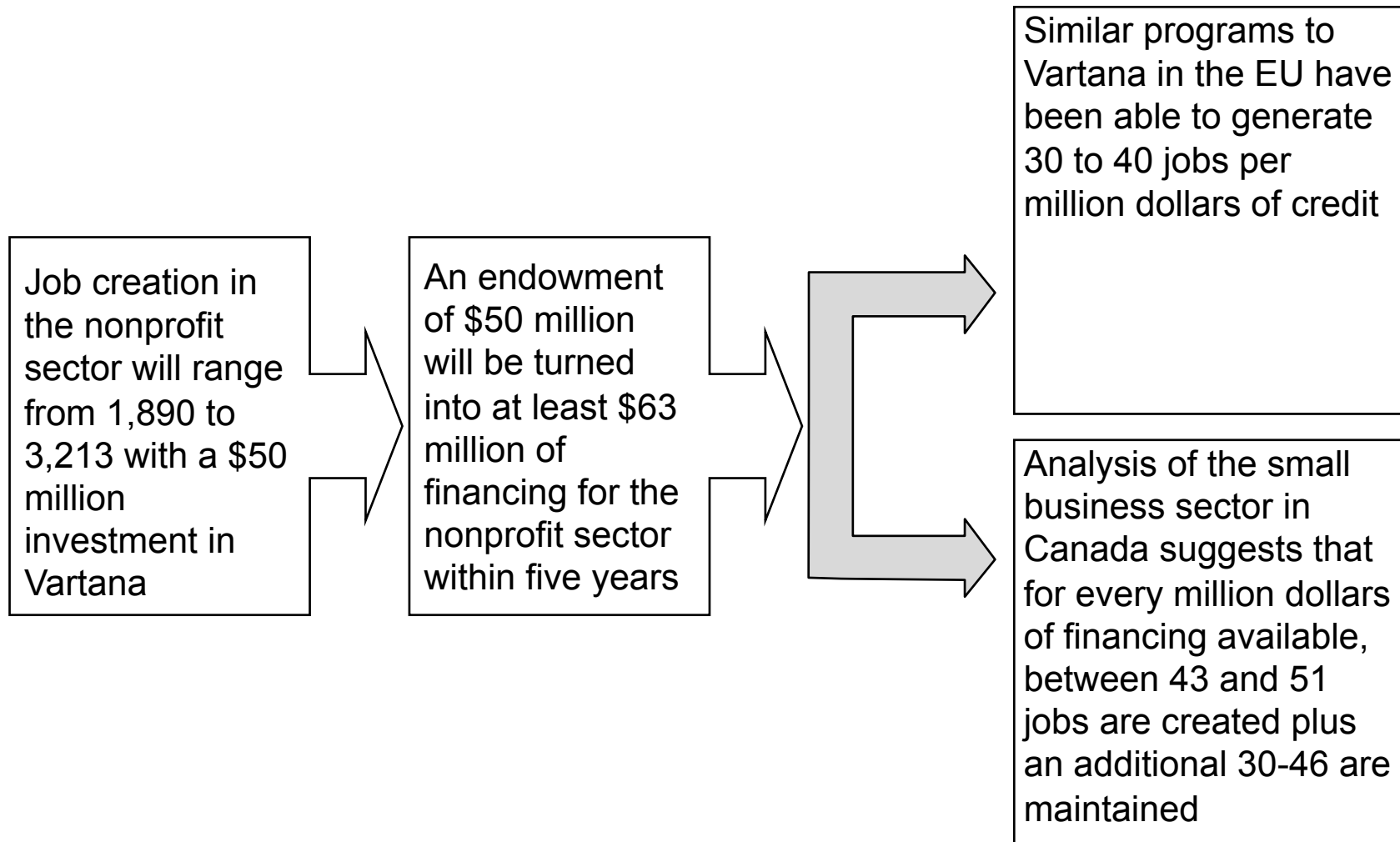
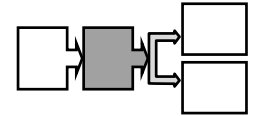


