

POOLS SAFE

YOUR PERSONAL POOLSIDE ATTENDANT

ANNUAL GENERAL AND SPECIAL MEETING

OF SHAREHOLDERS

OF

POOL SAFE INC.

TO BE HELD ON TUESDAY, JUNE 3, 2025

NOTICE OF MEETING

AND MANAGEMENT INFORMATION CIRCULAR

THIS NOTICE OF MEETING AND MANAGEMENT INFORMATION CIRCULAR IS FURNISHED IN CONNECTION WITH THE SOLICITATION BY THE MANAGEMENT OF POOL SAFE INC. OF PROXIES TO BE VOTED AT THE ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS TO BE HELD ON TUESDAY, JUNE 3, 2025.

TO BE HELD AT:

1 ADELAIDE ST. EAST, 8th FLOOR, SUITE 801, TORONTO, ONTARIO M5C 2V9

AT 10:00 A.M. (TORONTO TIME)

DATED: MAY 2, 2025

**POOL SAFE INC.
906 MAGNETIC DRIVE
NORTH YORK, ONTARIO M3J 2C4**

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT AN ANNUAL GENERAL AND SPECIAL MEETING (the “**Meeting**”) of holders (the “**Shareholders**”) of common shares of Pool Safe Inc. (the “**Corporation**”) will be held at the offices of Garfinkle Biderman LLP, at 1 Adelaide St. East, 8th Floor, Suite 801, Toronto, Ontario M5C 2V9, and broadcast via teleconference at (416) 874-8100, conference code 5640789 on Tuesday, June 3, 2025 at 10:00 a.m. (Toronto time) for the following purposes:

1. to receive and consider the audited financial statements of the Corporation for the financial years ended December 31, 2024 and 2023 and the auditor’s reports thereon;
2. to elect the directors of the Corporation for the ensuing year, as more particularly set forth in the accompanying proxy and management information circular dated May 2nd, 2025, and prepared for the purpose of the Meeting (the “**Management Information Circular**”);
3. to re-appoint Horizon Assurance LLP as the auditors of the Corporation for the ensuing year, at a remuneration to be fixed by the audit committee, as more particularly set forth in the Management Information Circular;
4. to consider and, if thought fit, to pass, with or without variation, an ordinary resolution of disinterested Shareholders to re-approve the Corporation’s omnibus incentive plan, as more particularly set forth in the Management Information Circular; and
5. to transact such other business as may be properly brought before the Meeting or any adjournment(s) thereof.

This notice of meeting (this “**Notice of Meeting**”) should be read together with the Management Information Circular and form of proxy (the “**Form of Proxy**”) or a voting instruction form (“**VIF**”), as applicable. The Management Information Circular and all additional materials have been posted under the Corporation’s SEDAR+ profile at www.sedarplus.ca. **Shareholders are reminded to carefully review the Management Information Circular and any additional materials prior to voting on the matters being transacted at the Meeting.** Copies of: (i) this Notice of Meeting; (ii) the Management Information Circular; (iii) the Form of Proxy and VIF; and (iv) the audited consolidated financial statements of the Corporation and accompanying management discussion and analysis, may be obtained free of charge by contacting TSX Trust Company at: (a) 301-100 Adelaide Street West, Toronto, ON M5H 1S3; (b) by phone at 1 866 600-5869; or (c) by emailing a request to tsxtis@tmx.com. In order to ensure that a paper copy of the Management Information Circular and additional materials can be delivered to a Shareholder in time for such Shareholder to review the Management Information Circular and return a Form of Proxy (or a VIF) prior to the deadline to receive proxies, it is strongly suggested that Shareholders ensure their request is received no later than May 30, 2025.

Shareholders may attend the Meeting in person, by teleconference, or may be represented by proxy. Shareholders unable to attend the Meeting or any adjournment(s) thereof in person are requested to date, sign and return the enclosed Form of Proxy to the Corporation’s registrar and transfer agent, TSX Trust Company, located at: 100 Adelaide Street West, Suite 301, Toronto, ON M5H 1S3. To be effective, a proxy must be received not later than 10:00 a.m. (Toronto time) on May 30, 2025, or in the event that the Meeting is adjourned or postponed, not less than 48 hours (excluding Saturdays, Sundays and holidays) immediately preceding any adjournment(s) or postponement(s) thereof. Instead of mailing your proxy, Shareholders may choose to vote using the Internet in accordance with the instructions set out in the Form of Proxy.

The board of directors of the Corporation has fixed the close of business on April 24, 2025, as the record date (the “**Record Date**”) for the determination of the Shareholders entitled to notice of, and to vote at, the Meeting, and any adjournment or postponement thereof. Only Shareholders of record at the close of business on the Record Date will

be entitled to vote at the Meeting. Late proxies may be accepted or rejected by the chair of the Meeting at his or her discretion (the “**Chair**”). The Chair is under no obligation to accept or reject any particular late proxy. If you vote by the Internet, do not mail back your proxy. Voting by mail or by Internet are the only methods by which a holder may appoint a person as proxyholder other than the management nominees named on the Form of Proxy. Non-registered Shareholders who receive these materials through their broker or other intermediary are requested to follow the instructions for voting provided by their broker or intermediary, which may include the completion and delivery of a VIF.

DATED this 2nd day of May 2025.

BY ORDER OF THE BOARD OF DIRECTORS

/s/ Steven Glaser

Mr. Steven Glaser

CFO, COO & Director

**POOL SAFE INC.
906 MAGNETIC DRIVE
NORTH YORK, ONTARIO M3J 2C4**

MANAGEMENT INFORMATION CIRCULAR

SOLICITATION OF PROXIES

This management information circular (this “**Management Information Circular**”) is provided in connection with the solicitation by management and the board of directors of Pool Safe Inc. (the “**Corporation**”) of proxies from the holders (the “**Shareholders**”) of common shares (the “**Common Shares**”) for the annual general and special meeting of the shareholders of the Corporation (the “**Meeting**”) to be held on Tuesday, June 3, 2025 at 10:00 a.m. (Toronto time) at the offices of Garfinkle Biderman LLP, at 1 Adelaide St. East, 8th Floor, Suite 801, Toronto, Ontario M5C 2V9 and broadcast via teleconference at (416) 874-8100, conference code 5640789, or at any adjournment thereof for the purposes set out in the accompanying notice of meeting (the “**Notice of Meeting**”).

It is expected that the solicitation will be primarily by mail, but proxies may also be solicited personally, by advertisement or by telephone, by directors, officers and employees of the Corporation without special compensation, or by the Corporation’s registrar and transfer agent, TSX Trust Company (the “**Transfer Agent**”), at nominal cost. The cost of any such solicitation will be borne by the Corporation. Arrangements have been made with brokerage houses and other securities intermediaries, clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial Shareholders of record as of April 24, 2025 (the “**Record Date**”). The officers and employees will receive no compensation other than their regular salaries. In accordance with National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”), arrangements have been made with brokerage houses and other securities Intermediaries (as defined herein), clearing agencies, custodians, nominees and fiduciaries to mail solicitation materials to Non-Objecting Beneficial Owners (“**NOBOs**”) and Objecting Beneficial Owners (“**OBOs**”) of record as of April 24, 2025 (the “**Record Date**”). The Corporation may reimburse such persons for reasonable fees and disbursements incurred by them in doing so.

In this Management Information Circular, (i) all information provided is current as of May 2nd, 2025, unless otherwise indicated, (ii) references to “\$” are to Canadian dollars, (iii) “**Registered Shareholders**” means the person whose name appears on the shareholder registrar maintained on behalf of the Corporation and who holds Common Shares in their own name, (iv) “**Beneficial Shareholders**” means Shareholders who do not hold Common Shares in their own name, and (v) “**Intermediaries**” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Management Information Circular includes certain statements and information that constitute “forward-looking statements”, and “forward-looking information” under applicable securities laws (“**forward-looking statements**” and “**forward-looking information**” are collectively referred to herein as “**forward-looking statements**”, unless otherwise stated). Forward-looking statements appear in a number of places in this Management Information Circular and include statements and information regarding the intent, beliefs or current expectations of the Corporation’s officers and directors. Such forward-looking statements involve known and unknown risks and uncertainties that may cause the Corporation’s actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. When used in this Management Information Circular, words such as “believe”, “anticipate”, “estimate”, “project”, “intend”, “expect”, “may”, “will”, “plan”, “should”, “would”, “contemplate”, “possible”, “attempts”, “seeks” and similar expressions, are intended to identify these forward-looking statements. Forward-looking statements may relate to the Corporation’s future outlook and anticipated events or results and may include statements regarding the Corporation’s future business strategy, plans and objectives. The Corporation has based these forward-looking statements largely on its current expectations and projections about future events. These forward-looking statements were derived utilizing numerous

assumptions, and while the Corporation considers these assumptions to be reasonable, based on information currently available, such assumptions may prove to be incorrect. Accordingly, you are cautioned to not put undue reliance on these forward-looking statements. Forward-looking statements should not be read as a guarantee of future events or results.

Forward-looking statements speak only as of the date such statements are made. Except as required by applicable law, the Corporation assumes no obligation to update or to publicly announce the results of any change to any forward-looking statement contained or incorporated by reference herein to reflect actual results, future events or developments, changes in assumptions or changes in other factors affecting the forward-looking statements. If the Corporation updates any one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements. You should not place undue importance on forward-looking statements and should not rely upon these statements as of any other date. All forward-looking statements contained in this Management Information Circular are expressly qualified in their entirety by this cautionary statement.

RECORD DATE

Only holders of Common Shares of record at the close of business on the Record Date are entitled to vote such Common Shares at the Meeting on the basis of one vote for each Common Share held except to the extent that: (a) a registered holder has transferred the ownership of any Common Shares subsequent to the Record Date; and (b) the transferee of those Common Shares produces properly endorsed share certificates, or otherwise establishes that he owns the Common Shares, and demands not later than 7 days before the day of the Meeting that his name be included in the list of persons entitled to vote at the Meeting, in which case the transferee will be entitled to vote his Common Shares at the Meeting.

APPOINTMENT AND REVOCATION OF PROXIES

The persons named (the “Management Designees”) in the enclosed form of proxy (“Form of Proxy”) have been selected by the directors of the Corporation and have indicated their willingness to represent as proxy the shareholder who appoints them. A shareholder has the right to designate a person (who need not be a shareholder) other than the Management Designees to represent him or her at the Meeting. Such right may be exercised by inserting in the space provided for that purpose on the Form of Proxy the name of the person to be designated and by deleting therefrom the names of the Management Designees, or by completing another proper form of proxy and delivering the same to the transfer agent of the Corporation. Such Shareholder should notify the nominee of the appointment, obtain the nominee’s consent to act as proxy and should provide instructions on how the Shareholder’s Common Shares are to be voted. The nominee should bring personal identification with him or her to the Meeting. In any case, the form of proxy should be dated and executed by the Shareholder or an attorney authorized in writing, with proof of such authorization attached (where an attorney executed the proxy form).

Proxies to be used at the Meeting must be deposited with the Transfer Agent in the envelope provided or otherwise by fax: 416-595-9593, by email to tsxtis@tmx.com or by mail to TSX Trust Company at: 100 Adelaide Street West, Suite 301, Toronto, ON M5H 4H1, or via internet by entering the 12 digit control number at www.voteproxyonline.com no later than 10:00 a.m. (Toronto time) on May 30, 2025 or 48 hours (excluding Saturdays, Sundays and holidays) prior to any adjournment(s) or postponement(s) thereof. Late proxies may be accepted or rejected by the chair of the Meeting (the “Chair”) at their discretion. The Chair is under no obligation to accept or reject any late proxy.

A Shareholder who has given a proxy may revoke it as to any matter upon which a vote has not already been cast pursuant to the authority conferred by the proxy. In addition to revocation in any other manner permitted by law, a proxy may be revoked by depositing an instrument in writing executed by the Shareholder or by his authorized attorney in writing, or, if the Shareholder is a corporation, under its corporate seal by an officer or attorney thereof duly authorized, either at the registered office of the Corporation or with the Transfer Agent at 100 Adelaide Street West, Suite 301, Toronto, ON M5H 1S3, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof at which the proxy is to be used, or by depositing the instrument in writing with

the Chair of such meeting on the day of the Meeting, or at any adjournment thereof. In addition, a proxy may be revoked personally by the Shareholder, attending the Meeting and voting his Common Shares.

ADVICE TO BENEFICIAL SHAREHOLDERS

The Meeting materials are being sent to both registered and non-registered owners of the Common Shares. If you are a non-registered owner, and the Corporation or its agent has sent these materials directly to you, your name and address and information about your holdings of Common Shares, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf. **The information set forth in this section is of significant importance to many Shareholders, as a substantial number of Shareholders do not hold Common Shares in their own name.** Beneficial Shareholders should note that only proxies deposited by Shareholders who appear on the records maintained by the Corporation's registrar and transfer agent as registered holders of Common Shares will be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Beneficial Shareholder by a broker, those Common Shares will, in all likelihood, *not* be registered in the Shareholder's name. Such Common Shares will more likely be registered under the name of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms). Common Shares held by brokers (or their agents or nominees) on behalf of a broker's client can only be voted (for or against resolutions) at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker's clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. Often, the form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the Form of Proxy provided directly to registered Shareholder by the Corporation. However, its purpose is limited to instructing the registered Shareholder (i.e. the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The vast majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc. ("**Broadridge**") in Canada. Broadridge and other similar service providers typically prepare a machine-readable VIF, mail those forms to Beneficial Shareholders and asks Beneficial Shareholders to return the forms to the indicated address, or otherwise communicate voting instructions (by way of the Internet or telephone, for example). Broadridge and other similar service providers then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Beneficial Shareholder who receives a VIF cannot use that form to vote Common Shares directly at the Meeting. The VIFs must be returned to the indicated address (or instructions respecting the voting of Common Shares must otherwise be communicated by means specified in the VIF) well in advance of the Meeting in order to have the Common Shares voted. If you have any questions respecting the voting of Common Shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his broker, a Beneficial Shareholder may attend the Meeting as proxyholder for the registered Shareholder and vote the Common Shares in that capacity. **Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxyholder for the registered Shareholder, should enter their own names in the blank space on the VIF provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker or the broker's agent**

All references to shareholders in this Management Information Circular and the accompanying Form of Proxy and Notice of Meeting are to registered Shareholders unless specifically stated otherwise.

VOTING OF PROXIES

Each Shareholder may instruct his proxy how to vote his Common Shares by completing the blanks on the Form of Proxy. All Common Shares represented at the Meeting by properly executed proxies will be voted or withheld from voting (including the voting on any ballot), and where a choice with respect to any matter to be acted upon has been specified in the Form of Proxy, the Common Shares represented by the proxy will be voted in accordance with such specification. **In the absence of any such specification as to voting on the Form of Proxy, the Management Designees, if named as proxy, will vote in favour of the matters set out therein. In the absence of any specification as to voting on any other form of proxy, the Common Shares represented by such form of proxy will be voted in favour of the matters set out therein.**

The enclosed Form of Proxy confers discretionary authority upon the Management Designees, or other persons named as proxy, with respect to amendments to or variations of matters identified in the Notice of Meeting and any other matters which may properly come before the Meeting. As of the date hereof, the Corporation is not aware of any amendments to, variations of or other matters which may come before the Meeting. In the event that other matters come before the Meeting, then the Management Designees intend to vote in accordance with the judgment of management of the Corporation.

QUORUM

As specified in the Corporation's by-laws, a quorum will be present at the Meeting if any two Shareholders holding 5% of the Common Shares entitled to vote at the Meeting, whether present in person or represented by proxy, are present at the opening of the Meeting.

INTERESTS OF CERTAIN PERSONS AND COMPANIES IN MATTERS TO BE ACTED UPON

Management of the Corporation is not aware of any material interest, direct or indirect, of any director or nominee for director, or senior officer or anyone who has held office as such, since the beginning of the Corporation's last financial year or any associates or affiliates of any of the foregoing in any matter to be acted on at the Meeting, except for the re-approval of the Omnibus Plan (as defined herein).

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The Corporation is authorized to issue an unlimited number of Common Shares without nominal or par value. Each holder of Common Shares is entitled to one vote per Common Share held. As at April 24, 2025, the effective date of this Management Information Circular (the "**Effective Date**"), 113,574,750 Common Shares are issued and outstanding as fully paid and non-assessable. No other shares are issued or outstanding.

In accordance with the provisions of the *Canada Business Corporations Act* (the "**CBCA**"), the Corporation will prepare a list of the holders of Common Shares on the Record Date. Each holder of Common Shares named on the list will be entitled to vote the Common Shares shown opposite, his, her or its name on the list at the Meeting.

To the knowledge of the directors and the executive officers of the Corporation, as at the Effective Date, no person or company beneficially owns, directly or indirectly, or controls or directs, carrying 10% or more of the voting rights attached to any class of voting securities of the Corporation except as follows:

Name	Number of Common Shares Owned or Controlled at the Effective Date	Percent of Outstanding Common Shares
David Berger	23,861,245 ⁽¹⁾	21%

Note:

1. Mr. Berger holds 2,524,029 Common Shares through Berger Group Inc. and 21,337,216 Common Shares are registered in his own name.

As of the Effective Date, the directors, and senior officers of the Corporation, as a group, beneficially owned, or controlled or directed, directly or indirectly, approximately 28,897,012 Common Shares, representing approximately 25.40% of the issued and outstanding Common Shares.

PARTICULARS OF MATTERS TO BE ACTED UPON AT THE MEETING

To the knowledge of the board of directors of the Corporation (the “**Board**”), the only matters to be brought before the Meeting are those matters set forth below.

1. Report and Financial Statements

The audited consolidated financial statements of the Corporation for the years ended December 31, 2024 and 2023 (the “**Annual Financial Statements**”), together with the report of the auditors thereon, are available under the Corporation’s profile on SEDAR+ at www.sedarplus.ca. At the Meeting, the Corporation will submit to Shareholders the Annual Financial Statements and the report of the auditors thereon. No formal action will be taken at the Meeting to approve the Annual Financial Statements.

2. Election of Directors

The current term of office of each sitting director ends at the close of the Meeting, but each director can be re-elected to hold office until the next annual meeting of shareholders. At the Meeting, Shareholders will be asked to consider a resolution electing the directors of the Corporation to hold office until the next annual meeting of shareholders. The persons nominated (the “**Nominees**”) are, in the opinion of management, qualified to direct the activities of the Corporation until the next annual meeting of the Shareholders. All Nominees have indicated their willingness to stand for election. The Corporation does not contemplate that any of such Nominees will be unable to serve as directors; however, if for any reason any of the proposed nominees do not stand for election or are unable to serve as such, proxies held by Management Designees will be voted for another Nominee in their discretion unless the Shareholder has specified in his or her form of proxy that his or her Common Shares are to be withheld from voting in the election of directors. Each director elected will hold office until the next annual meeting of Shareholders or until his successor is duly elected or appointed, all as the case may be, unless his office is earlier vacated in accordance with the constating documents of the Corporation or the provisions of the CBCA to which the Corporation is subject.

