



## **INVESTING IN OUR COMMUNITY**

The CBDC Yarmouth and CBDC Digby (Growth Opportunities) is pleased to announce a new Business Venture: **South West Nova Community Investments Limited**.

The Fund will serve as an investment option for the businesses located in Annapolis, Digby, Yarmouth, and Shelburne Counties in Nova Scotia and has the support of the provincial authorities. This community-focused Fund is being created to assist in stimulating economic growth and enhance prosperity within our community.

The dead-line for investing is **February 27<sup>th</sup>, 2009**; you are encouraged to act NOW!

We encourage all prospective investors and interested parties, to contact Angela Carver for information and or to make an investment. An informational Fact Sheet is enclosed for your review.

If you have any questions, please feel free to call Angela Carver, the Fund's coordinator, at (902) 742-5364.

Once again, thank you for your continued support and commitment in creating a healthy and vibrant community in South West Nova Scotia.

Sincerely yours,

Angela Carver  
Project Officer  
Yarmouth  
(902) 742-5364  
(902) 749-7310 (Cellular)

THIS CEDIF OFFERING IS MADE THROUGH AN OFFERING DOCUMENT, WHICH CAN BE OBTAINED FROM AN AUTHORIZED SALES AGENT OR FINDER, OR FROM MS.ANGELA CARVER – 902-742-5364. INVESTORS SHOULD READ THE OFFERING DOCUMENT BEFORE MAKING AN INVESTMENT DECISION.

# South West Nova Community Investments Limited

## **What is a community Economic Development Investment Fund (CEDIF)?**

Commonly called a CEDIF, it is a local investment fund; it is a pool of capital raised in a community through the sale of shares. The money is then invested in new or existing local businesses.

## **Who approves a CEDIF?**

Any group wishing to start a local investment fund, or CEDIF, must submit a detailed Offering Document to the Nova Scotia Securities Commission. If the Offering meets the terms and conditions of the CEDIF rules and the Securities regulations, a Letter of non-objection is granted. The Nova Scotia Department of Finance will also review for compliance with an Equity Tax Credit Act and issue an Equity Tax Credit Certificate.

## **What is the name of our CEDIF?**

Our CEDIF is called the South West Nova Community Investments Limited (SWNCIL). This fund is selling shares to raise a minimum of \$100,000 and maximum of \$ 500.000.

## **What will the money be used for?**

The total capital raised will be invested in the South West Nova Community Investments Limited. Your investment will help create community prosperity for our community as a whole, by:

- Keeping local financial resources working in the community
- Encouraging growth of existing and new small businesses in our community
- Creating local jobs
- Supporting locally produced goods and services

## **Who will look after my interests as an investor in the investment fund?**

An interim Board of Directors has been put in place to develop the investment fund. Once the offering closes, a meeting of all investors will be held and the investors will elect their official Board of Directors.

## **Who can invest?**

Any resident of Nova Scotia, over the age of 19.

## **How much does it cost to invest in the South West Nova Community Investments Project?**

Shares have been set at \$2500. each

## **Why should I invest? What are the benefits?**

Importantly, you are supporting an important community owned venture ~ and assisting with the growth of small business in our community.

Secondly, there are attractive tax incentives for investors. Each investor is eligible for:

- ✓ A 30% equity tax credit, which is a credit against your provincial income taxes payable this year. If not used in the current year, this 30% tax credit can be carried back three years or forward seven years.
- ✓ Your investment is also RRSP eligible. That means you can purchase a share using your existing RRSP dollars. Our sellers will complete the paperwork for a transfer from your existing RRSP plan to the South West Nova Community Investments Limited RRSP Plan, being administered through the Canadian Worker Co-operative Federation. You will still get the 30% provincial tax credit.

**OR**

You can purchase a share with cash and have it go towards your RRSP contribution for this year. You will get your RRSP credit for the year; just as you would putting the money in any other type of RRSP plan.

#### **Can I use a RRIF to purchase a share?**

A RRIF cannot purchase a CEDIF share. However, a CEDIF share can be transferred to a RRIF from an RRSP when the person transfers their RRSP to a RRIF typically at age 71. Investors should seek the advice of their financial advisor should they fall into the RRIF category, prior to making any purchase decision.

#### **Is there any costs to have my share held as an RRSP in the Co-operative Trust Plan?**

The Canadian Worker Co-operative Federation will be the holder of the RRSP plan specifically designed for this project. Only investors in this project can participate in this plan.

You are required to pay a yearly RRSP administration and management fee of \$60.00 including HST. You will be invoiced in January of each year for this amount.

#### **How long do I have to leave my money in for?**

You are required by provincial rules to leave your investment in for five (5) years.

#### **Can I get my money out after 5 years?**

It will depend on the financial ability of the investment fund to repay your investment. The investment fund's financial position will be directly tied to the financial performance of the South West Nova Community Investments Limited. As an investor, you will receive regular updates on financial performance and you will have an opportunity to attend investor meetings and an annual meeting each year. An annual auditor's report must also be submitted to each investor at the end of each year as well as semi-annual unaudited financial statements.

**Is there any benefit to leaving my money in beyond five years?**

Yes, there is a roll over option. Should you wish to leave your money in for an additional five years, you may be eligible for an additional 20% equity tax credit. Investors should contact their CEDIF in five years to further explore this option.

**What happens if the project is a complete failure?**

You would have already received your tax credits up front, and these tax credits are non-repayable regardless of whether the project is successful or not. If the project fails, the co-operative's assets will be sold, creditors paid, and any remaining funds will be distributed to the investors in proportion to their investment.

**Invest in YOUR Community.....**

Your local CEDIF is an opportunity for you to keep your investment dollars at home, at work, in your community. Through a CEDIF, you are pooling your money with other like-minded citizens, and investing in local businesses and opportunities. By investing in projects like the South West Nova Community Investments Limited you are helping to create a business owned by Nova Scotians ~ a business that will provide an important community service and create new jobs and expertise right here in Nova Scotia.

For further information, please contact:

Angela Carver, Project Officer, CBDC Yarmouth [angela.carver@cbdc.ca](mailto:angela.carver@cbdc.ca) or 902-742-5364.

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