



easyhome Ltd.

**Notice of Annual Meeting of Shareholders  
April 28, 2010**

Notice is hereby given that the annual meeting of the holders of common shares of easyhome Ltd. (the "**Corporation**") will be held at The Gallery Room, TMX Broadcast Centre, The Exchange Tower, 130 King Street West, Toronto, ON M5X 1J2 on April 28, 2010 at 2:30 p.m. (EDT) for the following purposes:

- (a) to receive the Corporation's Annual Report which contains the audited comparative consolidated financial statements as at and for the financial year ended December 31, 2009 and the auditors' report thereon;
- (b) to elect directors;
- (c) to re-appoint auditors and to authorize the Board of Directors to fix their remuneration; and
- (d) to transact such other business as may properly come before the meeting or any adjournment thereof.

The specific details of the foregoing matters to be put before the meeting are set forth in the Management Information Circular accompanying this Notice of Meeting.

Shareholders are invited to attend the meeting. *Registered shareholders* who are unable to attend the meeting in person are requested to complete, date and sign the enclosed form of proxy and send it in the enclosed envelope or otherwise to the President of the Corporation c/o Equity Transfer & Trust Company, 200 University Avenue, Suite 400, Toronto, Ontario M5H 4H1, fax number 416-361-0470 or to the President of the Corporation at the Corporation's executive office, which is located at 77 City Centre Drive, Suite 600, Mississauga, Ontario, L5B 1M5, fax number 905-272-9886. *Non-registered shareholders* who receive these materials through their broker or other intermediary should complete and send the form of proxy in accordance with the instructions provided by their broker or intermediary. To be effective, a proxy must be received by Equity Transfer & Trust Company or the President of the Corporation not later than 2:30 p.m. (EDT) on April 26, 2010, or in the case of any adjournment of the meeting, not less than 48 hours, Saturdays, Sundays and holidays excepted, prior to the time of the adjournment.

DATED the 31<sup>st</sup> day of March, 2010.

By Order of the Board of Directors

A handwritten signature in black ink, appearing to read "D. Johnson", written over a horizontal line.

Donald K. Johnson  
Chairman

## easyhome Ltd.

### Management Information Circular for the Annual Meeting of Shareholders April 28, 2010

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#### PROXIES

##### SOLICITATION OF PROXIES

This Management Information Circular (the “Circular”) is furnished in connection with the solicitation, by or on behalf of the management of easyhome Ltd. (the “Corporation”), of proxies to be used at the Corporation’s annual meeting of the holders of common shares (the “Common Shares”) to be held on April 28, 2010 (the “Meeting”) or at any adjournment thereof. 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 or employees of the Corporation without special compensation, or by the Corporation’s transfer agent, Equity Transfer & Trust Company at nominal cost. The cost of soliciting will be borne by the Corporation.

##### APPOINTMENT OF PROXYHOLDER

The person(s) designated by management of the Corporation in the enclosed form of proxy are directors or officers of the Corporation. **Each shareholder has the right to appoint as proxyholder a person or company (who need not be a shareholder of the Corporation) other than the person(s) or company(ies) designated by management of the Corporation in the enclosed form of proxy to attend and act on the shareholder’s behalf at the Meeting or at any adjournment thereof.** Such right may be exercised by inserting the name of the person or company in the blank space provided in the enclosed form of proxy or by completing another form of proxy.

In the case of *registered shareholders*, the completed, dated and signed form of proxy should be sent in the enclosed envelope or otherwise to the President of the Corporation c/o Equity Transfer & Trust Company, 200 University Avenue, Suite 400, Toronto, Ontario M5H 4H1, fax number 416-361-0470 or to the President of the Corporation at the Corporation’s executive office, which is located at 77 City Centre Drive, Suite 600, Mississauga, Ontario, L5B 1M5, fax number 905-272-9886. In the case of *non-registered shareholders* who receive these materials through their broker or other intermediary, the shareholder should complete and send the form of proxy in accordance with the instructions provided by their broker or other intermediary. To be effective, a proxy must be received by Equity Transfer & Trust Company or the President of the Corporation not later than 2:30 p.m. (EDT) on April 26, 2010, or in the case of any adjournment of the Meeting, not less than 48 hours, Saturdays, Sundays and holidays excepted, prior to the adjournment time.

##### REVOCAION OF PROXY

A shareholder who has given a proxy may revoke it by depositing an instrument in writing signed by the shareholder or by the shareholder’s attorney, who is authorized in writing, or by transmitting, by telephonic or electronic means, a revocation signed by electronic signature by the shareholder or the shareholder’s attorney, who is authorized in writing, to or at the registered office of the Corporation at any time up to and including the last business day preceding the day of the Meeting, or in the case of any adjournment of the Meeting, the last business day preceding the day of the adjournment, or with the Chair of the Meeting on the day of, and prior to the start of, the Meeting or any adjournment thereof. A shareholder may also revoke a proxy in any other manner permitted by law.

##### VOTING OF PROXIES

On any ballot that may be called for, the Common Shares represented by a properly executed proxy given in favour of the person(s) designated by management of the Corporation in the enclosed form

of proxy will be voted or withheld from voting in accordance with the instructions given on the ballot, and if the shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly.

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments to matters identified in the accompanying Notice of Meeting and with respect to other matters which may properly come before the Meeting or any adjournment thereof. As of the date of this Circular, management of the Corporation is not aware of any such amendment or other matter to come before the Meeting. However, if any amendments to matters identified in the accompanying Notice of Meeting or any other matters which are not now known to management should properly come before the Meeting or any adjournment thereof, the Common Shares represented by properly executed proxies given in favour of the person(s) designated by management of the Corporation in the enclosed form of proxy will be voted on such matters pursuant to such discretionary authority.

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## VOTING SHARES

### VOTING SHARES

As at March 24, 2010, the Corporation had 10,419,145 Common Shares outstanding, each carrying the right to one vote per share. **Except as otherwise noted in this Circular, a simple majority of the votes cast at the Meeting, whether in person, by proxy or otherwise, will constitute approval of any matter submitted to a vote.**

### RECORD DATE

The Board of Directors has fixed March 25, 2010 as the record date for the purpose of determining holders of Common Shares entitled to receive notice of and to vote at the Meeting. Any holder of Common Shares of record at the close of business on the record date is entitled to vote the Common Shares registered in such shareholder's name at that date on each matter to be acted upon at the Meeting.

### PRINCIPAL SHAREHOLDER

To the knowledge of the directors and executive officers of the Corporation, as at March 24, 2010 no person beneficially owned, directly or indirectly, or controls or directs, more than 10% of the voting rights attached to the outstanding Common Shares of the Corporation except as stated below.

Name	Aggregate number of Common Shares	Percentage of outstanding Common Shares
Donald K. Johnson	2,298,192 <sup>(1)</sup>	22.1%

**Note:**

(1) 1,837,951 of these shares are owned by VYCO Ltd., a corporation controlled by a family trust. Mr. Johnson is a discretionary beneficiary of such trust and president of VYCO Ltd.

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**MATTERS TO BE ACTED UPON AT THE MEETING**

**1. ELECTION OF DIRECTORS**

The number of directors to be elected at the Meeting is six. Under the by-laws of the Corporation, directors of the Corporation are elected annually. Each director will hold office until the next annual meeting or until the successor of such director is duly elected or appointed, unless such office is earlier vacated in accordance with the by-laws.

Four of the directors currently in office (Messrs Ronald Gage, Douglas Anderson and Joseph Rotunda, and Ms. Nancie Lataille) are not standing for re-election at the Meeting.

The Corporation's current Form of Proxy permits shareholders to vote for each individual director. Such a voting mechanism allows shareholders to evaluate the suitability of each nominee and to vote for or withhold their vote from individual nominees. The Board has adopted a policy stipulating that if the votes in favour of the election of a director nominee at a shareholders' meeting represent less than a majority of the shares voted and withheld, the nominee will submit his or her resignation promptly after the meeting, for the Corporate Governance and Nominating Committee's consideration. The Committee will make a recommendation to the Board after reviewing the matter, and the Board's decision to accept or reject the resignation offer will be disclosed to the public. The nominee will not participate in any Committee or Board deliberations on the resignation offer.

**In the absence of a contrary instruction, the person(s) designated by management of the Corporation in the enclosed form of proxy intend to vote FOR the election as directors of the proposed nominees whose names are set forth below, each of whom has been a director since the date indicated below opposite the proposed nominee's name.** Management does not contemplate that any of the proposed nominees will be unable to serve as a director, but if that should occur for any reason prior to the Meeting, the Common Shares represented by properly executed proxies given in favour of such nominee(s) may be voted by the person(s) designated by management of the Corporation in the enclosed form of proxy, in their discretion, in favour of another nominee.

The following table sets forth information with respect to each person proposed to be nominated for election as a director, including the number of Common Shares of the Corporation beneficially owned, directly or indirectly, or over which control or direction was exercised, by such person or the person's associates or affiliates as at March 24, 2010. The information as to shares beneficially owned or over which control or direction is exercised, not being within the knowledge of the Corporation, has been furnished by the respective proposed nominees individually.

<b>Proposed nominee and place of residence</b>	<b>Principal occupation</b>	<b>Became a director</b>	<b>Age</b>	<b>Number of Common Shares beneficially owned directly or indirectly or over which control or direction is exercised</b>
<b>Donald K. Johnson</b> Ontario, Canada	Member, Advisory Board, BMO Capital Markets since November 2009. Prior to that Mr. Johnson was Senior Advisor, BMO Capital Markets from November 2004 to November 2009 and prior to that he was Vice-Chairman of BMO Nesbitt Burns Inc. Mr. Johnson also serves as the Chairman Emeritus and a Director of Business for the Arts, a director of the Toronto General & Western Hospital	June 1999	74	2,298,192

<b>Proposed nominee and place of residence</b>	<b>Principal occupation</b>	<b>Became a director</b>	<b>Age</b>	<b>Number of Common Shares beneficially owned directly or indirectly or over which control or direction is exercised</b>
	Foundation, a director and member of the Executive Committee of the Richard Ivey School of Business Advisory Board, a director of the Toronto Foundation for Student Success, a member of the 2010 Major Individual Giving Cabinet of the United Way of Greater Toronto and a director of Manicouagan Minerals Inc.			
<b>David Ingram</b> Ontario, Canada	President and Chief Executive Officer of easyhome Ltd. since May 24, 2001. Prior to that, Mr. Ingram was Executive Vice-President and Chief Operating Officer of easyhome Ltd. since December 2000. Prior to that Mr. Ingram was an executive with Kingfisher plc (a retail conglomerate) in the United Kingdom.	December 2000	44	402,329
<b>Wesley Voorheis<sup>(1)</sup></b> Ontario, Canada	Partner, Voorheis & Co. LLP since 1995, the Chairman of the Board of Directors of Hudbay Minerals Inc. since March 2009 and a Director of Coventree Inc. since April 2008. Prior to the establishment of Voorheis & Co. LLP in 1995, Mr. Voorheis was a partner in a major Toronto law firm.		56	None
<b>David Lewis<sup>(2)</sup></b> Ontario, Canada	Chair of the Board, Green Shield Canada since January 1, 2007. Prior to that Mr. Lewis served as a corporate director. Mr. Lewis also serves as a director of The Caldwell Partners International Inc., West Street Capital Corporation and various private and not-for-profit entities.	August 1993	73	86,400
<b>James Bowland</b> Ontario, Canada	Mr. Bowland is currently Director of SMC AHL Holdings Ltd. Prior to that, he was Managing Director of BMO Capital Markets' Investment Banking Group from April 1985 until February 2009. Prior to 1985, Mr. Bowland was Vice-President and Controller of College Park Developments. Mr. Bowland currently sits on the board of a not		58	None

<u>Proposed nominee and place of residence</u>	<u>Principal occupation</u>	<u>Became a director</u>	<u>Age</u>	<u>Number of Common Shares beneficially owned directly or indirectly or over which control or direction is exercised</u>
	for profit organization where he has been a member of a number of committees.			
<b>Walter Gates</b> Kansas, USA	Chairman and Chief Executive Officer of easygates, LLC and Gates Enterprises Inc. Prior to that Mr. Gates was Chairman and Chief Executive Officer of Thorn Americas, Inc. and Rent-A-Centre, Inc.		63	None

**Notes:**

(1) From September 2003 until June 24, 2004, Mr. Voorheis was a director of Atlas Cold Storage Holdings Inc. ("Atlas"), the entity through which Atlas Cold Storage Income Trust ("Atlas Income Trust") carried on its business. As a result of Atlas Income Trust not having filed its 2003 third quarter financial statements by the required deadline, the OSC issued a management cease trade order relating to any trading in securities of Atlas Income Trust against the trustees of Atlas Income Trust, certain members of the board of directors of Atlas and certain other then-current and former officers of Atlas. The cease trade order remained in effect until May 11, 2004, following the remediation of the filing default.