Effective August 31, 2022, the CBCA was amended to require majority voting for uncontested director elections. This amendment to the CBCA requires that any nominee for director who receives a greater number of “against” or “withhold” votes than “for” votes with respect to his or her election will not be elected as a director. However, if an incumbent director is not elected by a majority of “for” votes at the Meeting, he or she will still be permitted to remain as a director until the earlier of: (a) the 90th day after the day of the election; or (b) the day on which their successor is appointed or elected. This amendment applies only to uncontested elections, which are elections in which the number of Nominees is equal to the number of positions available on the Board.

The following sets forth the name of each of the persons proposed to be nominated for election, all positions and offices in the Corporation presently held by such Nominees, the Nominees’ municipality and province or country of residence, principal occupation at the present time and during the preceding five years, the period during which the respective Nominees have served as directors, and the number and percentage of Common Shares beneficially owned by the Nominees, directly or indirectly, or over which control or direction is exercised, as of the Effective Date.

Name, Residence and Position with the Corporation	Principal Occupation, Business or Employment of Nominees	Director Since	Number of Shares Owned ⁽¹⁾
David Berger ⁽²⁾ Ontario, Canada <i>Chief Executive Officer and Director</i>	Mr. Berger's present principal occupation is his role as the Chief Executive Officer and Director of the Corporation.	April 19, 2017	23,861,245 (21.01%)
Steven Glaser ⁽²⁾⁽³⁾ Ontario, Canada <i>Chief Financial Officer, Chief Operating Officer and Director</i>	Mr. Glaser's present principal occupation is his role as the Chief Financial Officer, Chief Operating Officer and Director of the Corporation.	June 30, 2017	2,032,583 (1.79%)
Steven Mintz ⁽²⁾⁽³⁾ Ontario, Canada <i>Director</i>	Mr. Mintz has been the President and Director of St. Germain Capital Corp. since 1998, a financial consulting company that is active in many industries.	September 17, 2009	2,275,150 (2.00%)
Robert Pratt ⁽²⁾⁽³⁾ British Columbia, Canada <i>Director</i>	Mr. Pratt is currently the President of R.Pratt Consulting Ltd. From 2018-2024 he was President and Chief Operating Officer at Sandman Hotel Group and Sutton Place Hotels, a Canadian hotel chain. From October 2015 until July 2018, Mr. Pratt was the President of One Lodging Management, responsible for the day-to-day operations of 119 properties.	August 15, 2018	715,000 (0.63%)
Gillian Deacon ⁽²⁾ Arizona, United States of America <i>Director</i>	Ms Deacon brings over 15 years of integrated marketing experience across brand, experiential, partnership and content marketing. Ms Deacon is currently the Vice President of Partnership Marketing for the Arizona Cardinals Football Club overseeing the day to day operations and direct supervision to the corporate partnership activation and service staff and all related functions. Prior to joining the Cardinals, Ms. Deacon was located in New York City as the Vice President, Solutions and Operations at Oak View Group (Nov 2020 - April 2025), the largest developer of sports and entertainment facilities in the world, with over \$5 billion committed spend on new arena developments in various prime global locales. Leading to OVG, Ms. Deacon drove the initial formation and further growth and development of the Wasserman Experience division in Canada, an industry leading global sports, entertainment and lifestyle company working with some of the world's most iconic brands, properties and talent.	August 12, 2021	13,034 (0.01%)

Notes:

1. The number of Common Shares beneficially owned, or over which control or direction is exercised, not being within the direct knowledge of the Corporation, has been furnished by the respective Nominee or obtained from the System for Electronic Disclosure by Insiders.
2. Member of the compensation and human resources committee of the Corporation (the "Compensation and HR Committee").
3. Member of the audit committee of the Corporation (the "Audit Committee").

In order for the resolution appointing the aforementioned individuals to be effective, it must be approved by the affirmative vote of a majority of the votes cast in respect thereof by Shareholders present in person or by proxy at the Meeting. **Unless otherwise directed, it is the intention of the Management Designees, if named as proxy, to vote for the election of the directors as set forth above.**

Corporate Cease Trade Orders, Penalties or Bankruptcies

Other than as disclosed below, no proposed director:

is, as at the Effective Date, or has been, within 10 years before the Effective Date, a director, chief executive officer or chief financial officer of any company that, (i) was subject to a cease trade or similar order or an order that denied

the company access to any exemption under securities legislation and which was in effect for a period of more than 30 consecutive days (an “**Order**”) that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; (ii) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer, or while the proposed director was acting in that capacity, or within a year of the proposed director ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; (iv) has, within the 10 years before the Effective Date, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director; or (v) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, other than penalties for late filing of insider reports; or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable shareholder in deciding whether to vote for a proposed director.

Steven Mintz

On May 5, 2016, May 9, 2016 and May 12, 2016, each of the Ontario Securities Commission, Manitoba Securities Commission and British Columbia Securities Commission issued cease trade orders against Pounder Venture Capital Corp. (“**PVCC**”) for failure to file its annual financial statements (the “**Cease Trade Orders**”). The Cease Trade Orders were revoked on June 7, 2016 and June 8, 2016 upon PVCC filing its annual financial statements. Mr. Mintz was a director of PVCC at the time of the Cease Trade Orders.

3. Appointment of Auditor

On September 27, 2024, DNTW Toronto, LLP was appointed as the Corporation’s new independent auditor, following the resignation of its previous auditor. On February 25, 2025, DNTW Toronto, LLP resigned as the auditor of the Corporation and Horizon Assurance LLP was appointed as the successor auditor of the Corporation. Horizon Assurance LLP is the current auditor of the Corporation. At the Meeting, Shareholders will be asked to vote for the appointment of Horizon Assurance LLP as the Company’s auditor, to hold office until the next annual general meeting of the Shareholders, at a remuneration to be fixed by the Audit Committee. Approval of the appointment of the auditor will require a majority of the votes cast in respect thereof by Shareholders present in person or by Proxy at the Meeting.

In accordance with Section 4.11 of NI 51-102 attached to this Management Information Circular as Schedule "A" are the following reporting packages (collectively, the “**Reporting Packages**”):

Appointment of DNTW Toronto, LLP

- (a) Notice of Change of Auditor dated September 27th, 2024;
- (b) Letter from former auditor Wasserman Ramsay dated September 27th, 2024; and
- (c) Letter from DNTW Toronto, LLP.

Appointment of Horizon Assurance LLP

- (a) Notice of Change of Auditor dated February 25th, 2025;
- (b) Letter from former auditor DNTW Toronto, LLP dated February 25th, 2025; and
- (c) Letter from Horizon Assurance LLP dated February 25th, 2025.

The Reporting Packages state that there have been no reservations in the auditors' reports nor have there been any reportable events, as defined by NI 51-102.

Management of the Corporation proposes that Horizon Assurance LLP, be appointed as auditor of the Corporation to hold office until the earlier of the next annual meeting of Shareholders or their removal by the Corporation, at a remuneration to be fixed by the Audit Committee of the Board. Approval of the appointment of the auditor will require a majority of the votes cast in respect thereof by Shareholders present in person or by proxy at the Meeting. **Unless otherwise directed, it is the intention of the Management Designees to vote the proxies in favour of an ordinary resolution to appoint the firm of Horizon Assurance LLP as the auditors of the Corporation and to authorize the Audit Committee of the Board to fix the remuneration of Horizon Assurance LLP.**

4. Approval of Omnibus Incentive Plan

At the Meeting, disinterested Shareholders will be asked to consider and, if deemed advisable, to re-approve the Corporation's omnibus incentive plan dated December 1, 2021, as amended on January 16, 2023, and May 2, 2025 (the "**Omnibus Plan**").

The Omnibus Plan aims to attract and retain, the key executives necessary for the Corporation's long-term success, to encourage executives to further the development of the Corporation and its operations, and to motivate top quality and experienced executives. The Omnibus Plan is a hybrid plan, pursuant to the Omnibus Plan: (i) the maximum number of Common Shares reserved for issuance that are issuable pursuant to the new grants of Options shall not exceed, in the aggregate, 10% of the total number of issued and outstanding Common Shares as at the date of any Option grant; and (ii) the maximum aggregate number of Common Shares reserved for issuance pursuant to the settlement of RSUs shall not exceed a 10% fixed amount of the issued and outstanding Common Shares as at the date of implementation of the Omnibus Plan.

Pursuant to TSXV Policy 4.4 – *Security Based Compensation* ("**Policy 4.4**"), the Corporation is required to obtain annual Shareholder approval of the Omnibus Plan. Accordingly, at the Meeting, disinterested Shareholders will be asked to pass an ordinary resolution to approve the Omnibus Plan. Disinterested shareholder approval means approval by a majority of the votes cast by all Shareholders, excluding votes attached to Shares beneficially owned by Insiders of the Corporation, to whom Awards may be granted and their associates.

A summary of the material provisions of the Omnibus Plan are set out under the heading "*Executive Compensation – Omnibus Plan*". On May 2, 2025, the Board approved certain housekeeping amendments to the Omnibus Plan, in order to comply with Policy 4.4. The full text of the Omnibus Plan is appended to the Management Information Circular as Schedule "B" hereto.

Shareholder Approval of the Omnibus Plan

At the Meeting, disinterested Shareholders will be asked to consider, and if thought fit, to pass, with or without variation, an ordinary resolution in the form set out below (the "**Omnibus Plan Resolution**"), subject to such amendments, variations, or additions as may be approved at the Meeting, ratifying, and confirming the Omnibus Plan.

The Board recommends that Shareholders vote **FOR** the Omnibus Plan Resolution. To be effective, the Omnibus Plan Resolution requires the approval of a majority of the votes cast thereon by Shareholders present or represented by proxy at the Meeting. **Unless the Shareholder directs that his or her Common Shares are to be voted against the Omnibus Plan Resolution, the persons named in the Form of Proxy intend to vote FOR the Omnibus Plan Resolution.**

The text of the Omnibus Plan Resolution to be submitted to Shareholders at the Meeting is set forth below:

“BE IT RESOLVED AS AN ORDINARY RESOLUTION OF THE SHAREHOLDERS OF POOL SAFE INC. (THE “CORPORATION”) THAT:

1. the Omnibus Plan, with such amendments thereto as may be made from time to time by the board of directors of the Corporation, without further approval of the shareholders of the Corporation, in order to conform with the policies or requirements of the TSX Venture Exchange or any other stock exchange on which the Corporation’s common shares are listed at such applicable time, be and is hereby ratified, confirmed and approved; and
2. any director and/or officer of the Corporation be and such director or officer of the Corporation is hereby authorized and empowered, acting for, in the name of and on behalf of the Corporation, to execute or cause to be executed, under the seal of the Corporation or otherwise, and to deliver or cause to be delivered any and all such documents and instruments and to do or to cause to be done all such other acts and things as, in the opinion of such director or officer, may be necessary or desirable in order to fulfil the intent of this resolution.”

OTHER BUSINESS

While there is no other business other than that business mentioned in the Notice of Meeting to be presented for action by the Shareholders at the Meeting, it is intended that the proxies hereby solicited will be exercised upon any other matters and proposals that may properly come before the Meeting or any adjournment or adjournments thereof, in accordance with the discretion of the persons authorized to act thereunder. The enclosed Form of Proxy confers discretionary authority upon the persons authorized to act thereunder to vote on any modifications or amendments concerning the businesses mentioned in the Notice of Meeting or any other business in accordance with his best judgment.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR+ at www.sedarplus.ca. Financial information of the Corporation’s 2024 fiscal year is provided in the Corporation’s financial statements and management discussion and analysis, which are available on SEDAR+. A Shareholder may contact the Corporation by mail or phone at: 906 Magnetic Drive, North York, Ontario, M3J 2C4, Phone: (416) 630-2444, Attention: Chief Executive Officer, to obtain a copy of the Corporation’s most recent financial statements and management discussion and analysis.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The purpose of this Compensation Discussion and Analysis is to provide information about the Corporation’s philosophy, objectives and processes regarding executive compensation. This disclosure is intended to communicate the compensation provided to “**Named Executive Officers**” or “**NEOs**” of the Corporation, meaning the following individuals: (i) the Chief Executive Officer of the Corporation, (ii) the Chief Financial Officer of the Corporation, (iii) the next most highly compensated executive officer of the Corporation, if any, whose individual total compensation was more than \$150,000 for the year ended December 31, 2024 and (iv) each individual who satisfies the criteria under paragraph (iii) but for the fact the individual was not an executive officer of the Corporation, nor acting in a similar capacity, as at December 31, 2024.

For the year ended December 31, 2024, the Corporation’s NEOs consisted of:

1. David Berger– Chief Executive Officer; and

2. Steven Glaser – Chief Financial Officer and Chief Operating Officer.

Oversight and Description of Director and NEO Compensation

The following compensation discussion and analysis is intended to provide information relating to the objectives and processes of the Corporation's executive compensation program and to discuss the decision-making process relating to compensation.

The Board currently acts as the Compensation and HR Committee, which is comprised of all directors. The Compensation and HR Committee is responsible for ensuring that the Corporation has in place an appropriate plan for executive officers and directors compensation and for making recommendations to the Board with respect to the compensation of the Corporation's executive officers and directors. The mandate of the Compensation and HR Committee was adopted by the Board on April 19, 2017.

The Compensation and HR Committee meets on compensation matters on regular basis, as and when required with respect to executive officers and directors compensation. Since the beginning of the Corporation's most recently completed financial year (from January 1, 2024 to December 31, 2024), the Compensation and HR Committee held three meetings. Please refer to Schedule "B" – *Statement of Corporate Governance Practices* for a complete description of the responsibilities, power and operation of the Compensation and HR Committee.

The primary objective of the Corporation's executive compensation program is to recruit, retain and motivate top quality individuals at the executive level. The program is designed (a) to assist the Corporation in reaching its potential by achieving long term goals and success and (b) to encourage and reward its NEOs in connection with the ongoing development of the Corporation and its operations. Please see the "*Summary of Compensation of Directors and Named Executive Officers, Excluding Compensation Securities*" section for further information on the compensation of the Corporation's executive officers and directors for the 2024 and 2023 financial years.

The Board believes that executive compensation should be fair and reasonable and be determined, in part, based on industry standard for similar positions in other comparable issuers. Compensation paid to the NEOs is determined on the basis set forth in the above paragraph and is paid to the NEOs in order to motivate and reward their performance. Grants of Awards to NEOs are entirely at the discretion of the Board, with reference to the same factors set forth above that inform decisions with respect to base salary. Previous Option grants are taken into account when considering new grants.

The Corporation generally endorses the concept that executive compensation should meet the following objectives:

- to align the interests of executive officers with the short- and long-term interests of Shareholders;
- to link executive compensation to the performance of the Corporation and individual; and,
- to compensate executive officers at a level and in a manner that ensures the Corporation is capable of attracting, motivating, retaining, and inspiring individuals with exceptional skills.

The Corporation's compensation program is designed to provide competitive levels of compensation, a significant portion of which is dependent upon individual and corporate performance and contribution to increasing Shareholder value. The Corporation recognizes the need to provide a total compensation package that will attract and retain qualified and experienced executives as well as align the compensation level of each executive to that executive's level of responsibility.

Elements of Compensation

The Corporation's compensation program during the year ended December 31, 2024 and December 31, 2023, consisted of three principal components: (i) base salary or consulting fees, (ii) long-term compensation in the form of Options and RSUs on a discretionary basis by the Board, as set out below issuable under the Omnibus Plan; and (iii) a discretionary bonus. The Corporation has no pension or group benefits plans and does not offer its NEOs any perquisites or personal benefits.

Base Compensation

Base compensation for the Corporation's management is designed to provide income certainty and to attract and retain executives. In setting base compensation levels, consideration is given to such factors as level of responsibility, experience and expertise. Subjective factors such as leadership, commitment and attitude are also considered. The Compensation and HR Committee has generally considered publicly available information regarding the compensation levels of executives of similarly sized companies within the industry in setting compensation but has not established a benchmark group of peers. Although the Corporation strives to compensate its management within industry expectations, the base compensation may, from time to time, be reviewed depending on the results of operations.

Omnibus Plan

To provide a long-term component to the compensation program, the Corporation adopted the Omnibus Plan.

Summary of the Omnibus Plan

Purpose, Administration and Eligible Participants

The purpose of the Omnibus Plan is to advance the interests of the Corporation through the motivation, attraction and retention of key employees, consultants and directors of the Corporation and designated affiliates of the Corporation and to secure for the Corporation and Shareholders the benefits inherent in the ownership of Common Shares by key employees, consultants and directors of the Corporation and the designated affiliates of the Corporation through the granting of non-transferable options ("**Options**") and restricted share units ("**RSUs**", and together with the Options, collectively, the "**Awards**") to eligible participants under the Omnibus Plan. The Omnibus Plan is currently administered by the Board. Pursuant to the Omnibus Plan, the directors may delegate the administration of the Omnibus Plan to a committee (the "**Committee**") of the directors of the Corporation authorized to carry out such administration and, failing a committee being so designated, the Omnibus Plan is to be administered by the Board.

Subject to the provisions of the Omnibus Plan, the Committee has the authority to select those persons to whom Awards will be granted. In respect of a grant of Options, eligible participants under the Omnibus Plan include the directors, officers and employees (including both full-time and part-time employees) of the Corporation or of any designated affiliate of the Corporation and any person or corporation engaged to provide ongoing management, advisory or consulting services for the Corporation or a designated affiliate of the Corporation or any employee of such person or corporation. In respect of a grant of RSUs, eligible participants under the Omnibus Plan include the directors, officers and employees (including both full-time and part-time employees) of the Corporation or of any designated affiliate of the Corporation and any person or corporation engaged to provide ongoing management, advisory or consulting services for the Corporation or a designated affiliate of the Corporation or any employee of such person or corporation, other than any persons retained to provide Investor Relations Activities (as such term are defined in the policies of the TSXV).

Common Shares Subject to the Omnibus Plan

The aggregate number of Options reserved for issue under the Omnibus Plan may not exceed 10% of the Common Shares outstanding from time to time. The Omnibus Plan sets the maximum number of Common Shares reserved for

issuance, in the aggregate, pursuant to the settlement of RSUs granted under the Omnibus Plan fixed at 10% of the issued and outstanding Common Shares as of the Omnibus Plan's date of implementation.

