Qwest
INVESTMENT MANAGEMENT

Introduction to Using CEE Flow-Through Tax Savings To Fund Your RESP Contributions

Simply stated, here is how it can work over a ten-year time period...

1) An investor **makes ten consecutive annual investments of $10,000** in a Canadian Exploration Expenses ("CEE") flow-through limited partnership;
2) The investor then **invests the annual CEE flow-through tax savings** into a Registered Education Savings Plan (RESP);
3) The investor also **invests the annual Canada Education Savings Grant** (CESG) into the RESP account.

Based On An Annual $10,000 CEE Flow-Through Investment For 10 Years And Reinvesting The Tax Savings Into An RESP

CEE Flow-Through Investment(1)	CEE Flow-Through Tax Savings(2)	RESP Contributions	20% Annual CESG Grant(3)	RESP Value(4)
$ 10,000	$4,500	$ 4,500	$ 900	$5,400
10,000	4,500	4,500	900	5,400
10,000	4,500	4,500	900	5,400
10,000	4,500	4,500	900	5,400
10,000	4,500	4,500	900	5,400
10,000	4,500	4,500	900	5,400
10,000	4,500	4,500	900	5,400
10,000	4,500	4,500	900	5,400
10,000	4,500	4,500	900	5,400
10,000	4,500	4,500	900	5,400
		$45,000	$9,000	$54,000

(1) Based on a $10,000 CEE low-through limited partnership investment every year for 10 years.

(2) Based on a marginal tax rate of 45%.

(3) Contribution from the Canada Education Savings Grant (CESG= 20% of annual RESP contribution to a maximum of $1,000 per year for two children).

(4) Assumes no return on investment in the RESP account.

CONCLUSION

After the ten-year time period, the investor will have an RESP Value of $54,000!

(based on the assumptions noted above)