page 7.

* For tax years beginning after October 31, 2011.

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

Aggregate investment income

from Schedule 7 440 X 26 2/3 % = **A**Foreign non-business income tax credit from line 632 on page 7 **Deduct:**

Foreign investment income

from Schedule 7 445 X 9 1/3 % = **B**(if negative, enter "0") **C**Amount A minus amount B (if negative, enter "0") Taxable income from line 360 on page 3 435,291**Deduct:**Amount on line 400, 405, 410, or 425 on page 4, whichever is the least Foreign non-business income tax credit from line 632 of page 7 x 25/9* = Foreign business income tax credit from line 636 of page 7 [1/(0.38 - X**)] x 3.77358 = 435,291 X 26 2/3% = 116,078 **D**Part I tax payable minus investment tax credit refund (line 700 minus line 780 from page 8) **Deduct:** Corporate surtax Net amount **E****Refundable portion of Part I tax** – Amount C, D, or E, whichever is the least 450 **F**

* 100/35 for tax years beginning after October 31, 2011.

** General rate reduction percentage for the tax year. It has to be pro-rated.

Refundable dividend tax on handRefundable dividend tax on hand at the end of the previous tax year 460**Deduct:** Dividend refund for the previous tax year 465**Add the total of:**Refundable portion of Part I tax from line 450 above Total Part IV tax payable from Schedule 3 Net refundable dividend tax on hand transferred from a predecessor corporation on amalgamation, or from a wound-up subsidiary corporation 480**Refundable dividend tax on hand at the end of the tax year** - Amount G plus amount H 485 **H****Dividend refund****Private and subject corporations at the time taxable dividends were paid in the tax year**Taxable dividends paid in the tax year from line 460 on page 2 of Schedule 3 250,000 X 1/3 83,333 **I**Refundable dividend tax on hand at the end of the tax year from line 485 above **J****Dividend refund** – Amount I or J, whichever is less (enter this amount on line 784 of page 8) 0

Part I tax**Base amount of Part I tax**

taxable income from page 3 (line 360 or amount Z, whichever applies) multiplied by 38%

550 _____ 0 A

Recapture of investment tax credit from Schedule 31

602 _____ B

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

Aggregate investment income from line 440 on page 6 _____ i

Taxable income from line 360 on page 3 _____ 435,291

Deduct:Amount on line 400, 405, 410, or 425 of page 4,
whichever is the least _____

Net amount _____ 435,291 ▶ _____ 435,291 ii

Refundable tax on CCPC's investment income – 6 2/3% of whichever is less: amount i or ii _____ 604 C

Subtotal (add lines A to C) _____ D

Deduct:

Small business deduction from line 430 on page 4 _____ 1

Federal tax abatement _____ 608

Manufacturing and processing profits deduction from Schedule 27 _____ 616

Investment corporation deduction _____ 620

(taxed capital gains 624 _____)

Additional deduction – credit unions from Schedule 17 _____ 628

Federal foreign non-business income tax credit from Schedule 21 _____ 632

Federal foreign business income tax credit from Schedule 21 _____ 636

General tax reduction for CCPCs from amount N on page 5 _____ 638

General tax reduction from amount Z on page 5 _____ 639

Federal logging tax credit from Schedule 21 _____ 640

Federal qualifying environmental trust tax credit _____ 648

Investment tax credit from Schedule 31 _____ 652

Subtotal _____ E

Part I tax payable – Line D minus line E _____ 0 F

Enter amount F on line 700 of page 8.

Summary of tax and credits**Federal tax**

Part I tax payable from page 7	700
Part II surtax payable from Schedule 46	708
Part III.1 tax payable from Schedule 55	710
Part IV tax payable from Schedule 3	712
Part IV.1 tax payable from Schedule 43	716
Part VI tax payable from Schedule 38	720
Part VI.1 tax payable from Schedule 43	724
Part XIII.1 tax payable from Schedule 92	727
Part XIV tax payable from Schedule 20	728
Total federal tax	0

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 Ontario [for tax years ending before 2009], Quebec, and Alberta) 760
 Provincial tax on large corporations (Nova Scotia Schedule 342) 765

Total tax payable 770 **0** **A**

Deduct other credits:

Investment tax credit refund from Schedule 31	780
Dividend refund from page 6	784
Federal capital gains refund from Schedule 18	788
Federal qualifying environmental trust tax credit refund	792
Canadian film or video production tax credit refund (Form T1131)	796
Film or video production services tax credit refund (Form T1177)	797
Tax withheld at source	800
Total payments on which tax has been withheld <u>801</u>	
Provincial and territorial capital gains refund from Schedule 18	808
Provincial and territorial refundable tax credits from Schedule 5	812
Tax instalments paid	840

Total credits 890 **B**

Refund Code 8941 Overpayment

Balance (line A minus line B) 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.

Generally, we do not charge or refund a difference of \$2 or less.

Balance unpaid

Enclosed payment

898

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

896 1 Yes ☐ 2 No ☒ NA ☐

Certification

I, 950 Eddington 951 Darrell 954 Treasurer
 Last name First name Position, office or rank
 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 tax year is consistent with that of the previous tax year except as specifically disclosed in a statement attached to this return.

955 2012/06/25

Date

Signature of the authorized signing officer of the corporation

956 (519) 842-6428

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

Name

959 () -

Telephone number

Language of correspondence - Langue de correspondance

Indicate your language of correspondence by entering 1 for English or 2 for French.

990

1

Indiquez votre langue de correspondance en inscrivant 1 pour anglais ou 2 pour français.

Canada Revenue
AgencyAgence du revenu
du Canada**NET INCOME (LOSS) FOR INCOME TAX PURPOSES****Schedule 1**

Code 0902

- 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. For more information, see the *T2 Corporation Income Tax Guide*.
- Sections, subsections, and paragraphs referred to on this schedule are from the *Income Tax Act*.

Amount calculated on line 9999 from Schedule 125			A	233,393
Add:				
Provision for income taxes - current	101	85,557		
Amortization of tangible assets	104	596,701		
Total of lines 101 to 199	500	682,258	▶	682,258
Deduct:				
Capital cost allowance from Schedule 8	403	480,360		
Total of lines 401 to 499	510	480,360	▶	480,360
Net income (loss) for income tax purposes - enter on line 300 on page 3 of the T2 return				435,291

Canada Revenue
AgencyAgence du revenu
du Canada**DIVIDENDS RECEIVED, TAXABLE DIVIDENDS PAID,
AND PART IV TAX CALCULATION****Schedule 3**
Code 0401

- This schedule is for the use of any corporation to report:
 - non-taxable dividends under section 83;
 - deductible dividends under subsection 138(6);
 - taxable dividends deductible from income under section 112, subsection 113(2) and paragraphs 113(1)(a), (b) or (d); or
 - taxable dividends paid in the tax year that qualify for a dividend refund.
- The calculations in this schedule apply only to private or subject corporations.
- Parts, sections, subsections, and paragraphs referred to on this schedule are from the federal *Income Tax Act*.
- A recipient corporation is connected with a payer corporation at any time in a tax year, if at that time the recipient corporation:
 - controls the payer corporation, other than because of a right referred to in paragraph 251(5)(b); or
 - owns more than 10% of the issued share capital (with full voting rights), and shares that have a fair market value of more than 10% of the fair market value of all shares of the payer corporation.
- If you need more space, continue on a separate schedule.
- File one completed copy of this schedule with your *T2 Corporation Income Tax Return*.

Part 1 - Dividends received in the tax year

Do not include dividends received from foreign non-affiliates.

			Complete if payer corporation is connected		
A			B	C	D
Name of payer corporation (from which the corporation received the dividend)	Dividends from foreign source?	Dividends subject to Part IV tax?	Enter 1 if payer corporation is connected	Business Number of connected corporation	Tax year-end of the payer corporation in which the sections 112/113 and subsection 138(6) dividends in column F were paid
200			205	210	220
				RC	

Note: If your corporation's tax year-end is different than that of the connected payer corporation, your corporation could have received dividends from more than one tax year of the payer corporation. If so, use a separate line to provide the information for each taxation year of the payer corporation.

		Complete if payer corporation is connected			
E	F	G	H	I	GRIP / LRIP
Non-taxable dividend under section 83	Taxable dividends deductible from tax income under section 112, subsections 113(2) and 138(6), and paragraphs 113(1)(a), (b), or (d)*	Total taxable dividends paid by connected payer corporation (for tax year in column D)	Dividend refund of the connected payer corporation (for tax year in column D)**	Part IV tax before deductions F x 1/3***	Column F deduction type
230	240	250	260	270	Indicate eligible dividends
		0	0	0	

* If taxable dividends are received, enter the amount in column 240, but if the corporation is not subject to Part IV tax (such as a public corporation other than a subject corporation as defined in subsection 186(3)), enter "0" in column 270. Life insurers are not subject to Part IV tax on subsection 138(6) dividends.

** If the connected payer corporation's tax year ends after the corporation's balance-due day for the tax year (two or three months, as applicable), you have to estimate the payer's dividend refund when you calculate the corporation's Part IV tax payable.

*** For dividends received from connected corporations $\text{Part IV tax} = \frac{\text{Column F} \times \text{Column H}}{\text{Column G}}$

Part 2 - Calculation of Part IV tax payable

Part IV tax before deductions (amount J in Part 1)

Deduct:

Part IV tax payable on dividends subject to Part IV tax

320

Subtotal

Deduct:

Current-year non-capital loss claimed to reduce Part IV tax 330

Non-capital losses from previous years claimed to reduce Part IV tax 335

Current-year farm loss claimed to reduce Part IV tax 340

Farm losses from previous years claimed to reduce Part IV tax 345

Total losses applied against Part IV tax

x 1/3 =

DIVIDENDS RECEIVED, TAXABLE DIVIDENDS PAID, AND PART IV TAX CALCULATIONPart IV tax payable (enter amount on line 712 of the T2 return) 360 0**Part 3 - Taxable dividends paid in the tax year for purposes of a dividend refund**

A	B	C	D
Name of connected recipient corporation	Business number	Tax year end of connected recipient corporation in which the dividends in column D were received	Taxable dividends paid to connected corporations
400	410	420	430
	RC		

Note **Total**

If your corporation's tax year-end is different than that of the connected recipient corporation, your corporation could have paid dividends in more than one tax year of the recipient corporation. If so, use a separate line to provide the information for each tax year of the recipient corporation.

Total taxable dividends paid in the tax year to other than connected corporations	450	250,000
Total taxable dividends paid in the tax year for the purposes of a dividend refund (total of column D above plus line 450)	460	250,000

Part 4 - Total dividends paid in the tax year

Complete this part if the total taxable dividends paid in the tax year for purposes of a dividend refund (line 460 above) is different from the total dividends paid in the tax year.

