



## The Benefits of Ownership

Becoming a Player/Owner of the proposed Ben Eoin Golf Project promises a number of distinct advantages that cannot be realized through membership in any other similar organization. Listed below are some of the benefits which you may be entitled to by becoming a Player/Owner in this exciting development.

### **Tax Credits and Benefits:**

Share investments in Ben Eoin Golf Holdings Limited may be eligible for both the 30% Nova Scotia Tax Equity Credit as well as for applicable tax benefits if the share is purchased with new RRSP funds. **\*\*See Appendices on next page.**

### **Club Membership Benefits:**

Player/Owners of Ben Eoin Golf will enjoy a variety of benefits including, but not limited to, the following:

- 7-day tee time reservation
- Unlimited golf play
- Club storage
- Charging privileges
- NSGA membership and handicapping
- Locker facilities
- Full use of club facilities
- Priority family membership
- Discounted green fees
- Etc.

### **Annual Credits and Other Benefits:**

Player/Owners will receive an annual credit of \$333.33 for every \$10,000 invested. When the minimum of 3 shares are purchased for \$30,000 a credit of \$1,000 will be used against whichever type of membership is being purchased. This credit is guaranteed to the original owner for a ten- year period and can be deferred for no more than five years upon approval from the Board of Directors. After utilizing the ten-year credit shareholders are guaranteed a credit of 50% of the value of an adult annual membership.

Shares can be transferred to a direct family member (father, child, grandchild) or may be sold according to the regulations set forth by the N.S. Securities Commission. It should be noted that the Golf Club holds the right of first purchase in the case of all share sales.



Ben Eoin Golf will have limited membership with a total of 358 membership units being made available. Of these, a maximum of 133 units will be available to Player/Owners with the remainder divided among annual adult, junior, couple and family memberships.

## Investor's Sample Financing Plan

### Option #1 - Assuming Investment is purchased with RRSP funds

- Borrow \$ 30,000 on July 1, 2006 at an annual interest rate of 6.5 %
- Commence monthly payments of \$ 400 August 2006
- Apply tax refund to loan balance in April 2007
- (average savings \$21,832 based on incomes between \$65,000-\$150,000)
- Continued monthly payments of \$ 400 May 2007 to July 2008 (total number of payments = 24)
- Loan fully repaid when course is scheduled for opening

### Option #2 - Assuming Investment is not purchased with RRSP funds

- Borrow \$ 30,000 on July 1, 2006 at an annual interest rate of 6.5 %
- Commence monthly payments of \$ 500 August 2006
- Apply equity tax credit refund to loan balance in April 2007 - \$ 9,000
- Continued monthly payments of \$ 500 May 2007 to July 2010
- Loan fully repaid in four years

**The examples outlined above may vary due to rate of interest and/or tax refund realized.**

**Please consult your tax advisor or financial consultant for the most appropriate financing plan.**

## Estimated Net Cost of Investment After Tax Savings

|                                   |                 |                 |                 |                 |
|-----------------------------------|-----------------|-----------------|-----------------|-----------------|
| Estimated Annual Taxable Income   | \$ 50,000       | \$ 65,000       | \$ 100,000      | \$ 150,000      |
| RRSP Tax Savings                  | \$ 9,752        | \$ 11,143       | \$ 12,880       | \$ 14,475       |
| Nova Scotia Equity Tax Savings    | \$9,000         | \$9,000         | \$9,000         | \$9,000         |
| <b>Total Tax Savings</b>          | <b>\$18,752</b> | <b>\$20,143</b> | <b>\$21,880</b> | <b>\$23,475</b> |
| <b>Net Cost After Tax Savings</b> | <b>\$11,248</b> | <b>\$9,857</b>  | <b>\$8,120</b>  | <b>\$6,525</b>  |

**The realized actual tax savings and net investment cost could vary based on actual annual taxable income.**



**Potential investors should consult their tax advisor or financial consultant.**

**Assumptions:**

- Calculations are based on 2005 Federal and Nova Scotia Tax Rates
- Investor has \$ 30,000 of RRSP room available
- Investment is \$ 30,000 (3 shares @ \$ 10,000/share)
- Investor will have paid \$ 9,000 of Nova Scotia Income Tax during the four years 2003, 2004, 2005 & 2006