Mr. Voorheis was a director of Hollinger Inc. ("Hollinger") from May 2006 to June 2008 and its Chief Executive Officer from April 2007 to June 2008. On May 18, 2004, prior to Mr. Voorheis' involvement in Hollinger, as a result of Hollinger's failure to file financial statements on a timely basis as required under Ontario securities laws, the OSC issued a temporary cease trade order that prohibited certain then-current and former directors, officers and insiders of Hollinger from trading in securities of Hollinger, subject to certain exceptions. On June 1, 2004, the OSC issued a management cease trade order (the "MCTO"). The MCTO was subsequently varied on March 8, 2005, August 10, 2005 and April 28, 2006. The April 28, 2006 variation added the then-current directors and officers of Hollinger to the list of persons subject to the MCTO. On April 10, 2007, the MCTO was revoked pursuant to an order issued by the OSC. The revocation order stemmed from the remediation by Hollinger of its historical continuous disclosure record on March 7, 2007. Related cease trade orders were also issued by securities regulatory authorities in British Columbia on May 31, 2004 and Alberta on June 10, 2004 but were revoked or expired, following the revocation of the MCTO by the OSC.

On August 1, 2007, Hollinger obtained an initial order from the court granting it creditor protection under the CCAA. On the same date, Hollinger made a concurrent application for a companion order under Chapter 15 of the United States Bankruptcy Code. These proceedings included Hollinger and its wholly-owned subsidiaries, Sugra Limited and 4322525 Canada Inc. The initial order and the U.S. proceedings provided for an initial stay period of 30 days, and were subsequently extended. On May 14, 2008, Hollinger announced that it had reached an agreement with its two principal creditors addressing the various principal matters in dispute among those parties and that, upon Court approval of that agreement, Mr. Voorheis would be resigning as an officer and director of Hollinger. The Court formally approved that agreement on May 26, 2008, and Mr. Voorheis resigned as a director and officer of Hollinger effective June 17, 2008. The Series II preference shares and the common shares of Hollinger are subject to a cease trade order issued by the OSC on July 23, 2008. Hollinger has stated that the cease trade order was issued as a result of Hollinger's determination, in the interests of reducing its costs for the benefit of its stakeholders, not to prepare and file annual audited financial statements and other annual disclosure documents in respect of Hollinger's financial year ended March 31, 2008. Consequently, since June 30, 2008, Hollinger has been in default of its continuous disclosure filing requirements under Canadian securities laws.

(2) Member of the Audit and Compensation Committees.

Of the shares shown opposite the name of Mr. Johnson (which represent a 22.1% common equity and voting interest in the Corporation) Mr. Johnson is the direct or indirect holder of 460,241 Common Shares and has control or direction over 1,837,951 Common Shares registered in the name of VYCO Ltd., a private company of which Mr. Johnson is President (VYCO Ltd. is controlled by a family trust of which Mr. Johnson is a discretionary beneficiary).

Further information concerning the nominees as directors is as follows:

Donald K. Johnson

Mr. Johnson is Chairman of *easyhome Ltd.*, and Senior Advisor, BMO Capital Markets. Mr. Johnson is a former Vice-Chairman of BMO Nesbitt Burns Inc. Active on a number of Boards, Mr. Johnson is Chairman Emeritus and a director of Business for the Arts, a director of the Toronto General & Western Hospital Foundation, a director and member of the Toronto Foundation for Student Success, a member of the 2009 Major Individual Giving Cabinet of the United Way of Greater Toronto, and a director of Manicouagan Minerals Inc.

David Ingram

Mr. Ingram became President and Chief Executive Officer of *easyhome Ltd.* in May 2001 after serving as a the Company's Executive Vice President and Chief Operating Officer since December 2000. Before joining *easyhome*, Mr. Ingram was an executive with retail conglomerate Kingfisher plc in the United Kingdom. Mr. Ingram's industry experience began with Thorn plc, the former parent company of U.S. based Rent-A-Center in the United Kingdom, General Manager for Canada and Divisional Vice President for 400 stores in the U.S.

Wesley Voorheis

Mr. Voorheis is a partner of Voorheis & Co. LLP which acts as a strategic advisor to investors in Canadian public and private companies. Mr. Voorheis is currently the Chairman of the Board of Directors of Hudbay Minerals Inc. since March 2009 and a Director of Coventree Inc since April 2008. Prior to the establishment of Voorheis & Co. LLP in 1995, Mr. Voorheis was a partner in a major Toronto law firm.

David Lewis

Mr. Lewis is a retired banker; his last position was Chairman and Chief Executive Officer of Continental Bank of Canada. He serves as a Director and Chairman of the audit committee of two public companies, Caldwell Partners International and West Street Capital Corporation. In addition, he serves as the Chair of the Board of Green Shield Canada Limited, a not for profit provider of health benefit services that is regulated by OSFI under the Insurance Companies Act.

James Bowland

Mr. Bowland is currently Director of SMC AHL Holdings Ltd. Prior to that, he was Managing Director of BMO Capital Markets' Investment Banking Group from April 1985 until February 2009. His areas of specialization include mergers and acquisitions, initial public offerings, bank financing and follow-on equity and debt financings. Prior to 1985, Mr. Bowland was Vice-President and Controller of College Park Developments. Mr. Bowland currently sits on the board of a not for profit organization where he has been a member of a number of committees. He holds a B. Comm (Honours) from Queen's University and is a Chartered Accountant. Mr Bowland also holds the Institute of Corporate Directors designation.

Walter "Bud" Gates

Mr. Gates is Chairman and Chief Executive Officer of *easygates, LLC*, which has exclusive rights to franchise or operate the *easyhome* concept in 36 states in the U.S. and is the Chairman and Chief Executive Officer of Gates Enterprises Inc. Mr. Gates is the former Chairman of Thorn Americas, Inc. and past president of Rent-A-Centre, Inc. Active on a number of boards, including The Wichita Art Museum, The Wichita Symphony and The Center for Health and Wellness in Wichita, Kansas.



**2. RE-APPOINTMENT OF INDEPENDENT AUDITORS**

Ernst & Young LLP are the current auditors of the Corporation. At the Meeting, the holders of Common Shares will be requested to re-appoint Ernst & Young LLP as auditors of the Corporation to hold office until the next annual meeting of shareholders or until a successor is appointed, and to authorize the Board of Directors to fix the auditors' remuneration.

**In the absence of a contrary instruction, the person(s) designated by management of the Corporation in the enclosed form of proxy intend to vote FOR the re-appointment of Ernst & Young LLP as auditors of the Corporation to hold office until the next annual meeting of shareholders or until a successor is appointed and the authorization of the Board of Directors to fix the remuneration of the auditors.**

## **DIRECTORS' COMPENSATION**

### **COMPENSATION OF DIRECTORS**

During the financial year ended December 31, 2009, directors of the Corporation who were not officers or employees of the Corporation were entitled to be paid an annual fee of \$20,000, with the exception of the Chairman of the Board who was entitled to an annual fee of \$75,000. Directors other than the Chairman of the Board are entitled to a fee for each meeting of the Board of Directors and each meeting of a committee of the Board attended of \$1,500 for each meeting of at least one hour in length and \$500 for each meeting less than one hour in length. The Corporation also pays a \$6,000 annual fee for each Committee chair held by a director (\$9,000 for the chair of the Audit Committee) and an annual committee membership fee of \$3,000 is paid to all committee members excluding the committee chairs.

Any director who is resident in Canada and not subject to any United States federal or state securities laws may elect to receive all or a portion of amounts payable to him or her in respect of services provided to the Corporation in his or her capacity as a member of the Board in a calendar year in the form of DSUs. See "Description of Equity Based Compensation Plans – Deferred Share Unit Plan".

The directors are also reimbursed for travel and out-of-pocket expenses incurred in their capacity as directors.

The directors of the Corporation from time to time are granted options to purchase Common Shares pursuant to the Corporation's Share Option Plan. See "Description of Equity Based Compensation Plans – Share Option Plan". The term of options granted to the directors is six years and they vest fully 12 months after the anniversary date of the grant. During the year ended December 31, 2009, 2,000 options were granted to Douglas Anderson. The aggregate value of the holdings of the directors of Common Shares of the Corporation as at December 31, 2009 was \$25,850,754.

### **DIRECTORS' COMPENSATION TABLE**

<b>Name</b>	<b>Fees earned in cash (\$)</b>	<b>Share-based awards <sup>(2)</sup> (\$)</b>	<b>Option-based awards <sup>(4)</sup> (\$)</b>	<b>Total (\$)</b>
Donald K. Johnson <sup>(1)</sup>	NIL	82,475	NIL	<b>82,475</b>
Ronald Gage	48,250	NIL	NIL	<b>48,250</b>
David Lewis <sup>(1)</sup>	NIL	50,150	NIL	<b>50,150</b>
Joseph Rotunda	50,500	NIL	NIL	<b>50,500</b>
Nancie Lataille <sup>(1)</sup>	NIL	44,672	NIL	<b>44,672</b>
Doug Anderson	47,167	NIL	3,560	<b>50,727</b>
Robin Korthals <sup>(1)(3)</sup>	NIL	24,962	NIL	<b>24,962</b>

**Notes:**

- (1) These Directors elected to receive DSUs in lieu of the fees they earned during the year. The remaining Directors received cash as remuneration.
- (2) During 2009, Mr. Johnson received DSU's valued at \$75,000 (8,455 units) for fees earned and \$7,475 (799 units) for dividends earned on the DSU's held during the year. Similarly, Mr. Lewis earned DSU's valued at \$47,500 (5,352 units) for fees earned and \$2,650 (284 units) for dividends earned on the DSU's held during the year, Ms. Lataille received DSU's valued at \$42,500 (4,815 units) for fees earned and \$2,172 (232 units) for dividends earned on the DSU's held during the year, and Mr. Korthals received DSU's valued at \$20,833 (2,291 units) for fees earned and \$4,129 (442 units) for dividends earned on the DSU's held during the year.
- (3) Mr. Korthals ceased to be a director in May 2009.
- (4) Represents the dollar amount based on the grant date fair value of the 2009 option awards.