Total dividends paid in the tax year 500**Deduct:**

Dividends paid out of capital dividend account	510
Capital gains dividends	520
Dividends paid on shares described in subsection 129(1.2)	530
Taxable dividends paid to a controlling corporation that was bankrupt at any time in the year	540

Subtotal

Total taxable dividends paid in the tax year that qualify for a dividend refund 0

CAPITAL COST ALLOWANCE

For more information, see the section called "Capital Cost Allowance" in the *T2 Corporation Income Tax Guide*.

Is the corporation electing under regulation 1101(5c)? 101 1 Yes ☐ 2 No ☒

1 Class	2 Undepreciated capital cost at the beginning of the year (undepreciated capital cost at the end of the year from column 13 of last year's CCA schedule)	3 Cost of acquisitions during the year (new property must be available for use) (see note 1 below)	4 Net adjustments (show negative amounts in brackets) (see note 2 below)	5 Proceeds of dispositions during the year (amount not to exceed the capital cost)	6 Undepreciated capital cost (column 2 plus column 3 minus column 4 minus column 5)	7 50% rule (1/2 of the amount, if any, by which the net cost of acquisitions exceeds column 5) (see note 3 below)	8 Reduced undepreciated capital cost (column 6 minus column 7)	9 CCA rate % (see note 4 below)	10 Recapture of capital cost allowance	11 Terminal loss	12 Capital cost allowance (for declining balance method, column 8 multiplied by column 9, or a lower amount) (see note 5 below)	13 Undepreciated capital cost at the end of the year (column 6 minus column 12)
200	201	203	205	207		211		212	213	215	217	220
1	5,537,389				5,537,389		5,537,389	4			221,496	5,315,893
2	2,911,572	648,464			3,560,036	324,232	3,235,804	8			258,864	3,301,172
								NA				
Totals	8,448,961	648,464				324,232	8,773,193				480,360	8,617,065

RELATED AND ASSOCIATED CORPORATIONS**Schedule 9**
Code 1101

- Complete this schedule if the corporation is related to or associated with at least one other corporation.
- For more information, see the *T2 Corporation Income Tax Guide*.

Name	Country of residence (other than Canada)	Business number (see note 1)	Relationship code (see note 2)	Number of common shares you own	% of common shares you own	Number of preferred shares you own	% of preferred shares you own	Book value of capital stock
100	200	300	400	500	550	600	650	700
1 Corporation of the Town of Tillsonburg	12658 7195 RC 00011			1	100.000			6,992,565

Note 1: Enter "NR" if the corporation is not registered or does not have a business number.

Note 2: Enter the code number of the relationship that applies from the following order: 1 - Parent 2 - Subsidiary 3 - Associated 4 - Related but not associated

**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 tax year ending in a calendar year, is required to file an agreement for each tax 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* (ITA) 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 association code that applies to each corporation:

1 - Associated for purposes of allocating the business limit (unless 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 to which code 1 does not apply 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. The business limit 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 by 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 falls within the range for the calendar year to which the agreement applies:

Calendar year	Acceptable range
2006	maximum \$300,000
2007	\$300,001 to \$400,000

Calendar year	Acceptable range
2008	maximum \$400,000
2009	\$400,001 to \$500,000

If the calendar year to which this agreement applies is after 2009, ensure that the total at line A does not exceed \$500,000.

Allocating the business limit

Date filed (do not use this area) **025**

Enter the calendar year to which the agreement applies **050** 2011

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** ☐ 1 Yes ☒ 2 No

1	Names of associated corporations	2	Business Number of associated corporations	3	Association code
100		200		300	
1	Tillsonburg Hydro Inc.	86374 2599 RC 0001		1	
2	Corporation of the Town of Tillsonburg	12658 7195 RC 0001		1	

Allocate business limit using: ☒ % ☐ \$

Taxation year		4 Business limit for the year (before the allocation) \$	Allocating business limit		
Start	End		5 Percentage of the business limit (%)	6 Business limit allocated * \$	7 Gross Part 1.3 tax for business limit reduction
			350	400	
1	2011/01/01	2011/12/31	500,000	100.000	500,000
2	2011/01/01	2011/12/31	500,000		
TOTALS			100.000	A 500,000	

If the taxation year of the corporation filing this form is less than 51 weeks, enter the prorated business limit in this box.

\$ 500,000

AGREEMENT AMONG ASSOCIATED CCPCs TO ALLOCATE THE BUSINESS LIMIT

Business limit reduction under subsection 125(5.1) of the ITA

The business limit reduction is calculated in the small business deduction area of the T2 return. One of the factors used in this calculation is the "Large corporation amount" at line 415 of the T2 return. If the corporation is a member of an associated group** of corporations in the current tax year, 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 tax 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 tax year is less than 51 weeks, prorate the amount in column 6 by the number of days in the tax year divided by 365, and enter the result on line 410 of the T2 return.

Special rules apply if a CCPC has more than one tax year ending in a calendar year and is associated in more than one of those years with another CCPC that has a tax year ending in the same calendar year. If the tax year straddles January 1, 2009, the business limit for the second (or subsequent) tax year(s) will be equal to the lesser of the business limit that would have been determined for the first tax year ending in the calendar year, if \$500,000 was used in allocating the amounts among associated corporations and the business limit determined for the second (or subsequent) tax year(s) ending in the same calendar year. Otherwise, the business limit for the second (or subsequent) tax year(s) will be equal to the lesser of the business limit determined for the first tax year ending in the calendar year and the business limit determined for the second (or subsequent) tax year(s) ending in the same calendar year.

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

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

**SHAREHOLDER INFORMATION****Schedule 50**

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

Name of shareholder (after name, indicate in brackets if the shareholder is a corporation, partnership, individual or trust)		Business Number (If a corporation is not registered, enter "NR") *	Social Insurance Number *	Trust Number (If a trust number is not available, enter "NA") *	Percentage common shares	Percentage preferred shares
100		200	300	350	400	500
1	Corporation of the Town of Tillsonburg	12658 7195 RC 0001			100.000	
		RC				

* For a taxation year commencing before January 1, 2004, if the shareholder is a trust, enter NR at field 200 or NA at field 300. Do not enter a trust number in field 350.

**GENERAL RATE INCOME POOL (GRIP) CALCULATION**

- If you are a Canadian-controlled private corporation (CCPC) or a deposit insurance corporation (DIC), use this schedule to determine the general rate income pool (GRIP).
- When an eligible dividend was paid in the tax year, file a completed copy of this schedule with your *T2 Corporation Income Tax Return*. Do not send your worksheets with your return, but keep them in your records in case we ask to see them later.
- Subsections referred to in this schedule are from the *Income Tax Act*.
- Subsection 89(1) defines the terms eligible dividend, excessive eligible dividend designation, general rate income pool, and low rate income pool.

Part 1 – Calculation of general rate income pool (GRIP)

GRIP at the end of the previous tax year	100	252,030	A
Taxable income for the year (DICs enter "0")*	110	435,291	B
Income for the credit union deduction* (amount E in Part 3 of Schedule 17)	120	0	
Amount on line 400, 405, 410, or 425 of the T2 return, whichever is less*	130	0	
For a CCPC, the lesser of aggregate investment income (line 440 of the T2 return) and taxable income *	140	0	
Subtotal (add lines 120, 130 and 140)		0	C
Income taxable at the general corporate rate (line B minus line C)	150	435,291	
After-tax income (line 150 x general rate factor for the tax year ** 0.70000)	190	304,704	D
Eligible dividends received in the tax year	200	0	
Dividends deductible under section 113 received in the tax year	210	0	
Subtotal (add lines 200 and 210)		0	E
GRIP addition:			
Becoming a CCPC (line PP from Part 4)	220	0	
Post-amalgamation (total of lines EE from Part 3 and lines PP from Part 4)	230	0	
Post-wind-up (total of lines EE from Part 3 and lines PP from Part 4)	240	0	
Subtotal (add lines 220, 230, and 240)		0	F
Subtotal (add lines A, D, E, and F)		556,734	G
Eligible dividends paid in the previous tax year	300	0	
Excessive eligible dividend designations made in the previous tax year	310	0	
Note: If becoming a CCPC (subsection 89(4) applies), enter "0" on lines 300 and 310.			
Subtotal (line 300 minus line 310)		0	H
GRIP before adjustment for specified future tax consequences (line G minus line H) (amount can be negative)	490	556,734	
Total GRIP adjustment for specified future tax consequences to previous tax years (amount W from Part 2)	560	0	
GRIP at the end of the tax year (line 490 minus line 560)	590	556,734	

Enter this amount on line 160 on Schedule 55.

* For lines 110, 120, 130 and 140, the income amount is the amount before considering specified future tax consequences. This phrase is defined in subsection 248(1). It includes the deduction of a loss carryback from subsequent tax years, a reduction of Canadian exploration expenses and Canadian development expenses that were renounced in subsequent tax years (e.g., flow-through share renunciations), reversals of income inclusions where an option is exercised in subsequent tax years, and the effect of certain foreign tax credit adjustments.

** The **general rate factor** for a tax year is the total of 0.68 for any portion of the tax year that falls before 2010, 0.69 for any portion of the tax year that falls in 2010, 0.70 for any portion of the tax year that falls in 2011, and 0.72 for any portion of the tax year that falls after 2011. Calculate the general rate factor in Part 5 on page 5 for tax years that straddle these dates.

GENERAL RATE INCOME POOL (GRIP) CALCULATION**Part 2 – GRIP adjustment for specified future tax consequences to previous tax years**

Complete this part if the corporation's taxable income of any of the previous three tax years took into account the specified future tax consequences defined in subsection 248(1) from the current tax year. Otherwise, enter "0" on line 560 of page 1.