As of the Record Date, there are 3,900,000 Common Shares reserved for issue upon the exercise of outstanding Options, representing in the aggregate approximately 3.43% of the issued and outstanding Common Shares, leaving approximately 7,457,475 Common Shares currently available to be reserved for issuance pursuant to new grants of Options under the Omnibus Plan. There are 4,400,000 Common Shares reserved for conversion of RSUs under the Omnibus Plan and 4,597,575 Common Shares available for new RSU grants.

The maximum number of Common Shares reserved for issue pursuant to Awards granted to participants who are insiders of the Corporation (as a group) in any twelve-month period may not exceed, in the aggregate, 10% of the number of Common Shares then outstanding, unless disinterested Shareholder approval is received therefor in accordance with the policies of the TSXV. The maximum number of Common Shares reserved for issue pursuant to Awards granted under the Omnibus Plan to any one participant in any twelve-month period shall not exceed 5% of the number of Common Shares then outstanding, unless disinterested Shareholder approval is received therefor in accordance with the policies of the TSXV. The maximum number of Common Shares reserved for issue under Awards granted to any one participant (other than a participant who is an eligible director or eligible employee) in any twelve-month period shall not exceed 2% of the number of Common Shares then outstanding.

The maximum number of Common Shares reserved for issue under Options granted to all eligible employees and to all participants (other than participants who are eligible directors) conducting Investor Relations Activities in any twelve-month period shall not exceed, in the aggregate, 2% of the number of Common Shares then outstanding. Options granted to participants (other than participants who are eligible directors or eligible employees) performing Investor Relations Activities shall vest in stages over a twelve-month period, with no more than one-fourth of the Options vesting in any three-month period. The directors of the Corporation shall, through the establishment of appropriate procedures, monitor the trading in the securities of the Corporation by all grantees of Options performing Investor Relations Activities.

Option Awards

Nature of Options

An Option is an option granted by the Corporation to a participant entitling such participant to acquire a designated number of Common Shares from treasury at the exercise price. The Corporation is obligated to issue and deliver the designated number of Common Shares on the exercise of an Option and shall have no independent discretion to settle an Option in cash or other property other than Common Shares issued from treasury.

Exercise Price of Options

The exercise price of any Option may not be less than the closing price of the Common Shares on the principal stock exchange on which the Common Shares are listed on the last trading day immediately preceding the date of grant of the Option less the maximum discount, if any, permitted by such stock exchange and, if the Common Shares are not then listed on any stock exchange, the exercise price may not be less than the fair market value of the Common Shares as may be determined by the directors of the Corporation on the day immediately preceding the day of the grant of such Option.

Expiry Date of Options

Each Option, unless sooner terminated pursuant to the provisions of the Omnibus Plan, will expire on a date to be determined by the Committee at the time the Option is granted, subject to amendment by an employment contract, which date cannot be later than ten (10) years after the date the Option is granted. However, if the expiry date falls within a "blackout period" or within ten business days after the expiry of a "blackout period", then the expiry date of the Option will be the date which is ten business days after the expiry of the blackout period.

Vesting and Exercise of Options

Except as otherwise provided in the Omnibus Plan or in any employment contract, each Option may be exercised during the term of the Option only in accordance with the vesting schedule, if any, determined by the Committee at the time of the grant of the Option, which vesting schedule may include performance vesting or acceleration of vesting in certain circumstances and which may be amended or changed by the Committee from time to time with respect to a particular Option, subject to applicable regulatory requirements. If the Committee does not determine a vesting schedule at the time of the grant of any particular Option, such Option will be exercisable in whole at any time, or in part from time to time, during the term of the Option.

Effect of Termination

No Option granted under the Omnibus Plan may be exercised unless the optionee at the time of exercise thereof is:

- a) in the case of an eligible employee, an officer of the Corporation or a designated affiliate of the Corporation or in the employment of the Corporation or a designated affiliate of the Corporation and has been continuously an officer or so employed since the date of the grant of such Option;
- b) in the case of an eligible director who is not also an eligible employee, a director of the Corporation or a designated affiliate of the Corporation and has been such a director continuously since the date of the grant of such Option; and
- c) in the case of a consultant, engaged, directly or indirectly, in providing ongoing management, advisory, consulting, technical or other services for the Corporation or a designated affiliate of the Corporation and has been so engaged since the date of the grant of such Option;

provided, however, that if a participant: (i) ceases to be a director of the Corporation or a director of the designated affiliates of the Corporation (and is not or does not continue to be an employee thereof) for any reason (other than death); or (ii) ceases to be employed by, or provide services to, the Corporation or the designated affiliates of the Corporation (and is not or does not continue to be a director or officer thereof), or any corporation engaged to provide services to the Corporation or the designated affiliates of the Corporation, for any reason (other than death) or receives notice from the Corporation or any designated affiliate of the Corporation of the termination of his or her employment contract, except as otherwise provided in any employment contract, such participant will have ninety (90) days from the date of such termination to exercise his or her Options to the extent that such participant was entitled to exercise such Options at the date of such termination. Notwithstanding the foregoing or any employment contract, in no event shall such right extend beyond the period during which the Option was exercisable under the terms of its grant or one year from the date of such termination.

RSU Awards

Nature of an RSU

An RSU is an Award that is a bonus for services rendered in the year of grant, that, upon settlement, entitles the recipient participant to receive a cash payment equal to the closing price of the Common Shares on the TSXV on the last trading date prior to the applicable vesting date or, at the sole discretion of the Committee, a Common Share, and subject to such restrictions and conditions on vesting as the Committee may determine at the time of grant, unless such RSU expires prior to being settled.

Vesting

The Committee shall have sole discretion to determine if any vesting conditions with respect to an RSU, including any performance criteria or other vesting conditions contained in the applicable RSU agreement, have been met or waive the vesting conditions applicable to RSUs (or deem them to be satisfied), and shall communicate to a participant,

as soon as reasonably practicable, the date on which all such applicable vesting conditions in respect of a grant of RSUs have been satisfied and the RSUs have vested. For the greater certainty, no Awards issued may vest before the date that is one year following the date of issuance or grant.

Settlement

Subject to the vesting and other conditions and provisions in the Omnibus Plan and in the applicable RSU agreement, each RSU awarded to a participant shall entitle the participant to receive, on settlement, a cash payment equal to the closing price of the Common Shares on the TSXV on the last trading date prior to the vesting date, or, at the discretion of the Committee, one Common Share or any combination of cash and Common Shares as the Committee in its sole discretion may determine, in each case less any applicable withholding taxes. The Corporation (or the applicable designated affiliate) may, in its sole discretion, elect to settle all or any portion of the cash payment obligation by the delivery of Common Shares issued from treasury or acquired by a designated broker in the open market on behalf of the participant. Subject to the terms and conditions in the Omnibus Plan, vested RSUs shall be redeemed by the Corporation (or the designated affiliate) as described above on the 15th day following the vesting date. Notwithstanding any other provisions in the Omnibus Plan, no payment, whether in cash or in Common Shares, shall be made in respect of the settlement of any RSUs later than December 15th of the third calendar year following the end of the calendar year in respect of which such RSU is granted.

Dividend Equivalents

Dividend Equivalents (as such term is defined in the Omnibus Plan) may, as determined by the Committee in its sole discretion, be awarded as a bonus for services rendered in the year in respect of unvested RSUs in a participant's account on the same basis as cash dividends declared and paid on Common Shares as if the participant was a holder of record of Common Shares on the relevant record date. In the event that the participant's applicable RSUs do not vest, all Dividend Equivalents, if any, associated with such RSUs will be forfeited by the participant. Notwithstanding the foregoing, the aggregate number of RSUs to be credited in respect of the payment of a Dividend Equivalent must not, together with all outstanding Awards, exceed the Omnibus Plan maximum. The issuance of any RSUs that, together with all outstanding Awards, exceed the Omnibus Plan maximum shall be satisfied by the payment of cash to the participant by the Corporation.

Effect of Death

If a participant dies, any unvested RSUs in the participant's account as at the date of such death shall become immediately forfeited and cancelled. For greater certainty, where a participant's employment or service relationship with the Corporation or a designated affiliate is terminated as a result of death following the satisfaction of all vesting conditions in respect of particular RSUs but before receipt of the corresponding distribution or payment in respect of such RSUs, the participant shall remain entitled to such distribution or payment. Notwithstanding the foregoing, if the Committee, in its sole discretion, instead accelerates the vesting or waives vesting conditions with respect to all or some portion of outstanding unvested RSUs, the date of such action is the applicable vesting date. All vested RSUs shall continue to be subject to the Omnibus Plan and exercisable for a period of 12 months following the termination, provided that any RSUs that have not been exercised within 12 months after the Termination shall automatically and immediately expire and be forfeited on such date.

Effect of Termination

If a participant: (i) ceases to be a director or the Corporation or of a designated affiliate, as the case may be (and is not or does not continue to be an employee thereof), for any reason (other than death); or (ii) ceases to be employed by, or provide services to, the Corporation or the designated affiliates (and is not or does not continue to be a director or officer thereof), or any corporation engaged to provide services to the Corporation or the designated affiliates, for any reason (other than death) or shall receive notice from the Corporation or the designated affiliates of the termination of their employment contract; the participant's participation in the Omnibus Plan will be terminated immediately, all

RSUs credited to such participant's account that have not vested will be forfeited and cancelled, and the participant's rights that relate to such participant's unvested RSUs shall be forfeited and cancelled, within a reasonable period, not exceeding 12 months, following the termination date. Notwithstanding the foregoing, if the Committee, in its sole discretion, instead accelerates the vesting or waives vesting conditions with respect to all or some portion of outstanding unvested RSUs, the date of such action is the applicable vesting date.

Consolidation, Merger, etc.

If there is a consolidation, merger or statutory amalgamation or arrangement of the Corporation with or into another corporation, a separation of the business of the Corporation into two or more entities or a sale, lease exchange or other transfer (in one transaction or a series of related transactions) of all or substantially all of the assets of the Corporation to another entity, upon the exercise or settlement, if applicable, of an Award under the Omnibus Plan the holder thereof is entitled to receive the securities, property or cash which the holder would have received upon such consolidation, merger, amalgamation, arrangement, separation or transfer if the holder had been a holder of Common Shares immediately prior to the effective time of such event, unless the Committee otherwise determines appropriate adjustments or substitutions to be made in such circumstances in order to maintain the economic rights of the participant in respect of such Award in connection with such event.

Securities Exchange Take-Over Bid

If a take-over bid (within the meaning of the *Securities Act* (Ontario)) is made as a result of which all of the outstanding Common Shares are acquired by the offeror through compulsory acquisition provisions of the incorporating statute of the Corporation or otherwise, and where consideration is paid in whole or in part in equity securities of the offeror, the Committee may send notice to all participants requiring them to surrender their Awards within ten days of the mailing of such notice, and the optionees shall be deemed to have surrendered such Awards on the tenth day after the mailing of such notice without further formality, provided that, among other things, the Committee delivers with such notice an irrevocable and unconditional offer by the offeror to grant replacement options to the participants on the equity securities offered as consideration.

Acceleration on Take-Over Bid, Consolidation or Merger

In the event that: (a) the Corporation seeks or intends to seek approval from the Shareholders for a transaction which, if completed, would constitute an Acceleration Event (as hereinafter defined); or (b) a person makes a bona fide offer or proposal to the Corporation or the Shareholders which, if accepted or completed, would constitute an Acceleration Event, then the Corporation is required to send notice to all optionees of such transaction, offer or proposal as soon as practicable. Provided that the Committee has determined that no adjustment will be made under the provisions of the Omnibus Plan described above under the heading "Consolidation, Merger, etc.", (i) the Committee may by resolution, and notwithstanding any vesting schedule applicable to any Option, permit all Options outstanding which have restrictions on their exercise to become immediately exercisable during the period specified in the notice (but in no event later than the applicable expiry date of an Option), so that the optionee may participate in such transaction, offer or proposal, and (ii) the Committee may accelerate the expiry date of such Options and the time for the fulfillment of any conditions or restrictions on such exercise. An "Acceleration Event" means an acquisition by any offeror of beneficial ownership of more than 50% of the votes attached to the outstanding voting securities of the Corporation, any consolidation merger or statutory amalgamation or arrangement of the Corporation with or into another corporation and pursuant to which the Corporation will not be the surviving entity (other than a transaction under which the Shareholders immediately prior to completion of the transaction will have the same proportionate ownership of the surviving corporation), a separation of the business of the Corporation into two or more entities, a sale, lease exchange or other transfer of all or substantially all of the assets of the Corporation to another entity or the approval by Shareholders of any plan of liquidation or dissolution of the Corporation.

Amendments, Modifications and Changes

The Committee has the right under the Omnibus Plan to make certain amendments to the Omnibus Plan, including, but not limited to, amendments of a “housekeeping” nature, to comply with applicable law or regulation, to the vesting provisions of the Omnibus Plan, to the terms of any Award previously granted (with the consent of the optionee), and with respect to the effect of the termination of an optionee’s position, employment or services under the Omnibus Plan, to the categories of persons who are participants in respect of the administration or implementation of the Omnibus Plan.

The Committee has the right, under the Omnibus Plan, with the approval of the Shareholders, to make certain amendments to the Omnibus Plan, including, but not limited to, any change to the number of Common Shares issuable from treasury under the Omnibus Plan, any amendment which reduces the exercise price of any Award, any amendment which extends the expiry date of an Award other than as permitted under the Omnibus Plan, any amendment which cancels any Award and replaces such Award with an Award which has a lower exercise price, any amendment which would permit Awards to be transferred or assigned by any participant other than as currently permitted under the Omnibus Plan, and any amendments to the amendment provisions of the Omnibus Plan. Disinterested shareholder approval shall be obtained for any reduction in the exercise price of an Option, or the extension of the term of an Option, if the Participant is an Insider of the Corporation at the time of the proposed amendment.

Summary of Compensation of Directors and Named Executive Officers, Excluding Compensation Securities

The following table sets forth for the years ended December 31, 2024, and 2023, information concerning the total compensation paid to the Corporation’s NEOs and directors, excluding compensation securities.

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
David Berger ⁽¹⁾⁽²⁾ <i>Chief Executive Officer and Director</i>	2024	130,000	Nil	Nil	Nil	Nil	130,000 ⁽³⁾
	2023	103,076	Nil	Nil	Nil	Nil	103,076
Steven Glaser ⁽²⁾⁽⁴⁾ <i>Chief Operating Officer, Chief Financial Officer and Director</i>	2024	130,000	Nil	Nil	Nil	Nil	130,000 ⁽³⁾
	2023	103,076	Nil	Nil	Nil	Nil	103,076
Steven Mintz ⁽²⁾⁽⁵⁾ <i>Director</i>	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
Robert Pratt ⁽²⁾⁽⁶⁾ <i>Director</i>	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
Gillian Deacon ⁽²⁾⁽⁷⁾ <i>Director</i>	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
Nils Kravis ⁽⁸⁾ <i>Former Director</i>	2024	3,124	Nil	Nil	Nil	Nil	3,124
	2023	47,500 ⁽⁹⁾	Nil	Nil	Nil	Nil	47,500

Notes:

1. Mr. Berger was appointed as the Corporation’s Chief Executive Officer and a Director on April 19, 2017, being the closing date of the qualifying transaction.
2. Mr. Berger, Mr. Glaser, Mr. Mintz, Mr. Pratt and Ms. Deacon were not paid compensation in their capacities as directors of the Corporation.
3. Mr. Berger and Mr. Glaser each earned an initial base salary of \$130,000 for the year ended December 31, 2024 as provided by the Berger Agreement (defined herein) and Glaser Agreement (defined herein), respectively. For the year ended December 31, 2024, a portion of the total compensation for each

of Mr. Berger and Mr. Glaser was tied to one or more performance criteria. Please refer to the “*Compensation Discussion and Analysis*” section for information on the Corporation’s compensation policies.

4. Mr. Glaser was appointed as the Corporation’s Chief Operating Officer on April 19, 2017. Mr. Glaser was appointed as the Corporation’s Chief Financial Officer on July 14, 2020, upon the resignation of Mr. Mintz from that role.
5. Mr. Mintz became a director of the Corporation on September 17, 2009.
6. Mr. Pratt became a director of the Corporation on August 15, 2018.
7. Ms. Deacon became a director of the Corporation on August 12, 2021.
8. Mr. Kravis was appointed as Executive Chairman & Director on August 30, 2022. Mr. Kravis resigned from both positions on January 23, 2024.
9. Mr. Kravis was paid \$25,000 in consulting fees for the financial year ended December 31, 2023, and received 750,000 Common Shares in exchange for \$22,500 of certain existing debt.

Compensation Securities

No compensation securities were granted or issued to directors or NEOs by the Corporation for the financial year ended December 31, 2024, except as disclosed in the table below:

Name and Position	Type of compensation security	Number of compensation securities, number of underlying securities and percentage of class⁽¹⁾	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry Date
Robert Pratt <i>Director</i>	Options	500,000 Options exercisable into 500,000 Shares, (0.44%)	January 24, 2024	\$0.05	\$0.025	\$0.03	January 24, 2034

Incentive Plan Awards - Value Vested or Earned During the Year

There were no incentive stock options exercised by any Named Executive Officer during the most recently completed financial year ending December 31, 2024.

Retirement Plans

The Corporation has no formal pension, retirement compensation or other long term incentive plans in place for its directors, officers or employees.

Employment Agreements

Other than as disclosed below, there are no contracts, agreements, plans or arrangements that provide for payments to an individual at, following, or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change of control of the Corporation or a change in their responsibilities.

David Berger – Chief Executive Officer

Effective February 26, 2024 David Berger and the Corporation entered into an employment agreement, pursuant to which Mr. Berger provides Chief Executive Officer services to the Corporation (the “**Berger Agreement**”). Under the Berger Agreement, Mr. Berger is entitled to: (i) initial base salary of \$130,000 for the 2024 calendar year; (ii) annual one-time cash payment of \$25,000 subject to meeting predetermined milestones on 2024 proforma revenue as well as new revenue share assets deployed in the calendar year; and (iii) for the calendar year December 31, 2024, the Board and the HR and Compensation Committee can remunerate Mr. Berger with an annual bonus in the form of monies, shares and/or options, to be determined solely by the Board and HR and Compensation Committee. Additionally, pursuant to the Berger Agreement, if the Corporation grows its fiscal-year end 2024 revenues a certain

amount, Mr. Berger's total compensation is to increase to \$155,000. Mr. Berger's base salary will be reviewed for future years.