## **DIRECTORS' OUTSTANDING OPTIONS AND DSUS**

The following table sets out, for each director, information concerning all option-based and share-based awards outstanding as of December 31, 2009. (This includes awards granted before the most recently completed financial year.)

Name	Option-based awards			Share-based awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options <sup>(1)</sup> (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Donald Johnson	4,000	16.05	05/09/2012	NIL	NIL	NIL
	4,000	20.33	05/11/2013	NIL		
	4,000	18.05	04/27/2014	NIL		
Ronald Gage	2,000	16.05	05/09/2012	NIL	NIL	NIL
	2,000	20.33	05/11/2013	NIL		
	2,000	18.05	04/27/2014	NIL		
David Lewis	2,000	16.05	05/09/2012	NIL	NIL	NIL
	2,000	20.33	05/11/2013	NIL		
	2,000	18.05	04/27/2014	NIL		
Joseph Rotunda	2,000	16.05	05/09/2012	NIL	NIL	NIL
	2,000	20.33	05/11/2013	NIL		
	2,000	18.05	04/27/2014	NIL		
Nancie Lataille	2,000	16.79	08/1/2012	NIL	NIL	NIL
	2,000	20.33	05/11/2013	NIL		
	2,000	18.05	04/27/2014	NIL		
Doug Anderson	2,000	16.05	09/05/2012	NIL	NIL	NIL
	2,000	20.33	05/11/2013	NIL		
	2,000	9.02	05/08/2015	NIL		

**Note:**

(1) Based on the closing price of the Common Shares on the TSX on December 30, 2009, of \$8.88.

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## EXECUTIVE COMPENSATION

### COMPENSATION DISCUSSION AND ANALYSIS

#### Executive Compensation Governance and Philosophy

The Compensation Committee of the Board of Directors has the mandate to establish and implement the Corporation's executive compensation policies and monitor its compensation practices, with the objective that executive compensation be reasonable, competitive and fair. The Compensation Committee is responsible for reviewing and approving all officers' compensation and equity based compensation plans.

The Corporation's executive compensation policy is designed to incorporate a pay for performance philosophy. The policy has been established to encourage and reward executive officers on the basis of individual and business performance. Compensation for executive officers of the Corporation is comprised of three components: base salary, annual bonus incentive and equity based incentive.

The Corporation's objective with respect to its compensation program is to attract, retain and motivate employees at all levels to achieve Corporation and individual performance goals. The Corporation's compensation program is designed to reward individual performance based on predetermined individual goals as well as the Corporation's financial targets, such as profitability, and adherence to corporate values. The Corporation's strategy is to align compensation with corporate objectives. Historically, elements of compensation included competitive base wages, short-term incentives such as bonus plans, and equity based incentives such as stock options and RSUs. The Corporation chooses to pay each element of its compensation program in order to attract, retain and motivate employees as well as to remain competitive in the Canadian and US industry and retail environment, and to encourage long term employment. The Corporation determines the amount for each element by a predetermined formula for annual bonus. Stock options as determined by the Board of Directors are based on the recommendations of the President and Chief Executive Officer. Performance targets are based on financial measurements as agreed by the Board of Directors. Each of these elements fits into the Corporation's overall compensation strategy by aligning individual and corporate performance to business strategies.

In determining the relative emphasis placed by the Corporation on cash compensation versus equity based incentives (which include both options and RSUs), the Compensation Committee regularly uses surveys provided by external consultants. These consultants assist the Compensation Committee by providing data in respect of the Corporation's competitors in the U.S. and Canada as well as comparisons to retailers in Canada and companies with a similar market capitalization in Canada. The Compensation Committee has historically targeted compensation practices to be at the 75th percentile of Canadian benchmarks. However, with the Corporation's recent entry to the U.S., U.S. benchmarks are also taken into consideration. Corporations included in Canadian benchmarking are referenced in the Retail Industry Compensation and Benefits Surveys, published yearly by Mercer LLC, as compared to annual corporate sales volumes, as well as the Canadian competitor Cash Store Financial, formerly including Insta-rent Inc. In 2007, easyhome contracted with Towers Watson for a full executive compensation review, including the President and Chief Executive Officer. As a result of their findings, a new contract for the President and Chief Executive Officer was approved by the full Board of Directors. Companies included in the United States benchmarking are referenced to competitors Rent-A-Center Inc. and Aaron Rents, Inc. as published in their SEC filings.

Furthermore, the terms of RSUs have always included performance criteria in order for them to vest. Finally, the Board of Directors periodically reviews the number of stock grants in relation to the Corporation's outstanding pool of Options and market capitalization.

Executive compensation, including perquisites and personal benefits, as recommended by the President and Chief Executive Officer, are reviewed by the Compensation Committee and recommended

to the full Board of Directors. Such perquisites may include annual medicals, car allowance, gas card and related business travel expense, for which they are reimbursed by the Corporation. Exceptions to these would be detailed in the individual employment agreements for each executive.

### Compensation of the President and Chief Executive Officer

The President and Chief Executive Officer's compensation is determined by the Corporation's Compensation Committee and approved by the Board. Factors considered by the Compensation Committee in this determination include the size and complexity of the Corporation's operations, the role the President and Chief Executive Officer is expected to play in the performance of the Corporation, peer executive compensation arrangements in other retail companies similar to the Corporation which are of comparable size to the Corporation and an evaluation of the performance of the Corporation during the President and Chief Executive Officer's tenure, in light of the prevailing economic climate at that time. The Compensation Committee targets the overall annual compensation of the Corporation's President and Chief Executive Officer to be at approximately the 75<sup>th</sup> percentile of the overall annual compensation of the Chief Executive Officers of the Corporation's major Canadian retail competitors, and around the 50<sup>th</sup> percentile of the overall annual compensation of the Chief Executive Officers of the Corporation's major North American merchandise leasing business competitors. The benchmarking criteria and process are as set out above.

In setting compensation for the President and Chief Executive Officer, the Compensation Committee also considers the following objectives: (i) obtaining and retaining executives critical to the success of the Corporation and the enhancement of shareholder value; (ii) providing fair and competitive compensation; (iii) balancing the interests of management and shareholders of the Corporation; and (iv) reviewing performance both on an individual basis and with respect to the business of the Corporation in general. In determining the President and Chief Executive Officer's base salary and bonus the most heavily weighted of the criteria noted above were items ii), wherein surveys were used to ensure base compensation was competitive and item iii), the financial performance of the Corporation. In assessing the President and Chief Executive Officer's long term compensation, the Committee relied upon external surveys to ensure it was competitive relative to similar organizations. The Committee was also influenced by the Corporation's performance relative to its own strategic plans.

### **EXECUTIVE COMPENSATION ELEMENTS**

#### Base Salary

Base salaries are established at levels which are meant to be competitive with other companies in the retail industry similar to and of comparable size to the Corporation. Base salaries are determined following an assessment of the executive officer's past performance, experience and level of responsibility and the importance of the position to the Corporation. Base salaries are not based on specific relationship to the performance of the Corporation and are reviewed annually by the Compensation Committee.

#### Annual Bonus Incentive

The Corporation's annual bonus incentive plan is designed to enhance the pay for performance philosophy by aligning the financial and operational interests and motivations of the Corporation's management team and employees with the annual financial returns of the Corporation. It also serves to motivate management to work towards common annual performance objectives while acknowledging and rewarding individual goal achievement. Corporation financial targets must be achieved at the minimum of 92% of EBT (earnings before taxes) before any annual bonus incentive plan payments are considered.

The executive management team are eligible for annual incentive plan payments that consist of corporate and individual performance goals. For senior managers, bonuses are based 95% on the Corporation's financial performance to target and 5% on the achievement of specific individual goals,

except for the President and Chief Executive Officer, whose incentive plan is based 90% on the Corporation's financial performance to target and 10% on the achievement of specific individual goals. For all other positions, the Corporation's financial performance to target accounts for 50% and the achievement of specific individual goals accounts for the other 50% of the total bonus payouts, at target.

On November 10, 2008, the Board of Directors approved a bonus plan for 2009 (the "2009 Executive Incentive Plan"). The participants included senior management, managerial/supervisory personnel and office support staff in both the Edmonton and Toronto offices. Under the 2009 Executive Incentive Plan, targets for earnings before tax for either the Corporation or the appropriate operating unit were set (the "2009 Targets"). Because the 2009 Targets were not achieved, no bonuses were paid in respect of the 2009 year to the President and Chief Executive Officer or to the other members of the management team.

On November 9, 2009, the Board of Directors approved a bonus plan for 2010 (the "2010 Executive Incentive Plan"). The participants included senior management, managerial/supervisory personnel and office support staff. Under the 2010 Executive Incentive Plan, targets for earnings before tax were set (the "Targets"). The Compensation Committee periodically reviews targets (both higher and lower) but believes that the general level of the Targets have served the Corporation well given that management has historically had to deliver significant earnings growth as well as meet certain management objectives in order to receive a full bonus pay out. In the event the Targets are reached, senior management is entitled to receive a bonus ranging from 25% to 40% of their base salary, managerial/supervisory personnel are entitled to receive a bonus of 15% of their base salary and office support staff are entitled to receive a bonus of 7.5% of their base salary. In the event that the Targets are reached, the President and Chief Executive Officer is entitled to receive a bonus of 80% of his base salary. Should the Targets be exceeded, bonuses will increase on a defined graduated scale. For example, at 115% of the Targets, bonuses would be paid at 131% of base salary for the President and Chief Executive Officer; 47% to 78% of base salary for senior management; and 14.5% to 29% of base salary for managerial/supervisory and office support staff. A certain percentage of the calculated bonus is based on the participant achieving certain individualized goals set at the beginning of the year.

#### Equity Based Incentive

The Corporation's equity incentive program is designed to recognize and reward management for the impact of longer-term strategic actions and to align the interests of the Corporation's key employees and its shareholders. Additionally, the equity incentive program assists with the retention of key management personnel and helps attract talented individuals to the Corporation.

The Corporation's equity incentive program consists of two main components; a share option plan and a Restricted Share Unit ("RSU") plan. Detailed descriptions of the Corporation's Equity Based Incentive Programs are found under the subheading "Equity Based Compensation Plans" on page 19 of this document.

#### **SUMMARY COMPENSATION TABLE**

The following table sets out information concerning the compensation earned from the Corporation and any of the Corporation's subsidiaries during the financial year ended December 31, 2009 by the Corporation's Chief Executive Officer and Chief Financial Officer, the Corporation's other three most highly compensated executive officers and the former Chief Financial Officer (collectively, the "Named Executive Officers").