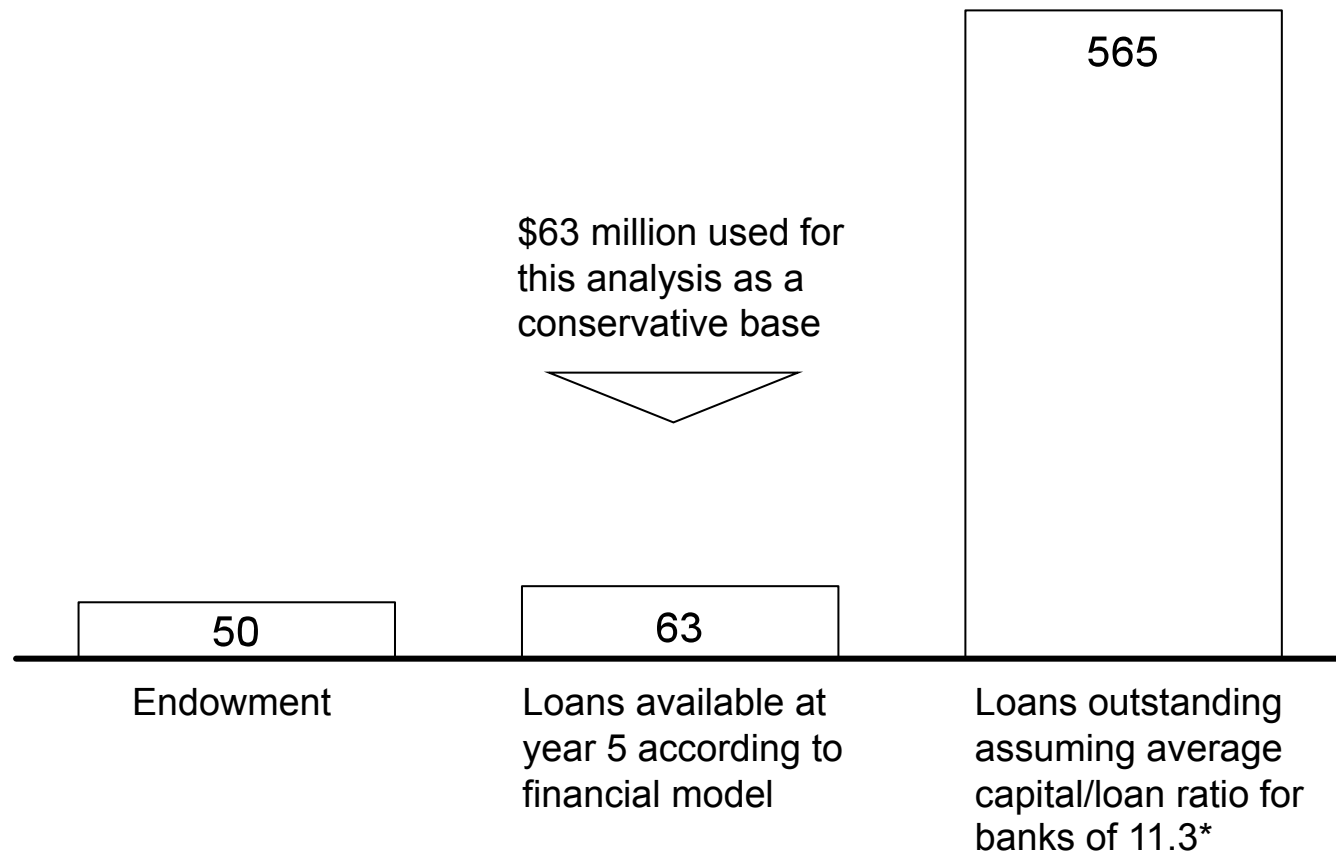
A \$50 MILLION DOLLAR INVESTMENT IN VARTANA HAS THE POTENTIAL TO CREATE 1,890-3,213 JOBS IN THE NONPROFIT CENTER WITHIN FIVE YEARS WITH AN ADDITIONAL 1,890-2,898 MAINTAINED



INVESTING \$50 MILLION IN VARTANA WILL ENABLE THE NONPROFIT SECTOR TO HAVE ACCESS TO AT LEAST \$63 MILLION IN FINANCING BY YEAR 5 AND AS HIGH AS \$565 MILLION AS THE BANK GETS TO A STEADY STATE

