



## **Redwood Community Housing Bonds: RRSP/TFSA Eligibility**

Redwood Park Communities has commissioned an independent legal opinion that Redwood Community Bonds (Series B, Series C and Series D) are qualified investments to be held in registered accounts under Regulation 4900(1)(j) of the Income Tax Act. However, it is up to the discretion of each institution to hold Community Bonds in a registered account on your behalf, and investors often find that their financial institution will not allow them to include privately issued securities such as these in their registered accounts.

Therefore, Redwood has developed a partnership with the Canadian Worker Co-op Federation (CWCF)'s Common Good Capital Program, whereby Community Bonds can be held there in RRSPs and TFSAs. You can open an account with CWCF, transfer funds from an existing RRSP or TFSA, or make a new contribution.

## **Community Bonds in an RRSP or TFSA at CWCF (Common Good Capital)**

The Canadian Worker Co-op Federation (CWCF) will hold Community Bonds on your behalf in an RRSP and/or TFSA account with Concentra/Wyth Financial as a trust agent. CWCF charges \$65 per year to administer the account, and you may only hold securities offered by co-operatives and not-for-profits in that account. Be sure to invest an amount that makes sense based on the interest you will earn after paying the fees.

## **Fees to hold Redwood Bonds in an RRSP and/or TFSA at Common Good Capital**

CWCF charges an annual account holder fee of \$65.

## **Community Bonds in a Self-Directed RRSP and/or TFSA**

You can inquire with your wealth manager or investment advisor about holding your Community Bonds in your self-directed RRSP and/or TFSA at your brokerage/financial institution. Please note it is up to your advisor and the institution's compliance department to approve an investment in Community Bonds, and you may experience challenges in this regard. The institution will also set any fees or criteria for investing, and you must confirm this information with them. Please contact us at [invest@redwoodparkcommunities.com](mailto:invest@redwoodparkcommunities.com) if you'd like to work with your financial institution to hold your Redwood Community Bonds in your self-directed RRSP and/or TFSA.

## **About the Canadian Worker Co-op Federation (CWCF)**

The Canadian Worker Co-operative Federation (CWCF) is a national, grassroots membership organization of and for worker co-operatives, related types of co-operatives (multi-stakeholder co-ops and worker-shareholder co-ops), and organizations that support the growth and development of worker co-operatives. They have created a program called Common Good Capital whereby securities issued by non-profits and co-ops can be held in RRSPs and TFSAs.

## **About Common Good Capital**

The CWCF is registered with the Canada Revenue Agency to manage self-directed RRSP and TFSA accounts through Concentra/Wyth Financial as a trust agent. Open a self-directed account to hold Community Bonds by making new contributions or transferring RRSP or TFSA funds from other institutions. There is no RESP or RRIF program available so please ensure you are of the age that you can hold this bond in an RRSP for at least 5 years, i.e., not over 66).

Once your account is set up, you can contact the CWCF directly to make changes to your account or to make a withdrawal: Josh Dyke, RRSP Program Administrator ([josh@canadianworker.coop](mailto:josh@canadianworker.coop), 902-678-1683)