Name and principal position	Year	Salary (\$)	Share-based awards <sup>(1)</sup> (\$)	Option-based awards <sup>(2)</sup> (\$)	Non-equity incentive plan compensation (\$)	All other compensation (\$)	Total compensation (\$)
David Ingram President and Chief Executive Officer	2009	515,000	14,248	NIL	NIL	60,783 <sup>(3)(4)</sup>	590,031
Steven Goertz Senior Vice-President and Chief Financial Officer	Aug. 16/09 to Dec. 31/09	113,782	91,151	46,175	50,000 <sup>(5)</sup>	4,348 <sup>(6)</sup>	305,456
Chris Fregren Senior Vice-President and Chief Financial Officer	Jan. 1/09 to Aug. 16/09 <sup>(7)</sup>	371,911	3,314	NIL	NIL	7,637 <sup>(6)</sup>	382,862
David Maries Senior Vice-President, Marketing, Merchandising and Financial Services	2009	275,000	7,981	NIL	NIL	66,828 <sup>(8)</sup>	349,809
Rick Atkinson Senior Vice-President, Development	2009	197,537	4,417	10,679	NIL	12,000 <sup>(6)</sup>	224,633
Pauline Holman, Senior Vice-President, Human Resources	Jan. 1/09 to May 5/09 <sup>(9)</sup>	150,000	959	NIL	NIL	3,600 <sup>(6)</sup>	154,559

**Notes:**

- (1) Amounts shown represent restricted units ("RSUs"), valued as of the date of grant. If the cumulative annual growth rate ("CAGR") of the Corporation's earnings per share over the five year period is at least 15% per year, all of the RSUs vest on the fifth anniversary of the date of the grant. If the CAGR of the Corporation's earnings per share is between 10% and 15% per year over the five year period, a prorated portion of the units will vest on the fifth anniversary of the date of the grant. If the CAGR of the Corporation's earnings per share is less than 10% per year over the five year period, the units will not vest. Additional RSUs are credited to reflect dividends paid on the Common Shares of the Corporation.
- (2) Represents the dollar amount based on the grant date fair value of the 2009 option awards.
- (3) This amount includes a car allowance of \$14,400 per annum, life insurance and expenses paid by the Corporation on Mr. Ingram's behalf of \$24,409 and a gross amount paid of \$21,974 to compensate for personal tax paid on taxable benefits.
- (4) On November 14, 2008, Donald K. Johnson, Chairman of the Board of the Corporation, provided a loan of \$1,250,000 to Mr. Ingram, for the purpose of assisting Mr. Ingram with the purchase of a residence. The loan is unsecured, bears interest at bank prime plus one quarter of one percent, and matures on November 16, 2010.
- (5) This amount is a one-time bonus payable to Mr. Goertz upon joining the Corporation.
- (6) This amount includes a car allowance.
- (7) Ceased to be employed as the Corporation's Chief Financial Officer on August 16, 2009 and ceased to be an employee of the Corporation on November 30, 2009; payment in lieu of notice of \$156,924.
- (8) This amount includes a reimbursement of \$50,178 for personal tax paid on taxable benefits and a tax equalization payment, a car allowance of \$9,600 per annum and medical premiums paid of \$7,050.
- (9) Ceased to be employed May 5, 2009; salary continuation to October 31, 2009.

The total annual salary, annual incentive plans, and all other cash compensation of the Named Executive Officers of the Corporation for 2009, being \$2,007,350, was 21.7% of pre-tax income for such year.

### **EQUITY BASED INCENTIVES – VALUE VESTED OR EARNED DURING THE YEAR**

The following tables set out information concerning all option-based and share-based awards outstanding as at December 31, 2009. (This includes awards granted before the most recently completed financial year).

#### **Equity Based Incentives – Outstanding Options and RSUs**

<b>Name and principal position</b>	<b>Option-based awards</b>				<b>Share-based awards</b>	
	<b>Number of securities underlying unexercised options<sup>(1)</sup></b> <b>(#)</b>	<b>Option exercise price</b> <b>(\$)</b>	<b>Option expiration date</b>	<b>Value of unexercised in-the-money options<sup>(2)</sup></b> <b>(\$)</b>	<b>Number of shares or units of shares that have not vested</b> <b>(#)</b>	<b>Market or payout value of share-based awards that have not vested<sup>(2)</sup></b> <b>(\$)</b>
David Ingram President and Chief Executive Officer	38,976 75,000 150,000 <sup>(3)</sup>	8.00 16.05 19.71	05/03/2010 05/09/2012 12/31/2014	34,299 NIL NIL	41,769	370,909
Steven Goertz Senior Vice- President and Chief Financial Officer	25,000	9.03	08/11/2015	NIL	10,094	89,635
David Maries Senior Vice- President, Marketing, Merchandising and Financial Services	35,000 20,000	16.05 18.18	05/09/2012 04/29/2014	NIL NIL	23,425	208,014
Rick Atkinson Senior Vice- President, Development	15,000 35,000 6,000	8.00 16.05 9.02	05/03/2010 05/09/2012 05/08/2015	13,200 NIL NIL	12,933	114,845

**Notes:**

- (1) All outstanding options vest at 20% per year after the first anniversary of the date of grant unless specified.
- (2) Based on the closing price of the Common Shares on the TSX on December 30, 2009, of \$8.88.
- (3) These options vest at 20% per year after the first anniversary of the date of grant provided the specified performance criteria is attained.



## Equity Based Incentives – Value Vested or Earned During the Year

<b>Name</b>	<b>Option-based awards – value vested during the year <sup>(1)</sup></b>	<b>Share-based awards – value vested during the year <sup>(2)</sup></b>
	<b>(\$)</b>	<b>(\$)</b>
David Ingram	NIL	NIL
Steven Goertz	NIL	NIL
Chris Fregren	NIL	NIL
David Maries	NIL	NIL
Rick Atkinson	8,910	NIL
Pauline Holman	NIL	NIL

### **Notes:**

- (1) Represents the dollar value that would have been realized if the options which vested in the current year had been exercised on the vesting date. This is calculated by determining the difference between the market price of the underlying securities and the exercise price of the options on the date they vest.
- (2) Represents the dollar value realized upon vesting of RSUs. This is calculated by multiplying the number of units by the market value of the underlying shares on the vesting date.

## **TERMINATION AND CHANGE OF CONTROL BENEFITS/EMPLOYMENT AND CONSULTING CONTRACTS**

### David Ingram

The Corporation and Mr. David Ingram entered into a revised employment agreement, effective April 1, 2007, with respect to Mr. Ingram's appointment, for an indefinite term, as President and Chief Executive Officer of the Corporation. This agreement replaced Mr. Ingram's previous employment agreement that had become effective on May 24, 2001. The revised agreement provides for (i) an annual salary of (currently) \$515,000 per annum (subject to annual review), (ii) Mr. Ingram to participate in the Corporation's Executive Incentive Plan with respect to the payment of an annual bonus (see – "Executive Compensation – Executive Compensation Elements - Annual Bonus Incentive"), (iii) a monthly car allowance of \$1,200 plus reimbursement of normal car operating costs, (iv) reimbursement of the employee portion of company health plan expenses, the cost of additional life insurance with a face value of the greater of \$1,000,000 and 2.5 times total base salary and bonus and the cost of disability premiums which equate monthly disability income with Mr. Ingram's after-tax compensation, and (v) the vesting of all options and share based awards, which had a total value of \$370,909 at December 31, 2009.

In the event of termination by the Corporation of Mr. Ingram's employment, other than for cause, Mr. Ingram would be entitled to receive an amount equal to two times his annual base salary and bonus (bonus being calculated as the average of the bonus paid in the two years preceding the termination date).

In the event of a change of control, Mr. Ingram's unvested options and RSUs immediately vest. If, after a change in control, Mr. Ingram's employment is terminated other than for cause or if he resigns within 12 months following the change of control, he is entitled to receive his full salary and benefits to the date of termination and a payment equal to two times the aggregate of his then annual salary and the bonus paid to him in the immediate prior year. The Corporation estimates that, assuming Mr. Ingram's employment was terminated on December 31, 2009 in such circumstances, and assuming a NIL% bonus paid in the immediate prior year, the incremental payments and benefits would be approximately \$1,400,909. A "change of control" is defined as a person or group of persons acting jointly or in concert (other than Donald K. Johnson and his associates) becoming beneficial owners of 30% or more of the outstanding shares of the Corporation, or a merger occurring with another corporation as a result of which the shareholders of the Corporation own less than 50% of the voting rights of the successor corporation,

or a liquidation or winding up of the Corporation taking place. The agreement also contains non-competition and non-solicitation provisions.

#### Steven Goertz

The Corporation and Mr. Steven Goertz entered into an employment agreement, effective May 25, 2009, with respect to Mr. Goertz' appointment, for an indefinite term, as Senior Vice-President and Chief Financial Officer of the Corporation. The agreement provides for (i) an annual salary of \$250,000 per annum (subject to annual review), (ii) Mr. Goertz to participate in the Corporation's Executive Incentive Plan with respect to the payment of an annual bonus (see – "Executive Compensation – Executive Compensation Elements - Annual Bonus Incentive"), (iii) a monthly car allowance of \$800 plus reimbursement of normal car operating costs, (iv) a special one-time payment of \$50,000 upon joining the Corporation and (v) the granting of 25,000 options to purchase Common Shares and 10,000 RSUs.. In the event of termination by the Corporation of Mr. Goertz' employment, other than for cause, he would be entitled to receive an amount equal to 12 months pay in lieu of notice (\$250,000). If, within a six month period immediately following a Change of Control (as defined in the employment agreement between the Corporation and Mr. Goertz), the Corporation terminates Mr. Goertz's employment without cause or unilaterally changes a fundamental term of Mr. Goertz's employment in a material and detrimental way, all unvested options and restricted stock units will immediately vest and Mr. Goertz will be automatically entitled to 12 months' base salary and continuation of benefits for the duration of such 12 months.

#### Chris Fregren

The Corporation and Mr. Chris Fregren entered into an employment agreement dated April 17, 2006 with respect to Mr. Fregren's employment as Vice President and Chief Financial Officer of the Corporation. Mr. Fregren ceased to be employed by the Corporation on November 30, 2009 and he was paid \$156,924 as payment in lieu of notice. His entitlement to stock options and RSUs terminated as at November 30, 2009.

#### David Maries

The Corporation and Mr. David Maries entered into an employment agreement dated May 3, 2001 with respect to Mr. Maries' employment as Vice-President, Marketing and Merchandising of the Corporation. The Agreement provides for (i) an annual salary of (currently) \$275,000 per annum (subject to annual review), (ii) Mr. Maries to participate in the Corporation's Executive Incentive Plan with respect to the payment of an annual bonus (see – "Executive Compensation – Executive Compensation Elements - Annual Bonus Incentive"), (iii) tax equalization on base pay and car allowance to U.S. rates, (iv) a monthly car allowance of \$800 plus reimbursement of normal car operating costs, (v) the cost of a medical and dental health plan equivalent to what Mr. Maries had in his previous employment, (vi) reimbursement of personal income tax preparation costs, (vii) reimbursement of approved relocation costs in moving Mr. Maries from Denver, Colorado to Youngstown, N.Y., and (viii) the granting of 112,500 options to purchase Common Shares of the Corporation, which options were granted on May 22, 2001. In the event of termination of Mr. Maries' employment, other than for cause, he would be entitled to receive an amount equal to 12 months pay in lieu of notice (\$275,000).

#### Rick Atkinson

The Corporation and Mr. Rick Atkinson entered into an employment agreement dated April 3, 2001 with respect to Mr. Atkinson's employment as Senior Vice President, Development of the Corporation. The Agreement provides for (i) an annual salary of (currently) \$200,000 per annum (subject to an annual review); (ii) Mr. Atkinson to participate in the Corporation's Executive Incentive Plan with respect to the payment of an annual bonus (see – "Executive Compensation – Executive Compensation Elements - Annual Bonus Incentive"); and (iii) a monthly car allowance of \$1,000 plus reimbursement of normal car operating costs. In the event of termination of Mr. Atkinson's employment, other than for cause, he would be entitled to receive an amount equal to one month's pay for each year of completed service in lieu of notice (\$150,000 as at December 31, 2009).

