



Decisive Dividend

— Corporation —

STATEMENT OF EXECUTIVE COMPENSATION

For the year ended December 31, 2020

June 25, 2021

STATEMENT OF EXECUTIVE COMPENSATION

This Statement of Executive Compensation of Decisive Dividend Corporation (the “Company”) covers the year ended December 31, 2020 and presents certain comparative information for the year ended December 31, 2019.

“Named Executive Officer” or “NEO” means: (a) each individual who served as the Chief Executive Officer or the Chief Financial Officer of the Company, or an individual who acted in a similar capacity during the financial year ended December 31, 2020, regardless of the amount of compensation of that individual; (b) in respect of the Company and the Company’s subsidiaries, the most highly compensated executive officer, other than the Chief Executive Officer and Chief Financial Officer, who was serving as an executive officer, or acting in a similar capacity, as at December 31, 2020 and whose total compensation for the financial year ended December 31, 2020 amounted to \$150,000 or more; and (c) any additional individual who would have been included under (b) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, as at December 31, 2020.

The Company had three NEOs during the financial year ended December 31, 2020, those being James Paterson, the Company’s Chief Executive Officer, Rick Torriero, the Company’s Chief Financial Officer, and John McMillan, the President of Slimline Manufacturing Ltd. During the financial year ended December 31, 2019, the three NEOs of the Company were James Paterson, Rick Torriero, and Ron Birnie-Browne, the President of Unicast Inc.

Summary Compensation Table

The following table is a summary of compensation paid, payable, awarded or granted to each director and NEO of the Company in the financial years ended December 31, 2020 and December 31, 2019, except for compensation securities.

Table of Compensation Excluding Compensation Securities							
Name & position	Year	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of Perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
James Paterson, NEO ⁽¹⁾⁽⁴⁾ & Director	2020	23,500	Nil	Nil	Nil	Nil	23,500
	2019	20,167	Nil	Nil	Nil	Nil	20,167
Rick Torriero NEO	2020	180,000	24,750	Nil	Nil	Nil	204,750
	2019	165,000	7,500	Nil	Nil	Nil	172,500
John McMillan NEO	2020	200,000	37,050	Nil	Nil	4,794	241,844
	2019	200,000	6,360	Nil	Nil	Nil	206,360
Ron Birnie-Browne NEO ⁽²⁾	2020	223,034	Nil	Nil	7,200	Nil	230,234
	2019	270,721	Nil	Nil	7,778	Nil	278,499
G. Terence Edwards Director ⁽³⁾	2020	186,000	24,750	Nil	Nil	Nil	210,750
	2019	171,000	10,000	Nil	Nil	Nil	181,000

Table of Compensation Excluding Compensation Securities (continued)							
Name & position	Year	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of Perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Michael Conway Director ⁽⁴⁾	2020	20,500	Nil	Nil	Nil	Nil	20,500
	2019	19,750	Nil	Nil	Nil	Nil	19,750
Timothy Pirie Director ⁽⁴⁾	2020	25,500	Nil	Nil	Nil	Nil	25,500
	2019	25,000	Nil	Nil	Nil	Nil	25,000
M. Bruce Campbell Director ⁽⁴⁾	2020	19,500	Nil	Nil	Nil	Nil	19,500
	2019	19,167	Nil	Nil	Nil	Nil	19,167
Warren Matheos Director ⁽⁴⁾	2020	18,000	Nil	Nil	Nil	Nil	18,000
	2019	15,083	Nil	Nil	Nil	Nil	15,083
Robert Louie Director ⁽⁴⁾	2020	17,000	Nil	Nil	Nil	Nil	17,000
	2019	14,583	Nil	Nil	Nil	Nil	14,583
Peter D. Jeffrey Director ⁽⁴⁾	2020	19,000	Nil	Nil	Nil	Nil	19,000
	2019	17,250	Nil	Nil	Nil	Nil	17,250
David Redekop, Former Director ⁽⁵⁾	2020	22,184	Nil	Nil	Nil	10,000	32,184
	2019	171,000	30,000	Nil	Nil	Nil	201,000

NOTES:

- (1) James Paterson was the Chief Executive Officer from the inception of the Company until June 1, 2021 at which time Jeff Schellenberg was appointed Chief Executive Officer. During the financial years of the Company ended December 31, 2020 and 2019, James Paterson was also a director of the Company. The Summary Compensation Table sets out the compensation he received for his services as both a director and Named Executive Officer of the Company. During the financial years of the Company ended December 31, 2020 and 2019, James Paterson did not receive any compensation, excluding compensation securities, for his services as a Named Executive Officer of the Company.
- (2) Ron Birnie-Browne was appointed President of Unicast Inc. in March 2019. Prior to that he held the role of Vice President, Sales and Engineering of Unicast Inc.
- (3) During the financial years ended December 31, 2020 and 2019, G. Terence Edwards received compensation, excluding compensation securities, solely for his services as a Senior Executive of the Company.
- (4) Commencing January 1, 2019, the Company began paying fees to directors who do not receive compensation, excluding compensation securities, as officers of the Company. The fees include an annual retainer of \$6,000, plus an additional \$2,000 per year for serving as a the Chair, Lead Director, or a Committee Chair, plus an additional \$1,000 per year for serving as a member on a committee, and \$500 per Board meeting attended over one hour in length.
- (5) In January 2020, David Redekop resigned as a director and officer of the Company. During the financial years of the Company ended December 31, 2020 and 2019, David Redekop received compensation, excluding compensation securities, solely for his services as a Senior Executive of the Company.

Stock Options and Other Compensation Securities Table

The following table provides information disclosing the compensation securities granted or issued to each NEO and director during the most recently completed financial year ending December 31, 2020:

Compensation Securities							
Name and position	Type of compensation security	# of compensation securities, # of underlying securities & % of class	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
James Paterson, NEO ⁽²⁾ & Director	DSUs	15,000	February 27, 2020	3.68	3.65	2.22	(1)
	RSUs	3,000	February 27, 2020	3.68	3.65	2.22	(1)
	Stock Options	35,000	September 10, 2020	1.38	1.38	2.22	September 10, 2030
Rick Torriero NEO ⁽³⁾	RSUs	2,500	February 27, 2020	3.68	3.65	2.22	(1)
	Stock Options	15,000	September 10, 2020	1.38	1.38	2.22	September 10, 2030
John McMillan NEO ⁽⁴⁾	Stock Options	10,000	September 10, 2020	1.38	1.38	2.22	September 10, 2030
Ron Birnie-Browne NEO ⁽⁴⁾	Stock Options	10,000	September 10, 2020	1.38	1.38	2.22	September 10, 2030
G. Terence Edwards Director ⁽⁵⁾	DSUs	3,000	February 27, 2020	3.68	3.65	2.22	(1)
	RSUs	2,500	February 27, 2020	3.68	3.65	2.22	(1)
	Stock Options	15,000	September 10, 2020	1.38	1.38	2.22	September 10, 2030
Michael Conway Director ⁽⁶⁾	DSUs	3,500	February 27, 2020	3.68	3.65	2.22	(1)
	Stock Options	17,000	September 10, 2020	1.38	1.38	2.22	September 10, 2030
Timothy Pirie Director ⁽⁷⁾	DSUs	3,000	February 27, 2020	3.68	3.65	2.22	(1)
	Stock Options	17,000	September 10, 2020	1.38	1.38	2.22	September 10, 2030
M. Bruce Campbell Director ⁽⁸⁾	DSUs	3,000	February 27, 2020	3.68	3.65	2.22	(1)
	Stock Options	15,000	September 10, 2020	1.38	1.38	2.22	September 10, 2030
Warren Matheos Director ⁽⁹⁾	DSUs	3,000	February 27, 2020	3.68	3.65	2.22	(1)
	Stock Options	15,000	September 10, 2020	1.38	1.38	2.22	September 10, 2030
Robert Louie Director ⁽⁸⁾	DSUs	3,000	February 27, 2020	3.68	3.65	2.22	(1)
	Stock Options	15,000	September 10, 2020	1.38	1.38	2.22	September 10, 2030
Peter D. Jeffrey Director ⁽⁸⁾	DSUs	3,000	February 27, 2020	3.68	3.65	2.22	(1)
	Stock Options	17,000	September 10, 2020	1.38	1.38	2.22	September 10, 2030