The Berger Agreement may be terminated by the Corporation summarily and without notice, or payment in lieu of notice, severance payments, benefits, damages or any sums whatsoever, in the event that there is just cause for termination of the Berger Agreement at common law. In the case of termination of the Berger Agreement for just cause, all stock options expire immediately upon such termination. Notwithstanding the generality of the foregoing, just cause shall be deemed to exist in the event Mr. Berger (i) engages in conduct which is detrimental to the reputation of the Corporation or any of its affiliates in any material respect, (ii) has committed an act of fraud or material dishonesty in connection with his employment or the business carried by the Corporation, (iii) is the subject of any enforcement proceeding by a securities regulatory authority or agency, or (iv) materially breaches his duties under the Berger Agreement, including the Corporation's policies and procedures.

In the event of termination without cause or termination upon change of control, Mr. Berger is entitled to be paid a lump sum equivalent to: (i) one time the greater of Mr. Berger's base salary as provided above and Mr. Berger's base salary as at the termination date; (ii) one time the average value of Mr. Berger's two most recent discretionary annual bonus awards; and (iii) Mr. Berger's accrued, but unpaid vacation pay to the termination date, which payment shall be in total satisfaction of Mr. Berger's entitlement to notice, pay in lieu of notice, or severance pay pursuant to statute, equity, contract or at common law and shall be made not later than two months after the termination date. Subject to the receipt of all required shareholder and regulatory approvals, any Options granted by the Corporation which have not vested as of the termination date shall vest at the earlier of their existing vesting date or six months from the termination date and shall remain exercisable until the earlier of (a) the termination date of such option, or (b) the date which is twelve months from the termination date.

Steven Glaser – Chief Financial Officer and Chief Operating Officer

Effective February 26th, 2024, Steven Glaser and the Corporation entered into an employment agreement, pursuant to which Mr. Glaser provides Chief Operating Officer, Chief Financial Officer and Board member services to the Corporation (the "**Glaser Agreement**"). Under the Glaser Agreement, Mr. Glaser is entitled to: (i) initial base salary of \$130,000 for the 2024 calendar year; (ii) an annual one-time cash payment of \$25,000 subject to meeting predetermined milestones on 2024 proforma revenue as well as new revenue share assets deployed in the calendar year; and (iv) for the calendar years of 2023 and 2024, the Board and the HR and Compensation Committee can remunerate Mr. Glaser with an annual bonus in the form of monies, shares and/or options, to be determined solely by the Board and HR and Compensation Committee. Additionally, pursuant to the Glaser Agreement, if the Corporation grows its fiscal-year end 2024 revenues a certain amount, Mr. Glaser's total compensation is to increase to \$155,000. Mr. Glaser's base salary will be reviewed for future years.

The Glaser Agreement may be terminated by the Corporation summarily and without notice, or payment in lieu of notice, severance payments, benefits, damages, or any sums whatsoever, if there is just cause for termination of the Glaser Agreement at common law. In the case of termination of the Glaser Agreement for just cause, all stock options expire immediately upon such termination. Notwithstanding the generality of the foregoing, just cause shall be deemed to exist in the event Mr. Glaser (i) engages in conduct which is detrimental to the reputation of the Corporation or any of its affiliates in any material respect, (ii) has committed an act of fraud or material dishonesty in connection with his employment or the business carried by the Corporation, (iii) is the subject of any enforcement proceeding by a securities regulatory authority or agency, or (iv) materially breaches his duties under the Glaser Agreement, including the Corporation's policies and procedures.

In the event of termination without cause or termination upon change of control, Mr. Glaser is entitled to be paid a lump sum equivalent to: (i) one time the greater of Mr. Glaser's base salary as provided above and Mr. Glaser's base salary as at the termination date; (ii) one time the average value of Mr. Glaser's two most recent discretionary annual bonus awards; and (iii) Mr. Glaser's accrued, but unpaid vacation pay to the termination date, which payment shall be in total satisfaction of Mr. Glaser's entitlement to notice, pay in lieu of notice, or severance pay pursuant to statute,

equity, contract or at common law and shall be made not later than two months after the termination date. Subject to the receipt of all required shareholder and regulatory approvals, any Options granted by the Corporation which have not vested as of the termination date shall vest at the earlier of their existing vesting date or six months from the termination date and shall remain exercisable until the earlier of (a) the termination date of such option, or (b) the date which is twelve months from the termination date.

Compensation of Directors

The Corporation did not compensate directors on a per meeting fee or retainer basis and there is no formal compensation plan in place for the directors other than Awards granted from time to time, given the Corporation's size and its early stage of development.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth securities of the Corporation that are authorized for issuance under equity compensation plans as at December 31, 2024, the Corporation's most recently completed financial year.

Plan Category	Number of Common Shares to be issued upon exercise of outstanding options, warrants and rights	Weighted average exercise price of outstanding options, warrants and rights	Number of Common Shares remaining available for issuance under equity compensation plans (excluding outstanding securities reflected in Column 1)
Equity compensation plans approved by securityholders	8,300,000	\$ 0.05	12,055,050
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	8,300,000	\$ 0.05	12,055,050

Note:

1. As at December 31, 2024, the Corporation had 3,900,000 Options issued and outstanding and 7,457,475 Options remaining authorized for issuance under the Omnibus Plan.
2. As at December 31, 2024, the Corporation had 4,400,000 RSUs issued and outstanding and 4,597,575 RSUs remaining authorized for issuance under the RSU Plan.
3. As at December 31, 2024, the Corporation had 113,574,750 Common Shares issued and outstanding. The Omnibus Plan provides for a 10% rolling Option plan and 10% fixed RSU plan.

MANAGEMENT CONTRACTS

As of the date hereof, no management functions of the Corporation were to any degree performed by a person or company other than the directors or executive officers (or the companies controlled by them, either directly or indirectly) of the Corporation.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As of the date hereof, no current director, executive officer, or former director, or executive officer of the Corporation nor any of their associates or affiliates, is, or has been at any time since the beginning of the last completed financial year, indebted to the Corporation nor has any such person been indebted to any other entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding provided by the Corporation.

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No “informed person” (as such term is defined in National Instrument 51-102 – *Continuous Disclosure Obligations*) of the Corporation, any Nominee, or any associate or affiliate of an informed person, has or had any material interest, direct or indirect, in any transaction or any proposed transaction that has materially affected or will materially affect the Corporation or any of its subsidiaries.

AUDIT COMMITTEE

Pursuant to National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”), the Corporation is required to have an audit committee comprised of not less than three directors, a majority of whom are not officers, control persons or employees of the Corporation or an affiliate of the Corporation. NI 52-110 requires the Corporation to disclose annually in its information circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor.

Audit Committee Charter

The Audit Committee Charter of the Corporation is attached as hereto as Schedule “C.”

Audit Committee Composition

The following are the members of the Audit Committee, as at the date hereof:

Name	Independence	Financially Literacy
Steven Glaser	Not Independent ⁽¹⁾⁽²⁾	Financially literate ⁽¹⁾
Robert Pratt	Independent ⁽¹⁾	Financially literate ⁽¹⁾
Steven Mintz	Independent ⁽¹⁾	Financially literate ⁽¹⁾

Note:

1. As defined by NI 52-110.
2. Mr. Glaser currently holds Chief Operating Officer and Chief Financial Officer roles at the Corporation.

Audit Committee Oversight

At no time since the commencement of the Corporation’s most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

Relevant Education and Experience

All of the members of the Audit Committee have been either directly involved in the preparation of the financial statements, filing of the quarterly and annual financial statements, dealing with the auditors, or as a member of the audit committee. All members have the ability to read, analyze, and understand the complexities surrounding the issuance of financial statements. The following sets out the education and experience of each member of the Audit Committee relevant to the performance of his duties as a member of the Audit Committee.

Steven Mintz: Mr. Mintz has been a Chartered Accountant and Chartered Professional Accountant since 1992. He attained a Bachelor of Arts in Economics at the University of Toronto in 1989. Mr. Mintz has been involved as a director in a number of public companies.

Robert Pratt: Mr. Pratt has held executive roles in a hotel industry for more than 30 years and retired in 2024 as President & COO at Sandman Hotel Group and Sutton Place Hotels. Prior to that, he was President at ONE Lodging Management, with responsibility for the day-to-day operations of 119 properties. Mr. Pratt is the former President of

Coast Hotels as well as the COO of Westmont Hospitality Group in Toronto where he oversaw operations of 160 hotels across Canada operating under 10 franchised brands employing 10,000 people. Mr. Pratt graduated from Cornell University School of Hotel Administration with a Bachelor of Science. He is a current Board member of the Hotel Association of Canada, past director of the Tourism Industry Association of Canada, Destination British Columbia and was also a founding member of the Board of Directors of American Hotel Income Properties. He also sat on the advisory councils for the Westin Hotels and Resorts and Courtyard Hotels brands.

Steven Glaser: Mr. Glaser is a financial service executive with a diverse background in corporate finance, communications and governance for both domestic and international private and public companies. He holds a Bachelor of Administrative Studies, as well as an M.B.A. in finance.

Reliance on Certain Exemptions

At no time since the commencement of the Corporation’s most recently completed financial period has the Corporation relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis Non-audit Services*), subsection 6.1.1 (4), subsection 6.1.1(5) and subsection 6.1.1(6) of NI 52-110 or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

The Corporation is relying on the exemption provided for “venture issuers” (as defined in NI 52-110) under section 6.1 of NI 52-110 with respect to the composition of the Audit Committee. Notwithstanding that a majority of the members of the audit committee are not “independent” within the meaning prescribed by NI 52-110, the Audit Committee is nonetheless in compliance with NI 52-110 since a majority of the members of the Audit Committee are not executive officers, employees or control persons of the Corporation.

Pre-Approval Policies and Procedures

Pursuant to the Audit Committee charter, the Audit Committee is responsible for pre-approving all non-audit services to be provided to the Corporation or its subsidiary entities by the Corporation’s external auditor. The Audit Committee is also responsible for reviewing at least annually, a report from the external auditor on all relationships and engagements for non-audit services that may reasonably be thought to bear on the independence of the auditor.

External Auditor Service Fees

The aggregate fees billed by the Corporation’s external auditors in the last two (2) financial years for audit and other fees are as follows:

Financial Year Ending	Audit Fees	Audit Related Fees	Tax Fees⁽¹⁾	All Other Fees⁽²⁾
2024	\$30,000	Nil	\$3,900	Nil
2023	\$21,500	Nil	\$2,892.83	\$750

Notes:

- (1) Fees charged for tax compliance, tax advice and tax planning services.
- (2) All other fees represent amounts paid for the auditors CPAB fee.

CORPORATE GOVERNANCE

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the shareholders and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day-to-day management of the Corporation. The Board is committed to sound corporate governance practices which are both in the interest of its shareholders and contribute to effective and efficient decision making.

The Corporation is committed to ensuring that the Corporation has an effective corporate governance system. The Corporation’s current governance practices pursuant to National Instrument 58-101 are specifically set out in Schedule “C” to this Management Information Circular in the form required by Form 58-101F1. The Corporation values

diversity, including, without limitation, diversity of experience, perspective, education, race, gender and national origin as part of its overall business strategy. Schedule “C” also includes the diversity disclosure required pursuant to section 172.1 of the CBCA.

DIVERSITY BOARD

Effective January 1, 2020, amendments were made to the diversity requirements under the CBCA to require additional disclosure regarding written policies and targets pertaining to the identification and nomination of women, Aboriginal peoples, persons with disabilities and members of visible minorities (collectively, the “**Designated Groups**”). The Corporation values a diversity of views and experience. When assessing potential candidates for nomination to the Board and for senior management positions, the Board considers gender, national origin, ethnicity, in addition to business skills, and qualifications and career history.

The Corporation has not adopted a specific policy regarding the identification and nomination of Designated Groups for director or senior management positions. The Board recognizes the importance of diversity, including members belonging to the Designated Groups, and is committed to identifying and appointing executive officers who are highly qualified based on their skills, expertise and industry experience. The Corporation is cognizant of external factors such as availability of interested and qualified candidates and the number of vacant senior management positions. Additionally, having the flexibility to appoint qualified candidates when a need arises is important to the operations of the Corporation and such flexibility does not always allow for selecting a candidate based on diversity. It is in light of recognizing external factors and prioritizing flexibility that the Corporation has not adopted specific targets to be achieved for the representation of Designated Groups for senior management positions. It is the Board’s view that a balanced set of skills and qualifications overrides specific targets for diversity. The Corporation believes that this approach is what is in the best interests of the Corporation and its shareholders.

As at the Record Date, the Corporation has a total of five (5) directors and two (2) members of senior management. Currently, one of whom is a member of a Designated Group (20%).

OTHER INFORMATION

Interest of Certain Persons or Companies in Matters to be Acted Upon

Management of the Corporation is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any person who has been a director or executive officer of the Corporation since the commencement of the Corporation’s last completed financial year, each proposed nominee for election as a director of the Corporation or of any associate or affiliate of any of such persons, in any matter to be acted upon at the Meeting other than the election of directors or the appointment of auditors.

CERTIFICATION

The undersigned hereby certifies that the contents and the mailing of this Management Information Circular to Shareholders have been approved by the Board.

DATED at Toronto, Ontario, this 2nd day of May 2025.

BY ORDER OF THE BOARD OF DIRECTORS OF POOL SAFE INC.

/s/ Steven Glaser
Mr. Steven Glaser
CFO, COO & Director

SCHEDULE "A"

REPORTING PACKAGE: NOTICE OF CHANGE OF AUDITOR

[See Attached.]

NOTICE OF CHANGE OF AUDITORS

To: DNTW Toronto LLP
Kevin Ramsay, the principal of Wasserman Ramsay Chartered Professional Accountants

And To: Ontario Securities Commission
British Columbia Securities Commission
Alberta Securities Commission
Manitoba Securities Commission

Pursuant to Section 4.11 of National Instrument 51-102 – *Continuous Disclosure Obligations* (“**NI 51-102**”), Pool Safe Inc. (the “**Company**”) hereby gives notice of the change of its auditor from Wasserman Ramsay, Chartered Professional Accountants (the “**Former Auditor**”) to DNTW Toronto LLP (the “**Successor Auditor**”). In accordance with NI 51-102, the Company hereby states that:

- a. the Former Auditor resigned as the auditor of the Company effective September 15, 2024 on their own initiative due to the principal of Wasserman Ramsay’s retirement;
- b. the Successor Auditor has been appointed as the Company’s auditor, effective September 27, 2024;
- c. the resignation of the Former Auditor and the appointment of the Successor Auditor as the Company’s auditor have been approved by the board of directors of the Company on recommendation of the audit committee of the board of directors;
- d. in the opinion of the Company, no “reportable event”, as defined in NI 51-102, occurred prior to the resignation of the Former Auditor; and
- e. none of the Former Auditor’s reports on the Company’s financial statements, during the period beginning December 31, 2023 and ending on the date of resignation, expressed a modified opinion.

DATED at Toronto, Ontario, this 27th day of September 2024.

ON BEHALF OF POOL SAFE INC.

Per:

/s/ David Berger

David Berger
Director and Chief Executive Officer



CHARTERED
PROFESSIONAL
ACCOUNTANTS

7100 Woodbine Ave, Suite 219
Markham, Ontario Canada L3R 5J2

Tel: 905-415-9666

Fax: 647-930-7939

dntw.audit@dntw.com

September 27, 2024

Ontario Securities Commission
British Columbia Securities Commission
Alberta Securities Commission
Manitoba Securities Commission

Dear Sirs/Mesdames:

Re: Notice of Change of Auditor of Pool Safe Inc. (the “Corporation”)

We acknowledge receipt of a Notice of Change of Auditor (the “Notice”) dated September 27, 2024, delivered to us by the Corporation, pursuant to National Instrument 51-102 — *Continuous Disclosure Obligations* of the Canadian Securities Administrators.

We have reviewed the Notice and, based on our knowledge at this time, we are in agreement with the statements contained in the Notice as it pertains to our firm.

Yours truly,

DNTW Toronto LLP

Chartered Professional Accountants
Licensed Public Accountants

September 15, 2024

Ontario Securities Commission
British Columbia Securities Commission
Alberta Securities Commission
Manitoba Securities Commission

Dear Sirs/Mesdames

Re: Pool Safe Inc. - Notice of Change of Auditor

As required by Section 4.11 of National Instrument 51-102 Continuous Disclosure Obligations, we have reviewed the information contained in the Company's Notice of Change of Auditor dated September 15, 2024 (the "Notice"). Based on our knowledge as of the date of this letter, we agree with each statement in the Notice as it pertains to Wasserman Ramsay, CPA's.

Yours truly



Chartered Professional Accountants
Licenced Public Accountants

NOTICE OF CHANGE OF AUDITORS

**To: Horizon Assurance LLC
DNTW Toronto LLP**

**And To: Ontario Securities Commission
British Columbia Securities Commission
Alberta Securities Commission
Manitoba Securities Commission**

Pursuant to Section 4.11 of National Instrument 51-102 – *Continuous Disclosure Obligations* (“**NI 51-102**”), Pool Safe Inc. (the “**Company**”) hereby gives notice of the change of its auditor from DNTW Toronto LLP (the “**Former Auditor**”) to Horizon Assurance LLC (the “**Successor Auditor**”). In accordance with NI 51-102, the Company hereby states that:

- a. the Former Auditor resigned as the auditor of the Company effective February 25, 2025, on their own initiative due to the engagement partner’s transition from the Former Auditor to the Successor Auditor;
- b. the Successor Auditor has been appointed as the Company’s auditor, effective February 25, 2025;
- c. the resignation of the Former Auditor and the appointment of the Successor Auditor as the Company’s auditor have been approved by the board of directors of the Company on recommendation of the audit committee of the board of directors;
- d. in the opinion of the Company, no “reportable event”, as defined in NI 51-102, occurred prior to the resignation of the Former Auditor; and
- e. none of the Former Auditor’s reports on the Company’s financial statements, during the period beginning December 31, 2023 and ending on the date of resignation, expressed a modified opinion.

DATED at Toronto, Ontario, this 25th day of February 2025.

ON BEHALF OF POOL SAFE INC.

Per:

/s/ Steven Glaser

Steven Glaser

Director and Chief Financial Officer



CHARTERED
PROFESSIONAL
ACCOUNTANTS

7100 Woodbine Ave, Suite 219
Markham, Ontario Canada L3R 5J2

Tel: 905-415-9666

Fax: 647-930-7939

dntw.audit@dntw.com

February 25, 2025

Ontario Securities Commission
British Columbia Securities Commission
Alberta Securities Commission
Manitoba Securities Commission

Dear Sirs/Mesdames:

Re: Notice of Change of Auditor of Pool Safe Inc. (the “Corporation”)

We acknowledge receipt of a Notice of Change of Auditor (the “Notice”) dated February 25, 2025, delivered to us by the Corporation, pursuant to National Instrument 51-102 — *Continuous Disclosure Obligations* of the Canadian Securities Administrators.

