

## What are Profit Shares?

Profit Shares, also known as Patronage Shares represent your share of the profits as a Member-Owner of Kootenay Savings. They may be non-registered or registered.

## When was Profit Sharing introduced? Why?

We introduced the Profit Sharing Member Rewards Program in 1992 so that our members could benefit directly in our profitability. They are our way of rewarding your loyalty. When we do well, so do our member-owners. And so do the communities we serve; the funds stay local, helping to generate more business in the Kootenays and in turn build stronger communities.

## Who decides if profit shares are declared and how is it decided?

Based on the previous year's financial performance of KSCU our Board of Directors may declare Profit Shares.

## How are Profit Shares earned?

Profit Shares are generally paid based on the total amount of interest paid on loans and received on deposits. You can also earn dividends on existing Profit Shares. Profit Shares are not available through purchase; they can only be acquired through the dividends declared by the Board of Directors.

## How are Profit Shares paid?

Profit Shares are paid in even dollars and are deposited into your Patronage Shares account once a year, usually in January.

## When can Profit Shares be withdrawn?

Simply put, members may withdraw up to 20% of the balance of their total Profit Shares once per year and in one transaction only.

## What can I do with the Profit Shares?

If you wish, you can withdraw up to 20% of the balance of your total Profit Shares and Registered Profit Shares once each year and leave the remaining balance in Profit Shares to earn dividends and then withdraw them at age 65. You can also roll the remaining balance in your into your Registered Profit Shares where you can get a tax credit.

## I am closing my account; can I receive all of my patronage shares in cash?

Full withdrawals are permitted only for the following reasons:

- You are 65 years of age or older.
- You are moving outside of the Province of British Columbia.
- When closing account, your shares are less than \$20.
- The owner of the account has deceased.

## Why do Profit Shares have withdrawal restrictions?

These shares represent part of the equity or value of Kootenay Savings. Equity levels are legislated and therefore withdrawal restrictions must be applied to Profit Shares. This limit is 20% of your available Profit Share account balance, be it registered or non-registered and applies until your 65th birthday.

*To view the full Terms and Conditions for our Profit Sharing Member Rewards Program, please [click here](#).*