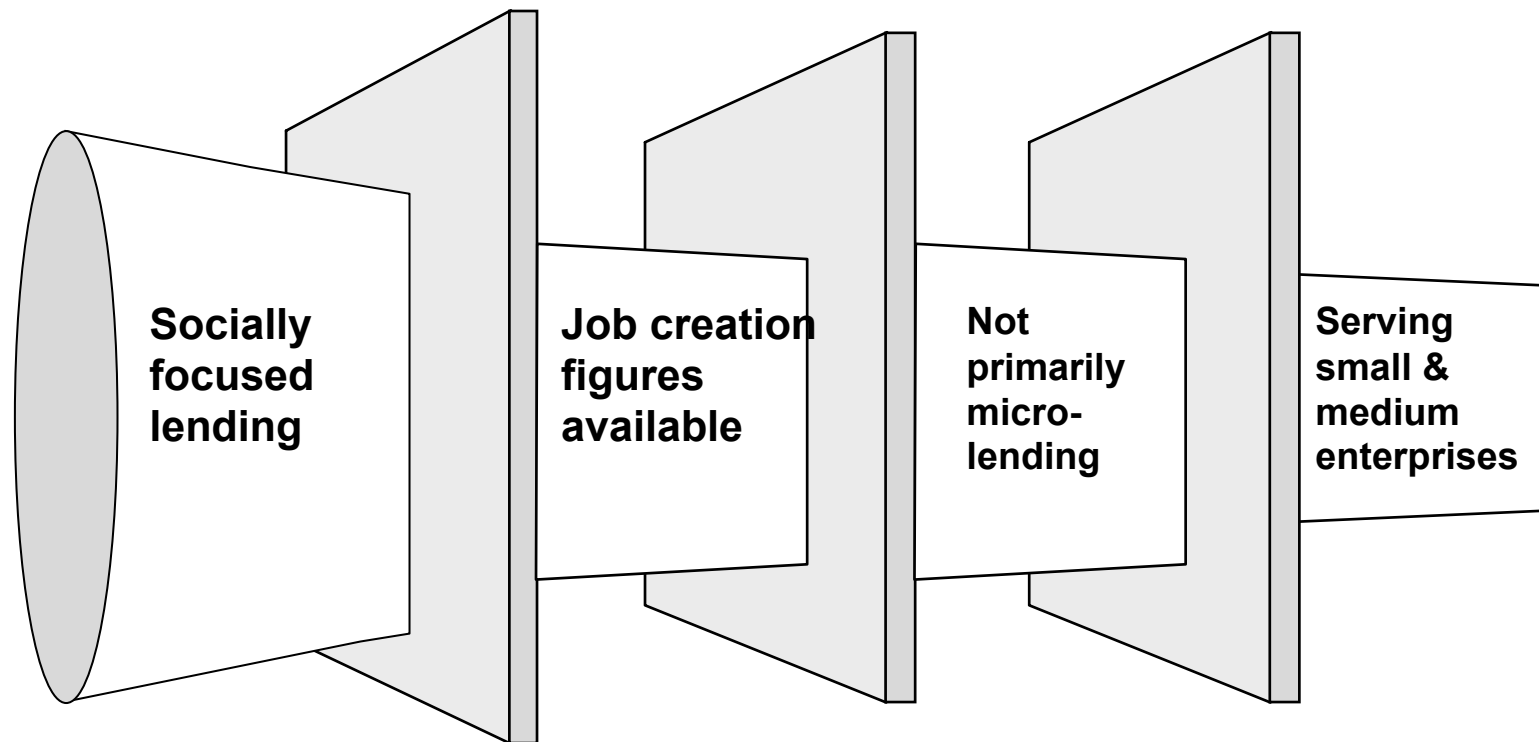
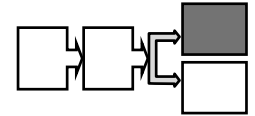