We have reviewed the Notice and, based on our knowledge at this time, we are in agreement with the statements contained in the Notice as it pertains to our firm.

Yours truly,

DNTW Toronto LLP

**Chartered Professional Accountants
Licensed Public Accountants**

February 25, 2025

To: Alberta Securities Commission
British Columbia Securities Commission
Ontario Securities Commission
Manitoba Securities Commission

RE: Notice of Change of Auditor for Pool Safe Inc. (the “Corporation”)

Dear Sirs/Mesdames:

We acknowledge receipt of a Notice of Change of Auditor (the “Notice”) dated February 25, 2025 delivered to us by the Corporation, pursuant to National Instrument 51-102 — *Continuous Disclosure Obligations of the Canadian Securities Administrators*.

We have reviewed the Notice and, based on our knowledge at this time, we are in agreement with the statements contained in the Notice as it pertains to our firm.

Yours truly,

Horizon Assurance LLP

**Chartered Professional Accountant
Licensed Public Accountant**

SCHEDULE "B"

OMNIBUS INCENTIVE PLAN

[See Attached.]

POOL SAFE INC.**OMNIBUS INCENTIVE PLAN****ARTICLE ONE DEFINITIONS AND INTERPRETATION**

Section 1.01 **Definitions** For purposes of this Omnibus Incentive Plan, unless such capitalized word or term is otherwise defined herein or the context in which such capitalized word or term is used herein otherwise requires, the following words and terms with the initial letter or letters thereof capitalized shall have the following meanings.

- (a) "**Acceleration Event**" has the meaning given to such term in Section 3.10 hereof;
- (b) "**Account**" means a notional account maintained for each Participant on the books of the Company which will be credited with RSUs in accordance with the terms of this Plan;
- (c) "**Award**" means any of an Option or RSU granted pursuant to, or otherwise governed by, the Plan;
- (d) "**Award Agreement**" means an agreement evidencing the grant to a Participant of an Award, including an Option Agreement or a RSU Agreement;
- (e) "**Blackout Period**" means a period of time during which:
 - (i) the trading guidelines of the Company, as amended or replaced from time to time, restrict one or more Participants from trading in securities of the Company; or
 - (ii) the Company has determined that one or more Participants may not trade any securities of the Company;
- (f) "**Blackout Period Expiry Date**" means the date on which a Blackout Period expires;
- (g) "**Business Day**" means a day on which the Stock Exchange is open for trading;
- (h) "**Committee**" means the Directors or, if the Directors so determine in accordance with Section 2.04 hereof, the committee of the Directors authorized to administer this Plan;
- (i) "**Common Shares**" means the common shares of the Company, as adjusted in accordance with the provisions of Article Six hereof from time to time;
- (j) "**Company**" means Pool Safe Inc., a corporation existing under the *Canada Business Corporations Act*, and any successor corporation thereof;
- (k) "**Consultant**" means a person, other than an employee, executive officer or director of the Company or of any Designated Affiliates, that provides ongoing services management, advisory, consulting, technical or other services (other than services provided in relation to a distribution of securities of the Company) for the Company or a Designated Affiliate, or any employee of such person, under a written contract between the Company and such person, and who spends or will spend a significant amount of time and attention on the affairs and business of the Company or a Designated Affiliate and has a relationship with the Company or a Designated Affiliate that enables such person to be knowledgeable about the business and affairs of the Company or Designated Affiliate, as the case may be;
- (l) "**Designated Affiliates**" means the affiliates of the Company designated by the Committee for purposes of this Plan from time to time;
- (m) "**Designated Broker**" means a broker who is independent of, and deals at arm's length with, the Company and its Designated Affiliates and is designated by the Company;

- (n) "**Directors**" means the directors of the Company from time to time;
- (o) "**Dividend Equivalent**" means additional RSUs credited to a Participant's Account as a dividend equivalent pursuant to Section 4.07;
- (p) "**Eligible Directors**" means, other than, in the case of a grant of RSUs, a person retained to provide Investor Relations Activities, the Directors or the directors of any Designated Affiliate from time to time;
- (q) "**Eligible Employees**" means, other than, in the case of a grant of RSUs, a person retained to provide Investor Relations Activities, any employees and officers, whether Directors or not, of the Company or any Designated Affiliate, provided that such employees and officers are individuals who are considered employees under the ITA;
- (r) "**Employment Contract**" means any contract between the Company or any Designated Affiliate and any Participant relating to, or entered into in connection with, the employment or departure of the Eligible Employee, the appointment, election or departure of the Eligible Director or the engagement of the Consultant or Investor Relations Service Provider or any other agreement to which the Company or a Designated Affiliate is a party with respect to the rights of such Participant in respect of a change in control of the Company or the termination of employment, appointment, election or engagement of such Participant;
- (s) "**Exercise Price**" has the meaning given to such term in Section 3.04 hereof;
- (t) "**Insider**" has the meaning given to such term in the policies of the TSXV;
- (u) "**Investor Relations Activities**" has the meaning given to such term in the policies of the TSXV;
- (v) "**Investor Relations Service Provider**" means any Consultant, Directors, officers, employees of the Company or of a Designated Affiliate providing Investor Relations Activities;
- (w) "**ITA**" means the *Income Tax Act* (Canada), together with the regulations thereto, each as amended from time to time;
- (x) "**Market Value of a Common Share**" means, with respect to any particular date as of which the Market Value of a Common Share is required to be determined, (a) if the Common Shares are then listed on the Stock Exchange, the closing price of the Shares on the Stock Exchange on the last Trading Day prior to such particular date; or (b) if the Common Shares are not then listed on any stock exchange, the value as is determined solely by the Committee, acting reasonably and in good faith, and such determination shall be conclusive and binding on all persons;
- (y) "**Option**" means an option to purchase Common Shares granted pursuant to, or governed by, this Plan;
- (z) "**Optionee**" means a Participant to whom an Option has been granted pursuant to this Plan;
- (aa) "**Option Period**" means the period of time during which the particular Option may be exercised, including as extended in accordance with Section 3.05 hereof;
- (bb) "**Participant**" means each Eligible Director, Eligible Employee, Consultant or Investor Relations Service Provider that is granted one or more Awards under this Plan;
- (cc) "**Plan**" means this amended and restated omnibus incentive plan as amended from time to time;
- (dd) "**Prior Option Plan**" has the meaning given to such term in Section 2.07(e) hereof;
- (ee) "**Redemption Date**" has the meaning ascribed thereto in Section 4.05(a) hereof;

- (ff) “**Related Person**” has the meaning given to such term in the policies of the TSXV;
- (gg) “**Reserved Amount**” means any Options granted prior to December 1, 2021, including the Options granted under the Prior Option Plan, which have not been expired or exercised;
- (hh) “**Restriction Period**” means, with respect to a particular grant of RSUs, the period between the date of grant of such RSUs and the latest Vesting Date in respect of any portion of such RSUs;
- (ii) “**RSU**” means a restricted share unit, which is a right awarded to a Participant to receive cash, Common Shares or any combination of cash and Common Shares, as determined by the Company in its sole discretion, pursuant to, and governed by, this Plan;
- (jj) “**RSU Agreement**” means a written agreement between the Company and a Participant evidencing the grant of RSUs and the terms and conditions thereof;
- (kk) “**RSU Outside Expiry Date**” has the meaning ascribed thereto in Section 4.05(d) hereof;
- (ll) “**Stock Exchange**” means the TSX Venture Exchange or, if the Common Shares are not then listed on the TSX Venture Exchange, such other principal market on which the Common Shares are then traded as designated by the Committee from time to time;
- (mm) “**Termination**” has the meaning given to such term in Section 3.12 hereof;
- (nn) “**Trading Day**” means any day on which the Stock Exchange is open for trading;
- (oo) “**TSXV**” means the TSX Venture Exchange;
- (pp) “**U.S. Securities Act**” has the meaning given to such term in Section 5.02 hereof; and
- (qq) “**Vesting Date**” has the meaning ascribed thereto in Section 4.04 hereof.

Section 1.02 **Headings**. The headings of all articles, sections, paragraphs and subparagraphs in this Plan are inserted for convenience of reference only and shall not affect the construction or interpretation of this Plan.

Section 1.03 **Context, Construction**. Whenever the singular or masculine are used in this Plan the same shall be construed as being the plural or feminine or neuter or vice versa where the context so requires. The word “person” shall be given the widest meaning possible and shall include, without limitation, an individual, a corporation, a partnership, a limited partnership or any other unincorporated entity.

Section 1.04 **References to this Plan**. The words “hereto”, “herein”, “hereby”, “hereunder”, “hereof” and similar expressions mean or refer to this Plan as a whole and not to any particular article, section, paragraph, subparagraph or other part hereof.

Section 1.05 **Canadian Funds**. Unless otherwise specifically provided, all references to dollar amounts in this Plan are references to lawful money of Canada.

ARTICLE TWO

PURPOSE AND ADMINISTRATION OF THIS PLAN

Section 2.01 **Purpose of this Plan**. This Plan provides for the potential acquisition of Common Shares by Participants for the purpose of advancing the interests of the Company through the motivation, attraction and retention of key employees, directors and consultants of the Company and the Designated Affiliates and to secure for the Company and the shareholders of the Company the benefits inherent in the ownership of Common Shares by key

employees, directors and consultants of the Company and the Designated Affiliates, it being generally recognized that share incentive plans can aid in attracting, retaining and encouraging employees, directors and consultants due to the opportunity offered to them to acquire a proprietary interest in the Company.

Section 2.02 **Participants.** This Plan is hereby established for Eligible Directors, Eligible Employees, Consultant or Investor Relations Service Provider.

Section 2.03 **Administration of this Plan.** This Plan shall be administered by the Committee and the Committee shall have full authority to administer this Plan, including the authority to interpret and construe any provision of this Plan and to adopt, amend and rescind such rules and regulations for administering this Plan as the Committee may deem necessary or desirable in order to comply with the requirements of this Plan, subject in all cases to compliance with regulatory requirements. All actions taken and all interpretations and determinations made by the Committee in good faith shall be final and conclusive and shall be binding on the Participants and the Company. No member of the Committee shall be personally liable for any action taken or determination or interpretation made in good faith in connection with this Plan and all members of the Committee shall, in addition to their rights as Directors, be fully protected, indemnified and held harmless by the Company with respect to any such action taken or determination or interpretation made. The appropriate officers of the Company are hereby authorized and empowered to do all things and execute and deliver all instruments, undertakings and applications and writings as they, in their absolute discretion, consider necessary or desirable for the implementation of this Plan and of the rules and regulations established for administering this Plan. All costs incurred in connection with this Plan shall be for the account of the Company and its Designated Affiliates. This Plan shall be administered in accordance with the rules and policies of the TSXV by the Committee so long as the Common Shares are listed on the TSXV.

Section 2.04 **Delegation to Committee.** All of the powers exercisable hereunder by the Directors may, to the extent permitted by applicable law and as determined by resolution of the Directors, be exercised by a committee of the Directors comprised of not less than three Directors.

Section 2.05 **Record Keeping.** The Company shall maintain a register in which shall be recorded:

- (a) the name and address of each Participant;
- (b) the number of Common Shares subject to Awards granted to each Participant; and
- (c) the aggregate number of Common Shares subject to Awards.

Section 2.06 **Determination of Participants.** The Committee shall from time to time determine the Participants who may participate in this Plan. The Committee shall from time to time determine the Participants to whom Awards shall be granted, the number of Common Shares to be made subject to, and the expiry date of, each Award granted to each Participant and the other terms, including any vesting provisions, of each Award granted to each Participant, all such determinations to be made in accordance with the terms and conditions of this Plan, and the Committee may take into consideration the present and potential contributions of, and the services rendered by, the particular Participant to the success of the Company and any other factors which the Committee deems appropriate and relevant. All Eligible Employees, Consultant and Investor Relations Service Provider shall be bona fide Eligible Employees, Consultant or Investor Relations Service Provider, as the case may be. The Company may not grant or issue Awards unless and until the Awards have been allocated to a particular person or persons.

Section 2.07 **Maximum Number of Shares.**

- (a) The maximum number of Common Shares reserved for issuance that are issuable pursuant to the new grants of Options shall be determined from time to time by the Committee but, in any case, shall not exceed, in the aggregate, 10% of the total number of issued and outstanding Common Shares as at the date of any Option grant, subtracted by the Reserved Amount, if any.
- (b) The maximum aggregate number of Common Shares reserved for issuance pursuant to the settlement of RSUs shall not exceed 8,922,975 which is 10% fixed amount of the issued and outstanding Common Shares

as at the date of implementation of this Plan on December 1, 2021.

- (c) The maximum number of Common Shares reserved for issuance pursuant to Awards granted under this Plan to Participants who are Insiders of the Company (as a group) must not exceed 10% of the issued and outstanding Common Shares at any point in time, calculated as at the date any Award is granted or issued to any Insider, unless disinterested shareholder approval is received therefor in accordance with the policies of the TSXV.
- (d) The maximum aggregate number of Common Shares reserved for issuance pursuant to all Awards granted or issued under this Plan in any 12-month period to Participants who are Insiders of the Company (as a group) must not exceed 10% of the issued and outstanding Common Shares, calculated as at the date any Award is granted or issued to any Insider, unless disinterested shareholder approval is received therefor in accordance with the policies of the TSXV.
- (e) The maximum aggregate number of Common Shares reserved for issuance pursuant to Awards granted to any one Participant in any 12-month period must not exceed 5% of the number of Common Shares then outstanding, calculated as at the date any Award is granted or issued to the Participant, unless disinterested shareholder approval is received therefor in accordance with the policies of the TSXV.
- (f) The maximum aggregate number of Common Shares reserved for issuance pursuant to all Awards granted to any one Consultant in any 12-month period must not exceed 2% of the issued and outstanding Common Shares, calculated as at the date any Award is granted or issued to the Consultant.
- (g) The maximum aggregate number of Common Shares reserved for issuance pursuant to Options granted to all Investor Relations Service Providers conducting Investor Relations Activities in any 12-month period must not exceed, in the aggregate, 2% of the issued and outstanding Common Shares, calculated as at the date any Option is granted to any such Investor Relations Service Provider. Options granted to all Participants performing Investor Relations Activities shall vest in stages over a 12-month period, with no more than $\frac{1}{4}$ of the Options vesting in any three-month period. For greater certainty, Investor Relations Service Provider is not entitled to receive any Awards or any other type of security based compensation other than Options. The Directors shall, through the establishment of appropriate procedures, monitor the trading in the securities of the Company by all Participants performing Investor Relations Activities. No acceleration of the vesting provisions of Options granted to Investor Relations Service Provider is allowed without the prior acceptance of the TSXV.

For purposes of this Section 2.07, "the number of Common Shares then outstanding" shall mean the number of Common Shares outstanding on a non-diluted basis calculated at the date of the proposed grant of the applicable Award. All Common Shares reserved for issue upon the exercise of options outstanding under the previous stock option plan approved by the shareholders of the Company on June 2, 2016 (the "**Prior Option Plan**"), shall be counted toward the maximum number of Common Shares permitted to be reserved for issue pursuant to any of the provisions of this Section 2.07.

ARTICLE THREE

OPTION AWARDS

Section 3.01 **Nature of Options.** An Option is an option granted by the Company to a Participant entitling such Participant to acquire a designated number of Common Shares from treasury at the Exercise Price, but subject to the provisions hereof. For greater certainty, the Company is obligated to issue and deliver the designated number of Common Shares on the exercise of an Option and shall have no independent discretion to settle an Option in cash or other property other than Common Shares issued from treasury. For the avoidance of doubt, no Dividend Equivalents shall be granted in connection with an Option.

Section 3.02 **Option Awards.** Subject to the provisions set forth in this Plan and any shareholder or regulatory approval which may be required, the Committee shall, from time to time by resolution, in its sole discretion, (a) designate the Eligible Director, Eligible Employee, Consultant or Investor Relations Service Provider who may

receive Options under the Plan, (b) fix the number of Options, if any, to be granted to each Eligible Director, Eligible Employee, Consultant or Investor Relations Service Provider and the date or dates on which such Options shall be granted, (c) subject to Section 3.04, determine the price per Common Share to be payable upon the exercise of each such Option, (d) determine the relevant vesting provisions (including performance criteria, if applicable) and (e) determine the term of the Options, the whole subject to the terms and conditions prescribed in this Plan or in any stock option agreement, and any applicable rules of the Stock Exchange.

Section 3.03 Option Notice or Agreement. Each Option granted to a Participant may be evidenced by a stock option notice or stock option agreement setting out terms and conditions consistent with the provisions of this Plan, which terms and conditions need not be the same in each case and which terms and conditions may be changed from time to time.

Section 3.04 Exercise Price. The price per Common Share (the "**Exercise Price**") at which any Common Share which is the subject of an Option may be purchased shall be determined by the Committee at the time the Option is granted, provided that the Exercise Price shall be not less than the closing price of the Common Shares on the Stock Exchange on the last trading day immediately preceding the date of the grant of such Option less the maximum discount, if any, permitted by the Stock Exchange or, if the Common Shares are not then listed on any stock exchange, the Exercise Price shall not be less than the fair market value of the Common Shares as may be determined by the Directors on the day immediately preceding the date of the grant of such Option. Disinterested shareholder approval shall be required for any reduction in the Exercise Price of any Option if the Optionee is an Insider of the Company at the time of the proposed amendment to the Exercise Price.

Section 3.05 Term of Option. The Option Period for each Option shall be such period of time as shall be determined by the Committee, subject to amendment by an Employment Contract, provided that in no event shall an Option Period exceed ten (10) years. Notwithstanding the definition of Option Period contained herein or the foregoing, the expiration date of an Option will be the date fixed by the Directors with respect to such Option unless such expiration date falls within a Blackout Period or within ten days after a Blackout Period Expiry Date, in which case the expiration date of the Option will be the date which is ten (10) Business Days after the Blackout Period Expiry Date. Disinterested shareholder approval shall be required for the extension of any Option Period if the Optionee is an Insider of the Company at the time of the proposed amendment to the Option Period.

Section 3.06 Lapsed Options. If Options granted under this Plan (or stock options granted under the Prior Option Plan) are surrendered, terminate or expire without being exercised in whole or in part, new Options may be granted covering the Common Shares not purchased under such lapsed Options (or such lapsed stock options).

