

Smart Investment Solutions for Business Owners

We understand the unique needs of business owners when it comes to the retained earnings they have within their companies. There is a desire for a fair rate of return for a given level of risk. Some business owners desire no risk to their capital.

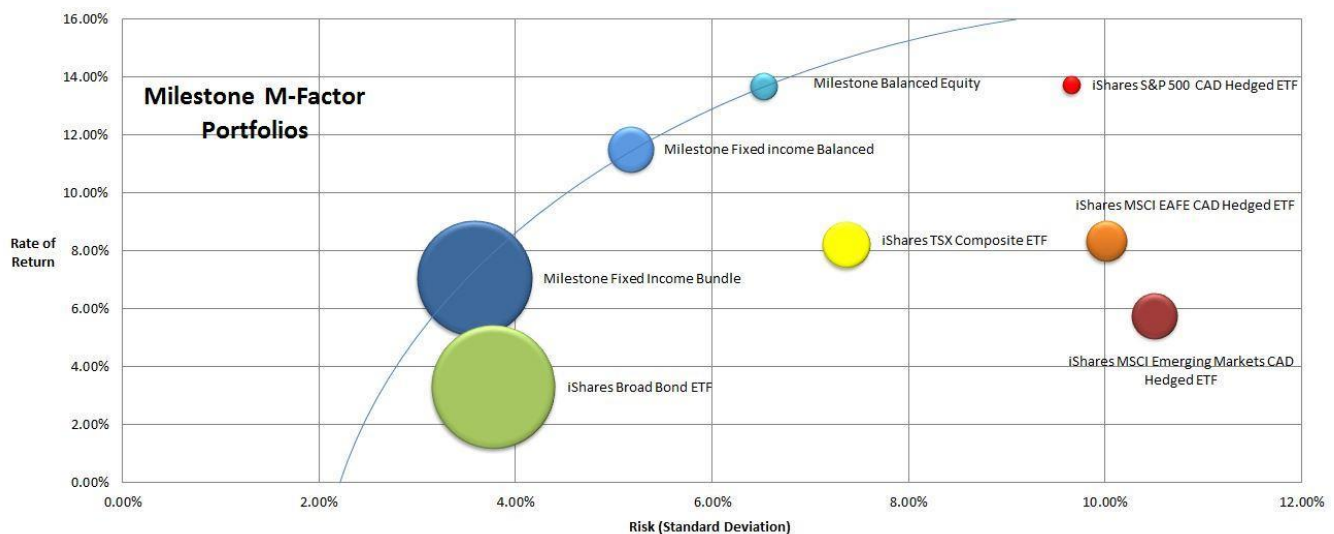
Cash Management – low risk savings account options

- ✓ Premium rates for GICs, High Interest Savings Accounts and long term deposits from all across most of Canada’s major financial institutions.
- ✓ Tax efficient options to keep more of your savings.
- ✓ Highly liquid. Your money, when you need it.



Growth Options - Milestone M-Factor Portfolios

- ✓ Various portfolio options depending on your company’s timeline and risk sensitivity.
- ✓ Highly tax efficient returns mean your company keeps more of what it earns.
- ✓ Optimized portfolio creation seeks to generate the highest level of growth per unit of risk.

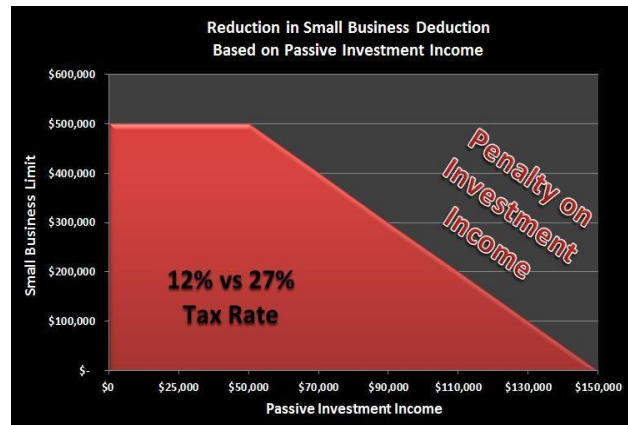


Keep more of what you earn

The Challenge: Tax on passive investment tax income inside your corporation

50.67% is the 2018 combined federal and provincial tax rate in Alberta on passive interest income earned inside a corporation.

\$50,000 of passive income earnings is the threshold at which a corporation begins to lose its Small Business Deduction preferred tax rate. At \$150,000, an Albertan corporation will lose its preferred tax rate entirely effectively trading a 12% tax rate for a 27% tax rate.



The Solution: Milestone M-Factor Portfolios

The “M” in M-Factor refers to the Magnitude of tax leakage from an investment portfolio. In the chart, the larger the bubble is, the larger the tax leakage in any given year. The M-Factor portfolios are created to minimize this leakage in three ways:

1. By **avoiding** most passive income (interest & dividends) being distributed from the investments.
2. By **converting** interest income and dividends in to more efficiently taxed capital gains.
3. By **deferring** capital gains wherever possible from one year to the next.

The combined effects of these strategies allow more of a business owner’s investments to stay invested within the portfolio affording greater opportunity for compounding and growth.

“M-Factor is the Magnitude of tax leakage”

The underlying investments are, based on our research, world class investment pools. Using Modern Portfolio Theory, these pools have been designed to strategically maximize return for each given increment of risk. Our process selected and assembled them in a way to minimize correlation with each other. Reducing this correlation assists in achieving greater diversification across your holdings with a goal of softening the overall fluctuations of your investment portfolio. Contact us to learn more.