NOTES:

- (1) In July 2020, the equity incentive plan was re-approved by a majority of all shareholders but not by a majority of disinterested shareholders, which meant that the 10% rolling stock option component of the plan remained in effect, but no further Deferred Share Units (“DSUs”) or Restricted Share Units (“RSUs”) could be issued. As a result, in January 2021, all outstanding DSUs and RSUs were redeemed for Common Shares. For the foreseeable future the Company intends to use stock options as the sole form of share-based compensation.
- (2) As at December 31, 2020, in addition to the compensation securities granted in 2020, this NEO and director held 15,000 RSUs, an option to purchase an aggregate of 80,000 Shares at a price of \$3.00 per Share until June 23, 2026, and an option to purchase an aggregate of 65,000 Shares at a price of \$4.35 per Share until August 20, 2028.
- (3) As at December 31, 2020, in addition to the compensation securities granted in 2020, this NEO held an option to purchase an aggregate of 10,000 Shares at a price of \$4.00 per Share until December 9, 2028, and an option to purchase an aggregate of 10,000 Shares at a price of \$3.85 per Share until July 9, 2029.
- (4) As at December 31, 2020, in addition to the compensation securities granted in 2020, these NEOs each held options to purchase an aggregate of 20,000 Shares at a price of \$3.85 per Share until July 9, 2029.
- (5) As at December 31, 2020, in addition to the compensation securities granted in 2020, this director held 5,000 RSUs, an option to purchase an aggregate of 80,000 Shares at a price of \$3.00 per Share until June 23, 2026 and an option to purchase an aggregate of 25,000 Shares at a price of \$4.35 per Share until August 20, 2028.

- (6) As at December 31, 2020, in addition to the compensation securities granted in 2020, this director held 5,000 RSUs, an option to purchase an aggregate of 48,000 Shares at a price of \$3.00 per Share until June 23, 2026 and an option to purchase an aggregate of 25,000 Shares at a price of \$4.35 per Share until August 20, 2028.
- (7) As at December 31, 2020, in addition to the compensation securities granted in 2020, this director held 5,000 RSUs, an option to purchase an aggregate of 24,500 Shares at a price of \$3.00 per Share until June 23, 2026 and an option to purchase an aggregate of 25,000 Shares at a price of \$4.35 per Share until August 20, 2028.
- (8) As at December 31, 2020, in addition to the compensation securities granted in 2020, these directors each held 5,000 RSUs, options to purchase an aggregate of 41,500 Shares at a price of \$3.00 per Share until June 23, 2026 and options to purchase an aggregate of 25,000 Shares at a price of \$4.35 per Share until August 20, 2028.
- (9) As at December 31, 2020, in addition to the compensation securities granted in 2020, this director held 5,000 RSUs, an option to purchase an aggregate of 25,500 Shares at a price of \$3.00 per Share until June 23, 2026 and an option to purchase an aggregate of 25,000 Shares at a price of \$4.35 per Share until August 20, 2028.

Exercise of Compensation Securities by Directors and NEO's

The following table discloses information about the NEO's and directors of the Company who have exercised a compensation security during the most recently completed fiscal year ended December 31, 2020:

Exercise of Compensation Securities by Directors and NEO's							
Name and position	Type of compensation security	# of underlying securities exercised	Exercise Price per security (\$)	Date of Exercise	Closing price per security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value of compensation security on exercise date (\$)
David Redekop, Former Director ⁽¹⁾	Stock Options	6,000	3.00	January 13, 2020	3.80	0.80	4,800
	Stock Options	15,000	3.00	February 11, 2020	3.70	0.70	10,500

NOTES:

- (1) This former director resigned in January 2020. Based on this resignation, the RSUs granted to this former director in 2019 were forfeited and the expiration date of this former director's stock options were extended by the Company until December 2020. As of the date of this Statement of Executive Compensation, all remaining compensation securities have expired.