Millions of dollars

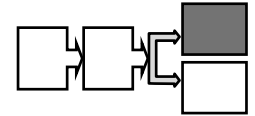


*Ratio includes mortgage and non-mortgage loans divided by shareholders equity

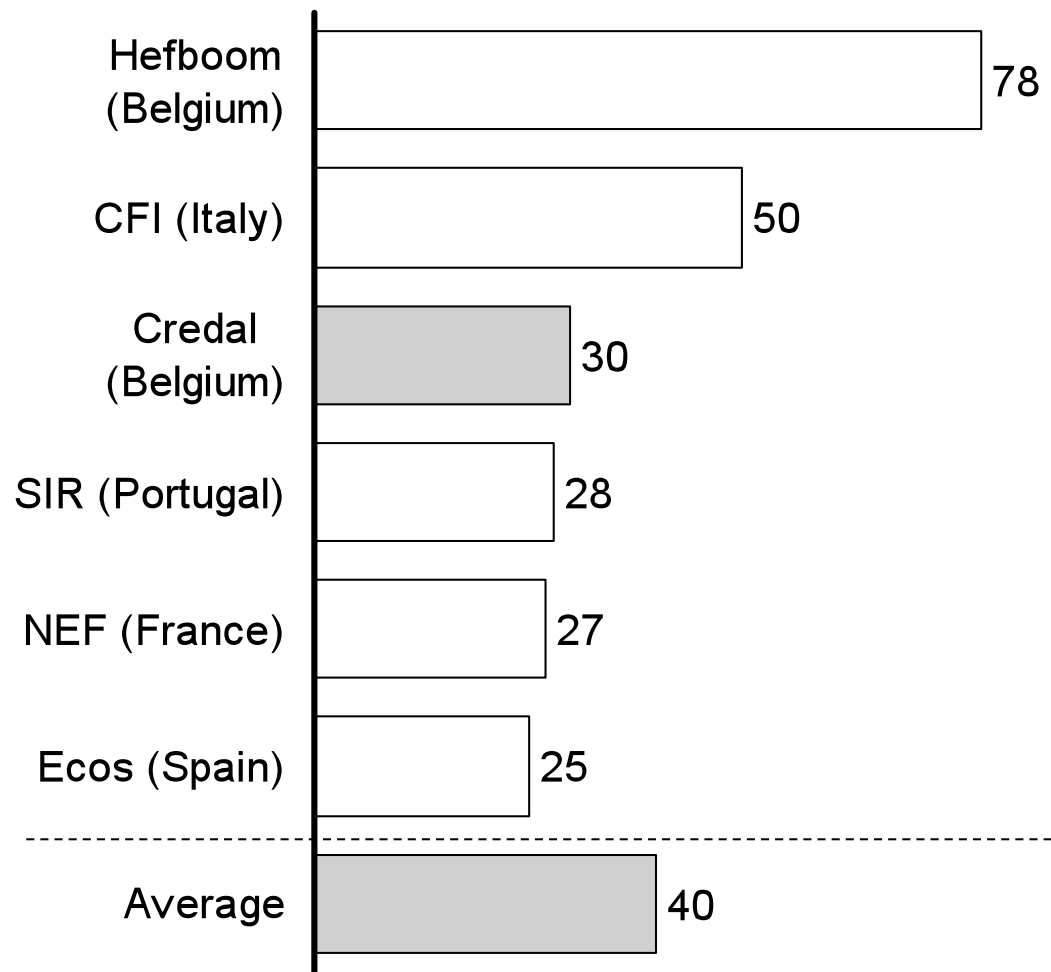
SIMILAR PROGRAMS THAT LEND TO THE NONPROFIT SECTOR WERE SELECTED BASED ON THE FOLLOWING CRITERIA