Section 3.07 Limit on Options to be Exercised. Except as otherwise specifically provided herein or in any Employment Contract, Options may be exercised by the Optionee in whole at any time, or in part from time to time (in each case to the nearest full Common Share), during the Option Period only in accordance with the vesting schedule, if any, determined by the Committee, in its sole and absolute discretion, subject to the applicable requirements of the Stock Exchange, at the time of the grant of the Option, which vesting schedule may include performance vesting or acceleration of vesting in certain circumstances and which may be amended or changed by the Committee from time to time with respect to a particular Option. If the Committee does not determine a vesting schedule at the time of the grant of any particular Option, such Option shall be exercisable in whole at any time, or in part from time to time, during the Option Period, subject to the applicable requirements of the Stock Exchange. In the event that the Common Shares are listed on the TSXV, Options with an Exercise Price based on the Discounted Market Price (as such term is defined in the policies of the TSXV), and the Common Shares issuable upon the exercise thereof, shall be subject to the restricted period and legending requirements imposed by the policies of the TSXV.

Section 3.08 Eligible Participants on Exercise. An Option may be exercised by the Optionee in whole at any time, or in part from time to time, during the Option Period, provided however that, except as otherwise specifically provided in Section 3.11 or Section 3.12 hereof or in any Employment Contract, no Option may be exercised unless the Optionee at the time of exercise thereof is:

- (a) in the case of an Eligible Employee, an officer of the Company or a Designated Affiliate or in the employment of the Company or a Designated Affiliate and has been continuously an officer or so employed since the date of the grant of such Option, provided however that a leave of absence with the approval of the Company or

such Designated Affiliate shall not be considered an interruption of employment for purposes of this Plan;

- (b) in the case of an Eligible Director who is not also an Eligible Employee, a director of the Company or a Designated Affiliate and has been such a director continuously since the date of the grant of such Option; and
- (c) in the case of a Consultant, engaged, directly or indirectly, in providing ongoing management, advisory, consulting, technical or other services for the Company or a Designated Affiliate and has been so engaged since the date of the grant of such Option.

Section 3.09 Payment of Exercise Price. The issue of Common Shares on the exercise of any Option shall be contingent upon receipt by the Company of payment of the aggregate purchase price for the Common Shares in respect of which the Option has been exercised by cash or certified cheque delivered to the registered office of the Company together with a completed notice of exercise, together with any tax amounts required under Section 5.01. No Optionee or legal representative, legatee or distributee of any Optionee will be, or will be deemed to be, a holder of any Common Shares with respect to which such Optionee was granted an Option, unless and until certificates for such Common Shares are issued to such Optionee, or them, under the terms of this Plan. Subject to Section 6.11 hereof, upon an Optionee exercising an Option and paying the Company the aggregate purchase price for the Common Shares in respect of which the Option has been exercised, the Company shall as soon as practicable thereafter issue and deliver a certificate representing the Common Shares so purchased.

Section 3.10 Acceleration on Take-over Bid, Consolidation, Merger, etc. In the event that:

- (a) the Company seeks or intends to seek approval from the shareholders of the Company for a transaction which, if completed, would constitute an Acceleration Event (as defined below); or
- (b) a person makes a bona fide offer or proposal to the Company or the shareholders of the Company which, if accepted or completed, would constitute an Acceleration Event,

the Company shall send notice to all Optionees of such transaction, offer or proposal as soon as practicable and, provided that the Committee has determined that no adjustment will be made pursuant to Section 6.06 hereof, (i) the Committee may, by resolution and notwithstanding any vesting schedule applicable to any Option or Section 3.07 hereof, permit all Options outstanding which have restrictions on their exercise to become immediately exercisable during the period specified in the notice (but in no event later than the applicable expiry date of an Option) and prior to such transaction, offer or proposal, so that the Optionee may participate in such transaction, offer or proposal, and (ii) the Committee may accelerate the expiry date of such Options and the time for the fulfillment of any conditions or restrictions on such exercise.

In this 3.10 an "**Acceleration Event**" means:

- (a) the acquisition by any person of beneficial ownership of more than 50% of the votes attached to the outstanding voting securities of the Company, by means of a take-over bid or otherwise;
- (b) any consolidation, merger, statutory amalgamation or arrangement involving the Company and pursuant to which the Company will not be the continuing or surviving corporation or pursuant to which the Common Shares will be converted into cash or securities or property of another entity, other than a transaction involving the Company and in which the shareholders of the Company immediately prior to the completion of the transaction will have the same proportionate ownership of the surviving corporation immediately after the completion of the transaction;
- (c) a separation of the business of the Company into two or more entities;
- (d) any sale, lease, exchange or other transfer (in one transaction or a series of related transactions) of all or substantially all of the assets of the Company to another entity; or
- (e) the approval by the shareholders of the Company of any plan of liquidation or dissolution of the Company.

Section 3.11 **Effect of Death.** If a Participant or, in the case of a Consultant and Investor Relations Service Provider which is not an individual, the primary individual providing services to the Company or Designated Affiliate on behalf of the Consultant and Investor Relations Service Provider, shall die, any outstanding Option held by such Participant at the date of such death shall become immediately exercisable notwithstanding Section 3.07 hereof, and shall be exercisable in whole or in part only by the person or persons to whom the rights of the Optionee under the Option shall pass by the will of the Optionee or the laws of descent and distribution for a period of 12 months after the date of death of the Optionee or prior to the expiration of the Option Period in respect of the Option, whichever is earlier, and then only to the extent that such Optionee was entitled to exercise the Option at the date of the death of such Optionee in accordance with Sections 3.07, 3.08 and 3.12 hereof.

Section 3.12 **Effect of Termination of Engagement.** If a Participant shall:

- (a) cease to be a Director or a director of a Designated Affiliate, as the case may be (and is not or does not continue to be an employee thereof), for any reason (other than death); or
- (b) cease to be employed by, or provide services to, the Company or the Designated Affiliates (and is not or does not continue to be a director or officer thereof), or any corporation engaged to provide services to the Company or the Designated Affiliates, for any reason (other than death) or shall receive notice from the Company or any Designated Affiliate of the termination of their Employment Contract;

(the earliest to occur of any of the foregoing events being referred to herein as a "**Termination**"), except as otherwise provided in any Employment Contract, such Participant may, but only within the 90 days next succeeding such Termination (or, subject to the limitations set forth below, such other period of time as may be determined by the Directors), exercise the Options to the extent that such Participant was entitled to exercise such Options at the date of such Termination. Notwithstanding the foregoing or any Employment Contract, in no event shall such right extend beyond the Option Period or one year from the date of Termination.

ARTICLE FOUR

RESTRICTED SHARE UNIT AWARDS

Section 4.01 **Nature of RSUs.** An RSU is an Award that is a bonus for services rendered in the year of grant, that, upon settlement, entitles the recipient Participant to receive a cash payment equal to the Market Value of a Common Share or, at the sole discretion of the Committee, a Common Share, and subject to such restrictions and conditions on vesting as the Committee may determine at the time of grant, unless such RSU expires prior to being settled. Restrictions and conditions on vesting may, without limitation, be based on the passage of time during continued employment or other service relationship, the achievement of specified performance criteria or both.

Section 4.02 **RSU Awards**

- (a) Subject to the provisions herein and any shareholder or regulatory approval which may be required, the Committee shall, from time to time by resolution, in its sole discretion, (a) designate the Eligible Director, Eligible Employee or Consultant who may receive RSUs under the Plan, provided such person was not retained to provide Investor Relations Activities, (b) fix the number of RSUs, if any, to be granted to each Eligible Director, Eligible Employee or Consultant and the date or dates on which such RSUs shall be granted, (c) determine the relevant conditions, vesting provisions and the Restriction Period of such RSUs, and (d) determine any other terms and conditions applicable to the granted RSUs, which need not be identical and which, without limitation, may include non-competition provisions, subject to the terms and conditions prescribed in this Plan, in any RSU Agreement, and any applicable rules of the Stock Exchange.
- (b) Subject to the vesting and other conditions and provisions in this Plan, including Section 2.07, all RSUs granted herein shall vest in accordance with the terms of the RSU Agreement entered into in respect of such RSUs.

- (c) Subject to the vesting and other conditions and provisions in this Plan and in the applicable RSU Agreement, each RSU awarded to a Participant shall entitle the Participant to receive, on settlement, a cash payment equal to the Market Value of a Common Share, or, at the discretion of the Committee, one Common Share or any combination of cash and Common Shares as the Committee in its sole discretion may determine, in each case less any applicable withholding taxes. For greater certainty, no Participant shall have any right to demand to be paid in, or receive, Common Shares in respect of any RSU, and, notwithstanding any discretion exercised by the Committee to settle any RSU, or a portion thereof, in the form of Common Shares, the Committee reserves the right to change such form of payment at any time until payment is actually made.

Section 4.03 **RSU Agreements**

- (a) The grant of a RSU by the Committee shall be evidenced by a RSU Agreement in such form not inconsistent with the Plan as the Committee may from time to time determine. Such RSU Agreement shall be subject to all applicable terms and conditions of this Plan and may be subject to any other terms and conditions (including without limitation any recoupment, reimbursement or claw-back compensation policy as may be adopted by the Committee from time to time) which are not inconsistent with this Plan and which the Committee deems appropriate for inclusion in a RSU Agreement. The provisions of the various RSU Agreements issued under this Plan need not be identical.
- (b) The RSU Agreement shall contain such terms that the Company considers necessary in order that the RSUs granted to Participants, shall not constitute a "salary deferral arrangement" as defined in subsection 248(1) of the ITA, by reason of the exemption in paragraph (k) thereof or other laws in force in any country or jurisdiction of which the Participant may from time to time be a resident or citizen or provide services in or the rules of any regulatory body having jurisdiction over the Company.

Section 4.04 **Vesting of RSUs.** The Committee shall have sole discretion to (a) determine if any vesting conditions with respect to a RSU, including any performance criteria or other vesting conditions contained in the applicable RSU Agreement, have been met, (b) waive the vesting conditions applicable to RSUs (or deem them to be satisfied), and (c) extend the Restriction Period with respect to any grant of RSUs, provided that any such extension shall not result in the Restriction Period for such RSUs extending beyond the RSU Outside Expiry Date. The Company shall communicate to a Participant, as soon as reasonably practicable, the date on which all such applicable vesting conditions in respect of a grant of RSUs to the Participant have been satisfied, waived or deemed satisfied and such RSUs have vested (the "**Vesting Date**"). For the greater certainty, no Awards issued pursuant to the Plan (other than Options) may vest before the date that is one year following the date of issuance or grant.

Section 4.05 **Redemption / Settlement of RSUs**

- (a) Subject to the provisions of this Section 4.05 and Section 4.06, a Participant's vested RSUs shall be redeemed in consideration for a cash payment on the date (the "**Redemption Date**") that is the earliest of (a) the 15th day following the applicable Vesting Date for such vested RSUs (or, if such day is not a Business Day, on the immediately following Business Day), and (b) the RSU Outside Expiry Date.
- (b) Subject to the provisions of this Section 4.05 and Section 4.06, during the period between the Vesting Date and the Redemption Date in respect of a Participant's vested RSUs, the Company (or any Designated Affiliate that is party to an Employment Contract with the Participant whose vested RSUs are to be redeemed) shall, at its sole discretion, be entitled to elect to settle all or any portion of the cash payment obligation otherwise arising in respect of the Participant's vested RSUs either (a) by the issuance of Common Shares to the Participant (or the legal representative of the Participant, if applicable) on the Redemption Date, or (b) by paying all or a portion of such cash payment obligation to the Designated Broker, who shall use the funds received to purchase Common Shares in the open market, which Common Shares shall be registered in the name of the Designated Broker in a separate account for the Participant's benefit.
- (c) Settlement of a Participant's vested RSUs shall take place on the Redemption Date as follows:
- (i) where the Company (or applicable Designated Affiliate) has elected to settle all or a portion of the

Participant's vested RSUs in Common Shares issued from treasury:

- (A) in the case of Common Shares issued in certificated form, by delivery to the Participant (or to the legal representative of the Participant, if applicable) of a certificate in the name of the Participant (or the legal representative of the Participant, if applicable) representing the aggregate number of Common Shares that the Participant is entitled to receive, subject to satisfaction of any applicable withholding tax and other applicable source deductions in accordance with Section 5.01; or
 - (B) in the case of Common Shares issued in uncertificated form, by the issuance to the Participant (or to the legal representative of the Participant, if applicable) of the aggregate number of Common Shares that the Participant is entitled to receive, subject to satisfaction of any applicable withholding tax and other applicable source deductions under Section 5.01, which Common Shares shall be evidenced by a book position on the register of the shareholders of the Company to be maintained by the transfer agent and registrar of the Common Shares;
- (ii) where the Company or a Designated Affiliate has elected to settle all or a portion of the Participant's vested RSUs in Common Shares purchased in the open market, by delivery by the Company or a Designated Affiliate of which the Participant is a director, executive officer, employee or consultant to the Designated Broker of readily available funds in an amount equal to the Market Value of a Common Share as of the Redemption Date multiplied by the number of vested RSUs to be settled in Common Shares purchased in the open market, less the amount of any applicable withholding tax and other applicable source deductions under Section 5.01, along with directions instructing the Designated Broker to use such funds to purchase Common Shares in the open market for the benefit of the Participant and to be evidenced by a confirmation from the Designated Broker of such purchase;
 - (iii) any cash payment to which the Participant is entitled (excluding, for the avoidance of doubt, any amount payable in respect of the Participant's RSUs that the Company or a Designated Affiliate has elected to settle in Common Shares) shall, subject to satisfaction of any applicable withholding tax and other applicable source deductions under Section 5.01, be paid to the Participant (or to the legal representative of the Participant, if applicable) by the Company or a Designated Affiliate of which the Participant is a director, executive officer, employee or consultant, in cash, by cheque or by such other payment method as the Company and Participant may agree; and
 - (iv) where the Company or a Designated Affiliate has elected to settle a portion, but not all, of the Participant's vested RSUs in Common Shares, the Participant shall be deemed to have instructed the Company or Designated Affiliate, as applicable, to withhold from the cash portion of the payment to which the Participant is otherwise entitled such amount as may be required in accordance with Section 5.01 and to remit such withheld amount to the applicable taxation authorities on account of any withholding tax obligations, and the Company or Designated Affiliate, as applicable, shall deliver any remaining cash payable, after making any such remittance, to the Participant (or to the legal representative of the Participant, if applicable) as soon as reasonably practicable. In the event that the cash portion payable to settle a Participant's RSUs in the foregoing circumstances is not sufficient to satisfy the withholding obligations of the Company or a Designated Affiliate pursuant to Section 5.01, the Company or Designated Affiliate, as applicable, shall be entitled to satisfy any remaining withholding obligation by any other mechanism as may be required or determined by the Company or Designated Affiliate as appropriate.
- (d) Notwithstanding any other provision in this Article Four, no payment, whether in cash or in Common Shares, shall be made in respect of the settlement of any RSUs later than December 15th of the third (3rd) calendar year following the end of the calendar year in respect of which such RSU is granted (the "**RSU Outside Expiry Date**").

Section 4.06 **Determination of Amounts**

- (a) The cash payment obligation arising in respect of the redemption and settlement of a vested RSU pursuant to Section 4.05 shall be equal to the Market Value of a Common Share as of the applicable Redemption Date. For the avoidance of doubt, the aggregate cash amount to be paid to a Participant (or the legal representative of the Participant, if applicable) in respect of a particular redemption of the Participant's vested RSUs shall, subject to any adjustments in accordance with Section 6.07 and any withholding required pursuant to Section 5.01, be equal to the Market Value of a Common Share as of the Redemption Date for such vested RSUs multiplied by the number of vested RSUs in the Participant's Account at the commencement of the Redemption Date (after deducting any such vested RSUs in the Participant's Account in respect of which the Company (or applicable Designated Affiliate) makes an election under Section 4.05(b) to settle such vested RSUs in Common Shares).
- (b) If the Company (or applicable Designated Affiliate) elects in accordance with Section 4.05(b) to settle all or a portion of the cash payment obligation arising in respect of the redemption of a Participant's vested RSUs by the issuance of Common Shares, the Company shall, subject to any adjustments in accordance with Section 6.07 and any withholding required pursuant to Section 5.01, issue to the Participant (or the legal representative of the Participant, if applicable), for each vested RSU which the Company (or applicable Designated Affiliate) elects to settle in Common Shares, one Common Share. Where, as a result of any adjustment in accordance with Section 6.07 and/or any withholding required pursuant to Section 5.01, the aggregate number of Common Shares to be received by a Participant upon an election by the Company (or applicable Designated Affiliate) to settle all or a portion of the Participant's vested RSUs in Common Shares includes a fractional Common Share, the aggregate number of Common Shares to be received by the Participant shall be rounded down to the nearest whole number of Common Shares.

Section 4.07 **Award of Dividend Equivalents**

- (a) Dividend Equivalents may, as determined by the Committee in its sole discretion, be awarded as a bonus for services rendered in the year awarded in respect of unvested RSUs in a Participant's Account on the same basis as cash dividends declared and paid on Common Shares as if the Participant was a shareholder of record of Common Shares on the relevant record date. Dividend Equivalents, if any, will be credited to the Participant's Account in additional RSUs, the number of which shall be equal to a fraction where the numerator is the product of (a) the number of RSUs in such Participant's Account on the date that dividends are paid multiplied by (b) the dividend paid per Common Share and the denominator of which is the Market Value of a Common Share calculated as of the date that dividends are paid. Any additional RSUs credited to a Participant's Account as a Dividend Equivalent shall be subject to the same terms and conditions (including vesting, Restriction Periods and expiry) as the RSUs in respect of which such additional RSUs are credited.
- (b) In the event that the Participant's applicable RSUs do not vest, all Dividend Equivalents, if any, associated with such RSUs will be forfeited by the Participant.
- (c) Notwithstanding the foregoing, the aggregate number of RSUs to be credited in respect of the payment of a Dividend Equivalent must not, together with all outstanding Awards, exceed the Plan maximum set out in Section 2.07. The issuance of any RSUs under this Section 4.07 that, together with all outstanding Awards, exceed the Plan maximum set out in Section 2.7 shall be satisfied by the payment of cash to the Participant by the Company.