There were no other compensation securities exercised by the NEO's or directors of the Company during the most recently completed fiscal year ended December 31, 2020.

Equity Incentive Plans and Other Incentive Plans

The Company currently has the following incentive plans:

Equity Incentive Plan

On July 23, 2020, the Equity Incentive Plan was re-approved by a majority of all Shareholders but not by a majority of disinterested Shareholders, which means that the 10% rolling stock option component of the Equity Incentive Plan remains in effect, but no further DSUs or RSUs may be issued. As a result, all outstanding DSUs and RSUs were redeemed for Common Shares in January 2021. For the foreseeable future the Company intends to use stock options as the sole form of share-based compensation.

The purpose of the Equity Incentive Plan is to attract and motivate Directors, senior officers, employees, management Company employees, consultants and others providing services to the Company and its Subsidiaries, and thereby advance the Company's interests, by affording such persons with an opportunity to acquire an equity interest in the Company, through the issuance of stock options.

The maximum number of Common Shares issuable under awards subject to the Equity Incentive Plan is, with respect to stock options, that number of Common Shares equal to 10% of the issued and outstanding Common Shares from time to time. The Company may not issue any DSUs or RSUs pursuant to the Equity

Incentive Plan until the Equity Incentive Plan receives the approval of the majority of disinterested Shareholders.

The Equity Incentive Plan authorizes the Board to grant stock options on the following terms:

- (a) Any stock options granted under the Equity Incentive Plan will have a maximum term of ten years, and will be exercisable at a price not less than 100% of the last closing price of a Common Share on the TSXV (or any other stock exchange or market on which the shares are principally traded) before the date of the grant, less applicable discounts permitted by the TSXV, or such other minimum exercise price as may be required by the TSXV. Unless otherwise specified by the Board, stock options will vest and be exercisable immediately.
- (b) Notwithstanding the foregoing, the Equity Incentive Plan provides that in the event that the term of a stock option expires during or within ten days after the last day of a "blackout period" imposed by the Company, the stock option shall expire on the date that is ten business days following the end of the blackout period, the date of which will not be subject to the discretion of the Board.

The following restrictions apply to awards under the Equity Incentive Plan:

- (a) The aggregate number of awards granted to one person (and corporations wholly owned by that person) in a 12-month period must not exceed 5% of the issued and outstanding Common Shares of the Company at the time of the grant (unless the Company has obtained the requisite approval from disinterested Shareholders);
- (b) The aggregate number of awards granted to one service provider (including without limitation those service providers engaged in investor relations activities) in a 12-month period must not exceed 2% of the issued and outstanding Common Shares of the Company at the time of the grant. Any award granted to a service provider shall vest in stages over 12 months with not more than 25% of the Common Shares subject to the award vesting in any 3 month period;
- (c) The number of stock options granted to insiders (as a group), within a 12-month period, together with any other awards granted in such 12-month period (unless the Company has obtained the requisite approval from disinterested Shareholders), at any time, pursuant to the Equity Incentive Plan and any other security-based compensation arrangement adopted by the Company, cannot exceed 10% of the issued and outstanding Common Shares;

In the event of any recapitalization, reorganization, arrangement, amalgamation, split or combination, distribution or other similar event or transaction, substitutions or adjustments will be made by the Board in its discretion to: (i) the aggregate number, class and/or issuer of the securities reserved for issuance under the Equity Incentive Plan; (ii) the number, class and/or issuer of securities subject to outstanding awards; and (iii) the exercise price of outstanding stock options, in each case in a manner that reflects equitably the effects of such event or transaction. In addition, the appropriate adjustments in the number of Shares under an Award and the other terms and conditions thereunder, may be made by the Board in its discretion to give effect to the adjustments in the number of Shares resulting from the implementation and operation of any shareholder rights plan of the Company, if any.

The foregoing is only a summary of the salient features of the Equity Incentive Plan, and is qualified in its entirety by reference to the actual terms and conditions of the Equity Incentive Plan.

Notice of awards granted under the Equity Incentive Plan must be given to the Exchange on a monthly basis. Any amendments to the Equity Incentive Plan must also be approved by the Exchange and, if necessary, by the Shareholders prior to becoming effective.