JOB CREATION RATES VARY FROM 25 TO 78 PER MILLION DOLLARS INVESTED WITH 30-40 BEING THE MOST LIKELY RANGE



Jobs per million dollars of credit*

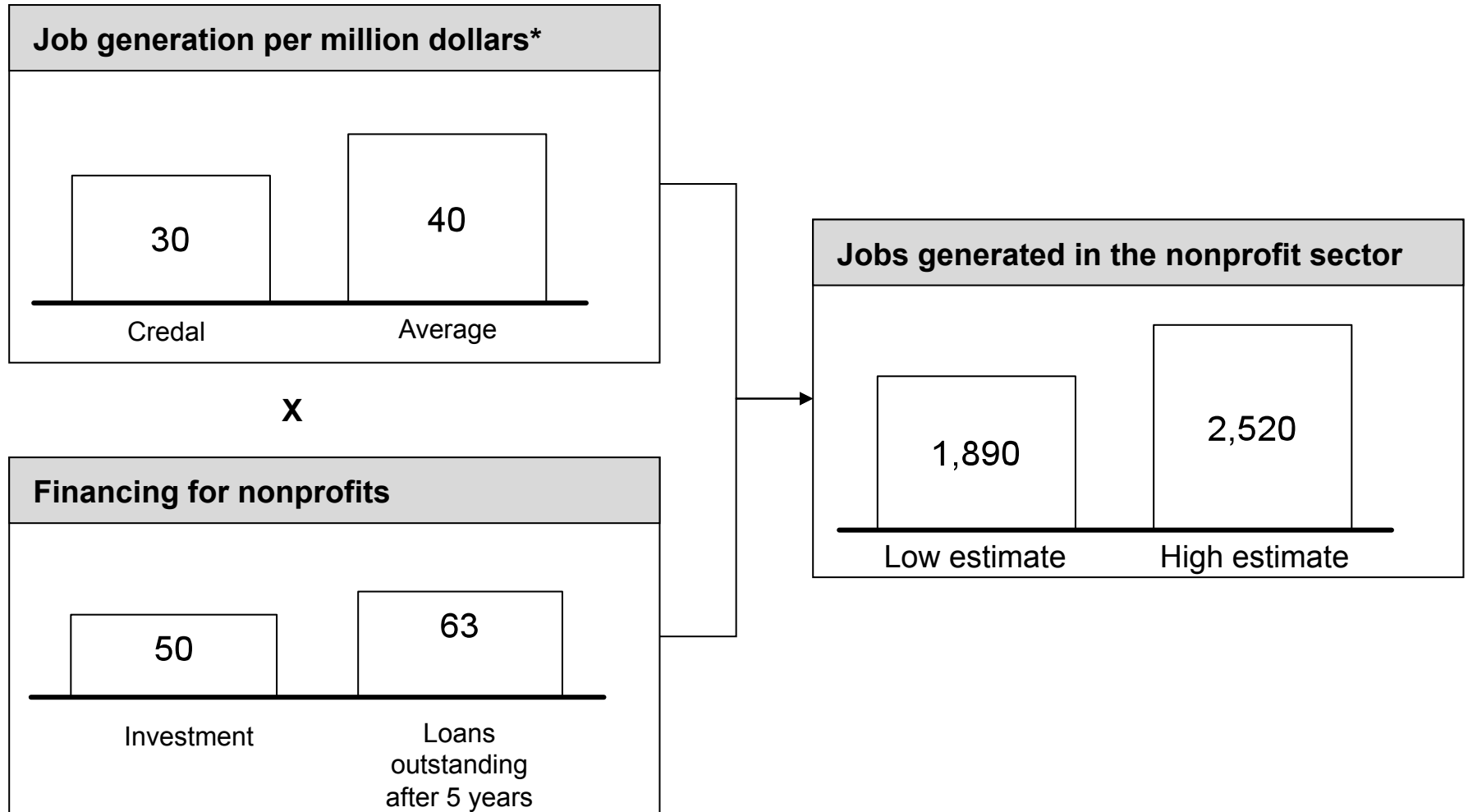
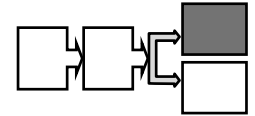


- The average of these organizations is 40 jobs per million dollars of credit
- Credal, in Belgium, is the organization most similar to Vartana and has been able to generate 30 jobs per million dollars financed

*Converted to Canadian dollars from Euros using an exchange rate of 1.6

Source: INAISE: Financial Instruments of the Social Economy in Europe and their Impact on Job Creation - 1997

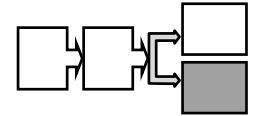
USING JOB CREATION IN THE EUROPEAN CONTEXT AS A PROXY, A \$50 MILLION INVESTMENT CAN GENERATE 1,890 TO 2,520 JOBS WITHIN FIVE YEARS IN CANADA