First previous tax year

Taxable income before specified future tax consequences from the current tax year

0 J1

Enter the following amounts before specified future tax consequences from the current tax year:

Income for the credit union deduction (amount E in Part 3 of Schedule 17)

0 K1

Amount on line 400, 405, 410, or 425 of the T2 return, whichever is less

0 L1

Aggregate investment income (line 440 of the T2 return)

0 M1

Subtotal (add lines K1, L1, and M1)

0

0 N1

Subtotal (line J1 minus line N1) (if negative, enter "0")

0

0 O1

Taxable income after specified future tax consequences

0 P1

Enter the following amounts after specified future tax consequences:

Income for the credit union deduction (amount E in Part 3 of Schedule 17)

0 Q1

Amount on line 400, 405, 410, or 425 of the T2 return, whichever is less

0 R1

Aggregate investment income (line 440 of the T2 return)

0 S1

Subtotal (add lines Q1, R1, and S1)

0

0 T1

Subtotal (line P1 minus line T1) (if negative, enter "0")

0

0 U1

Subtotal (line O1 minus line U1) (if negative, enter "0")

0 V1

GRIP adjustment for specified future tax consequences to first previous tax year

(line V1 multiplied by the general rate factor for the tax year 0.69000)

500

0

Second previous tax year

Taxable income before specified future tax consequences from the current tax year

0 J2

Enter the following amounts before specified future tax consequences from the current tax year:

Income for the credit union deduction (amount E in Part 3 of Schedule 17)

0 K2

Amount on line 400, 405, 410, or 425 of the T2 return, whichever is less

0 L2

Aggregate investment income (line 440 of the T2 return)

0 M2

Subtotal (add lines K2, L2, and M2)

0

0 N2

Subtotal (line J2 minus line N2) (if negative, enter "0")

0

0 O2

Taxable income after specified future tax consequences

0 P2

Enter the following amounts after specified future tax consequences:

Income for the credit union deduction (amount E in Part 3 of Schedule 17)

0 Q2

Amount on line 400, 405, 410, or 425 of the T2 return, whichever is less

0 R2

Aggregate investment income (line 440 of the T2 return)

0 S2

Subtotal (add lines Q2, R2, and S2)

0

0 T2

Subtotal (line P2 minus line T2) (if negative, enter "0")

0

0 U2

Subtotal (line O2 minus line U2) (if negative, enter "0")

0 V2

GRIP adjustment for specified future tax consequences to second previous tax year

(line V2 multiplied by the general rate factor for the tax year 0.68000)

520

0

GENERAL RATE INCOME POOL (GRIP) CALCULATION**Part 2 – GRIP adjustment for specified future tax consequences to previous tax years (continued)****Third previous tax year**

Taxable income before specified future tax consequences from the current tax year

0 J3

Enter the following amounts before specified future tax consequences from the current tax year:

Income for the credit union deduction (amount E in Part 3 of Schedule 17)

0 K3

Amount on line 400, 405, 410, or 425 of the T2 return, whichever is less

0 L3

Aggregate investment income (line 440 of the T2 return)

0 M3

Subtotal (add lines K3, L3, and M3)

0

0 N3

Subtotal (line J3 minus line N3) (if negative, enter "0")

0

0 O3

Taxable income after specified future tax consequences

0 P3

Enter the following amounts after specified future tax consequences:

Income for the credit union deduction (amount E in Part 3 of Schedule 17)

0 Q3

Amount on line 400, 405, 410, or 425 of the T2 return, whichever is less

0 R3

Aggregate investment income (line 440 of the T2 return)

0 S3

Subtotal (add lines Q3, R3, and S3)

0

0 T3

Subtotal (line P3 minus line T3) (if negative, enter "0")

0

0 U3

Subtotal (line O3 minus line U3) (if negative, enter "0")

0

0 V3

GRIP adjustment for specified future tax consequences to third previous tax year

(line V3 multiplied by the general rate factor for the tax year 0.68000)

540

0

Total GRIP adjustment for specified future tax consequences to previous tax years:

(add lines 500, 520, and 540) (if negative, enter "0")

0 W

Enter amount W on line 560 on page 1.

Part 3 – Worksheet to calculate the GRIP addition post-amalgamation or post-wind-up**(predecessor or subsidiary was a CCPC or DIC in its last tax year)**

Complete this part when there has been an amalgamation (within the meaning assigned by subsection 87(1)) or a wind-up (to which subsection 88(1) applies) and the predecessor or subsidiary corporation was a CCPC or DIC in its last tax year. In the calculation below, **corporation** means a predecessor or a subsidiary. The last tax year for a predecessor corporation was its tax year that ended immediately before the amalgamation and for a subsidiary corporation was its tax year during which its assets were distributed to the parent on the wind-up.

For a post-wind-up, include the GRIP addition in calculating the parent's GRIP at the end of its tax year that immediately follows the tax year during which it receives the assets of the subsidiary.

Complete a separate worksheet for **each** predecessor and **each** subsidiary that was a CCPC or DIC in its last tax year. Keep a copy of this calculation for your records, in case we ask to see it later.

Corporation's GRIP at the end of its last tax year

0 AA

Eligible dividends paid by the corporation in its last tax year

0 BB

Excessive eligible dividend designations made by the corporation in its last tax year

0 CC

Subtotal (line BB minus line CC)

0

0 DD

GRIP addition post-amalgamation or post-wind-up (predecessor or subsidiary was a CCPC or DIC in its last tax year)

(line AA minus line DD)

0 EE

After you complete this calculation for each predecessor and each subsidiary, calculate the total of all the EE lines. Enter this total amount on:

- line 230 on page 1 for post-amalgamation; or
- line 240 on page 1 for post-wind-up.

GENERAL RATE INCOME POOL (GRIP) CALCULATION**Part 4 – Worksheet to calculate the GRIP addition post-amalgamation, post-wind-up (predecessor or subsidiary was not a CCPC or DIC in its last tax year), or the corporation is becoming a CCPC**

Complete this part when there has been an amalgamation (within the meaning assigned by subsection 87(1)) or a wind-up (to which subsection 88(1) applies) and the predecessor or subsidiary was not a CCPC or DIC in its last tax year. Also, use this part for a corporation becoming a CCPC. In the calculation below, **corporation** means a corporation becoming a CCPC, a predecessor, or a subsidiary.

For a post-wind-up, include the GRIP addition in calculating the parent's GRIP at the end of its tax year that immediately follows the tax year during which it receives the assets of the subsidiary.

Complete a separate worksheet for **each** predecessor and **each** subsidiary that was not a CCPC or a DIC in its last tax year. Keep a copy of this calculation for your records, in case we ask to see it later.

Cost amount to the corporation of all property immediately before the end of its previous/last tax year _____ 0 FF

The corporation's money on hand immediately before the end of its previous/last tax year _____ 0 GG

Unused and unexpired losses at the end of the corporation's previous tax year

Non-capital losses	_____	0	
Net capital losses	_____	0	
Farm losses	_____	0	
Restricted farm losses	_____	0	
Limited partnership losses	_____	0	
Subtotal	_____	0	▶ 0 HH

Subtotal (add lines FF, GG, and HH) _____ 0 II

All the corporation's debts and other obligations to pay that were outstanding immediately before the end of its previous/last tax year _____ 0 JJ

Paid up capital of all the corporation's issued and outstanding shares of capital stock immediately before the end of its previous/last tax year _____ 0 KK

All the corporation's reserves deducted in its previous/last tax year _____ 0 LL

The corporation's capital dividend account immediately before the end of its previous/last tax year _____ 0 MM

The corporation's low rate income pool immediately before the end of its previous/last tax year _____ 0 NN

Subtotal (add lines JJ, KK, LL, MM, and NN) _____ 0 ▶ 0 OO

GRIP addition post-amalgamation or post-wind-up (predecessor or subsidiary was not a CCPC or DIC in its last tax year), or the corporation is becoming a CCPC (line II minus line OO) (if negative, enter "0") _____ 0 PP

After you complete this worksheet for each predecessor and each subsidiary, calculate the total of all the PP lines. Enter this total amount on:

- line 220 on page 1 for a corporation becoming a CCPC;
- line 230 on page 1 for post-amalgamation; or
- line 240 on page 1 for post-wind-up.

GENERAL RATE INCOME POOL (GRIP) CALCULATION

Part 5 – General Rate Factor for the Tax Year

Complete this part to calculate the general rate factor for the tax year. Calculate your results to 4 decimal places.

<u>0.68</u>	x	number of days in the tax year before January 1, 2010	<u>0</u>	=	<u>0.00000</u>	QQ
		number of days in the tax year	365			
<u>0.69</u>	x	number of days in the tax year in 2010	<u>0</u>	=	<u>0.00000</u>	RR
		number of days in the tax year	365			
<u>0.70</u>	x	number of days in the tax year in 2011	<u>365</u>	=	<u>0.70000</u>	SS
		number of days in the tax year	365			
<u>0.72</u>	x	number of days in the tax year after December 31, 2011	<u>0</u>	=	<u>0.00000</u>	TT
		number of days in the tax year	365			

General Rate Factor for the tax year (total of lines QQ to TT) 0.70000 UU

**PART III.1 TAX ON EXCESSIVE ELIGIBLE DIVIDEND DESIGNATIONS**

- Every corporation resident in Canada that pays a taxable dividend (other than a capital gains dividend within the meaning assigned by subsection 130.1(4) or 131(1)) in the tax year must file this schedule.
- Canadian-controlled private corporations (CCPC) and deposit insurance corporations (DIC) must complete Part 1 of this schedule. All other corporations must complete Part 2.
- Every corporation that has paid an eligible dividend must also file Schedule 53, *General Rate Income Pool (GRIP) Calculation*, or Schedule 54, *Low Rate Income Pool (LRIP) Calculation*; whichever is applicable.
- File the completed schedules with your *T2 Corporation Income Tax Return* no later than six months from the end of the tax year.
- All legislative references on this schedule are to the federal *Income Tax Act*.
- Subsection 89(1) defines the terms eligible dividend, excessive eligible dividend designation, general rate income pool (GRIP), and low rate income pool (LRIP).
- The calculations in Part 1 and Part 2 do not apply if the excessive eligible dividend designation arises from the application of paragraph (c) of the definition of excessive eligible dividend designation in subsection 89(1). This paragraph applies when an eligible dividend is paid to artificially maintain or increase the GRIP or to artificially maintain or decrease the LRIP.

Do not use this area**Part 1 - Canadian-controlled private corporations and deposit insurance corporations**

Taxable dividends from Schedule 3	250,000	
Taxable dividends not entered on Schedule 3	0	
Total taxable dividends paid in the tax year	100	250,000
Total eligible dividends paid in the tax year	150	0 A
GRIP at the end of the tax year (line 590 on Schedule 53) (if negative, enter "0")	160	556,734 B
Excessive eligible dividend designation (line 150 minus line 160)		0 C
Deduct:		
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividends*	180	0 D
Subtotal (amount C minus amount D)		0 E
Part III.1 tax on excessive eligible dividend designations - CCPC or DIC (amount E multiplied by 20%)	190	0 F

Enter the amount from line 190 on line 710 of the T2 return.

Part 2 - Other corporations

Taxable dividends from Schedule 3	0	
Taxable dividends not entered on Schedule 3	0	
Total taxable dividends paid in the tax year	200	0
Total excessive eligible dividend designations in the tax year (amount from line A of Schedule 54)		0 G
Deduct:		
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividends*	280	0 H
Subtotal (amount G minus amount H)		0 I
Part III.1 tax on excessive eligible dividend designations - Other corporations (amount I multiplied by 20%)	290	0 J

Enter the amount from line 290 on line 710 of the T2 return.

* You can elect to treat all of part of your excessive eligible dividend designation as a separate taxable dividend in order to eliminate or reduce the Part III.1 tax otherwise payable. You must file the election on or before the day that is 90 days after the day the notice of assessment for Part III.1 tax was sent. We will accept an election before the assessment of the tax. For more information on how to make this election, go to www.cra.gc.ca/eligibledividends.

