

Table 2: Undue benefit conferred by the Organization as a result of the amounts it loaned to the Institute

Fiscal period ended	Opening balance due from Fortius Institute	Average prime rate (%)	Interest payable at prime rate
Sept 30, 2015	\$ 460,992	2.867	\$ 13,217
Sept 30, 2016	\$ 2,098,392	2.700	\$ 56,657
Sept 30, 2017	\$ 3,551,884	2.767	\$ 98,281
Sept 30, 2018	\$ 4,676,144	3.431	\$ 160,439
May 31, 2019	\$ 5,761,083	3.921 *8/12 ³⁷	\$ 150,595
Total Undue Benefit			\$ 479,189

Table 3: Calculation of the total undue benefits conferred by the Organization

Fiscal period ended	Table 1	Table 2	Annual Total
Sept 30, 2015	\$ 2,366,667	\$ 13,217	\$ 2,379,884
Sept 30, 2016	\$ 2,600,000	\$ 56,657	\$ 2,656,657
Sept 30, 2017	\$ 2,600,000	\$ 98,281	\$ 2,698,281
Sept 30, 2018	\$ 2,600,000	\$ 160,439	\$ 2,760,439
May 31, 2019	\$ 1,733,336	\$ 150,595	\$ 1,883,931
Total Undue Benefit			\$ 12,379,192

The table below details the calculation of the penalty assessed.

Fiscal period ended	Type of Sanction	Fortius Foundation		
		Sanction %	Sanctioned Amount	Sanction
Sept 30, 2015	Undue Benefit	105%	\$ 2,379,884	\$ 2,498,878
Sept 30, 2016	Undue Benefit	105%	\$ 2,656,657	\$ 2,789,490
Sept 30, 2017	Undue Benefit	105%	\$ 2,698,281	\$ 2,833,195
Sept 30, 2018	Undue Benefit	105%	\$ 2,760,439	\$ 2,898,461
May 31, 2019	Undue Benefit	105%	\$ 1,833,931	\$ 1,978,127
Total				\$ 12,998,151

Per paragraph 188.1(4)(a) of the Act, the value of the undue benefit penalty is 105% of the amount of the undue benefit. Accordingly, the amount of the undue benefit penalty for the fiscal periods ended September 30, 2015 through May 31, 2019 total \$12,998,151.

Note: Assessment of undue benefits penalty outside of stated audit period

³⁷ We prorated this amount by 8/12 to represent the fact that we are only calculating the undue benefit for an 8-month period.