## Pauline Holman

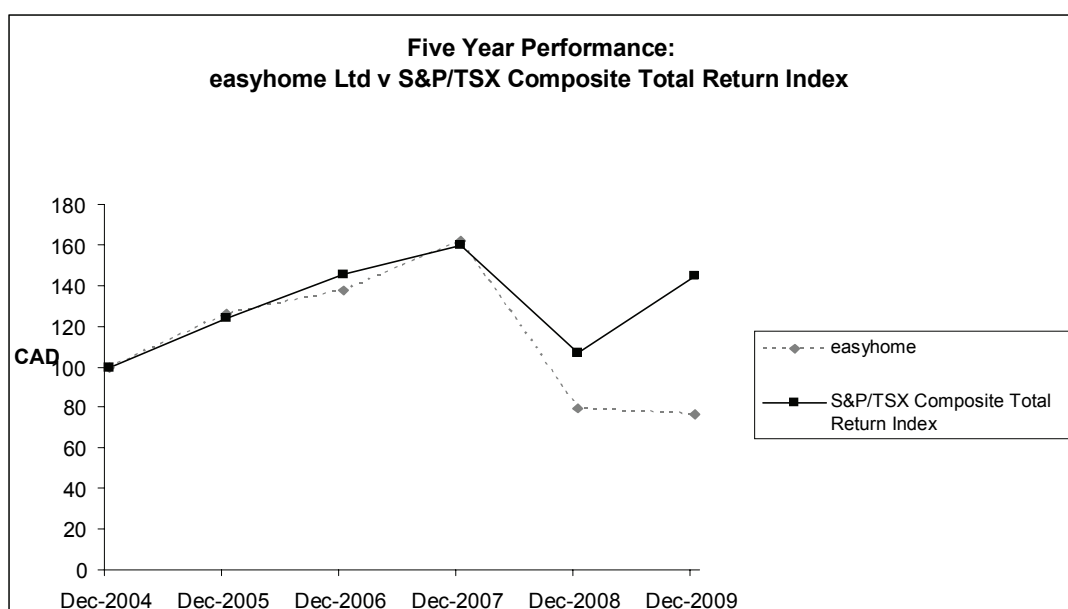
The Corporation and Ms. Pauline Holman entered into an employment agreement effective January 7, 2008 with respect to Ms. Holman's employment as Senior Vice President, Human Resources for the Corporation. Ms. Holman ceased to be employed by the Corporation May 5, 2009 and received salary continuation through October 31, 2009 and continuation of benefits through May 31, 2009. Her entitlement to stock options and RSUs terminated as at April 30, 2009.

## **STOCK PERFORMANCE GRAPH**

The following graph illustrates the total cumulative return on a \$100 investment in Common Shares made on December 31, 2004 as compared with the total cumulative return on a \$100 investment in the S&P/TSX Index made on December 31, 2004. Dividends declared on Common Shares are assumed to be reinvested. The Common Share performance as set out in the graph does not necessarily indicate future price performance.

The trend in the Corporation's total cumulative shareholder return, as shown in the graph below, is not consistent with the trend in the amount of total compensation paid to the NEOs for the three years ended May 2, 2009, as shown in the Summary Compensation Table on page 14 of this Circular. For the five year measurement period, the increase in compensation has outpaced the shareholder returns due primarily to (i) the decline in the Corporation's share price resulting from the impact of the recent negative economic climate as well as operational issues on the Corporation's financial results and (ii) the additional compensation paid out to the NEO's as payment in lieu of severance as a result of restructuring activities. This increase was offset in part by reduced annual bonus incentive payouts as performance targets have not been reached in each of the last two years.

For the purpose of the above discussion, NEO compensation is defined as aggregate annual compensation which equals the sum of base salary, annual bonus incentive payments and equity based incentive awards and excluding all other compensation.



	2004	2005	2006	2007	2008	2009
Corporation's Common Shares	100	125	135	157	77	72
S&P/TSX Composite Total Return Index	100	122	140	150	97	127

## EQUITY BASED COMPENSATION PLANS

The following table sets out information concerning the number and price of securities to be issued under equity compensation plans to employees and others.

Equity compensation plans approved by security holders	Number of securities to be issued upon exercise of options, warrants and rights (as at December 31, 2009)	Weighted average exercise price of outstanding options, warrants and rights (as at December 31, 2009) (\$)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in (a)) (as at December 31, 2009)
	(a)	(b)	(c)
Options	663,896	14.24	137,530
RSUs (includes dividends)	137,574	15.57	101,314
DSUs (includes dividends)	63,192	13.10	86,808
<b>Total</b>	<b>864,662</b>	<b>14.36</b>	<b>325,652</b>

### SHARE OPTION PLAN

Under the Share Option Plan, options to purchase Common Shares may be granted to eligible participants (collectively, "Optionees") designated under the Share Option Plan. The maximum number of options which may be granted under the Share Option Plan is 2,038,000. (The Share Option Plan was amended, with shareholder approval, in 2008 to increase the maximum number of options from 1,750,000 to 2,038,000, provided that the number of Common Shares which may be issued to non-employee directors of the Corporation at any time shall not exceed 0.75% of the Corporation's outstanding Common Shares, and to amend the amendment provision of the Plan).

Optionees to whom options will be granted, the number of options to be granted and the exercise price of each option will be determined in accordance with the Share Option Plan. The exercise price per Common Share may not be less than the Market Price (as defined by the Share Option Plan). In the event that the Common Shares are not then listed or quoted on a stock exchange, the exercise price will be as otherwise determined in accordance with the Share Option Plan. Each option, unless terminated pursuant to the Share Option Plan, will expire on a date to be determined in accordance with the Share Option Plan at the time the option is granted, which date may not exceed ten years from the date of the grant of the option. Each option will be exercisable over such period as determined at the time of issue; provided that, if no vesting period is determined at the time of issue, no more than 20% of the Common Shares subject to the option will be exercisable during each twelve month period from the date of the grant. The maximum number of Common Shares reserved for issuance to any one person upon the exercise of options is limited to 5% of the total number of Common Shares outstanding at the date of grant. Any option is personal to the Optionee and is non-assignable.

Subject to any express resolution passed by the Board of Directors, options expire and terminate immediately upon the Optionee ceasing to be a director, officer or a part-time or full-time employee of the Corporation or of any subsidiaries. If, before the expiry of the option, the employment of the Optionee with the Corporation or any subsidiary shall terminate by reason of death of the Optionee, such option may be exercised by the legal representative(s) of the estate of the Optionee at any time during the first six months following the death of the Optionee. If there is a qualified offer (as defined in the Share Option

Plan) which results in a person and his affiliates and associates holding more than 50% of the Common Shares, all options outstanding become immediately exercisable in accordance with the Share Option Plan. In the event of a sale for all or substantially all of the assets of the Corporation, all options become exercisable in accordance with the Share Option Plan.

The Board may amend or discontinue the Share Option Plan at any time upon receipt of requisite regulatory approvals including without limitation, the approval of the TSX, provided, however, that shareholder approval is also required for the following amendments: (1) increasing the number of Common Shares reserved for issuance; (2) reducing the option price for the benefit of an insider, or cancelling and re-issuing any option; (3) extending the exercise term of an option (subject to specific exceptions); (4) permitting options to be assignable; (5) increasing the number of Common Shares issuable to non-employee directors of the Corporation at any time in excess of 0.75% of the Corporation's outstanding Common Shares; and (6) amending the amendment provisions of the Share Option Plan. Any amendments to the terms of an option shall also require regulatory approval, including without limitation, the approval of the TSX.

The total number of Common Shares issuable in connection with outstanding, unexercised option grants under the Share Option Plan as at March 24, 2010 is 662,146. The total number of Common Shares issuable under the Share Option Plan pursuant to unexercised grant options and options available to be granted is 801,426 representing 7.7% of the Corporation's total number of Common Shares as at the date of the Circular. Of the 662,146 outstanding unexercised options, options to purchase 294,616 Common Shares are fully vested, with 367,530 remaining unvested. The maximum number of Common Shares reserved for issuance to any one person upon the exercise of options or under any other share compensation agreement is limited to 5% of the total number of Common Shares outstanding at the date of grant.

#### **EXECUTIVE SHARE UNIT PLAN**

In 2004, the Corporation implemented a restricted share unit plan (the "RSU Plan"). Under the terms of the RSU Plan, the Corporation may grant restricted share units ("RSUs") to such permanent employees of the Corporation, its subsidiaries or designated affiliates who have been designated by the Corporation for participation in the RSU Plan and who have agreed to participate in the RSU Plan ("Participants"), in such number, on such terms and at such times as the Corporation may, in its sole discretion determine. The Compensation Committee administers the RSU Plan in compliance with applicable laws and the rules of the TSX, and subject to approval of the Board of Directors for certain matters.

In total, 365,000 Common Shares were reserved for issuance under the RSU Plan. As at March 24, 2010, RSUs exercisable into 265,006 Common Shares have been issued, of which 126,112 Common Shares have been issued pursuant to exercised RSU's and 238,888 Common Shares remain unissued pursuant to RSU's that have been issued but remain unexercised. As of March 24, 2010, 238,888 Common Shares remain reserved for issue under the RSU Plan, which together with the 138,894 Common Shares that remain unissued pursuant to issued but unexercised RSU's, represent approximately 3.6% of the Corporation's outstanding Common Shares as of March 24, 2010.

The Compensation Committee determined, subject to the approval of the Board of Directors, the number of RSUs to be granted, and to which Participants, under the RSU Plan. RSUs granted to a Participant are credited to the Participant's RSU account. The vesting schedule for RSUs is determined by the Compensation Committee, subject to the approval of the Board of Directors, at the time of grant and is set out in the agreement between the Corporation and the Participant under which the RSU is granted (the "Grant Agreement"). Each RSU granted gives the Participant the right to receive, with respect to each such RSU that vests in accordance with the terms of the grant, one Common Share, at the time, in the manner and subject to the restrictions set out in the RSU Plan and the Grant Agreement. Subject to certain terms and conditions of the RSU Plan and the Grant Agreement, thirty business (30) days following the vesting of RSUs, the Corporation shall issue Common Shares to the Participant in respect of such vested RSUs.

The RSU Plan was amended March 7, 2006 to clarify the treatment of unvested RSUs in the event of a Participant's termination of employment. Specifically, the RSU Plan was amended to provide that (i) where a Participant's employment is terminated by the Corporation for cause all RSUs in the Participant's account, whether vested or not, will be forfeited; and (ii), subject to the discretion of the Corporation, where a Participant's employment is terminated by the Corporation without cause, RSUs in the Participant's account that have not vested will vest on a pro rata basis, based on the Participant's length of employment during the relevant vesting period, provided any applicable corporate performance criteria are satisfied. If an employee resigns before the vesting period has elapsed none of the participant's RSU's vest.

On May 3, 2007 the shareholders of the Corporation approved further amendments to the RSU Plan to increase the number of RSU's available for issuance under the RSU Plan from 225,000 to 365,000 and to amend the amendment provision of the RSU Plan, so that the Board of Directors is authorized to amend, suspend, cancel or terminate the RSU Plan and the RSUs granted thereunder at any time in whole or in part, provided that amendments to (1) increase the number of Common Shares issuable under the RSU Plan; (2) add non-employee directors as eligible participants under the RSU Plan; (3) provide for other types of compensation through equity issuances (in addition to RSUs); or (4) amend the amending provision of the RSU Plan (other than as permitted under the rules of the TSX or any other exchange on which the Common Shares become listed), will require shareholder approval, and amendments, suspensions, cancellations or terminations that adversely affect a participant's rights will, unless the participant consents, apply only to RSUs granted after the date of such amendment, suspension, cancellation or termination. The amendment was made to specifically identify those amendments that will require both the approval of the Board of Directors and shareholder approval, pursuant to TSX policies.