Canada Revenue
AgencyAgence du revenu
du Canada**BALANCE SHEET INFORMATION****Schedule 100**

Assets	Code	Current year	Prior year
Cash and deposits	1000	1,818,658	2,957,459
Accounts Receivable	1060	2,752,906	2,462,098
Taxes receivable	1066	40,104	
Inventories	1120	425,714	343,563
Prepaid expenses	1484	585,099	1,045,076
Total tangible capital assets	2008	15,368,250	14,719,785
Accumulated amortization of total tangible capital assets	2009	(9,385,732)	(8,789,030)
Due from corporate shareholder(s)	2182	314,253	
Total assets	2599	11,919,252	12,738,951

Liabilities	Code	Current year	Prior year
Bank overdraft	2600		
Amounts payable and accrued liabilities	2620	1,790,923	2,048,676
Taxes payable	2680		65,220
Current portion of long term liability	2920	113,975	103,141
Deposits received	2961	151,782	303,940
Due to related parties	3300		117,637
Total long term liabilities	3450	1,090,323	1,311,481
Total liabilities	3499	3,147,003	3,950,095

Equity	Code	Current year	Prior year
Common shares	3500	6,992,565	6,992,565
Contributed and other surplus	3540	1,190,387	1,190,387
Retained earnings / deficit	3600	589,297	605,904
Total equity	3620	8,772,249	8,788,856
Total liabilities and equity	3640	11,919,252	12,738,951

Retained earnings	Code	Current year	Prior year
Retained earnings/deficit-start	3660	605,904	303,212
Net income / loss *	3680	233,393	452,692
Cash dividends	3701	(250,000)	(150,000)
Total retained earnings	3849	589,297	605,904

* The amount on line 3680 must equal the amount on line 9999 of S125 or S140 without considering line 9998.

Canada Revenue
AgencyAgence du revenu
du Canada

INCOME STATEMENT INFORMATION

Schedule 125

Details

Operating name, if different from the corporations' legal name

0001

Description of operation, if filing multiple Schedules 125

0002

Sequence number

0003

Revenue	Code	Current year	Prior year
Trade sales of goods and services	8000	19,904,415	18,782,108
Total sales of goods and services	8089	19,904,415	18,782,108
Other revenue	8230	19,865	17,791
Total revenue	8299	19,924,280	18,799,899

Cost of sales	Code	Current year	Prior year
Opening inventory	8300		
Purchases / cost of materials	8320	16,738,418	15,397,530
Cost of sales	8518	16,738,418	15,397,530
Gross profit / loss (item 8089 - item 8518)	8519	3,165,997	3,384,578

Operating expenses	Code	Current year	Prior year
Amortization of tangible assets	8670	596,701	653,359
Other expenses	9270	2,270,211	2,212,830
Total operating expenses	9367	2,866,912	2,866,189
Total expenses	9368	19,605,330	18,263,719
Net non-farming income	9369	318,950	536,180

Farming revenue	Code	Current year	Prior year
Grains and oilseeds	9370		
Total farm revenue	9659		

Farming expenses	Code	Current year	Prior year
Crop expenses	9660		
Total farm expenses	9898		
Net farm income	9899		
Net income / loss before taxes and extraordinary items	9970	318,950	536,180

Other comprehensive income

Revaluation surplus	7000		
Defined benefit gains/losses	7002+		+
Foreign operation translation gains/losses	7004+		+
Equity instruments gains/losses	7006+		+
Cash flow hedge effective portion gains/losses	7008+		+
Income tax relating to components of other comprehensive income	7010+		+
Miscellaneous other comprehensive income	7020+		+
Total - Other comprehensive income	=		=

Summary

Complete this section if only one Schedule 125 is filed, Schedule 140 is used to summarize the information from multiple Schedules 125.

Extraordinary items	9975-		-
Legal settlements	9976-		-
Unrealized gains / losses	9980+		+
Unusual items	9985-		-

Current income taxes	9990 -	85,557	-	83,488
Future income tax provision	9995 -		-	
Total - Other comprehensive income	9998 +		+	
Net income / loss after taxes and extraordinary items	9999 =	233,393	=	452,692



NOTES CHECKLIST

- Parts 1, 2, and 3 of this schedule must be completed from the perspective of the person (referred to in these parts as the "accountant") who prepared or reported on the financial statements.
- For more information, see Guide RC4088, General Index of Financial Information (GIFI) and Guide T4012, *T2 Corporation – Income Tax Guide*.
- Complete this schedule and include it with your T2 return along with the other GIFI schedules.

If the person preparing the tax return is not the accountant referred to above, they must still complete Parts 1, 2, 3 and 4 as applicable.

Part 1 – Information on the accountant who prepared or reported on the financial statements

Does the accountant have a professional designation? **095** 1 Yes ☒ 2 No ☐

Is the accountant connected* with the corporation? **097** 1 Yes ☐ 2 No ☒

* A person connected with a corporation can be: (i) a shareholder of the corporation who owns more than 10% of the common shares; (ii) a director, an officer, or an employee of the corporation; or (iii) a person not dealing at arm's length with the corporation.

Note: If the accountant does not have a professional designation or is connected to the corporation, you do not have to complete Parts 2 and 3 of this schedule. However, you do have to complete Part 4, as applicable.

Part 2 – Type of involvement with the financial statements

Choose the option that represents the highest level of involvement of the accountant: **198**

Completed an auditor's report	1	<input checked="" type="checkbox"/>
Completed a review engagement report	2	<input type="checkbox"/>
Conducted a compilation engagement	3	<input type="checkbox"/>

Part 3 – Reservations

If you selected option "1" or "2" under **Type of involvement with the financial statements** above, answer the following question:

Has the accountant expressed a reservation? **099** 1 Yes ☐ 2 No ☒

Part 4 – Other information

If you have a professional designation and are not the accountant associated with the financial statements in Part 1 above, choose one of the following options.

110

Prepared the tax return (financial statements prepared by client)	1	<input type="checkbox"/>
Prepared the tax return and the financial information contained therein (financial statements have not been prepared)	2	<input type="checkbox"/>

Were notes to the financial statements prepared? **101** 1 Yes ☒ 2 No ☐

If **yes**, complete lines 104 to 107 below:

Are subsequent events mentioned in the notes? **104** 1 Yes ☐ 2 No ☒

Is re-evaluation of asset information mentioned in the notes? **105** 1 Yes ☐ 2 No ☒

Is contingent liability information mentioned in the notes? **106** 1 Yes ☒ 2 No ☐

Is information regarding commitments mentioned in the notes? **107** 1 Yes ☒ 2 No ☐

Does the corporation have investments in joint venture(s) or partnership(s)? **108** 1 Yes ☐ 2 No ☒

Part 4 – Other information (continued)**Impairment and fair value changes**

In any of the following assets, was an amount recognized in net income or other comprehensive income (OCI) as a result of an impairment loss in the tax year, a reversal of an impairment loss recognized in a previous tax year, or a change in fair value during the tax year?

200 1 Yes ☐ 2 No ☒

If yes, enter the amount recognized:

In net income
Increase(decrease)In OCI
Increase (decrease)

Property, plant, and equipment

210

211

Intangible assets

215

216

Investment property

220

Biological assets

225

Financial instruments

230

231

Other

235

236

Financial instruments

Did the corporation derecognize any financial instrument(s) during the tax year?

250 1 Yes ☐ 2 No ☒

Did the corporation apply hedge accounting during the tax year?

255 1 Yes ☐ 2 No ☒

Did the corporation discontinue hedge accounting during the tax year?

260 1 Yes ☐ 2 No ☒**Adjustments to opening equity**

Was an amount included in the opening balance of retained earnings or equity, in order to correct an error, to recognize a change in accounting policy, or to adopt a new accounting standard in the current tax year?

265 1 Yes ☐ 2 No ☒

If yes, you have to maintain a separate reconciliation.

TILLSONBURG HYDRO INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011

Tillsonburg Hydro Inc. was incorporated in Ontario on October 26, 2000 to distribute electrical power in accordance with Section 144 of the Electricity Act, 1998.

1. Significant accounting policies

The Corporation's financial statements have been prepared in accordance with Canadian generally accepted accounting principles as amended by principles specifically prescribed by the Ontario Energy board for rate regulated businesses in the "Accounting Procedures Handbook for Electric Distribution Utilities".

In February 2008, the Canadian Accounting Standards Board (AcSB) confirmed that the use of International Financial Reporting Standards (IFRS) for financial statement presentation will be required for year ends beginning on or after January 1, 2011 for publicly accountable enterprises. IFRS will replace Canada's current generally accepted accounting principles for those enterprises which include Tillsonburg Hydro Inc. The Corporation is currently evaluating the impact of the transition to IFRS on its financial statements.

During 2010, the AcSB granted an optional one year deferral for IFRS adoption for entities subject to rate regulation. The Corporation has decided to elect the optional one year deferral of its adoption of IFRS. The Corporation continues to monitor the impact of the transition to IFRS. In April 2012, this deferral has been extended to year ends beginning on or after January 1, 2013.

Basis of accounting

These financial statements have been prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenue as it becomes available and measurable. Expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

Revenue recognition

Service revenue is recorded on the basis of regular meter readings and estimates of customer usage since the last meter reading to the end of the year. Estimated customer usage from the last billing date to the end of the year, is included in revenue.

Accounts receivable

Accounts receivable are shown net of an allowance for doubtful accounts of \$72,551 (2010 - \$46,012).

Inventory

Inventory consists of repair parts, supplies and material held for future capital expansion and maintenance activities and is valued at the lower of cost and replacement value. Cost is determined using weighted averages of direct costs. Due to the nature of the inventory, no overhead costs are allocated.

TILLSONBURG HYDRO INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011

1. Significant accounting policies continued

Capital assets and amortization

Capital assets included property, plant and equipment. These assets are valued at acquisition cost less accumulated amortization. Amortization is provided on the straight line basis using the following rates, which are designed to reflect the approximate economic life of each class of asset:

Substation equipment	25 years
Distribution lines and transformers	25 years
Distribution meters	25 years
Computer hardware	2 years
Computer software	2 years

Deposit in aid of construction

Deposits in aid of construction are required contributions received from outside sources used to finance additions to property, plant and equipment. These deposits are deferred until expended on the intended capital project. Amounts expended are transferred to a contra-asset account and amortized at an equivalent rate to that used for the depreciation of the related property, plant and equipment. Unspent amounts are refunded.

Payment in lieu of corporate income taxes

The company provides for payments in lieu of corporate income taxes using the taxes payable method. Under the taxes payable method, no provisions are made for the future income taxes as a result of temporary differences between the tax basis of assets and liabilities and their carrying amounts for accounting purposes. When unrecorded future income taxes become payable, it is expected that they will be included in the rates approved by the OEB and recovered from the customers of Tillsonburg Hydro Inc.