*Conservatively assumed to be half of that generated in the small and medium business sector

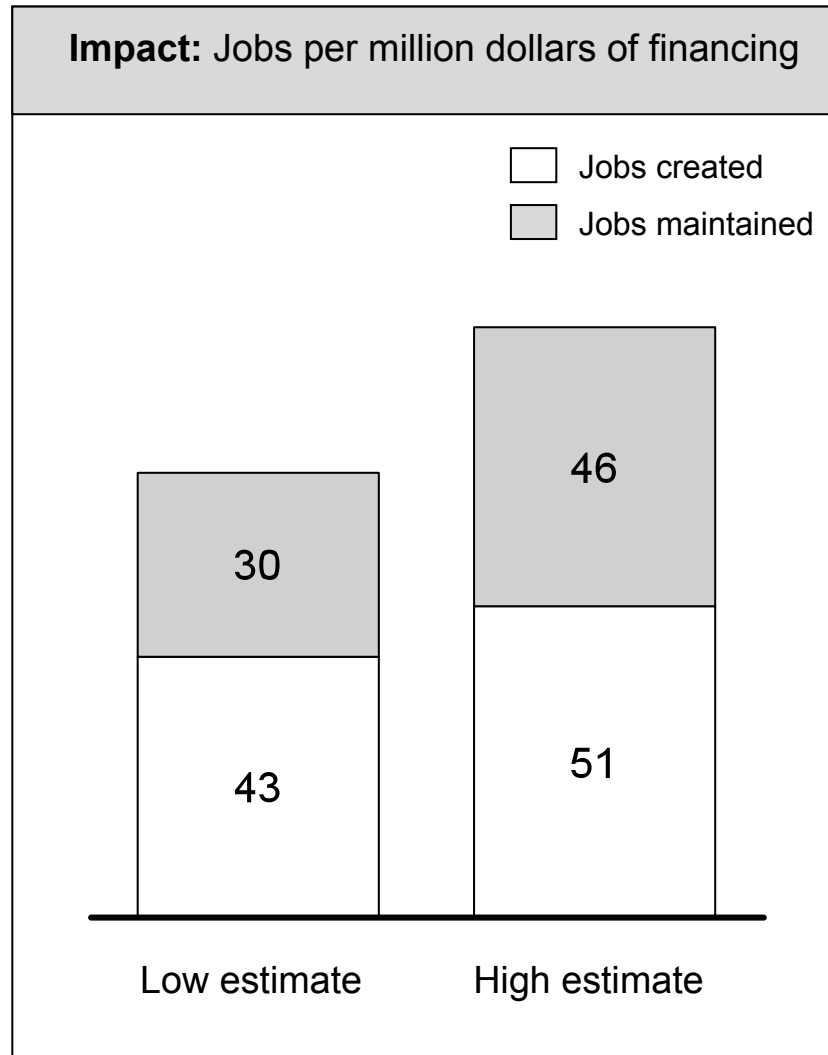
Source: Vartana analysis

A PROGRAM BY THE FEDERAL GOVERNMENT FOCUSED ON SMALL BUSINESS FINANCING WAS ABLE TO GENERATE BETWEEN 43 AND 96 JOBS PER MILLION DOLLARS