The interest of a Participant under the RSU Plan shall not be transferable or alienable by him or her either by pledge, assignment or in any other manner except, if permitted by applicable law, to a spouse, minor children or minor grandchildren or a personal holding company or family trust controlled by the Participant, the shareholders or beneficiaries of which, as the case may be, are any combination of the Participant, the Participant's spouse, the Participant's minor children or the Participant's minor grandchildren and after his or her lifetime, shall enure to the benefit of and be binding on the Participant's beneficiary.

## **DEFERRED SHARE UNIT PLAN**

In 2005, the Corporation implemented a deferred share unit plan (the "DSU Plan") which permits the Corporation, at its option, to award deferred share units ("DSUs") to Canadian directors of the Corporation, its subsidiaries and its designated affiliated entities. The Board administers the DSU Plan in compliance with applicable laws and the rules of the TSX. On May 8, 2009, the shareholders of the Corporation approved amendments to the DSU Plan to increase the number of Common Shares available for issuance under the DSU Plan from 50,000 to 150,000 as well as amendments to the DSU Plan's amendment provisions, as described below.

The DSU Plan is intended to strengthen the link between director and shareholder interests and to enhance the Corporation's ability to attract and retain qualified, high calibre and talented individuals to serve as members of the Board. Any member of the Board who is resident in Canada and not subject to any United States federal or state securities laws (each, an "Eligible Director") may receive all or a portion of amounts payable to him or her in respect of services provided to the Corporation in his or her capacity as a member of the Board in a calendar year ("Annual Remuneration") in the form of DSUs. Each DSU is equivalent to one Common Share (subject to adjustments in the event of share splits, share dividends or consolidations affecting the number of Common Shares outstanding). DSUs shall be credited to the account of an Eligible Director in accordance with the terms of the DSU Plan. Each Eligible Director must make an election designating the portion of his or her Annual Remuneration that is to be paid by the Corporation in DSUs, which election shall be effective for that year (or balance thereof) in respect of which the election is made. Each Eligible Director may make another election in respect of his or her Annual Remuneration for a subsequent calendar year by filing a new election in accordance with the

terms of the Share Unit Plan. In the absence of a new election in respect of his or her Annual Remuneration for a subsequent calendar year, the portion elected in the latest election shall continue to apply for that calendar year. The number of DSUs (including fractional DSUs) to be credited to the account of an Eligible Director as of a particular date in each fiscal quarter of the Corporation is determined by dividing the portion of the Annual Remuneration for the applicable fiscal quarter of the Corporation to be satisfied by DSUs by the weighted average price of a Common Share of the Corporation on the TSX for the five trading days immediately preceding the particular day (the "Market Value").

The DSUs elected by an Eligible Director fully vest upon being credited to the Corporation's books of account. The Eligible Director is entitled to payment of such DSUs at the earlier of: (i) the date on which the Eligible Director has ceased to be a director and employee of the Corporation; and (ii) the date of the Eligible Director's death (the "Termination Date"). Subject to the requirements of applicable laws, the Eligible Director may designate in writing a person who is a dependent or relation of the Eligible Director as his beneficiary to receive any benefits that are payable under the Share Unit Plan upon the death of such Eligible Director. In no event may the rights or interests of an Eligible Director under the Share Unit Plan be assigned, except to the extent that certain rights may pass to a designated beneficiary or legal representative upon death of the Eligible Director, by will or by the laws of succession and distribution. At the sole discretion of the Board, the Eligible Director's DSUs may be redeemed for Common Shares, a cash payment or a cash payment by the Corporation which is used to purchase Common Shares on the open market or any combination thereof. All amounts payable to, or in respect of, a director under the Share Unit Plan will be paid on or before December 31st of the year commencing immediately after the applicable director's Termination Date. The value of the DSUs redeemed by or in respect of an Eligible Director shall be determined as at the elected entitlement date to be the product of (i) the number of DSUs then credited to the Eligible Director's account and redeemed on the elected entitlement date, multiplied by (ii) the Market Value (the product of which is the "Redemption Value").

Pursuant to amendments approved by the Corporation's shareholders on May 9, 2009, the Board of Directors is generally authorized without shareholder approval to amend, suspend, cancel or terminate the DSU Plan and the DSUs granted thereunder at any time in whole or in part, provided that amendments to (1) increase the maximum number of Common Shares issuable from treasury under the DSU Plan; (2) change the definition of "market value" which would result in a decrease in the "redemption value" of the DSUs under the Plan; (3) extend the term of the DSUs, benefitting an insider; or (4) amend the amending provision of the DSU Plan (other than as permitted under the rules of the TSX or any other exchange on which the Common Shares become listed), will require shareholder approval, and amendments, suspensions, cancellations or terminations that adversely affect a participant's rights will, unless the participant consents, apply only to DSUs granted after the date of such amendment, suspension, cancellation or termination.

As at March 24, 2010, 63,767 DSUs had been issued but remain unexercised.

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## **INSURANCE AND NORMAL COURSE ISSUER BID**

### **DIRECTORS' AND OFFICERS' LIABILITY INSURANCE**

The Corporation maintains liability insurance for its directors and officers acting in their respective capacities in an aggregate amount of \$20 million per loss and \$20 million for each policy period. The deductible amount per insurable loss is \$150,000. The premium paid by the Corporation for this coverage was \$85,232 for the year ended December 31, 2009.

### **NORMAL COURSE ISSUER BID**

On July 2, 2009, the Corporation filed a Notice of Intention to make a normal course issuer bid to permit repurchases of Common Shares through the TSX. The TSX accepted that notice, in which the Corporation stated its intention to purchase for cancellation up to a maximum of 200,000 Common Shares. Pursuant to the terms of the bid, the Corporation was permitted to purchase Common Shares at such times, in such quantities (subject to any applicable maximum) and for such consideration as was determined from time to time by the Board, during the period commencing on July 8, 2009 and terminating on July 7, 2010. Purchases would be made on the open market at prevailing prices through the facilities of the TSX in accordance with the requirements of the TSX. As of March 24, 2010, the Corporation had purchased 86,700 Common Shares under this bid.

Copies of the above notice are available to any shareholder of the Corporation, without charge, upon request to the President at 77 City Centre Drive, Suite 600, Mississauga, Ontario, L5B 1M5.



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## STATEMENT OF CORPORATE GOVERNANCE PRACTICES

The Corporation's Board and senior management consider good corporate governance to be central to the effective and efficient operation of the Corporation. Set out below is a description of the Corporation's approach to corporate governance in relation to the guidelines for effective corporate governance (the "Guidelines") set out in National Policy 58-201 – *Corporate Governance Guidelines*, which was introduced by the Canadian Securities Administrators on June 30, 2005 concurrently with National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (the "National Instrument") and which accompanied amendments to Multilateral Instrument 52-110 – *Audit Committees*. The Guidelines address matters such as the constitution and independence of corporate boards, the functions to be performed by boards and their Committees and the effectiveness and education of board members. The National Instrument requires the disclosure by each listed corporation of its approach to corporate governance with reference to the Guidelines as it is recognized that the unique characteristics of individual corporations will result in varying degrees of compliance.

### **THE BOARD OF DIRECTORS**

The National Instrument defines an "independent director" as a director who has no direct or indirect material relationship with the Corporation. A "material relationship" is in turn defined as a relationship which could, in the view of the Board, be reasonably expected to interfere with such member's independent judgment. In determining whether a particular director is an "independent director" or a "non-independent director", the Board considers the factual circumstances of each director in the context of the Guidelines.

The Guidelines provide that the Board should have a majority of independent directors. The Corporation exceeds this Guideline as pursuant to the Board mandate, it is the policy of the Corporation that two-thirds of the members of the Board shall be independent. The Board is currently comprised of seven members, six of whom are "independent directors" within the meaning of the National Instrument. The six independent directors are Donald K. Johnson, Ronald G. Gage, David Lewis, Nancie Lataille, Joseph Rotunda and Douglas Anderson. Two of the three new prospective nominees, being Wesley Voorheis and James Bowland are "independent directors". Mr. Gates is currently the Chairman and Chief Executive Officer of easygates, LLC which is the master franchisor for the Company in 36 states in the U.S., and therefore not independent within the meaning of the National Instrument. The remaining director, David Ingram, has a material relationship with the Corporation as he also acts as President and Chief Executive Officer of the Corporation. As a result, David Ingram is not considered to be independent within the meaning of the National Instrument.

In accordance with the Guidelines that provide that the Chair of the Board should be independent and the Corporation's policy that the Chair of the Board shall at all time be an individual who is not otherwise an officer or employee of the Corporation or any of its affiliates, the Chair of the Board, Donald K. Johnson, is an independent director. The Chair is responsible for acting as the communication link between the directors and the management of the Corporation, supervising the performance of management (with the Board), managing the affairs of the Board and managing shareholder communications (with the management of the Corporation). The Corporation does not have a fixed retirement age or date for directors. Directors may continue to serve subject to their ability to perform their duties and their performance as directors.

The Board has a policy of holding an in camera session at each meeting of the Board attended only by independent directors. During the financial year ended December 31, 2009, four such meetings were held.

The information presented below reflects the Board and Board Committee meetings during the financial year ended December 31, 2009 and attendance of the directors during such time.

## **SUMMARY OF BOARD AND COMMITTEE MEETINGS HELD**

<b>Meeting</b>	<b>Number of Meetings Held</b>
Board of Directors	8
(a) Audit Committee	4
(b) Compensation Committee	3
(c) Corporate Governance and Nominating Committee	2

## **SUMMARY OF ATTENDANCE OF DIRECTORS**

<b>Director</b>	<b>Total Board Meetings Attended</b>	<b>Total Committee Meetings Attended</b>
Donald K. Johnson	7 of 8	Not Applicable
David Ingram	7 of 8	Not Applicable
Douglas Anderson	6 of 6	3 of 3
Ronald G. Gage	8 of 8	6 of 6
David Lewis	8 of 8	7 of 7
Joseph Rotunda	8 of 8	5 of 5
Nancie Lataille	7 of 8	4 of 4

## **SUMMARY OF OTHER DIRECTORSHIPS**

Currently, the directors/nominees listed below serve as directors of other reporting issuers (or the equivalent):

<b>Director/Nominee</b>	<b>Public Company</b>
Donald K. Johnson	Manicouagan Minerals Inc.
Ronald G. Gage	Invesco Trimark Corporate Class Inc. Invesco Trimark Canada Fund Inc. Toromont Industries Ltd.
David Lewis	The Caldwell Partners International Inc. West Street Capital Corporation
Joseph Rotunda	EZCORP, Inc. Albemarle & Bond UK
Wesley Voorheis	Hudbay Minerals Inc. Coventree Inc.

## **BOARD MANDATE**

The Board assumes responsibility for the overall stewardship of the Corporation and discharges this responsibility directly and through delegation of specific responsibilities to Committees of the Board, the Chair and officers of the Corporation. The role and responsibility of the Board is set out in a formal written mandate which is attached hereto as Appendix A.