Regulatory policies

Tillsonburg Hydro Inc. has adopted the following policies, as prescribed by the Ontario Energy Board (OEB) for rate-regulated enterprises. The policies have resulted in accounting treatments differing from Canadian generally accepted accounting principles (GAAP) for enterprises operating on a non-regulated environment:

1. Various regulatory costs have been deferred in accordance with criteria set out in the OEB's Accounting Procedures handbook. In the absence of such regulation, their costs would have been expensed when incurred under Canadian GAAP.
2. The company has deferred certain retail settlement variance amounts under the provisions of Article 490 in the OEB's Accounting Procedures handbook.
3. The company provides for payments in lieu of corporate income taxes relating to its regulated business using the taxes payable method as directed by the OEB.

TILLSONBURG HYDRO INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011

1. Significant accounting policies continued

Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make certain estimates and assumptions that affect reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

2. Rate setting and industry regulation

The Ontario Energy Board Act (1998) (the Act) gave the Ontario Energy Board (OEB) increased powers and responsibilities to regulate the electricity industry on Ontario. These powers and responsibilities include the ability to approve or fix rates for the transmission and distribution of electricity, the ability to provide continued rate protection for rural and remote electricity consumers and the responsibility for ensuring the distribution companies fulfil obligations to connect and service customers.

The Act provides for a competitive market in the sale of electricity in addition to the regulation of the monopoly electricity delivery system in Ontario.

The OEB has regulatory authority over the electricity delivery sector. The Act sets out the Board's powers to issue a distribution license, which must be obtained by any person owning or operating a distribution system under the Act. The Act allows the Board to prescribe license requirements and conditions to electricity distributors, which they include such considerations as specified accounting records, regulatory accounting principles, separation of accounts for separate businesses and filing requirements for rate setting purposes.

With the commencement of the open market, the company purchases electricity from the Independent Electricity System Operator (IESO), at spot market rates and charges its customers unbundled rates. The unbundled rates include the actual cost of generation and transmission of electricity and an approved rate for electricity distribution. The cost of generation, transmission and other charges such as connection and debt retirement are collected by Tillsonburg Hydro Inc. and remitted to the IESO. The company retains the distribution charge on the customer hydro invoices. The OEB has the general power to include or exclude costs, revenues, losses or gains in the rates of a specific period, resulting in a change in the timing of accounting recognition from that which would have applied in an unregulated company. Such change in timing gives rise to the recognition of regulatory assets and liabilities. The company's regulatory assets represent certain amounts receivable from future customers and costs that have been deferred for accounting purposes because it is probable that they will be recovered on future rates. In addition, the company has recorded regulatory liabilities, which will represent amounts for expenses incurred in different periods than would be the case had the company been unregulated. Specific regulatory assets and liabilities are disclosed in note 5.

The Corporation's approved distribution rates include components for the recovery of distribution expenses, regulatory assets and liabilities, payments in lieu of corporate income taxes, and a rate of return on capital assets.

TILLSONBURG HYDRO INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011

3. Financial instruments

The fair value of cash, accounts and income taxes receivable, due from (to) related parties, accounts payable and accrued liabilities and customer deposits is approximately equal to their carrying value given their short-term maturity date.

4. Capital assets

The value of property, plant and equipment as at year end are as follows:

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net 2011</u>	<u>Net 2010</u>
Substation land	\$ 11,520	\$	\$ 11,520	\$ 11,520
Substation equipment	400,152	(336,636)	63,516	64,946
Distribution system	17,430,724	(9,339,166)	8,091,558	7,896,366
Computer hardware	11,532	(11,532)		2,883
Computer software	<u>296,643</u>	<u>(296,643)</u>		<u>74,160</u>
	18,150,571	(9,983,977)	8,166,594	8,049,875
Contributions in aid of construction	<u>(2,782,321)</u>	<u>598,245</u>	<u>(2,184,076)</u>	<u>(2,119,120)</u>
	<u>\$15,368,250</u>	<u>\$ (9,385,732)</u>	<u>\$ 5,982,518</u>	<u>\$ 5,930,755</u>

5. Regulatory assets and liabilities

The following expenses (recoveries) may be considered by the Ontario Energy Board in future rate applications and accordingly have been deferred until such time as direction is provided by the OEB.

	<u>2011</u>	<u>2010</u>
Deferred costs:		
Deferred PILs	\$ (185,281)	\$ (63,358)
Miscellaneous deferrals	(35,380)	(63,604)
Smart meters	<u>1,049,943</u>	<u>991,775</u>
	829,282	864,813
Retail settlement variances	(533,164)	106,691
Recovery of regulatory assets	<u>243,301</u>	<u>(109,234)</u>
Total regulatory (liabilities) assets	<u>\$ 539,419</u>	<u>\$ 862,270</u>

The deferred payment in lieu of taxes represents the accumulated difference in the approved estimate of taxes to be paid and the actual taxes paid to December 31, 2005. The estimate of taxes to be paid was approved by the OEB and was recovered as part of the company's service revenue requirement in the related years. The true up has been recorded as part of deferred payments in lieu of taxes and reduced income. The OEB ruled that the \$185,281 plus 2012 interest of \$723, be disposed on a final basis in the 2012 Distribution Rate Order.

TILLSONBURG HYDRO INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011

5. Regulatory assets and liabilities continued

Starting in 2006, rates included an amount to fund a smart meter conversion program. The amount the Corporation collects in rates is deferred to offset the costs of the conversion program. The project was completed in 2010 and was funded by long term debt as described in note 7. In 2012, the OEB ruled that the existing smart meter funding adder of \$2.17 expires April 30, 2012. Final disposition of this account is anticipated in the Corporation's 2013 cost of service distribution rate application.

The retail service variance accounts represent the difference between the amount charged by the IESO based on the settlement invoice and the amount billed to customers using the OEB approved rates. The disposition of these amounts is expected to be reflected in future rate adjustments.

The balance in the recovery of regulatory assets represents the amount that the OEB has considered final in prior applications and set a rate for recovery.

The Corporation continually assesses the likelihood of recovery of each of its regulatory assets and liabilities into the setting of future rates. If, at some future date, the Corporation judges that it is no longer probable that the OEB will include a regulatory asset or liability in future rates, the appropriate carrying amount will be reflected in results of operations in the period that the assessment is made.

6. Deferred costs and regulatory expenses

The Corporation incurred costs to prepare and file a rate rebasing application. The Ontario Energy Board provided approval to recover \$106,000 of these costs through rates over a four year period commencing in 2009. The amortization of these costs is recorded in regulatory expenses. As at December 31, 2011, the deferred costs related to this application are \$35,344 (2010 - \$61,840).

In 2010, the Corporation had also deferred costs related to adjustments to the retail settlement variances and harmonized tax savings of \$64,066.

7. Long-term debt

The Corporation incurred long-term financing for the smart meter program during the year. The bank loan is repayable over 10 years, and bears interest at 4.53%, and has the option of a 10% prepayment each year. The loan is secured by a general security agreement.

Principal repayments over the next five years are as follows:

2012	\$113,975
2013	\$119,254
2014	\$124,770
2015	\$130,541
2016	\$136,571

TILLSONBURG HYDRO INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011

8. Share capital

The share capital of the Corporation consists of the following:

Authorized

- Unlimited common shares
- Unlimited number of Class A shares - non-voting, non-cumulative redeemable

	<u>2011</u>	<u>2010</u>
Issued		
- 1 voting common share	\$ <u>6,992,565</u>	\$ <u>6,992,565</u>

9. Payments in lieu of income taxes

As a regulated Lines Distribution Corporation, Tillsonburg Hydro Inc. is required to remit payments in lieu of income taxes as follows:

	<u>2011</u>	<u>2010</u>
Income taxes - current	\$ 67,471	\$ 89,489
Income taxes - prior year's adjustment	<u>18,086</u>	<u>(6,001)</u>
	\$ <u>85,557</u>	\$ <u>83,488</u>

Payments in lieu of income taxes are calculated on the net operating revenues, adjusted for timing differences arising on differences between amortization of capital assets for tax purposes. The applicable rates for the year ending December 31, 2011 are 15.5% (2010 - 15.5%) combined federal and provincial rates on the first \$500,000.

10. Net non-utility activities

Ontario Power Authority funded Conservation and Demand Management programs are not regulated by the OEB and therefore, are classified as non-utility activities. Consequently, these net revenues are not recognized for rate-setting purposes.

11. Related party transactions

Banking and accounting activities are administered by the Town of Tillsonburg on behalf of Tillsonburg Hydro Inc. Amounts due from (to) related parties represent the net working capital position between the Town and the Corporation. A Master Service Agreement, which was updated in 2009, governs the financial relationship between the Corporation and the Town of Tillsonburg. These financial statements reflect this Agreement. This Agreement was updated subsequent to year end for the years ending December 31, 2012 and forward.

TILLSONBURG HYDRO INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011

12. Prudential support

Tillsonburg Hydro Inc. has posted a letter of credit with the Independent Electricity System Operator (IESO) in the amount of \$ 956,406 (2010 - \$956,406). The IESO is responsible for ensuring that prudential support is posted by all market participants to satisfy their prudential support and obligation and, therefore, mitigate the impact of an event of default by a market participant on the rest of the market.

Canada Revenue
AgencyAgence du revenu
du Canada**SCHEDULE 546**

Code 0902

CORPORATIONS INFORMATION ACT ANNUAL RETURN FOR ONTARIO CORPORATIONS

- This schedule should be completed by a corporation that is incorporated, continued, or amalgamated in Ontario and subject to the Ontario *Business Corporations Act* (BCA) or Ontario *Corporations Act* (CA), except for registered charities under the federal *Income Tax Act*. This completed schedule serves as a *Corporations Information Act* Annual Return under the Ontario *Corporations Information Act*.
- Complete Parts 1 to 4. Complete Parts 5 to 7 only to report change(s) in the information recorded on the Ontario Ministry of Government Services (MGS) public record.
- This schedule must set out the required information for the corporation as of the date of delivery of this schedule.
- A completed Ontario *Corporations Information Act* Annual Return must be delivered within six months after the end of the corporation's tax year-end. The MGS considers this return to be delivered on the date that it is filed with the Canada Revenue Agency (CRA) together with the corporation's income tax return.
- It is the corporation's responsibility to ensure that the information shown on the MGS public record is accurate and up-to-date. To review the information shown for the corporation on the public record maintained by the MGS, obtain a Corporation Profile Report. Visit www.ServiceOntario.ca for more information.
- This schedule contains non-tax information collected under the authority of the Ontario *Corporations Information Act*. This information will be sent to the MGS for the purposes of recording the information on the public record maintained by the MGS.

