

VentureLink
INNOVATION FUND INC.



Tax Savings with VentureLink

Note: These are estimates only based on 2010 tax rates. Tax advice should be obtained from qualified advisor. Provincial tax credit of 10% is available on up to \$7,500 of subscriptions. Federal credit of 15% is available on subscriptions of up to \$5,000.

2010 LSIF Ontario Tax Savings Chart – Estimated After-Tax Cost of \$7,500 Investment in VentureLink Funds								
Your Taxable Income Level ¹ :	Under \$37,106	\$37,107 to \$40,970	\$40,971 to \$63,344	\$65,345 to \$74,214	\$74,215 to \$76,986	\$76,987 to \$81,941	\$81,942 to \$127,021	\$127,022 and Over
Marginal Tax Rate (based on combined Federal and Provincial Personal Income Tax Rates) ⁴	20.05%	24.15%	31.15%	32.98%	35.39%	39.41%	43.41%	46.41%
Invest in the VentureLink Funds (through RRSP) ²	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500
Federal Tax Credit ³	\$750	\$750	\$750	\$750	\$750	\$750	\$750	\$750
Ontario Tax Credit ³	\$750	\$750	\$750	\$750	\$750	\$750	\$750	\$750
RRSP Tax Savings (based on combined Federal and Provincial Personal Income Tax Rates) ⁴	\$1,504	\$1,811	\$2,336	\$2,474	\$2,654	\$2,956	\$3,256	\$3,481
2010 Total Tax Savings	\$3,004	\$3,311	\$3,836	\$3,974	\$4,154	\$4,456	\$4,756	\$4,981
2011 Total Tax Credits ⁵	\$375	\$375	\$375	\$375	\$375	\$375	\$375	\$375
Total Tax Savings	\$3,379	\$3,686	\$4,211	\$4,349	\$4,529	\$4,831	\$5,131	\$5,356
Net 'Out of Pocket' Cost on \$7,500 Investment	\$4,121	\$3,814	\$3,289	\$3,151	\$2,971	\$2,669	\$2,369	\$2,144

2010 LSIF Ontario Tax Savings Chart – Estimated After-Tax Cost of \$5,000 Investment in VentureLink Funds								
Your Taxable Income Level ¹ :	Under \$37,106	\$37,107 to \$40,970	\$40,971 to \$63,344	\$65,345 to \$74,214	\$74,215 to \$76,986	\$76,987 to \$81,941	\$81,942 to \$127,021	\$127,022 and Over
Marginal Tax Rate (based on combined Federal and Provincial Personal Income Tax Rates) ⁴	20.05%	24.15%	31.15%	32.98%	35.39%	39.41%	43.41%	46.41%
Invest in the VentureLink Funds (through RRSP) ²	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Federal Tax Credit ³	\$750	\$750	\$750	\$750	\$750	\$750	\$750	\$750
Ontario Tax Credit ³	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500
RRSP Tax Savings (based on combined Federal and Provincial Personal Income Tax Rates) ⁴	\$1,003	\$1,208	\$1,558	\$1,649	\$1,770	\$1,971	\$2,171	\$2,321
Total Tax Savings	\$2,253	\$2,458	\$2,808	\$2,899	\$3,020	\$3,221	\$3,421	\$3,571
Net 'Out of Pocket' Cost on \$5,000 Investment	\$2,747	\$2,542	\$2,192	\$2,101	\$1,980	\$1,779	\$1,579	\$1,429

¹ Taxable income is gross income less income deductions allowed by federal and Ontario law in Ontario.

² The RRSP contribution assumes that the investor is within his or her 2010 contribution limit. RRSP contributions for 2010 must be made on or before the RRSP contribution cut-off date of March 1, 2011. RRSP tax savings are not unique to LSIFs.

³ The federal and Ontario tax credits are generally available where the investor has tax otherwise payable against which to offset the tax credits. The federal and Ontario tax credits may be required to be repaid if the Class A Shares are redeemed within eight years.

⁴ The example assumes the investor is an eligible investor resident in Ontario. The income tax rates and taxable income levels are based on federal and Ontario income tax legislation in existence as at May 30, 2010 and may be subject to change, and are the marginal rates for investment income other than capital gains and dividends for individual residents living in Ontario. The chart does not take into account any taxes that may be payable if shares are redeemed or when the funds are withdrawn from an RRSP.

⁵ Must invest in the first 60 days.

ABOUT VENTURELINK

VL Advisors Inc. manages VentureLink Innovation Fund Inc. The Fund's objective is to realize long-term capital appreciation by making debt and equity investments in a diversified portfolio of securities in eligible Canadian businesses and by investing in reserves, including debt instruments whose returns are linked to the performance of the TSX or sub-indices of the TSX, instruments whose returns are linked to the performance of other investment vehicles approved by the board of directors and investment grade rated bonds.

VentureLink Innovation Fund Inc. was formed under the Canadian Business Corporation Act by articles of amalgamation dated September 10, 2010 amalgamating VentureLink Brighter Future Fund Inc., VentureLink Balanced Fund Inc., VentureLink Diversified Income Fund Inc., and VentureLink Financial Services Innovation Fund Inc. VentureLink Innovation Fund Inc. provides a 15% Federal Tax Credit on a purchase of up to \$5,000 per annum and a 5% Provincial Tax Credit on a purchase of up to \$7,500 per annum to investors in Ontario. Important information is contained in the prospectus, please read it before investing. Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated. VentureLink, VentureLink Funds and VentureLink Innovation Fund are trademarks of VentureLink LP. 12/10



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