As set out in its mandate, the Board has established three Committees to assist with its responsibilities: the Audit Committee, the Compensation Committee and the Corporate Governance and Nominating Committee. Each of the Committees have written mandates approved by the Board and are composed entirely of independent directors pursuant to the Corporation's policies.

## **POSITION DESCRIPTIONS**

The Board has developed position descriptions for the Chair and for Committee Chairs. The Board has also developed a position description for the Chief Executive Officer.

## **ORIENTATION AND CONTINUING EDUCATION**

The Corporation has a formal process of orientation and education for new members of the Board. The Corporate Governance and Nominating Committee are responsible for providing an orientation program for new directors. Such a program allows directors to contribute effectively from the outset of their appointment and could include:

- (a) meetings with the Chair and the Chief Executive Officer to familiarize the new director with the nature of the business, current issues, the Corporation's strategy, the Corporation's expectations concerning input from directors and directors' general responsibilities;
- (b) discussion with other Board members with respect to the functioning of the Board, management of the Corporation, prospects, issues and similar matters;
- (c) the opportunity to visit some of the Corporation's facilities and meet with corporate officers in order to develop a better appreciation for the business; and
- (d) provision of reference materials including current and historical financial information, corporate governance materials, business plan, company contacts, most recent annual reports, management information circulars, analysts' reports and similar materials.

In addition, the Corporate Governance and Nominating Committee is charged with the responsibility to identify and provide continuing education opportunities for all directors, so that directors maintain or enhance their skills and abilities as directors, and their knowledge of the Corporation's business remains current.

## **ETHICAL BUSINESS CONDUCT**

The Board has adopted a written code of business conduct (the "Code") for the Corporation's directors, officers and employees that sets out the Board's expectations for the conduct of such persons in their dealings on behalf of the Corporation. The Code is available on the Corporation's website and has been filed on and is accessible through SEDAR at [www.sedar.com](http://www.sedar.com).

The Board has established an independent confidential hotline in order to encourage employees, directors and officers to raise concerns regarding matters addressed by the Code on a confidential basis free from discrimination, retaliation or harassment. Employees who violate the Code may face disciplinary actions, including termination. The Compensation Committee is responsible for reviewing management's monitoring of compliance with the Code.

In 2005, management also launched a forum through the Corporation's Intranet to enable associates to communicate with senior management. The forum provides every associate with the ability to ask questions and to receive prompt responses. The Corporation is committed to addressing each question personally and promptly.

In addition, in order to ensure independent judgment in considering transactions and agreements, a director shall not vote on any transaction or agreement, if such director: (i) is a party to the agreement of transaction; (ii) is a director or officer of a party to the agreement or transaction; or (iii) has a material interest in the agreement of transaction (subject to certain exemptions as provided by applicable law).

## **AUDIT COMMITTEE**

The Audit Committee is currently comprised of three directors of the Corporation, Ronald Gage (Chair), David Lewis and Douglas Anderson, all of whom are independent and financially literate for purposes of Multilateral Instrument 52-110 – *Audit Committees*. The qualifications, responsibilities and operation of the Audit Committee, as well as fees paid to the Corporation's external auditors, are set out under the heading "Audit Committee Information" in the Corporation's Annual Information Form dated March 30, 2010 a copy of which is available on SEDAR at [www.sedar.com](http://www.sedar.com), and in the Audit Committee Mandate which forms Schedule A to the Annual Information Form.

## **CORPORATE GOVERNANCE AND NOMINATING COMMITTEE**

The responsibilities, powers and operation of the Corporate Governance and Nominating Committee are set out in the Committee mandate, a copy of which is attached as Appendix B. As described in its mandate, the Corporate Governance and Nominating Committee is responsible for, among other things, identifying and recommending to the Board suitable candidates for nomination as new directors, and reviewing the credentials of directors standing for re-election.

The Corporate Governance and Nominating Committee was comprised of Nancie Lataille (Chair), Ronald Gage and Joseph Rotunda, all of whom are independent, until March 31, 2010. As a result of the members of the Corporate Governance and Nominating Committee not standing for re-election at the Meeting, such committee recommended that two of the remaining independent directors, Messrs Johnson and Lewis, be appointed to such committee to replace them. Such appointment occurred and Messrs Johnson and Lewis recommended to the full Board the six persons who are nominated for election at the Meeting.

## **COMPENSATION COMMITTEE**

The Compensation Committee is currently comprised of David Lewis (Chair), Joseph Rotunda, Douglas Anderson and Nancie Lataille, all of whom are independent. The responsibilities, powers and operation of the Compensation Committee are set out in the Committee mandate, a copy of which is attached as Appendix C.

As described in its mandate, the Compensation Committee is responsible for, among other things, reviewing and recommending the form and adequacy of compensation arrangements for directors and executive officers, having regard to associated risks and responsibilities. Compensation includes but is not limited to salary, bonuses, benefits, share option grants, share purchases and other compensation as appropriate. Additionally, the Committee reviews and makes recommendations to the full Board on all matters pertaining to bonus plans, salary policy, share option and share purchase plans for all other employees. The Committee annually reviews its compensation practices by comparing them to surveys of relevant competitors and sets objective compensation based on this review.

## **ASSESSMENTS**

The Chair of the Board and the Corporate Governance and Nominating Committee are responsible for assessing the effectiveness of the Board as a whole and the Committees of the Board.

Annually, each director is asked to complete a questionnaire to assess the performance of the Board, its Committees and the directors. The Chair of the Board and the chair of the Corporate Governance and Nominating Committee review the responses and report them to the Corporate Governance and Nominating Committee and the full Board.

In addition, the Chair of the Board meets privately with each director to discuss his or her effectiveness and contribution to the Board. The Chair of the Board also meets with each Committee chair to review and discuss the composition of the Committee, the contributions of the individual

Committee members and the effectiveness of the Committee generally in discharging its mandate. The Chair reports his discussions to the Corporate Governance and Nominating Committee, which makes recommendations to the Board as appropriate.

#### **AVAILABLE INFORMATION**

Additional information relating to the Corporation is available on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information about the Corporation is provided in the Corporation's comparative financial statements and MD&A for its most recently completed financial year.

Shareholders of the Corporation may request copies of the Corporation's financial statements and MD&A by contacting the Chief Financial Officer or the President of the Corporation at the Corporation's executive office, which is located at 77 City Centre Drive, Suite 600, Mississauga, Ontario, L5B 1M5.

\* \* \* \* \*

#### **DIRECTORS' APPROVAL**

The contents and the sending of this Management Information Circular have been approved by the Board of Directors of the Corporation.

Dated as of March 31, 2010

A handwritten signature in black ink, appearing to read 'D. Johnson', written in a cursive style.

Donald K. Johnson  
Chairman

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## APPENDIX A

### EASYHOME LTD.

#### BOARD OF DIRECTORS' MANDATE

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##### DIRECTOR QUALIFICATIONS

It is the policy of the Corporation that two thirds of the members of the Board of Directors (the "Board") shall be independent. A director shall be independent if he or she not have a direct or indirect material relationship with the Corporation which could, in the view of the Board, reasonably interfere with the exercise of the member's independent judgment. Directors in the following seven circumstances listed below, subject to the applicable provisions of National Instrument 58-101 – *Disclosure of Corporate Governance Practices* and Multilateral Instrument 52-110 – *Audit Committees*, are considered to have a "material relationship" with the Corporation:

- (1) The director is or has been within the last three years an employee or executive officer of the Corporation;
- (2) The director's immediate family member is or has been within the last three years an executive officer of the Corporation;
- (3) The director is a partner of a firm that is the Corporation's internal or external auditor, is an employee of that firm, or was within the last three years a partner or employee of that firm and personally worked on the Corporation's audit within that time;
- (4) The director's spouse, minor child or stepchild, or child or stepchild who shares a home with the director (i) is a partner of a firm that is the Corporation's internal or external auditor, or (ii) is an employee of that firm and participates in its audit, assurance or tax compliance (but not tax planning), or (iii) was within the last three years a partner or employee of that firm and personally worked on the Corporation's audit within that time;
- (5) The director or the director's immediate family member is or has been within the last three years, an executive officer of an entity if any of the Corporation's current executive officers serve on the entity's compensation committee;
- (6) The director or the director's immediately family member who is employed as an executive officer of the Corporation received more than \$75,000 per year in direct compensation from the Corporation during any 12 month period within the last three years; or
- (7) The director is a shareholder with the ability to exercise a majority of votes for the election of the Board.

In addition, the composition of the Board will comply with the applicable requirements of the Business Corporations Act (Ontario), the stock exchanges on which the company lists its securities and the relevant securities regulatory authorities. The Board will also consider any applicable stock exchange or other authoritative guidelines or recommendations regarding the composition of the Board and the independence of directors.

##### STRUCTURE

The Chairman of the Board shall at all times be an individual who is not otherwise an officer or employee of the Corporation or any of its affiliates.

The Board shall establish a process for the nomination of new directors. The Corporate Governance and Nominating Committee will have the responsibility and authority to make recommendations to the Board regarding the nomination of new directors, based on such factors as such Committee considers advisable from time to time.

The Board shall establish an annual board review process which has three components: an evaluation of the effectiveness of the Board as a whole; an evaluation of the performance of each individual Director; and an evaluation of the effectiveness of each of the committees of the Board. This review process shall relate directly to the description of the duties and responsibilities of the Board and to the mandates of its committees.

The Board shall hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. A quorum for the transaction of business at a meeting of directors, shall, subject to section 4.08 of the by-laws of the Corporation, be a majority of the number of directors.

## **RESPONSIBILITIES**

The Board operates by delegating certain of its authorities, including spending authorizations, to management and by reserving certain powers to itself. Management's discharge of its responsibilities is subject to continuing oversight by the Board. Subject to Articles and By-laws of the Corporation, the Board retains the responsibility for managing its own affairs, including planning its composition, selecting its Chairman, nominating candidates for election to the Board, appointing committees and determining director compensation. The Board will consider the recommendation and advice of the applicable Committees in carrying out its responsibilities. Its principal duties fall into six categories.

### **1. SELECTION OF THE MANAGEMENT**

- (a) The Board has the responsibility for the appointment and replacement of a Chief Executive Officer (a "CEO"), for monitoring CEO performance, determining CEO compensation and providing advice and counsel in the execution of the CEO's duties.
- (b) The Board has the responsibility for approving the appointment and remuneration of all corporate officers, acting upon the recommendation of the Compensation Committee and the CEO.
- (c) The Board has the responsibility for, to the extent feasible, satisfying itself as to the integrity of the CEO and other executive officers and that the CEO and other executive officers create a culture of integrity throughout the Corporation.
- (d) The Board has the responsibility for ensuring that adequate provision has been made for management succession, including the appointment, training and monitoring of senior management.

### **2. MONITORING AND ACTING**

- (a) The Board has the responsibility to approve annual capital and operating plans, to monitor the Corporation's performance against these plans and to revise and alter its direction through management in light of changing circumstances.
- (b) The Board has the responsibility to take action when performance falls short of its goal or other special circumstances warrant (for example, mergers and acquisitions or changes in control).
- (c) The Board has the responsibility for approving any payment of dividends to shareholders and other activities and transactions as specified by corporate law.

- (d) The Board should monitor on a periodic, regular basis management's identification and assessment of the principal business risks facing the Corporation and should ensure that management has implemented appropriate systems to manage these risks.