Part 1 – Identification

100 Corporation's name (exactly as shown on the MGS public record) Tillsonburg Hydro Inc.		
Jurisdiction incorporated, continued, or amalgamated, whichever is the most recent Ontario	110 Date of incorporation or amalgamation, whichever is the most recent 2000/10/26	120 Ontario Corporation No. 001440488

Part 2 – Head or registered office address (P.O. box not acceptable as stand-alone address)

200 Care of (if applicable)			
210 Street number 200	220 Street name/Rural route/Lot and Concession number Broadway, 2nd Floor	230 Suite number	
240 Additional address information if applicable (line 220 must be completed first)			
250 Municipality (e.g., city, town) Tillsonburg	260 Province ON	270 Country CA	280 Postal code N4G 5A7

Part 3 – Change identifier

Have there been any changes in any of the information most recently filed for the public record maintained by the MGS for the corporation with respect to names, addresses for service, and the date elected/appointed and, if applicable, the date the election/appointment ceased of the directors and five most senior officers, or with respect to the corporation's mailing address or language of preference? To review the information shown for the corporation on the public record maintained by the MGS, obtain a Corporation Profile Report. For more information, visit www.ServiceOntario.ca.

- 300** ☒ If there have been no changes, enter 1 in this box and then go to "Part 4 - Certification."
If there are changes, enter 2 in this box and complete the applicable parts on the next page, and then go to "Part 4 - Certification."

Part 4 – Certification

I certify that all information given in this *Corporations Information Act* Annual Return is true, correct, and complete.

450 Eddington **451** Darrell **454** _____
Last name First name Middle name(s)

- 460** ☒ Please enter one of the following numbers in this box for the above-named person: enter 1 for director, 2 for officer, or 3 for other individual having knowledge of the affairs of the corporation. If you are a director and officer, enter 1 or 2.

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

Complete the applicable parts to report changes in the information recorded on the MGS public record.

Part 5 – Mailing address

500 <input checked="" type="checkbox"/> Please enter one of the following numbers in this box: 1 – Show no mailing address on the MGS public record. 2 – The corporation's mailing address is the same as the head or registered office address in Part 2 of this schedule. 3 – The corporation's complete mailing address is as follows:			
510 Care of (if applicable)			
520 Street number	530 Street name/Rural route/Lot and Concession number		540 Suite number
550 Additional address information if applicable (line 530 must be completed first)			
560 Municipality (e.g., city, town)	570 Province/state	580 Country	590 Postal/zip code

Part 6 – Language of preference

600 <input type="checkbox"/>	Indicate your language preference by entering 1 for English or 2 for French. This is the language of preference recorded on the MGS public record for communication with the corporation. This may be different from line 990 on the T2 return.
-------------------------------------	---

Canada Revenue
AgencyAgence du revenu
du Canada**SCHEDULE 547**

Code 0902

CORPORATIONS INFORMATION ACT ANNUAL RETURN FOR ONTARIO CORPORATIONS**Part 7 – Director/Officer Information**

- **Director:** If the individual named in this part is a director (or must be reported ceased as a director), complete lines 700 to 797.
- **Officer:** If the individual named in this part is one of the corporation's five most senior officers (or must be reported ceased in an officer position(s)), complete lines 700 to 790 and the applicable lines from 801 to 912.
- **Director and officer:** If the individual named in this part is a director and one of the corporation's five most senior officers (or must be reported ceased in these position(s)), complete lines 700 to 797 and the applicable lines from 801 to 912.
- The corporation is required to show information on the MGS public record for all its directors and a maximum of five of its most senior officers. If the MGS public record shows more than five officer positions, report cease dates for all except the corporation's five most senior officer positions.
- To report changes to the name of a director/officer, or changes to both the address and date elected/appointed of a director/officer, enter the director/officer information exactly as shown incorrectly on the public record, with a cease date, and then photocopy and complete only Part 7 with the correct director/officer information.

Please photocopy this page and complete Part 7 only for each additional individual for whom director/officer information changes are being reported.

Full name and address for service (P.O. box not acceptable as stand-alone address). The name entered in lines 700 to 710 must be exactly as shown on the MGS public record.

700 Last name DiGiovanni	705 First name Joe	710 Middle name(s)
720 Street number 7	730 Street name/Rural route/Lot and Concession number Woodside Drive	740 Suite number
750 Additional address information if applicable (line 730 must be completed first)		
760 Municipality (e.g., city, town) Tillsonburg	770 Province/state ON	780 Country CA
		790 Postal/zip code N4G 5P9

Director

Is this director a resident Canadian? **795** 1 Yes ☒ 2 No ☐
(applies to directors of corporations with share capital only)

796	Date elected/appointed 2001/01/01	797	Date ceased, if applicable 2011/06/21
------------	---	------------	---

Officer information

	Date appointed	Date ceased, if applicable
President	801	802
Secretary	806 2010/06/22	807 2011/06/21
Treasurer	811	812
General Manager	816	817
Chair	821	822
Chairperson	826	827
Chairman	831	832
Chairwoman	836	837
Vice-Chair	841	842
Vice-President	846	847
Assistant Secretary	851	852
Assistant Treasurer	856	857
Chief Manager	861	862
Executive Director	866	867
Managing Director	871	872
Chief Executive Officer	876	877
Chief Financial Officer	881	882
Chief Information Officer	886	887
Chief Operating Officer	891	892
Chief Administrative Officer	896	897
Comptroller	901	902
Authorized Signing Officer	906	907
Other (untitled)	911	912

Canada Revenue
AgencyAgence du revenu
du Canada**SCHEDULE 547**

Code 0902

CORPORATIONS INFORMATION ACT ANNUAL RETURN FOR ONTARIO CORPORATIONS**Part 7 – Director/Officer Information**

- **Director:** If the individual named in this part is a director (or must be reported ceased as a director), complete lines 700 to 797.
- **Officer:** If the individual named in this part is one of the corporation's five most senior officers (or must be reported ceased in an officer position(s)), complete lines 700 to 790 and the applicable lines from 801 to 912.
- **Director and officer:** If the individual named in this part is a director and one of the corporation's five most senior officers (or must be reported ceased in these position(s)), complete lines 700 to 797 and the applicable lines from 801 to 912.
- The corporation is required to show information on the MGS public record for all its directors and a maximum of five of its most senior officers. If the MGS public record shows more than five officer positions, report cease dates for all except the corporation's five most senior officer positions.
- To report changes to the name of a director/officer, or changes to both the address and date elected/appointed of a director/officer, enter the director/officer information exactly as shown incorrectly on the public record, with a cease date, and then photocopy and complete only Part 7 with the correct director/officer information.

Please photocopy this page and complete Part 7 only for each additional individual for whom director/officer information changes are being reported.

Full name and address for service (P.O. box not acceptable as stand-alone address). The name entered in lines 700 to 710 must be exactly as shown on the MGS public record.

700 Last name Esseltine	705 First name Phil	710 Middle name(s)
720 Street number 15	730 Street name/Rural route/Lot and Concession number Hyman Street	740 Suite number
750 Additional address information if applicable (line 730 must be completed first)		
760 Municipality (e.g., city, town) Tillsonburg	770 Province/state ON	780 Country CA
		790 Postal/zip code N4G 2C3

Director

Is this director a resident Canadian? **795** 1 Yes ☒ 2 No ☐
(applies to directors of corporations with share capital only)

796	Date elected/appointed 2001/01/01	797	Date ceased, if applicable
------------	---	------------	-----------------------------------

Officer information

	Date appointed	Date ceased, if applicable
President	801	802
Secretary	806	807
Treasurer	811	812
General Manager	816	817
Chair	821 2010/06/22	822
Chairperson	826	827
Chairman	831	832
Chairwoman	836	837
Vice-Chair	841 2001/01/01	842 2010/06/22
Vice-President	846	847
Assistant Secretary	851	852
Assistant Treasurer	856	857
Chief Manager	861	862
Executive Director	866	867
Managing Director	871	872
Chief Executive Officer	876	877
Chief Financial Officer	881	882
Chief Information Officer	886	887
Chief Operating Officer	891	892
Chief Administrative Officer	896	897
Comptroller	901	902
Authorized Signing Officer	906	907
Other (untitled)	911	912

Canada Revenue
AgencyAgence du revenu
du Canada**SCHEDULE 547**

Code 0902

CORPORATIONS INFORMATION ACT ANNUAL RETURN FOR ONTARIO CORPORATIONS**Part 7 – Director/Officer Information**

- **Director:** If the individual named in this part is a director (or must be reported ceased as a director), complete lines 700 to 797.
- **Officer:** If the individual named in this part is one of the corporation's five most senior officers (or must be reported ceased in an officer position(s)), complete lines 700 to 790 and the applicable lines from 801 to 912.
- **Director and officer:** If the individual named in this part is a director and one of the corporation's five most senior officers (or must be reported ceased in these position(s)), complete lines 700 to 797 and the applicable lines from 801 to 912.
- The corporation is required to show information on the MGS public record for all its directors and a maximum of five of its most senior officers. If the MGS public record shows more than five officer positions, report cease dates for all except the corporation's five most senior officer positions.
- To report changes to the name of a director/officer, or changes to both the address and date elected/appointed of a director/officer, enter the director/officer information exactly as shown incorrectly on the public record, with a cease date, and then photocopy and complete only Part 7 with the correct director/officer information.

Please photocopy this page and complete Part 7 only for each additional individual for whom director/officer information changes are being reported.

Full name and address for service (P.O. box not acceptable as stand-alone address). The name entered in lines 700 to 710 must be exactly as shown on the MGS public record.

700 Last name Renaud	705 First name Mark	710 Middle name(s)
720 Street number 3	730 Street name/Rural route/Lot and Concession number Bear Street, Lower	740 Suite number
750 Additional address information if applicable (line 730 must be completed first)		
760 Municipality (e.g., city, town) Tillsonburg	770 Province/state ON	780 Country CA
		790 Postal/zip code N4G 1V2

Director

Is this director a resident Canadian? **795** 1 Yes ☒ 2 No ☐
(applies to directors of corporations with share capital only)

Date elected/appointed
796 2001/01/01

Date ceased, if applicable
797

Officer information

	Date appointed	Date ceased, if applicable
President	801	802
Secretary	806	807
Treasurer	811	812
General Manager	816	817
Chair	821	822
Chairperson	826	827
Chairman	831	832
Chairwoman	836	837
Vice-Chair	841	842
Vice-President	846	847
Assistant Secretary	851	852
Assistant Treasurer	856	857
Chief Manager	861	862
Executive Director	866	867
Managing Director	871	872
Chief Executive Officer	876	877
Chief Financial Officer	881	882
Chief Information Officer	886	887
Chief Operating Officer	891	892
Chief Administrative Officer	896	897
Comptroller	901	902
Authorized Signing Officer	906	907
Other (untitled)	911	912

Canada Revenue
AgencyAgence du revenu
du Canada**SCHEDULE 547**

Code 0902

CORPORATIONS INFORMATION ACT ANNUAL RETURN FOR ONTARIO CORPORATIONS**Part 7 – Director/Officer Information**

- **Director:** If the individual named in this part is a director (or must be reported ceased as a director), complete lines 700 to 797.
- **Officer:** If the individual named in this part is one of the corporation's five most senior officers (or must be reported ceased in an officer position(s)), complete lines 700 to 790 and the applicable lines from 801 to 912.
- **Director and officer:** If the individual named in this part is a director and one of the corporation's five most senior officers (or must be reported ceased in these position(s)), complete lines 700 to 797 and the applicable lines from 801 to 912.
- The corporation is required to show information on the MGS public record for all its directors and a maximum of five of its most senior officers. If the MGS public record shows more than five officer positions, report cease dates for all except the corporation's five most senior officer positions.
- To report changes to the name of a director/officer, or changes to both the address and date elected/appointed of a director/officer, enter the director/officer information exactly as shown incorrectly on the public record, with a cease date, and then photocopy and complete only Part 7 with the correct director/officer information.