Employee Share Purchase Plan

The purpose of the ESPP is to advance the interests of the Company and its Subsidiaries by facilitating and encouraging employees of the Company and its Subsidiaries to purchase Common Shares and accordingly, have a direct interest in the Company's success.

The maximum number of Common Shares issuable pursuant to the ESPP is 100,000 Shares (plus an aggregate maximum of 75,000 Common Shares issued from treasury as additional Common Shares and phantom dividend Common Shares following the vesting date of such Common Shares) (subject to adjustment in the event of changes affecting the Company's capital structure).

The material terms under which employees may purchase Common Shares under the ESPP are as follows:

- (a) only persons who are permanent full-time employees of the Company or its affiliates who have completed six full calendar months of service and who reside in Canada are eligible to participate in the ESPP. For greater clarity, Consultants and Investor Relations Consultants (as those terms are defined by the Exchange) are not eligible to participate in the ESPP;
- (b) the Company will issue the Common Shares to those employees who are participating in the ESPP once a year (the "**Purchase Date**") at a price per Common Share determined by calculating the weighted average trading price of the Common Shares on the Exchange for the 5 days immediately preceding the Purchase Date;
- (c) the maximum number of Common Shares issuable under the ESPP is determined annually and requires Exchange approval as well as Shareholder approval at the Company's annual general meeting;
- (d) no one employee may acquire Common Shares pursuant to the ESPP which exceed more than 1% of the issued and outstanding Common Shares in any 12-month period and the insiders of the Company, as a group, may not acquire Common Shares pursuant to the ESPP which exceed, collectively and in the aggregate, more than 2% of the issued and outstanding Common Shares in any 12-month period;
- (e) employees may only designate up to 5% of their salary (in increments of 1%), on an annual basis, to contribute to the ESPP;
- (f) subject to an 18-month vesting period calculated from the Purchase Date, an employee participating in the ESPP will receive the right to receive additional Common Shares consisting of 33 1/3% of the number of Common Shares purchased by such employee on the Purchase Date (the "Additional Shares") and, at the irrevocable election of such participating employee designated at the time of enrollment in the ESPP, either (i) the aggregate value of the dividends that would have been payable on such Additional Shares had they been issued on the Purchase Date (the "Phantom Dividends"); or (ii) that number of Common Shares that can be purchased with the value of the Phantom Dividends, which such Common Shares being purchased in the open market through the facilities of the Exchange within 60 days after expiry of the vesting period by an administrative agent appointed under the ESPP, with all incidental fees and expenses being paid by the Company;
- (g) the Common Shares purchased pursuant to the ESPP may be paid for in cash or by way of a loan facility provided by the Company for such purpose, to be repaid by payroll deductions and supported by a promissory note; and
- (h) the rights granted to employees who elect to participate in the ESPP are not transferrable and no right or interest in any Common Shares which are subject to the vesting provisions of the ESPP may be transferred without the consent of the ESPP administrators.

Employment Agreements

The Company is a party to indefinite term employment agreements with two of the NEOs (the "Employment Agreements"), which set out the particulars of their compensation as outlined in the Summary Compensation Table above. As noted above, James Paterson did not receive any compensation, excluding compensation securities, for his services as a NEO and therefore did not have an employment agreement with the Company.

Each of the Employment Agreements contain standard confidentiality provisions, as well as non-competition and non-solicitation provisions from the NEOs in favor of the Company for a period of 12 months from the date of termination of each Employment Agreement. The NEOs may terminate the Employment Agreement at any time and for any reason upon giving 60 or 90 days' written notice to the Company respectively, for Rick Torriero or Ron Birnie-Browne. The Employment Agreements provide for termination for just cause in which case the Company shall not provide the NEO any period notice or payment in lieu thereof. The Employment Agreements also provide for termination by the Company upon the giving of notice or the payment of an amount equal to the following:

- (a) Rick Torriero: Six months of base salary plus one month of base salary for each year of service after October 1, 2020, to a maximum of twelve months.
- (b) Ron Birnie-Browne: Nine months of base salary plus one month of base salary for each year of service after March 15, 2020, to a maximum of twelve months.