Section 4.08 Effect of Death. If a Participant shall die, any unvested RSUs in the Participant's Account as at the date of such death relating to a Restriction Period in progress shall become immediately forfeited and cancelled. For greater certainty, where a Participant's employment or service relationship with the Company or a Designated Affiliate is terminated as a result of death following the satisfaction of all vesting conditions in respect of particular RSUs but before receipt of the corresponding distribution or payment in respect of such RSUs, the Participant shall remain entitled to such distribution or payment. Notwithstanding the foregoing, if the Committee, in its sole discretion, instead accelerates the vesting or waives vesting conditions with respect to all or some portion of outstanding unvested RSUs, the date of such action is the Vesting Date. All vested RSUs shall continue to be subject to the Plan and

exercisable for a period of 12 months following the Termination (as defined herein), provided that any RSUs that have not been exercised within 12 months after the Termination (as defined herein) shall automatically and immediately expire and be forfeited on such date.

Section 4.09 **Effect of Termination of Engagement.** If a Participant shall:

- (a) cease to be a Director or of a Designated Affiliate, as the case may be (and is not or does not continue to be an employee thereof), for any reason (other than death); or
- (b) cease to be employed by, or provide services to, the Company or the Designated Affiliates (and is not or does not continue to be a director or officer thereof), or any corporation engaged to provide services to the Company or the Designated Affiliates, for any reason (other than death) or shall receive notice from the Company or any Designated Affiliate of the termination of their Employment Contract;

(the earliest to occur of any of the foregoing events being referred to herein as a "**Termination**"), the Participant's participation in the Plan shall be terminated immediately, all RSUs credited to such Participant's Account that have not vested shall be forfeited and cancelled, and the Participant's rights that relate to such Participant's unvested RSUs shall be forfeited and cancelled, within a reasonable period, not exceeding 12 months, following the Termination Date. Notwithstanding the foregoing, if the Committee, in its sole discretion, instead accelerates the vesting or waives vesting conditions with respect to all or some portion of outstanding unvested RSUs, the date of such action is the Vesting Date.

ARTICLE FIVE

WITHHOLDING TAXES AND SECURITIES LAWS OF THE UNITED STATES OF AMERICA

Section 5.01 **Withholding Taxes.** The Company or any Designated Affiliate may take such steps as are considered necessary or appropriate for the withholding of any taxes which the Company or any Designated Affiliate is required by any law or regulation of any governmental authority whatsoever to withhold in connection with any Award or Common Share including, without limiting the generality of the foregoing, the withholding of all or any portion of any payment or the withholding of the issue of Common Shares to be issued upon the exercise or settlement, as applicable, of any Award, until such time as the Participant has paid the Company or any Designated Affiliate for any amount which the Company or the Designated Affiliate is required to withhold with respect to such taxes.

Section 5.02 **Securities Laws of the United States of America.** Neither the Awards which may be granted pursuant to this Plan nor the Common Shares which may be issued pursuant to the exercise or settlement, as applicable, of any Awards have been registered under the *United States Securities Act of 1933*, as amended (the "**U.S. Securities Act**"), or under any securities law of any state of the United States of America. Accordingly, any Participant who is issued Common Shares or granted an Award in a transaction which is subject to the U.S. Securities Act or the securities laws of any state of the United States of America may be required to represent, warrant, acknowledge and agree that:

- (a) the Participant is acquiring the Award and/or any Common Shares as principal and for the account of the Participant;
- (b) in granting the Award and/or issuing the Common Shares to the Participant, the Company is relying on the representations and warranties of the Participant to support the conclusion of the Company that the granting of the Award and/or the issue of Common Shares do not require registration under the U.S. Securities Act or to be qualified under the securities laws of any state of the United States of America;
- (c) each certificate representing Common Shares so issued may be required to have the following legend:

"THE SECURITIES REPRESENTED HEREBY [for Awards add: AND ANY SECURITIES ISSUABLE UPON EXERCISE HEREOF] HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") OR UNDER ANY STATE SECURITIES LAWS, AND THE SECURITIES REPRESENTED HEREBY MAY BE OFFERED, SOLD

OR OTHERWISE TRANSFERRED ONLY (A) TO THE COMPANY, (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, (C) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT PROVIDED BY RULE 144 OR 144A UNDER THE U.S. SECURITIES ACT, IF APPLICABLE, AND IN COMPLIANCE WITH APPLICABLE U.S. STATE SECURITIES LAWS, OR (D) WITH THE PRIOR WRITTEN CONSENT OF THE COMPANY (WHICH WILL BE DELIVERED PROMPTLY AND WILL NOT BE UNREASONABLY WITHHELD, BUT WHICH MAY BE CONDITIONAL ON DELIVERY OF A LEGAL OPINION IN FORM AND SUBSTANCE SATISFACTORY TO THE COMPANY), PURSUANT TO ANOTHER EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAWS. THE PRESENCE OF THIS LEGEND MAY IMPAIR THE ABILITY OF THE HOLDER HEREOF TO EFFECT "GOOD DELIVERY" OF THE SECURITIES REPRESENTED HEREBY ON A CANADIAN STOCK EXCHANGE. A CERTIFICATE WITHOUT A LEGEND MAY BE OBTAINED FROM THE REGISTRAR AND TRANSFER AGENT OF THE COMPANY IN CONNECTION WITH A SALE OF THE SECURITIES REPRESENTED HEREBY AT A TIME WHEN THE COMPANY IS A "FOREIGN ISSUER" AS DEFINED IN REGULATION S UNDER THE U.S. SECURITIES ACT, UPON DELIVERY OF THIS CERTIFICATE AND A DULY EXECUTED DECLARATION, IN A FORM SATISFACTORY TO THE REGISTRAR AND TRANSFER AGENT AND THE COMPANY, TO THE EFFECT THAT SUCH SALE OF THE SECURITIES REPRESENTED HEREBY IS BEING MADE IN COMPLIANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT.";

provided that if such Common Shares are being sold outside the United States of America in compliance with the requirements of Rule 904 of Regulation S under the U.S. Securities Act and provided that the Company is a "foreign issuer" within the meaning of Regulation S under the U.S. Securities Act at the time of such sale, such legend may be removed by providing a written declaration signed by the holder to the registrar and transfer agent for the Common Shares to the following effect:

"The undersigned (A) represents and warrants that the sale of the securities of Pool Safe Inc. (the "**Company**") to which this declaration relates is being made in compliance with Rule 904 of Regulation S under the *United States Securities Act of 1933*, as amended (the "**U.S. Securities Act**"), and (B) certifies that (1) the undersigned is not an affiliate of the Company as that term is defined in the U.S. Securities Act, (2) the offer of such securities was not made to a person in the United States and either (A) at the time the buy order was originated, the buyer was outside of the United States, or the undersigned and any person acting on its behalf reasonably believe that the buyer was outside the United States or (B) the transaction was executed on or through the facilities of a Designated Offshore Securities Market and neither the undersigned nor any person acting on behalf thereof knows or has any reason to believe that the transaction has been prearranged with a buyer in the United States, (3) neither the seller nor any affiliate of the seller nor any person acting on any of their behalf has engaged or will engage in any directed selling efforts in the United States in connection with the offer; and sale of such securities, (4) the sale is bona fide and not for the purpose of "washing off" the resale restrictions imposed because the securities are "restricted securities" (as such term is defined in Rule 144(a)(3) under the U.S. Securities Act), (5) the seller does not intend to replace the securities sold in reliance on Rule 904 of the U.S. Securities Act with fungible unrestricted securities and (6) the contemplated sale is not a transaction, or part of a series of transactions which, although in technical compliance with Regulation S under the U.S. Securities Act, is part of a plan or scheme to evade the registration provisions of the U.S. Securities Act. Terms used herein have the meanings given to them by Regulation S under the U.S. Securities Act.";

- (d) other than as contemplated by Section 5.02(c) hereof, prior to making any disposition of any Common Shares acquired pursuant to this Plan which might be subject to the requirements of the U.S. Securities Act, the Participant shall give written notice to the Company describing the manner of the proposed disposition and containing such other information as is necessary to enable counsel for the Company to determine whether registration under the U.S. Securities Act or qualification under any securities laws of any state of the United States of America is required in connection with the proposed disposition and whether the proposed disposition is otherwise in compliance with such legislation and the regulations thereto;
- (e) other than as contemplated by Section 5.02(c) hereof, the Participant will not attempt to effect any disposition

of the Common Shares owned by the Participant and acquired pursuant to this Plan or of any interest therein which might be subject to the requirements of the U.S. Securities Act in the absence of an effective registration statement relating thereto under the U.S. Securities Act or an opinion of counsel satisfactory in form and substance to counsel for the Company that such disposition would not constitute a violation of the U.S. Securities Act and then will only dispose of such Common Shares in the manner so proposed;

- (f) the Company may place a notation on the records of the Company to the effect that none of the Common Shares acquired by the Participant pursuant to this Plan shall be transferred unless the provisions of the Plan have been complied with; and
- (g) the effect of these restrictions on the disposition of the Common Shares acquired by the Participant pursuant to this Plan is such that the Participant may not be able to sell or otherwise dispose of such Common Shares for a considerable length of time in a transaction which is subject to the provisions of the U.S. Securities Act other than as contemplated by Section 5.02(c) hereof.

ARTICLE SIX

GENERAL

Section 6.01 **Effective Time of this Plan.** This Plan shall become effective upon a date to be determined by the Directors; provided, however, that the RSU components of the Plan shall be subject to disinterested shareholder approval.

Section 6.02 **Amendment of Plan.** The Committee shall have the right:

- (a) without the approval of the shareholders of the Company, subject to Section 6.02(b) of the Plan, to make any amendments to the Plan, including but not limited to the following amendments:
 - (i) any amendment of a "housekeeping" nature, including, without limitation, amending the wording of any provision of the Plan for the purpose of clarifying the meaning of existing provisions or to correct or supplement any provision of the Plan that is inconsistent with any other provision of the Plan, correcting grammatical or typographical errors and amending the definitions contained within the Plan;
 - (ii) any amendment to comply with the rules, policies, instruments and notices of any regulatory authority to which the Company is subject, including the Stock Exchange, or to otherwise comply with any applicable law or regulation;
 - (iii) other than changes to the expiration date and the exercise price of any Award as described in Section 6.02(b)(iii) and Section 6.02(b)(iv) of this Plan, any amendment, with the consent of the Participant, to the terms of any Award previously granted to such Participant under the Plan; and
 - (iv) any amendment respecting the administration or implementation of the Plan;
- (b) with the approval of the shareholders of the Company by ordinary resolution, including if required by the applicable Stock Exchange, disinterested shareholder approval, to make any amendment to the Plan not contemplated by Section 6.02(a) of the Plan, including, but not limited to:
 - (i) any change to the number of Common Shares issuable from treasury under the Plan, including an increase to the fixed maximum percentage or number of Common Shares or a change from a fixed maximum percentage of Common Shares to a fixed maximum number of Common Shares or vice versa, other than an adjustment pursuant to Section 6.07 of the Plan;
 - (ii) any amendment which reduces the exercise price of any Award, other than an adjustment pursuant to Section 6.07 of the Plan; provided, however, that, for greater certainty, disinterested shareholder

approval will be required for any amendment which reduces the exercise price of any Option if the Participant is an Insider of the Corporation at the time of the proposed amendment;

- (iii) any amendment which extends the expiry date of an Award, or the Restriction Period of any RSU beyond the original expiry date or Restriction Period, except in the event of an extension due to a Blackout Period;
- (iv) any amendment which cancels any Award and replaces such Award with an Award which has a lower exercise price or other entitlement, other than an adjustment pursuant to Section 6.07 of the Plan,
- (v) any amendment which would permit Awards to be transferred or assigned by any Participant other than as allowed by Section 6.03 of the Plan, and
- (vi) any amendments to this Section 6.02 of the Plan.

Notwithstanding the foregoing, any amendment to the Plan shall be subject to the receipt of all required regulatory approvals including, without limitation, the approval of the Stock Exchange.

Section 6.03 **Non-Assignable**. No rights under this Plan and no Award awarded pursuant to this Plan are assignable or transferable by any Participant other than pursuant to a will or by the laws of descent and distribution.

Section 6.04 **Rights as a Shareholder**. No Participant shall have any rights as a shareholder of the Company with respect to any Common Shares which are the subject of an Award. Except as otherwise provided in this Plan, no Participant shall be entitled to receive any dividends, distributions or other rights declared for shareholders of the Company for which the record date is prior to the date of issue of certificates representing Common Shares acquired upon the exercise or settlement, as applicable, of any Awards.

Section 6.05 **No Contract of Employment**. Nothing contained in this Plan shall confer or be deemed to confer upon any Participant the right to continue in the employment of, or to provide services to, the Company or any Designated Affiliate nor interfere or be deemed to interfere in any way with any right of the Company or any Designated Affiliate to discharge any Participant at any time for any reason whatsoever, with or without cause. Participation in any of this Plan by a Participant shall be voluntary.

Section 6.06 **Consolidation, Merger, etc**. If there is a consolidation, merger or statutory amalgamation or arrangement of the Company with or into another corporation, a separation of the business of the Company into two or more entities or a sale, lease exchange or other transfer (in one transaction or a series of related transactions) of all or substantially all of the assets of the Company to another entity, upon the exercise or settlement, as applicable, of an Award under this Plan the holder thereof shall be entitled to receive the securities, property or cash which the holder would have received upon such consolidation, merger, amalgamation, arrangement, separation or transfer if the holder had been the holder of Common Shares immediately prior to the effective time of such event, unless the Committee otherwise determines appropriate adjustments or substitutions to be made in such circumstances in order to maintain the economic rights of the Participant in respect of such Award in connection with such event.

Section 6.07 **Adjustment in Number of Common Shares Subject to the Plan**. In the event there is any change in the Common Shares, whether by reason of a stock dividend, consolidation, subdivision, reclassification or otherwise, an appropriate adjustment shall be made by the Committee in:

- (a) the number of Common Shares available under this Plan;
- (b) the number of Common Shares subject to any Award;
- (c) the exercise price of the Common Shares subject to Awards; and

- (d) the number of Common Shares or cash payment to which the Participant is entitled upon exercise or settlement of such Award.

If the foregoing adjustment shall result in a fractional Common Share, the fraction shall be disregarded. All such adjustments shall be conclusive, final and binding for all purposes of this Plan.

Section 6.08 Securities Exchange Take-over Bid. In the event that the Company becomes the subject of a take-over bid (within the meaning of the *Securities Act* (Ontario)) as a result of which all of the outstanding Common Shares are acquired by the offeror through compulsory acquisition provisions of the incorporating statute or otherwise, and where consideration is paid in whole or in part in equity securities of the offeror, the Committee may send notice to all Participants requiring them to surrender their Awards within 10 days of the mailing of such notice, and the Optionees shall be deemed to have surrendered such Awards on the tenth day after the mailing of such notice without further formality, provided that:

- (a) the Committee delivers with such notice an irrevocable and unconditional offer by the offeror to grant replacement awards to the Participants on the equity securities offered as consideration;
- (b) the Committee has determined, in good faith, that such replacement awards have substantially the same economic value as the Awards being surrendered; and
- (c) the surrender of Awards and the granting of replacement awards can be effected on a tax free rollover basis or otherwise without adverse tax consequences under the ITA.

Section 6.09 Adjustments Subject to Exchange Approval. Any adjustment, other than in connection with adjustments made under Section 6.07 hereof, shall be subject to prior acceptance of the TSXV, including adjustments related to an amalgamation, merger, arrangement, reorganization, spin-off, dividend or recapitalization.

Section 6.10 No Representation or Warranty. The Company makes no representation or warranty as to the future market value of any Common Shares issued in accordance with the provisions of this Plan.

Section 6.11 Compliance with Applicable Law. If any provision of this Plan or any Award contravenes any law or any order, policy, by-law or regulation of any regulatory body having jurisdiction over the securities of the Company, then such provision shall be deemed to be amended to the extent necessary to bring such provision into compliance therewith.

Section 6.12 Necessary Approvals. The obligation of the Company to issue and deliver any Common Shares in accordance with this Plan shall be subject to any necessary approval of any stock exchange or regulatory authority having jurisdiction over the securities of the Company. If any Common Shares cannot be issued to any Participant upon the exercise or settlement, as applicable, of an Award for whatever reason, the obligation of the Company to issue such Common Shares shall terminate and any exercise price paid to the Company in respect of the exercise or settlement, as applicable, of such Award shall be returned to the Participant.

Section 6.13 Conflict. To the extent there is any inconsistency or ambiguity between this Plan and any Employment Contract, the terms of such Employment Contract shall govern to the extent of such inconsistency or ambiguity, subject only to compliance with applicable law and Stock Exchange policy.

Section 6.14 Interpretation. This Plan shall be governed by, and be construed in accordance with, the laws of the Province of Ontario.

SCHEDULE “C”

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

Capitalized terms used in this Schedule “C” and defined in this Management Information Circular to which this Schedule “C” is attached have the meanings defined in this Management Information Circular unless otherwise defined herein.

The Corporation seeks to attain high standards of corporate governance. The Board has carefully considered National Policy 58-201 – *Corporate Governance Guidelines* (the “**Guidelines**”) in creating its corporate governance practices. A description of the Corporation’s corporate governance practices is set out below in response to the requirements of the Guidelines and the diversity disclosure requirements under section 172.1 of the CBCA.

Form 58-101F2 Corporate Governance Disclosure or CBCA Diversity Disclosure	The Corporation’s Practices
1. The Board of Directors (the “Board”)	The Board is comprised of five members: Gillian Deacon, Robert Pratt, David Berger, Steven Glaser and Steven M. Mintz
(a) Disclose the identity of directors who are independent.	Steven M. Mintz, Gillian Deacon and Robert Pratt are considered independent within the meaning of NI 52-110, as they are independent of management and free from any material relationship with the Corporation.
(b) Disclose the identity of directors who are not independent and describe the basis for that determination.	David Berger, CEO, Steven Glaser, CFO and Chief Operating Officer, are members of management and, as a result, are not considered to be independent directors.
2. Directorship – If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.	Steven Glaser is a director of Delota Corp, Green Environmental Technologies Inc. and StickIt Technologies Inc. Steven Mintz is a director of Portage Biotech Inc.
3. Orientation and Continuing Education – Describe what steps, if any, the Board takes to orient new board members, and describe any measures the Board takes to provide continuing education for directors.	New directors are provided with an orientation which includes a written information about the duties and obligations of directors and the business and operations of the Corporation, documents from recent Board meetings and opportunities for meetings and discussion with senior management and other directors. Given the nature of the business of the Corporation, each member of the Board takes it upon himself to keep informed about changes within the Corporation and the regulatory environment through activities including, but not limited to, independent research and updates from counsel.
4. Ethical Business Conduct – Describe what steps, if any, the Board takes to encourage and promote a culture of ethical business conduct.	The Board has not adopted a written code of business conduct and ethics policy for its employees, officers and directors. A director with a conflict of interest or who is capable of being perceived as being in conflict of interest vis-à-vis the Corporation shall abstain from discussion and voting by the Board or committee of the Board on any motion to recommend or approve the relevant contract of transaction unless the contract or transaction is an arrangement by way of security for obligations undertaken by the director for the benefit of the Corporation or one relating primarily to the director’s remuneration or benefits. If the conflict of interest is obvious and direct, the director shall withdraw while the item is being considered.
5. Nomination of Directors – Disclose what steps, if any, are taken to identify new candidates for board nomination, including:	
(a) Who identifies new candidates.	The Board has not appointed a nominating committee. As a result of the Corporation’s relative small size and the limited number of individuals on the Board, the Board considers a nominating committee to be inappropriate at this time.
(b) The process of identifying new candidates.	The Board has not appointed a nominating committee. As a result of the Corporation’s relative small size and the limited number of individuals on the Board, the Board considers a nominating committee to be inappropriate at this time.