Please photocopy this page and complete Part 7 only for each additional individual for whom director/officer information changes are being reported.

Full name and address for service (P.O. box not acceptable as stand-alone address). The name entered in lines 700 to 710 must be exactly as shown on the MGS public record.

700 Last name Lessif	705 First name John	710 Middle name(s)
720 Street number 51	730 Street name/Rural route/Lot and Concession number Bridle Path Lane	740 Suite number
750 Additional address information if applicable (line 730 must be completed first)		
760 Municipality (e.g., city, town) Tillsonburg	770 Province/state ON	780 Country CA
		790 Postal/zip code N4G 5L9

Director

Is this director a resident Canadian? **795** 1 Yes ☒ 2 No ☐
(applies to directors of corporations with share capital only)

796	Date elected/appointed 2007/01/01	797	Date ceased, if applicable
------------	---	------------	-----------------------------------

Officer information

	Date appointed	Date ceased, if applicable
President	801	802
Secretary	806	807
Treasurer	811	812
General Manager	816	817
Chair	821	822
Chairperson	826	827
Chairman	831	832
Chairwoman	836	837
Vice-Chair	841	842
Vice-President	846	847
Assistant Secretary	851	852
Assistant Treasurer	856	857
Chief Manager	861	862
Executive Director	866	867
Managing Director	871	872
Chief Executive Officer	876	877
Chief Financial Officer	881	882
Chief Information Officer	886	887
Chief Operating Officer	891	892
Chief Administrative Officer	896	897
Comptroller	901	902
Authorized Signing Officer	906	907
Other (untitled)	911	912

Canada Revenue
AgencyAgence du revenu
du Canada**SCHEDULE 547**

Code 0902

CORPORATIONS INFORMATION ACT ANNUAL RETURN FOR ONTARIO CORPORATIONS**Part 7 – Director/Officer Information**

- **Director:** If the individual named in this part is a director (or must be reported ceased as a director), complete lines 700 to 797.
- **Officer:** If the individual named in this part is one of the corporation's five most senior officers (or must be reported ceased in an officer position(s)), complete lines 700 to 790 and the applicable lines from 801 to 912.
- **Director and officer:** If the individual named in this part is a director and one of the corporation's five most senior officers (or must be reported ceased in these position(s)), complete lines 700 to 797 and the applicable lines from 801 to 912.
- The corporation is required to show information on the MGS public record for all its directors and a maximum of five of its most senior officers. If the MGS public record shows more than five officer positions, report cease dates for all except the corporation's five most senior officer positions.
- To report changes to the name of a director/officer, or changes to both the address and date elected/appointed of a director/officer, enter the director/officer information exactly as shown incorrectly on the public record, with a cease date, and then photocopy and complete only Part 7 with the correct director/officer information.

Please photocopy this page and complete Part 7 only for each additional individual for whom director/officer information changes are being reported.

Full name and address for service (P.O. box not acceptable as stand-alone address). The name entered in lines 700 to 710 must be exactly as shown on the MGS public record.

700 Last name Sibbick	705 First name Bryce	710 Middle name(s)
720 Street number 17	730 Street name/Rural route/Lot and Concession number Whispering Pine Lane	740 Suite number
750 Additional address information if applicable (line 730 must be completed first)		
760 Municipality (e.g., city, town) Tillsonburg	770 Province/state ON	780 Country CA
		790 Postal/zip code N4G 5V4

Director

Is this director a resident Canadian? **795** 1 Yes ☒ 2 No ☐
(applies to directors of corporations with share capital only)

796	Date elected/appointed 2007/01/01	797	Date ceased, if applicable
------------	---	------------	-----------------------------------

Officer information

		Date appointed	Date ceased, if applicable
President	801		802
Secretary	806		807
Treasurer	811		812
General Manager	816		817
Chair	821		822
Chairperson	826		827
Chairman	831		832
Chairwoman	836		837
Vice-Chair	841	2010/06/22	842
Vice-President	846		847
Assistant Secretary	851		852
Assistant Treasurer	856		857
Chief Manager	861		862
Executive Director	866		867
Managing Director	871		872
Chief Executive Officer	876		877
Chief Financial Officer	881		882
Chief Information Officer	886		887
Chief Operating Officer	891		892
Chief Administrative Officer	896		897
Comptroller	901		902
Authorized Signing Officer	906		907
Other (untitled)	911		912

Canada Revenue
AgencyAgence du revenu
du Canada**SCHEDULE 547**

Code 0902

CORPORATIONS INFORMATION ACT ANNUAL RETURN FOR ONTARIO CORPORATIONS**Part 7 – Director/Officer Information**

- **Director:** If the individual named in this part is a director (or must be reported ceased as a director), complete lines 700 to 797.
- **Officer:** If the individual named in this part is one of the corporation's five most senior officers (or must be reported ceased in an officer position(s)), complete lines 700 to 790 and the applicable lines from 801 to 912.
- **Director and officer:** If the individual named in this part is a director and one of the corporation's five most senior officers (or must be reported ceased in these position(s)), complete lines 700 to 797 and the applicable lines from 801 to 912.
- The corporation is required to show information on the MGS public record for all its directors and a maximum of five of its most senior officers. If the MGS public record shows more than five officer positions, report cease dates for all except the corporation's five most senior officer positions.
- To report changes to the name of a director/officer, or changes to both the address and date elected/appointed of a director/officer, enter the director/officer information exactly as shown incorrectly on the public record, with a cease date, and then photocopy and complete only Part 7 with the correct director/officer information.

Please photocopy this page and complete Part 7 only for each additional individual for whom director/officer information changes are being reported.

Full name and address for service (P.O. box not acceptable as stand-alone address). The name entered in lines 700 to 710 must be exactly as shown on the MGS public record.

700 Last name Lund	705 First name Steve	710 Middle name(s)
720 Street number 22	730 Street name/Rural route/Lot and Concession number Woodland Crescent	740 Suite number
750 Additional address information if applicable (line 730 must be completed first)		
760 Municipality (e.g., city, town) Tillsonburg	770 Province/state ON	780 Country CA
		790 Postal/zip code N4G 1B3

Director

Is this director a resident Canadian? **795** 1 Yes ☐ 2 No ☐
(applies to directors of corporations with share capital only)

796	Date elected/appointed	797	Date ceased, if applicable
------------	-------------------------------	------------	-----------------------------------

Officer information

	Date appointed	Date ceased, if applicable
President	801	802
Secretary	806	807
Treasurer	811	812
General Manager	816 2000/10/26	817
Chair	821	822
Chairperson	826	827
Chairman	831	832
Chairwoman	836	837
Vice-Chair	841	842
Vice-President	846	847
Assistant Secretary	851	852
Assistant Treasurer	856	857
Chief Manager	861	862
Executive Director	866	867
Managing Director	871	872
Chief Executive Officer	876	877
Chief Financial Officer	881	882
Chief Information Officer	886	887
Chief Operating Officer	891	892
Chief Administrative Officer	896	897
Comptroller	901	902
Authorized Signing Officer	906	907
Other (untitled)	911	912

Canada Revenue
AgencyAgence du revenu
du Canada**SCHEDULE 547**

Code 0902

CORPORATIONS INFORMATION ACT ANNUAL RETURN FOR ONTARIO CORPORATIONS**Part 7 – Director/Officer Information**

- **Director:** If the individual named in this part is a director (or must be reported ceased as a director), complete lines 700 to 797.
- **Officer:** If the individual named in this part is one of the corporation's five most senior officers (or must be reported ceased in an officer position(s)), complete lines 700 to 790 and the applicable lines from 801 to 912.
- **Director and officer:** If the individual named in this part is a director and one of the corporation's five most senior officers (or must be reported ceased in these position(s)), complete lines 700 to 797 and the applicable lines from 801 to 912.
- The corporation is required to show information on the MGS public record for all its directors and a maximum of five of its most senior officers. If the MGS public record shows more than five officer positions, report cease dates for all except the corporation's five most senior officer positions.
- To report changes to the name of a director/officer, or changes to both the address and date elected/appointed of a director/officer, enter the director/officer information exactly as shown incorrectly on the public record, with a cease date, and then photocopy and complete only Part 7 with the correct director/officer information.

Please photocopy this page and complete Part 7 only for each additional individual for whom director/officer information changes are being reported.

Full name and address for service (P.O. box not acceptable as stand-alone address). The name entered in lines 700 to 710 must be exactly as shown on the MGS public record.

700 Last name Eddington	705 First name Darrell	710 Middle name(s)
720 Street number 268	730 Street name/Rural route/Lot and Concession number Centre Street	740 Suite number
750 Additional address information if applicable (line 730 must be completed first)		
760 Municipality (e.g., city, town) Ingersol	770 Province/state ON	780 Country CA
		790 Postal/zip code N5C 1X6

Director

Is this director a resident Canadian? **795** 1 Yes ☐ 2 No ☐
(applies to directors of corporations with share capital only)

796	Date elected/appointed	797	Date ceased, if applicable
------------	-------------------------------	------------	-----------------------------------

Officer information

		Date appointed	Date ceased, if applicable
President	801		802
Secretary	806		807
Treasurer	811	2003/01/01	812
General Manager	816		817
Chair	821		822
Chairperson	826		827
Chairman	831		832
Chairwoman	836		837
Vice-Chair	841		842
Vice-President	846		847
Assistant Secretary	851		852
Assistant Treasurer	856		857
Chief Manager	861		862
Executive Director	866		867
Managing Director	871		872
Chief Executive Officer	876		877
Chief Financial Officer	881		882
Chief Information Officer	886		887
Chief Operating Officer	891		892
Chief Administrative Officer	896		897
Comptroller	901		902
Authorized Signing Officer	906		907
Other (untitled)	911		912

Canada Revenue
AgencyAgence du revenu
du Canada**SCHEDULE 547**

Code 0902

CORPORATIONS INFORMATION ACT ANNUAL RETURN FOR ONTARIO CORPORATIONS**Part 7 – Director/Officer Information**

- **Director:** If the individual named in this part is a director (or must be reported ceased as a director), complete lines 700 to 797.
- **Officer:** If the individual named in this part is one of the corporation's five most senior officers (or must be reported ceased in an officer position(s)), complete lines 700 to 790 and the applicable lines from 801 to 912.
- **Director and officer:** If the individual named in this part is a director and one of the corporation's five most senior officers (or must be reported ceased in these position(s)), complete lines 700 to 797 and the applicable lines from 801 to 912.
- The corporation is required to show information on the MGS public record for all its directors and a maximum of five of its most senior officers. If the MGS public record shows more than five officer positions, report cease dates for all except the corporation's five most senior officer positions.
- To report changes to the name of a director/officer, or changes to both the address and date elected/appointed of a director/officer, enter the director/officer information exactly as shown incorrectly on the public record, with a cease date, and then photocopy and complete only Part 7 with the correct director/officer information.