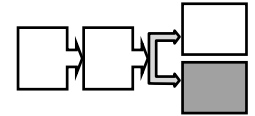


Program: CSBFA – Canadian Small Businesses Financing Act

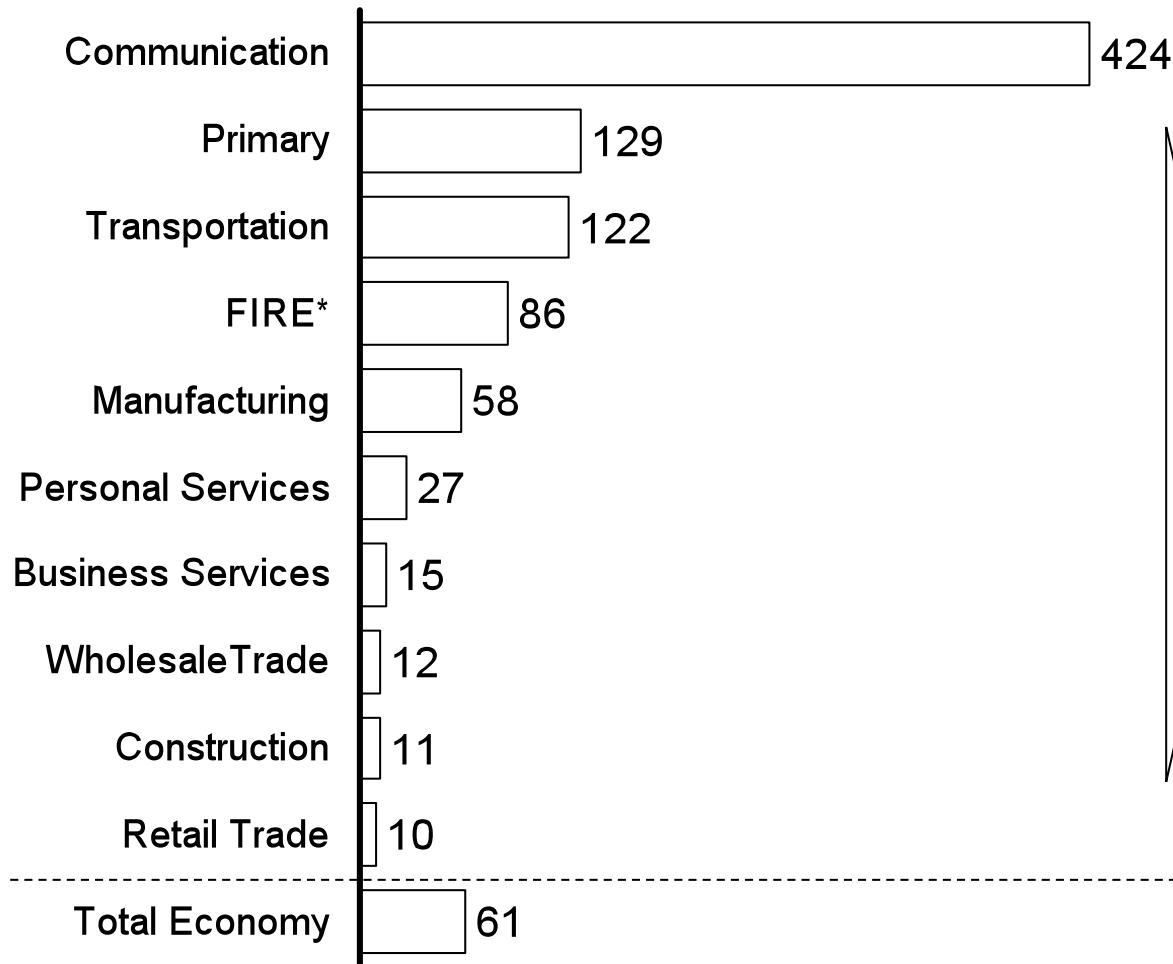
- Implemented in 1961, it is available through 1,500 financial institutions across Canada
- Financial institutions make long term loans up to \$250,000 to small businesses
- The Canadian government underwrites 85% of the losses incurred on defaulted loans
- Compas was hired by Industry Canada to conduct a survey that asked respondents the number of jobs created because of the loans they received



INVESTMENT IN THE NONPROFIT SECTOR WILL GENERATE AT LEAST AS MUCH EMPLOYMENT AS INVESTMENT IN THE SMALL TO MEDIUM BUSINESS SEGMENT



Capital to labour ratios



- Nonprofits typically operate in the personal services sector which includes health care and education
- Wages in the nonprofit sector are also usually lower than in the for-profit sector, allowing more people hired per dollar invested

*Finance, Insurance and Real Estate

USING JOB CREATION IN THE MORE CAPITAL-INTENSIVE SMALL BUSINESS SECTOR AS A PROXY, A \$50 MILLION INVESTMENT CAN GENERATE 4,599-6,111 NONPROFIT JOBS