The Employment Agreements do not provide for a payment upon a change of control of the Company.

Management Contracts

There are no management functions of the Company or any of its subsidiaries which are to any substantial degree performed by a person other than the directors or executive officers of the Company or its subsidiaries.

Pension Benefits

During the most recently completed financial year ended December 31, 2020, the Company did not provide any pension benefits to its NEOs or directors.

Oversight and Description of Director and Named Executive Officer Compensation

The objectives of the Company's compensation policies and practices are to attract and retain highly qualified individuals, align the interests of its directors and officers with those of Shareholders and ensure all compensation paid is both in line with the Company's fiscal resources and competitive with companies at a similar stage of development.

The Board has the ultimate responsibility for the Company's compensation policies and practices, but has established the Governance and Compensation Committee to assist it in fulfilling this responsibility. The Board has appointed Timothy Pirie, Warren Matheos and Bruce Campbell to its Governance and Compensation Committee. Timothy Pirie serves as the Chair of the Governance and Compensation Committee and Timothy Pirie and Bruce Campbell are independent as determined in accordance with the provisions of National Instrument 58-101 - Disclosure of Corporate Governance Practices ("NI 58-101"). Warren Matheos is not independent for the purposes of NI 58-101, by virtue of being an "immediate family member" (as defined under applicable securities laws) of an executive officer.

The purpose of the Governance and Compensation Committee is to assist the Board in fulfilling its responsibilities in relation to setting the compensation of directors, the Chief Executive Officer and the officers that report directly to the Chief Executive Officer (the "Senior Executives") and overseeing the plans for:

- compensation, development and retention of employees;
- succession planning for the Chief Executive Officer and the Senior Executives; and
- general compensation and human resource policies and issues.

The Company has adopted a charter for the Governance and Compensation Committee which sets out the compensation of the Governance and Compensation Committee as well as its responsibilities, duties, principles and procedures.

Following review of available data and discussion by members of the Governance and Compensation Committee, recommendations are made by the Governance and Compensation Committee to the Board for their consideration and approval. The Governance and Compensation Committee meets at least twice per year to fulfill its mandate.

The Governance and Compensation Committee considers the time, commitment, risks and responsibilities of the directors and senior management of the Company and takes into account the types of compensation and the amounts paid to the directors and senior management of comparable publicly traded Canadian venture issuers.

In reviewing, determining and making its recommendation to the Board of the amount and type of compensation to be paid to the Company's directors and Senior Executives annually, the Governance and Compensation Committee considers the skill and level of responsibility involved in the individual's position, the contribution of the individual to the Company's success and completion of milestones, the individual's experience and qualifications, the Company's resources, industry practice and the existing stage of the Company's development. At the Governance and Compensation Committee's discretion, recommended director and/or Senior Executive compensation may consist of (a) base salary; (b) annual incentives; (c) long-term incentives, such as equity grants, to align the personal interests of Senior Executives with the interests of Shareholders; and (d) any other form of compensation.

The Governance and Compensation Committee takes into account the earnings before interest, taxes, depreciation and amortization (EBITDA) targets of the Company when determining compensation for Senior Executives, including NEOs.

Due to the current stage of the Company's development, the Governance and Compensation Committee has not performed a formal evaluation of the implications of the risks associated with the Company's compensation policies and practices. However, the Governance and Compensation Committee does not believe that the Company's current compensation policies and practices will result in unnecessary or inappropriate risk taking, including risks that are likely to have a material adverse effect on the Company.

The Company's NEOs and directors are not permitted to purchase financial instruments, including for greater certainty, prepaid variable forward contracts, equity swaps, collars or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEOs or directors.

The Governance and Compensation Committee members all bring experience from their current and past business activities in a variety of industries, in addition to their direct experience regarding compensation matters for various sized organizations. All members, being directors of the Company, have an adequate understanding of the objectives of the Governance and Compensation Committee and the direction of the Company. The Company utilizes, and participates in, surveys relating to compensation matters and, where appropriate, engages professional consultation services from outside consultants concerning compensation matters.