

2010 Income Tax Rates and Information BC Personal Rates

| <i>Bracket</i> | <i>Salary/Interest</i> | <i>Ineligible Dividends</i> | <i>Eligible Dividends</i> | <i>Capital Gains</i> |
|------------------|------------------------|-----------------------------|---------------------------|----------------------|
| \$0 – \$10,382 | 0.0% | 0.0% | 0.0% | 0.0% |
| 10,383 – 35,859 | 20.1% | 3.2% | 0.0% | 10.0% |
| 35,860 – 40,969 | 22.7% | 6.5% | 0.0% | 11.4% |
| 40,970 – 71,719 | 29.7% | 15.2% | 1.3% | 14.9% |
| 71,720 – 81,940 | 32.5% | 18.7% | 5.3% | 16.3% |
| 81,941 – 82,342 | 36.5% | 23.7% | 11.1% | 18.3% |
| 82,343 – 99,987 | 38.3% | 26.0% | 13.7% | 19.2% |
| 99,988 – 127,021 | 40.7% | 29.0% | 17.1% | 20.4% |
| Over \$127,022 | 43.7% | 32.7% | 21.5% | 21.9% |

BC Corporate Rates (December 31, 2009 Year Ends)

| <i>Type of Income</i> | <i>Rate</i> | <i>Details</i> |
|--------------------------|---------------|--|
| General | 28.50% | No SBD*, No Manufacturing |
| Manufacturing | 28.50% | Not relevant for companies that claim SBD* |
| SBD* up to \$500,000 | 13.50% | Dec.31, 2009 and subsequent year ends. |
| CCPC** Investment income | 45.17% | Refundable portion is 25.5% |
| Dividend income | 33.33% | Part IV - refundable |
| Dividend refund | $\frac{1}{3}$ | \$1 for every \$3 in dividends |

* The Small Business Deduction (SBD) is \$500,000 - ** Canadian Controlled Private Corporation (CCPC)
The above tax rates vary depending on the fiscal year end of the corporation
The General and Manufacturing tax rates are forecast to reduce to 25% by 2012

Canada Pension Plan and Employment Insurance Rates

| | CPP Max. | Exemption | Rate | Amount | EI Max. | Rate | Amount |
|------|-----------------|------------------|-------------|---------------|----------------|-------------|---------------|
| 2010 | \$47,200 | \$3,500 | 4.95% | \$2,163.15 | \$43,200 | 1.73% | \$747.36 |
| 2009 | \$46,300 | \$3,500 | 4.95% | \$2,118.00 | \$42,300 | 1.73% | \$732.00 |

*For more information please contact Harvey, Lister & Webb Incorporated, 502 Ellis Street, Penticton, BC V2A 4M3
Telephone: 250.492.8821 Fax: 250.492.8288 Email: info@harveylisterwebb.com*