Please photocopy this page and complete Part 7 only for each additional individual for whom director/officer information changes are being reported.

Full name and address for service (P.O. box not acceptable as stand-alone address). The name entered in lines 700 to 710 must be exactly as shown on the MGS public record.

700 Last name Coulter	705 First name Kelley	710 Middle name(s)
720 Street number 16	730 Street name/Rural route/Lot and Concession number Allen Street	740 Suite number
750 Additional address information if applicable (line 730 must be completed first)		
760 Municipality (e.g., city, town) Tillsonburg	770 Province/state ON	780 Country CA
		790 Postal/zip code N4G 1G5

Director

Is this director a resident Canadian? **795** 1 Yes ☒ 2 No ☐
(applies to directors of corporations with share capital only)

796	Date elected/appointed 2010/06/22	797	Date ceased, if applicable
------------	---	------------	-----------------------------------

Officer information

	Date appointed	Date ceased, if applicable
President	801 2010/06/22	802
Secretary	806	807
Treasurer	811	812
General Manager	816	817
Chair	821	822
Chairperson	826	827
Chairman	831	832
Chairwoman	836	837
Vice-Chair	841	842
Vice-President	846	847
Assistant Secretary	851	852
Assistant Treasurer	856	857
Chief Manager	861	862
Executive Director	866	867
Managing Director	871	872
Chief Executive Officer	876	877
Chief Financial Officer	881	882
Chief Information Officer	886	887
Chief Operating Officer	891	892
Chief Administrative Officer	896	897
Comptroller	901	902
Authorized Signing Officer	906	907
Other (untitled)	911	912

Canada Revenue
AgencyAgence du revenu
du Canada**SCHEDULE 547**

Code 0902

CORPORATIONS INFORMATION ACT ANNUAL RETURN FOR ONTARIO CORPORATIONS**Part 7 – Director/Officer Information**

- **Director:** If the individual named in this part is a director (or must be reported ceased as a director), complete lines 700 to 797.
- **Officer:** If the individual named in this part is one of the corporation's five most senior officers (or must be reported ceased in an officer position(s)), complete lines 700 to 790 and the applicable lines from 801 to 912.
- **Director and officer:** If the individual named in this part is a director and one of the corporation's five most senior officers (or must be reported ceased in these position(s)), complete lines 700 to 797 and the applicable lines from 801 to 912.
- The corporation is required to show information on the MGS public record for all its directors and a maximum of five of its most senior officers. If the MGS public record shows more than five officer positions, report cease dates for all except the corporation's five most senior officer positions.
- To report changes to the name of a director/officer, or changes to both the address and date elected/appointed of a director/officer, enter the director/officer information exactly as shown incorrectly on the public record, with a cease date, and then photocopy and complete only Part 7 with the correct director/officer information.

Please photocopy this page and complete Part 7 only for each additional individual for whom director/officer information changes are being reported.

Full name and address for service (P.O. box not acceptable as stand-alone address). The name entered in lines 700 to 710 must be exactly as shown on the MGS public record.

700 Last name Bossy	705 First name Mike	710 Middle name(s)
720 Street number 7	730 Street name/Rural route/Lot and Concession number Bridle Path	740 Suite number
750 Additional address information if applicable (line 730 must be completed first)		
760 Municipality (e.g., city, town) Tillsonburg	770 Province/state ON	780 Country CA
		790 Postal/zip code N4G 5L9

Director

Is this director a resident Canadian? **795** 1 Yes ☒ 2 No ☐
(applies to directors of corporations with share capital only)

796	Date elected/appointed 2010/06/22	797	Date ceased, if applicable
------------	---	------------	-----------------------------------

Officer information

	Date appointed	Date ceased, if applicable
President	801	802
Secretary	806 2011/06/21	807
Treasurer	811	812
General Manager	816	817
Chair	821	822
Chairperson	826	827
Chairman	831	832
Chairwoman	836	837
Vice-Chair	841	842
Vice-President	846	847
Assistant Secretary	851	852
Assistant Treasurer	856	857
Chief Manager	861	862
Executive Director	866	867
Managing Director	871	872
Chief Executive Officer	876	877
Chief Financial Officer	881	882
Chief Information Officer	886	887
Chief Operating Officer	891	892
Chief Administrative Officer	896	897
Comptroller	901	902
Authorized Signing Officer	906	907
Other (untitled)	911	912

Canada Revenue
AgencyAgence du revenu
du Canada**SCHEDULE 547**

Code 0902

CORPORATIONS INFORMATION ACT ANNUAL RETURN FOR ONTARIO CORPORATIONS**Part 7 – Director/Officer Information**

- **Director:** If the individual named in this part is a director (or must be reported ceased as a director), complete lines 700 to 797.
- **Officer:** If the individual named in this part is one of the corporation's five most senior officers (or must be reported ceased in an officer position(s)), complete lines 700 to 790 and the applicable lines from 801 to 912.
- **Director and officer:** If the individual named in this part is a director and one of the corporation's five most senior officers (or must be reported ceased in these position(s)), complete lines 700 to 797 and the applicable lines from 801 to 912.
- The corporation is required to show information on the MGS public record for all its directors and a maximum of five of its most senior officers. If the MGS public record shows more than five officer positions, report cease dates for all except the corporation's five most senior officer positions.
- To report changes to the name of a director/officer, or changes to both the address and date elected/appointed of a director/officer, enter the director/officer information exactly as shown incorrectly on the public record, with a cease date, and then photocopy and complete only Part 7 with the correct director/officer information.

Please photocopy this page and complete Part 7 only for each additional individual for whom director/officer information changes are being reported.

Full name and address for service (P.O. box not acceptable as stand-alone address). The name entered in lines 700 to 710 must be exactly as shown on the MGS public record.

700 Last name Gilvesy	705 First name John	710 Middle name(s)
720 Street number 4842	730 Street name/Rural route/Lot and Concession number Potters 14	740 Suite number
750 Additional address information if applicable (line 730 must be completed first)		
760 Municipality (e.g., city, town) Tillsonburg	770 Province/state ON	780 Country CA
		790 Postal/zip code N4G 4G7

Director

Is this director a resident Canadian? **795** 1 Yes ☒ 2 No ☐
(applies to directors of corporations with share capital only)

796	Date elected/appointed 2011/06/21	797	Date ceased, if applicable
------------	---	------------	-----------------------------------

Officer information

		Date appointed	Date ceased, if applicable
President	801		802
Secretary	806		807
Treasurer	811		812
General Manager	816		817
Chair	821		822
Chairperson	826		827
Chairman	831		832
Chairwoman	836		837
Vice-Chair	841		842
Vice-President	846		847
Assistant Secretary	851		852
Assistant Treasurer	856		857
Chief Manager	861		862
Executive Director	866		867
Managing Director	871		872
Chief Executive Officer	876		877
Chief Financial Officer	881		882
Chief Information Officer	886		887
Chief Operating Officer	891		892
Chief Administrative Officer	896		897
Comptroller	901		902
Authorized Signing Officer	906		907
Other (untitled)	911		912

Canada Revenue
AgencyAgence du revenu
du Canada**SCHEDULE 547**

Code 0902

CORPORATIONS INFORMATION ACT ANNUAL RETURN FOR ONTARIO CORPORATIONS**Part 7 – Director/Officer Information**

- **Director:** If the individual named in this part is a director (or must be reported ceased as a director), complete lines 700 to 797.
- **Officer:** If the individual named in this part is one of the corporation's five most senior officers (or must be reported ceased in an officer position(s)), complete lines 700 to 790 and the applicable lines from 801 to 912.
- **Director and officer:** If the individual named in this part is a director and one of the corporation's five most senior officers (or must be reported ceased in these position(s)), complete lines 700 to 797 and the applicable lines from 801 to 912.
- The corporation is required to show information on the MGS public record for all its directors and a maximum of five of its most senior officers. If the MGS public record shows more than five officer positions, report cease dates for all except the corporation's five most senior officer positions.
- To report changes to the name of a director/officer, or changes to both the address and date elected/appointed of a director/officer, enter the director/officer information exactly as shown incorrectly on the public record, with a cease date, and then photocopy and complete only Part 7 with the correct director/officer information.

Please photocopy this page and complete Part 7 only for each additional individual for whom director/officer information changes are being reported.

Full name and address for service (P.O. box not acceptable as stand-alone address). The name entered in lines 700 to 710 must be exactly as shown on the MGS public record.

700 Last name Getty	705 First name Mel	710 Middle name(s)
720 Street number 14	730 Street name/Rural route/Lot and Concession number Woodside Drive	740 Suite number
750 Additional address information if applicable (line 730 must be completed first)		
760 Municipality (e.g., city, town) Tillsonburg	770 Province/state ON	780 Country CA
		790 Postal/zip code N4G 5P9

Director

Is this director a resident Canadian? **795** 1 Yes ☒ 2 No ☐
(applies to directors of corporations with share capital only)

796	Date elected/appointed 2011/06/21	797	Date ceased, if applicable
------------	---	------------	-----------------------------------

Officer information

	Date appointed	Date ceased, if applicable
President	801	802
Secretary	806	807
Treasurer	811	812
General Manager	816	817
Chair	821	822
Chairperson	826	827
Chairman	831	832
Chairwoman	836	837
Vice-Chair	841	842
Vice-President	846	847
Assistant Secretary	851	852
Assistant Treasurer	856	857
Chief Manager	861	862
Executive Director	866	867
Managing Director	871	872
Chief Executive Officer	876	877
Chief Financial Officer	881	882
Chief Information Officer	886	887
Chief Operating Officer	891	892
Chief Administrative Officer	896	897
Comptroller	901	902
Authorized Signing Officer	906	907
Other (untitled)	911	912