EMPLOYEE SHARE OWNERSHIP PLAN (ESOP*)

*Regulated through the Employee Investment Act (EIA)

**PROGRAM INFORMATION**
- 20% tax credit to eligible employees
- Up to $2,000 in tax credits annually; no lifetime limit
- Investment can be held in an RRSP
- Tax credit is non-refundable
- Share purchase is payroll deductible

**ELIGIBLE EMPLOYEES**
- B.C. residents
- Work 20 or more hours per week
- Not existing major shareholders of the company

**ELIGIBLE COMPANIES**
- Canadian companies that pay at least 25% of wages to B.C. residents
- Together with affiliates, have less than $500 million in total assets

**ESOP SHARES**
- Equity shares issued from treasury
- Must be held for three years
- No guarantee of return on investment

**WHY ESOP**
- Succession planning
- Employee recruitment and retention
- Employee engagement
- Financing growth