6. Compensation – Disclose what steps, if any, are taken to determine compensation for the directors and CEO, including	
<p>(a) Who determines compensation.</p>	<p>The Compensation and Human Resources Committee reviews compensation of directors and officers on a periodic basis.</p> <p>The responsibilities, power and operation of the Compensation and Human Resources Committee are as follows:</p> <ul style="list-style-type: none"> • setting the compensation of the Chairman of the Board, if any, and the fees to be paid, shares and deferred share units, if any, to be owned or options or other rights to be granted to Directors and members of committees of the Board; • reviewing the performance of the senior executive officers annually or more frequently if deemed necessary by the Compensation and HR Committee. Setting the senior executive officer’s compensation comprising salary, bonus and any other incentive compensation for the senior executive officers. In consultation with the CEO establishing his personal objectives (including corporate objectives) which the CEO is responsible for meeting for the following year; • reviewing the performance and approving the compensation, including salaries, bonuses and other incentives, of executive officers of the Corporation and the heads of each subsidiary or division, on the recommendation of the CEO; • developing and documenting the compensation policy and philosophy of the Corporation and any changes thereto for approval by the Board to enable the Corporation to recruit, retain, and motivate performance-oriented executives so that their interests are aligned with the interests of the Corporation and its shareholders; • approving fringe benefit programs on the recommendation of the CEO; • establishing and administering incentive compensation programs and monitoring their effectiveness; • establishing and administering the Option program and the share purchase plan, if any, and approving amendments thereto, all subject to the approval of the Board; • reviewing the Statement of Executive Compensation required to be prepared under applicable corporate and securities legislation and regulation including the disclosure concerning members of the Compensation and HR Committee and settling the reports required to be made by the Compensation and HR Committee in any document required to be filed with a regulatory authority and/or distributed to shareholders. • at the request of the CEO, reviewing any other matter affecting the hiring, terms of employment and dismissal of employees, including the terms of employment contracts.
<p>(b) The process of determining compensation</p>	<p>The Compensation and Human Resources Committee meets on compensation related discussions when required with respect to executive officers and directors compensation.</p>
<p>7. Other Board Committees – If the Board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function</p>	<p>Except for the Audit Committee and Compensation and Human Resources Committee, the Corporation has no other committees.</p>
<p>8. Assessments – Disclose what steps, if any, that the Board takes to satisfy itself that the Board, its committees, and its individual directors are performing effectively.</p>	<p>The business of the Corporation is constantly changing as the hospitality world evolves. Recognizing this, and to ensure optimal governance of the Corporation by the Board, director renewal and replacement is managed in a manner to ensure that the Board can function effectively, while enabling new directors to gain a full understanding of the Corporation’s business.</p>

SCHEDULE “D”

POOL SAFE INC. AUDIT COMMITTEE CHARTER

I. GENERAL

1. Mandate and Purpose of the Committee

The purpose of the Audit Committee (the “**Committee**”) is to assist the board of directors (the “**Board**”) of Pool Safe Inc. (the “**Corporation**”) in fulfilling its oversight responsibilities relating to:

- (a) the integrity of the Corporation’s financial statements;
- (b) the Corporation’s compliance with legal and regulatory requirements, as they relate to the Corporation’s financial statements;
- (c) the qualifications, independence and performance of the external auditor;
- (d) internal controls and disclosure controls;
- (e) the performance of the Corporation’s internal audit function; and
- (f) performing the additional duties set out in this Charter or otherwise delegated to the Committee by the Board

2. Authority of the Committee

- (a) The Committee has the authority to:
 - (i) engage independent counsel and other advisors as it determines necessary to carry out its duties;
 - (ii) set and pay the compensation for any advisors employed by the Committee; and
 - (iii) communicate directly with the internal and external auditors.

II. PROCEDURAL MATTERS

1. Composition

- (a) The Committee will be composed of a minimum of three (3) members.
- (b) Every member of the Committee must be a director of the Corporation.
- (c) The majority of the members of the Committee must not be executive officers, employees or control persons (as defined under the *Securities Act* (Ontario)) of the Corporation or of an affiliate (within the meaning of section 1(2) of the *Securities Act* (Ontario)) of the Corporation.

- (d) If a circumstance arises that affects the business or operations of the Corporation, and a reasonable person would conclude that the circumstance can be best addressed by a member of the Committee becoming an executive officer or employee of the Corporation, subsection 1(c) does not apply to the Committee until the later of (a) the next annual meeting of the Corporation; (b) the date that is six months after the date on which the circumstances arose.
- (e) If a member of the Committee becomes a control person of the Corporation or an affiliated company of the Corporation for reasons outside the member's reasonable control, subsection 1(c) does not apply to the Committee in respect of that member until the later of (a) the next annual meeting of the Corporation; (b) the date that is six months after the event which caused the member to become a control person.
- (f) If a vacancy on the Committee arises as a result of death, incapacity or resignation of a member of the Committee and the Board is required to fill the vacancy, subsection 1(c) does not apply to the Committee, in respect of the member appointed to fill the vacancy, until the later of (a) the next annual meeting of the Corporation; (b) the date that is six months from the day the vacancy was created.

2. Member Appointment and Removal

Members of the Committee will hold office until the next annual meeting of the shareholders. Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board on the recommendation of the Committee and will be filled by the Board if the membership of the Committee falls below 3 directors.

3. Committee Structure and Operations

- (a) **Chair**

The Board will appoint one member of the Committee to act as Chair of the Committee (the "Chair"). The Chair may be removed at any time at the discretion of the Board. If in any year, the Board does not appoint a Chair, the incumbent Chair will continue in office until a successor is appointed. If the Chair is absent from any meeting, the Committee will select one of the other members of the Committee to preside at that meeting. The Chair will be considered a financial expert, having accounting or related financial management experience or expertise. Each successor to the Chair will be designated by the Board at least 3 months prior to the anticipated date of retirement of the Chair.
- (b) **Meetings**

The Chair will be responsible for developing and setting the agenda for Committee meetings. The Committee will meet at least 4 times per year and as many additional times as the Committee deems necessary to carry out its duties.
- (c) **Notice**
 - (i) Notice of the time and place of every meeting will be given in writing, verbally or by facsimile, by email or by phone to each member of the Committee, the Chairman of the Board, the Chief Executive Officer ("CEO") of the Corporation and the Chief Financial Officer ("CFO") of the Corporation at least 48 hours prior to the time fixed for such meeting.
 - (ii) The external auditor of the Corporation will be given notice of every meeting of the Committee and, at the expense of the Corporation, will be entitled to attend and be heard

thereat.

- (iii) If requested by a member of the Committee, the external auditor will attend every meeting of the Committee held during the term of office of the external auditor.

(d) **Quorum**

A majority members of the Committee will constitute a quorum. No business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present in person or by means of such telephonic, electronic, or other communications facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously.

(e) **Attendees**

The Committee may invite any of the directors, officers and employees of the Corporation and any advisors as it sees fit from time to time to attend meetings of the Committee and assist in the discussion and consideration of matters relating to the Committee. During each meeting of the Committee, the Committee will meet with only Committee members present in person or by other permitted means.

(f) **Secretary**

The Committee will appoint a Secretary to the Committee who need not be a director or officer of the Corporation.

(g) **Records**

Minutes of meetings of the Committee will be recorded and maintained by the Secretary to the Committee and will be subsequently presented to the Committee for review and approval.

(h) **Liaison**

The Corporation's CFO will act as management liaison with the Committee.

4. Committee and Charter Review

The Committee will conduct an annual review and assessment of its performance, effectiveness, and contribution, including a review of its compliance with this Charter, in accordance with the process developed by the Board. The Committee will conduct such review and assessment in such manner as it deems appropriate and report the results thereof to the Board. The Committee will also review and assess the adequacy of this Charter on an annual basis, taking into account all legislative and regulatory requirements applicable to the Committee, as well as any best practice guidelines recommended by regulators or the TSX Venture Exchange and will recommend changes to the Board thereon.

5. Reporting to the Board

The Committee will report to the Board in a timely manner with respect to each of its meetings held. This report may take the form of circulating copies of the minutes of each meeting held.

III. RESPONSIBILITIES

1. Financial Reporting

- (a) The Committee is responsible for reviewing and recommending approval to the Board of:
 - (i) the annual financial statements; and
 - (ii) prospectus type documents.

- (b) The Committee is also responsible for:
 - (i) discussing with management and the external auditor the quality of generally accepted accounting principles (“GAAP”), not just the acceptability of GAAP;
 - (ii) discussing with management any significant variances between comparative reporting periods and across comparable business units;
 - (iii) in the course of discussion with management and the external auditor, identifying problems or areas of concern and ensuring such matters are satisfactorily resolved;
 - (iv) reviewing and recommending its approval to the Board of interim financial statements, MD&A and related news releases, before they are released;
 - (v) engaging the external auditor to perform a review of the interim financial statements and reviewing their findings, however, no formal report from the external auditor will be required;
 - (vi) receiving from the external auditor a formal report on the auditor’s review of quarterly financial statements;
 - (vii) reviewing the financial statements of the Corporation’s subsidiaries, as well as the consolidated financial statements and financial statements for Corporation pension plans, joint ventures and the like;
 - (viii) requiring a representation letter from management similar to that provided by the external auditor; and
 - (ix) reviewing all financial information and earnings guidance provided to analysts and rating agencies.

2. External Auditor

- (a) The Corporation’s external auditor is required to report directly to the Committee.
- (b) The Committee is responsible for recommending to the Board:
 - (i) the external auditor to be nominated for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attest services for the Corporation; and
 - (ii) the compensation of the external auditor.
- (c) The Committee is directly responsible for overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attest services for the Corporation, including the resolution of disagreements between management and the external auditor regarding financial reporting.

3. Relationship with the External Auditor

- (a) The Committee is responsible for reviewing and approving the proposed audit scope, focus areas, timing, and key decisions (e.g., materiality, reliance on internal audit) underlying the audit plan, and the appropriateness and reasonableness of the proposed audit fees.
- (b) The Committee is also responsible for:
 - (i) establishing effective communication processes with management and the external auditor so that it can objectively monitor the quality and effectiveness of the external auditor's relationship with management and the Committee;
 - (ii) receiving and reviewing regular reports from the external auditor on the progress against the approved audit plan, important findings, recommendations for improvements and the auditors' final report;
 - (iii) reviewing, at least annually, a report from the external auditor on all relationships and engagements for non-audit services that may reasonably be thought to bear on the independence of the auditor;
 - (iv) meeting regularly in private with the external auditor;
 - (v) recommending the hiring and firing of the external auditor and approving non-audit engagements; and
 - (vi) receiving at least annually a report by the external auditor on the audit firm's internal quality control.

4. Accounting Policies

The Committee is responsible for:

- (a) reviewing the Corporation's accounting policy note to ensure completeness and acceptability with GAAP as part of the approval of the financial statements;
- (b) proactively discussing and reviewing the impact of proposed changes in accounting standards or securities policies or regulations;
- (c) reviewing with management and the external auditor any proposed changes in major accounting policies and key estimates and judgments that may be material to financial reporting;
- (d) discussing with management and the external auditor the acceptability, degree of aggressiveness/conservatism and quality of:
 - (i) underlying accounting policies; and
 - (ii) key estimates and judgments;
- (e) discussing with management and the external auditor the clarity and completeness of the Corporation's financial disclosures;
- (f) reviewing benchmarks of the Corporation's accounting policies to those followed in its industry;

- (g) ensuring by discussion with management and the external auditor that the underlying accounting policies, disclosures and key estimates and judgments are the most appropriate in the circumstances (within the range of acceptable options and alternatives); and
- (h) discussing with management and the external auditor the clarity and completeness of the Corporation's financial and non-financial disclosures made with respect to continuous disclosure requirements.

5. Risk and Uncertainty

- (a) The Committee is responsible for reviewing, as part of its approval of the financial statements:
 - (i) uncertainty notes and disclosures; and
 - (ii) MD&A disclosures.
- (b) The Committee is responsible for, upon examination of the Corporation's financial risks, ensuring that such risks are being effectively managed or controlled by:
 - (i) reviewing the Corporation's "appetite" for financial risks as set forth by management and the Board;
 - (ii) reviewing the Corporation's policies for the management of significant financial risks and assigning to the applicable Board committee such policies for implementation and ongoing monitoring;
 - (iii) reviewing management's assessment of the significant financial risks facing the Corporation; and
 - (iv) reviewing management's plans, processes, and programs to manage and control such risks.
- (c) The Committee is responsible for requesting the external auditor's opinion of management's assessment of significant risks facing the Corporation and how effectively they are being managed or controlled.

6. Controls and Control Deviations

- (a) The Committee is responsible for reviewing:
 - (i) the plan and scope of the annual audit with respect to planned reliance and testing of controls; and
 - (ii) major points contained in the auditor's management letter resulting from control evaluation and testing.
- (b) The Committee is also responsible for:
 - (i) receiving reports from management when significant control deviations occur;

- (ii) establishing a corporation-wide culture that conveys basic values of ethical integrity as well as legal compliance and strong financial reporting and control;
- (iii) reviewing plans of the internal and external auditors to ensure the combined evaluation and testing of control is comprehensive, well-coordinated, cost effective and appropriate to risks, business activities and changing circumstances;
- (iv) receiving from management and the external auditors, regular reports on all major control deviations, or indications/detection of fraud, and how such control breakdowns have been corrected;
- (v) participating in the review and appointment of key people involved in financial reporting (i.e. the CFO, the manager of internal audit, etc.);
- (vi) reviewing CEO and CFO certification matters including matters relating to disclosure controls and procedures;
- (vii) reviewing annually a formal report prepared by management on the effectiveness of the Corporation's control systems;
- (viii) reviewing fraud prevention policies and programs and for monitoring their implementation; and
- (ix) examining whether extension of its oversight of control systems into non-financial areas (e.g., operations) is appropriate.

7. Compliance with Laws and Regulations

- (a) The Committee is responsible for discussing the Corporation's compliance with tax and financial reporting laws and regulations, if and when issues arise.
- (b) The Committee is responsible for reviewing regular reports from management and others (e.g., internal and external auditors) concerning the Corporation's compliance with financial related laws and regulations, such as:
 - (i) tax and financial reporting laws and regulations;
 - (ii) legal withholdings requirements;
 - (iii) environmental protection laws;
 - (iv) other matters for which directors face liability exposure.
- (c) The Committee is responsible for providing input to and reviewing the Corporation's Code of Business Conduct and Ethics, where applicable.
- (d) The Committee is responsible for expanding its review to include a broader set of laws and regulations that must be complied with (e.g., compliance with privacy laws in electronic commerce systems).

- (e) The Committee with other Board committees is responsible for annually reviewing reports from other Board committees on management's processes to ensure compliance with Corporation's Code of Business Conduct and Ethics.
- (f) Any management appointed audit committee member can abstain from voting or recuse themselves from meeting where having management present may not be conducive to the Committee in carrying out its mandate. Internal and external auditors are encouraged to seek "in camera" sessions without the presence of management with the Committee should such auditors believe it in the best interest of the mandate they are tasked to carry out. These "in camera" sessions also extend to external advisors such as legal counsel.

8. Relationship with the Internal Auditor

- (a) The Committee is responsible for reviewing the:
 - (i) the appointment of the internal auditor;
 - (ii) the overall scope of the internal audit; and
 - (iii) selected reports issued by the internal auditor.
- (b) The Committee is responsible for reviewing:
 - (i) the internal auditor's terms of reference;
 - (ii) the plan and budget for internal audit (financial and operational activities);
 - (iii) the majority of reports issued by internal auditor; and
 - (iv) management's response to the internal auditor's reports.
- (c) The Committee is responsible for approving the reporting relationship of the internal auditor to ensure appropriate segregation of duties is maintained and the internal auditor has direct access to the Committee.
- (d) The Committee is responsible for ensuring that the internal auditor's involvement with financial reporting is coordinated with the activities of the external auditor.
- (e) If no internal audit function exists, the Committee is responsible for regularly reviewing the need for such a function'.
- (f) The Committee is responsible for assuming the primary reporting relationship for the internal audit function.

9. Other Responsibilities and Issues

- (a) The Chair is responsible for setting forth the Committee's expectations with respect to information (e.g., nature, level of detail, timing, reports etc.) and ensuring the information received is responsive to important performance measures and to the key risks the Committee oversees.

- (b) The Committee is responsible for, and has the explicit authority, to investigate any matters that fall within the Committee's responsibilities.
- (c) The Committee is responsible for receiving and reviewing reports from the internal and external auditors on their review of the officer and senior executive expense accounts.
- (d) The Committee is responsible for approving policies and receiving reports from the internal and/or external auditors on their review of political donations and commissions paid to suppliers or customers to ensure compliance with these policies.
- (e) The Committee is responsible for reviewing and providing management with its views on funding matters, financing strategies, capital structure etc., as well as appropriate accounting and presentation issues related thereto.

10. Pre-Approval of Non-Audit Services

The Committee is responsible for pre-approving all non-audit services to be provided to the Corporation or its subsidiary entities by the Corporation's external auditor.

11. Review of Financial Statements and MD&A

The Committee is responsible for reviewing the Corporation's financial statements, MD&A and annual and interim earnings press releases before the Corporation publicly discloses this information.

12. Review of Public Disclosure of Financial Information

The Committee is responsible for being satisfied that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements, other than the public disclosure referred to in the preceding section and must periodically assess the adequacy of those procedures.

13. Submission Systems and Treatment of Complaints

The Committee is responsible for establishing procedures for:

- (a) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and
- (b) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

14. Hiring Policies

The Committee is responsible for reviewing and approving the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Corporation.