

Grand River CarShare Debenture Issue Information Chart Fall 2007

Debentures are an investment in your co-op. They work in a similar fashion to an investment certificate, which you may be familiar with from your bank. Commit your money for a specific period of time and earn a guaranteed rate of interest. Simple. At the end of the term, you receive your money back along with the interest earned.

Offering start date: October 1, 2007

Closing date: *extended from November 30 to December 31, 2007*

Term of investment is 3 years at an interest rate of 5%.

The minimum debenture amount is \$500, to a maximum of \$1000 per membership per year. The interest, at a rate of 5%, will be accrued to the principal and paid only upon maturity (October 1, 2010). Interest will be compounded annually. The debentures are cashable only after a minimum of 12 months. If you choose to cash the debenture before the end of its three-year term, the interest payment will be forfeited as a penalty for early withdrawal.

Amount invested	Year 1	Year 2	Year 3	Total \$ earned
\$500	\$525	\$551.25	\$578.81	\$78.81
\$1000	\$1050	\$1102.50	\$1157.62	\$157.62

As an investor in Grand River CarShare, you will understandably want to know about our financial performance to date. Please contact the office for a copy of the audited financial statements for our most recent fiscal year (2006-07). Some basic points for your consideration:

- This Co-op has been operating since 1998. Our membership and revenues have grown steadily.
- We have had loans on several vehicles, and \$90,000 available in high-interest lines of credit from three municipal governments. (Note: We have never missed a payment on a debt!)
- We anticipated an operating loss for the first number of years of operation but in 2006-07 posted our first surplus!
- Car sharing is a rapidly expanding industry in North America. It will certainly become more popular and necessary as cities strive to manage population growth while dealing with escalating energy prices and the environmental consequences of the private automobile.
- Grand River CarShare is a local solution serving our community and advocating for sustainable transportation alternatives.

NOTE: this investment is not secured. In other words it is not guaranteed by the Deposit Insurance Corporation of Ontario, nor any other agency and/or insurance. In the event that Grand River CarShare should become bankrupt, the order of priority of repayment would be as follows: 1) any outstanding vehicle loans; 2) any amount outstanding on Lines of Credit with the City of Kitchener, City of Waterloo, and the Regional Municipality of Waterloo; 3) debenture investments; and 4) membership loans.

Interest Rate Comparison Chart for a \$1000 investment

Name of Institution	1 year	2 years	3 years	\$1K invested 3 years
GIC's				
Canada Premium Savings Bonds	3.15%	3.25%	3.35%	\$ 1,103.90
RBC (different plans best rates)	3.25%		4.05%	\$ 1,126.35
TD Canda Trust (Best Rates)	3.65%		4.08%	\$ 1,127.46
CIBC (best rates)	4.00%		4.10%	\$ 1,128.11
Libro Financial	4.00%	4.15%	4.25%	\$ 1,132.99
Grand River Credit Union	4.25%	4.50%	4.55%	\$ 1,142.80
Grand River CarShare	5.00%	5.00%	5.00%	\$ 1,157.62