### 3. STRATEGY DETERMINATION

The Board has the responsibility to participate with management directly or through its committees in developing and approving the mission of the business, its objectives and goals, and the strategy by which it proposes to reach those goals. The Board shall, on at least an annual basis, adopt a strategic plan for the Corporation which takes into account, among other things, the opportunities and risks of the business.

### 4. POLICIES AND PROCEDURES

- (a) The Board has the responsibility to approve and monitor compliance with all significant policies and procedures by which the Corporation is operated, which shall include without limitation:
  - (i) adopting a set of corporate governance principles and guidelines;
  - (ii) adopting a communication policy for the Corporation, with reference to the guidelines in National Policy 51-201 – *Disclosure Standards*;
  - (iii) adopting a written code of business conduct and ethics, applicable to all directors, officers and employees.
- (b) The Board has the responsibility to approve and monitor the Corporation's internal control and management information systems.
- (c) The Board has the responsibility to develop clear position descriptions for the chair of the Board and the chair of each Board committee;
- (d) The Board has a particular responsibility to ensure that the Corporation operates at all times within applicable laws and regulations, and to the highest ethical and moral standards.

### 5. SHAREHOLDER COMMUNICATION

- (a) The Board has the responsibility for ensuring that the financial performance of the Corporation is adequately reported to shareholders, other security holders and regulators on a timely and regular basis.
- (b) The Board has the responsibility for ensuring that the financial results are reported fairly and in accordance with generally accepted accounting standards.
- (c) The Board has the responsibility for ensuring the timely reporting of any other developments that have a significant and material impact on the value of the Corporation.
- (d) The Board has the responsibility for reporting annually to shareholders on its stewardship for the preceding year.
- (e) The Board has the responsibility for establishing measures for receiving feedback from shareholders and other stakeholders.



## 6. ADDITIONAL EXPECTATIONS OF BOARD MEMBERS

In addition to the responsibilities and duties described above, there are additional expectations of easyhome Directors including the following:

- (a) Board members are expected to maintain the highest personal and professional values, integrity and ethics. This shall include compliance with the easyhome Corporate Code of Conduct.
- (b) Board members are expected to bring a probing and objective perspective to the Board and be prepared to challenge management.
- (c) Board members are expected to attend all Board and Committee meetings (as applicable) and devote the necessary time and attention to Board matters. This shall include the advance review of materials to be adequately prepared for Board meetings and keeping informed about the Corporation's business and relevant developments outside the Corporation that affects its business.
- (d) Directors are expected to own common shares or deferred share units of the Company with a value equivalent to the lesser of three times the annual retainer or 3,000 shares within three years of joining the Board.

## 7. LEGAL REQUIREMENTS

- (a) The Board is responsible for ensuring that legal requirements have been met, and documents and records have been properly prepared, approved and maintained.
- (b) The Ontario Business Corporations Act and general principles of Canadian corporate law specify that it is the responsibility of the Board to manage or supervise the management of the business and affairs of the Corporation and in so doing:
  - (i) to act honestly and in good faith with a view to the best interests of the Corporation;
  - (ii) to exercise the care, diligence and skill that reasonable prudent people would exercise in comparable circumstances; and
  - (iii) to act in accordance with its obligations contained in the Ontario Business Corporations Act, the securities legislation of relevant provinces, other relevant legislation and regulations, and the Corporation's articles and by-laws.
- (c) In particular, it should be noted that the following matters must be considered by the Board as a whole:
  - (i) any submission to the shareholders of a question or matter requiring the approval of the shareholders;
  - (ii) the filling of a vacancy among the directors or in the office of the auditor;
  - (iii) terms on which securities may be issued and the declaration of dividends;
  - (iv) the purchase, redemption or any other form of acquisition of shares issued by the Corporation;

- (v) the payment of a commission to any person in consideration of the purchase or agreement to purchase shares of the Corporation from the Corporation;
- (vi) the approval of management proxy circulars;
- (vii) the approval of any take-over bid circular or directors' circular;
- (viii) the approval of the financial statements of the Corporation; and
- (ix) adoption, amendment or repeal of by-laws of the Corporation.

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## **APPENDIX B**

### **EASYHOME LTD.**

#### **CORPORATE GOVERNANCE AND NOMINATING COMMITTEE MANDATE**

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##### **MEMBER QUALIFICATIONS**

The Corporate Governance and Nominating Committee of the Board of Directors (the “Committee”) shall consist of three or more directors, all of whom shall be independent; as such term is defined in the applicable laws governing the Corporation, the applicable stock exchanges and the applicable securities regulatory authorities.

##### **STRUCTURE**

The Committee shall serve as a standing committee of the Board of Directors (the “Board”). Members of the Committee shall be appointed by the Board and the Board shall designate one member to chair the Committee.

The Committee shall meet at least annually or more frequently as needed. A quorum shall consist of not less than two members of the Committee. The affirmative vote of a majority of the members of the Committee participating in any meeting of the Committee is necessary for the adoption of any resolution of the Committee.

All resolutions of the Committee shall be reported to the Board at the next regularly scheduled meeting of the Board, unless the Committee determines that the matter should be brought before the Board prior to such meeting.

The Committee is authorized to retain independent counsel and advisors that the Committee determines to be necessary to permit it to carry out its duties, with the cost to be borne by the Corporation.

##### **PURPOSE**

The Committee’s mandate is to assist the Board in establishing and maintaining a sound system of corporate governance through a process of continuing assessment and enhancement.

##### **RESPONSIBILITIES**

The Committee is responsible for:

- (a) examining the effectiveness of the Corporation’s corporate governance practices and proposing such procedures and policies as the Committee believes are appropriate to ensure that:
  - (i) the Board clearly functions independently of management,
  - (ii) management is clearly accountable to the Board, and
  - (iii) procedures are in place to monitor the effectiveness of performance of the Board, committees of the Board and individual directors;
- (b) providing an appropriate orientation program for new directors such that all new directors fully understand the role of the Board and its committees as well as the contribution

individual directors are expected to make (including the commitment of time and energy that the Corporation expects from its directors);

- (c) identifying and providing continuing education opportunities for all directors, so that directors may maintain or enhance their skills and abilities as directors, and their knowledge of the Corporation's business remains current;
- (d) periodically reviewing the mandates of the Board and committees of the Board and making recommendations to the Board if any changes to the mandates or additional committees of the Board are required or appropriate;
- (e) developing such codes of conduct and other policies as are appropriate to deal with the confidentiality of the Corporation's information, insider trading and the Corporation's timely disclosure and other public Corporation obligations;
- (f) taking such other steps as the Committee decides are appropriate, in consultation with the Board, to ensure that proper corporate governance practices are in place for the Corporation, with reference to the corporate governance guidelines established by the securities regulatory authorities or recommendations and other regulatory requirements on corporate governance;
- (g) approving outside counsel or advisors to be engaged by individual directors when deemed appropriate with the cost to be borne by the Corporation; and
- (h) Review and assess annually director attendance, performance and the size and composition of the Board, all in conjunction with the Chairman of the Board.

In addition, the Committee shall be responsible for identifying and recommending to the Board suitable candidates for nomination as new directors, and reviewing the credentials of directors standing for re-election. In making its recommendations, the nominating committee shall consider the following:

- (a) the competencies and skills that the Board considers necessary for the Board, as a whole, to possess;
- (b) the competencies and skills that the Board considers each existing director to possess; and
- (c) the competencies and skills each new nominee will bring to the boardroom.

In addition, the Corporate Governance Committee shall recommend to the Board from time to time an independent director who:

- shall chair meetings of the Board of Directors in circumstances where the Chairman has a conflict;
- shall act as a contact person for other directors who wish to discuss matters involving the Chairman of the Board, and in this regard may convene and chair meetings of directors (other than the Chairman and any management director); and
- shall act as Chairman of the Board on an interim basis in the event of the death or incapacity of the Chairman of the Board, until the Board has elected a permanent successor Chairman.

The Committee shall review and assess annually the adequacy of this mandate, the effectiveness of the Committee's performance and, when necessary, shall recommend changes to the Board for the Board's approval.

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## **APPENDIX C**

### **EASYHOME LTD.**

#### **COMPENSATION COMMITTEE MANDATE**

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##### **MEMBER QUALIFICATIONS**

The Compensation Committee of the Board of Directors (the "Committee") shall consist of three or more directors, all of whom shall be independent; as such term is defined in the applicable laws governing the Corporation, the applicable stock exchanges and the applicable securities regulatory authorities. In addition, where practicable as a best practice, not more than one-third of the members of the Committee shall be the incumbent CEO of a business entity.

##### **STRUCTURE**

The Committee shall serve as a standing committee of the Board of Directors (the "Board"). Members of the Committee shall be appointed by the Board and the Board shall designate one member to chair the Committee.

The Committee shall meet at least annually or more frequently as needed. A quorum shall consist of not less than two members of the Committee. The affirmative vote of a majority of the members of the Committee participating in any meeting of the Committee is necessary for the adoption of any resolution of the Committee.

All resolutions of the Committee shall be reported to the Board at the next regularly scheduled meeting of the Board, unless the Committee determines that the matter should be brought before the Board prior to such meeting.

The Committee is authorized to retain independent counsel and advisors that the Committee determines to be necessary to permit it to carry out its duties, with the cost to be borne by the Corporation. Human resources advisors engaged by the Committee shall report directly to the Committee and not to management.

##### **PURPOSE**

The goals of the Committee are to enable the Corporation to attract, retain and motivate the most qualified talent who will contribute to the long - term success of the Corporation by:

1. Aligning compensation with the Corporation's business objectives and performance; and
2. Aligning incentives with the interests of shareholders to maximize shareholder value.

The Corporation emphasizes the importance of clearly communicating performance objectives and works to ensure that performance - based compensation is competitive with the market place.

##### **RESPONSIBILITIES**

The Committee's primary responsibilities include developing compensation recommendations for the approval of the Board for the Corporation's executive officers, acting upon the recommendation of the Chief Executive Officer, and developing compensation recommendations for the directors of the Corporation. Compensation includes, but is not limited to, salary, bonuses, benefits, stock option grants, stock purchases and other compensation as appropriate. Additionally, the Committee shall review and

make recommendations to the Board on all matters pertaining to bonus plans, salary policy, stock option and stock purchase plans for all other employees.

The Committee shall recommend to the Board the written objectives and corporate goals of the Chief Executive Officer and his direct reports. The Committee, with the Chairman of the Board, shall annually assess the performance of the Chief Executive Officer in light of those objectives and corporate goals and recommend for approval of the Board the Chief Executive Officer's compensation level based on this assessment. In addition, the Committee shall develop, review and assess annually a plan for management succession, including the appointment, training and monitoring of the Chief Executive Officer and other senior management, and shall recommend such plan to the Board for approval.

The Committee shall ensure there are appropriate training, development and benefit programs in place for management and staff.

The Committee shall annually review the Corporation's compensation practices by comparing them to surveys of relevant competitors and set objective compensation based on this review.

The Committee shall review the Corporation's executive compensation disclosure before such information is publicly disclosed.

The Committee is responsible for ensuring that there is an appropriate written code of business conduct and ethics (the "Code") for the Corporation. The Code shall be applicable to all directors, officers and employees of the Corporation. The Committee shall be responsible for establishing a process for monitoring compliance therewith and for granting any waivers from the Code.

The Committee shall review and assess annually the adequacy of this mandate, the effectiveness of the Committee's performance, and when necessary, shall recommend changes to the Corporate Governance and Nominating Committee.