Automated Benefits Corp.
Management's Discussion and Analysis
April 24, 2009

The following Management's Discussion and Analysis ("MD&A") of Automated Benefits Corp. (the "Corporation") should be read in conjunction with the audited consolidated financial statements and accompanying notes, which are prepared in accordance with Canadian generally accepted accounting principles ("GAAP") for the fiscal year ended December 31, 2008. All amounts are expressed in Canadian dollars unless otherwise noted. Any reference to the Corporation specifically relates to the parent company as separate from its operating subsidiaries. All operating results refer to the consolidated financials of the parent company and its subsidiaries unless specifically noted otherwise. Additional information about the Corporation is available on SEDAR at www.sedar.com.

This MD&A contains certain information that may constitute forward-looking information within the meaning of securities laws. In some cases, forward-looking information can be identified by the use of terms such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "intend", "estimate", "predict", "potential", "continue" or other similar expressions concerning matters that are not historical facts. Forward-looking information may relate to management's future outlook and anticipated events or results, and may include statements or information regarding the future financial position, business strategy and strategic goals, research and development activities, projected costs and capital expenditures, financial results, the ability to raise capital, taxes and plans and objectives of or involving the Corporation. Without limitation, information regarding future sales and marketing activities, increased penetration into certain markets through strategic partnerships, increase in the size of certain markets, expected increases in revenues, expected revenues from certain contracts, expected increase in gross margins, Adjudicare software product placement targets and *mobile claims* product placement targets is forward-looking information.

Forward looking-information is subject to certain factors, including risks and uncertainties that could cause actual results, events or developments to be materially different from what we currently expect. These risks include, among others, product development risk, potential product liability, risks related to third party contractual performance, competition and the risks posed by potential technological advances, risks relating to the protection of the Corporation's intellectual property and risks relating to fluctuation in foreign currency exchange rates. You should not place undue importance on forward-looking information and should not rely upon this information as of any other date. While the Corporation may elect to, the Corporation does not undertake to update this information at any particular time unless required by law. Unless otherwise indicated, this MD&A was prepared by management from information available up to April 24, 2009.

Overview

The Corporation is a holding company with its head office located in Toronto, Ontario and is dedicated to acquiring companies which provide software applications to the insurance industry. Its wholly-owned subsidiary, Automated Benefits Inc. ("Autoben"), is also located in Toronto, Ontario and provides claims management software for health and dental plans in addition to other insurance products for employer groups. The Corporation's other wholly-owned subsidiary, Symbility Solutions Inc. and its wholly-owned subsidiary, Symbility Solutions (U.S.A) Inc. (jointly referred to on a consolidated basis as "Symbility") are software development companies focused on mobile communication and efficiency tools for the North American and European property and casualty insurance industry. Symbility has offices in Toronto, Ontario and Montreal, Québec. Symbility U.S.A. has its registered office in the State of Delaware.

Automated Benefits Corp.

Share Issuances

On May 30, 2008, the Corporation converted 2,375,357 preferred Series A shares previously issued to certain shareholders of the Corporation into 2,375,357 common shares pursuant to the conversion terms of these preferred Series A shares.

In 2004, the Corporation completed the acquisition (the "Acquisition") of Symbility Solutions Inc. Pursuant to the Acquisition, each of the holders of class B shares of Symbility ("Symbility Class B Shares") received one Preferred Share of the Corporation for each Symbility Class B Share held. An aggregate of 8,000,000 Preferred Shares were issued. Each Preferred Share is convertible into one common share for each $0.50 in annual revenue received by Symbility from the sale of products and services of, or any commissions, license fees or royalties (excluding license fees or royalties in respect of the M.claim wireless mobile technology) received by Symbility during a five year period commencing May 31, 2004. The conversion of the 2,375,357 Preferred Shares is based on the annual revenue received by Symbility for the 2007 fiscal year.

Other Corporate Matters

On September 9, 2008, the Corporation announced the release of a new research report by Ubika Research, a division of Ubika Corporation, which is an independent investment research firm based in Toronto that provides investors with objective and independent research on under-researched micro and small cap companies. Management felt that independent research coverage was an additional way to inform existing and potential shareholders of the exciting growth opportunities that the Corporation is seeing.

Effective October 17, 2008, Eric Embacher resigned from his role as a Director of the Corporation. Mr. Embacher will remain with the Corporation's wholly-owned subsidiary, Symbility, in a consulting role where he will focus on the development of new product lines and business opportunities.

On December 16, 2008, the Corporation announced that it had entered into a Consulting Agreement with Boardmarker Group (the "Consulting Agreement"), a firm providing consultation services related to investor relations activities. As part of the Consulting Agreement, 300,000 stock options were granted to Boardmarker Group effective November 1, 2008, over the course of two years, with 150,000 options vesting each year. The options will vest in three equal tranches and are priced at an exercise price of $0.10, $0.20 and $0.35 respectively. The options may be exercised up to the earlier of the fifth anniversary of the grant date and 30 days following termination of the Consulting Agreement. The granting of the stock options and the Consulting Agreement itself received approval from the TSX Venture Exchange on December 18, 2008 and March 27, 2009, respectively.

Recent Events and Outlook for 2009

On April 3, 2009, the Corporation announced that Marc-Olivier Huynh will be assuming the role of Chief Technology Officer for the Corporation. Mr. Huynh will now direct the development efforts of both Symbility and Autoben. Commensurate with his appointment as Chief Technology Officer, Automated Benefits Corp. issued Mr. Huynh 200,000 stock options effective February 13, 2009. Concurrent with this issue, 50,000 options will also be issued to each of the four non-management directors in accordance with the Corporation's stock option plan. The options will vest in three equal tranches with one-third vesting immediately, one-third vesting in twelve months, and one-third vesting in twenty-four months, at an exercise price of $0.12. The granting of the stock options was subject to regulatory approval.

Additionally, 204,167 common shares, with a deemed value of $0.12 per share for an aggregate value of $24,500, were issued to three independent and one non-management director of Automated Benefits Corp. for services provided to the Corporation during 2008. Pursuant to the Corporation's current policy, each independent or non-management director receives $5,000 per annum, and an additional $1,500 per annum is payable to the chairman of each of the Corporation's Board of Directors, Compensation Committee and the Audit Committee, which the independent and non-management directors agreed to receive in common shares. The issuance of the 204,167 common shares to the independent and non-management directors was approved by the TSX Venture Exchange on April 3, 2009.

The Corporation intends to convert 3,158,539 preferred Series A shares previously issued to certain shareholders of the Corporation into 3,158,539 common shares. Pursuant to the conversion terms of these preferred Series A shares, the expected conversion is based on the annual revenue received by Symbility for the 2008 fiscal year and is subject to TSX Venture Exchange approval.

Automated Benefits Corp. will continue to work with its wholly-owned subsidiaries to increase penetration into their respective markets and enable the consolidated entity to be self-sufficient from a cash flow perspective. While there are no immediate plans to acquire additional financing, the Corporation intends to continue to raise capital to fund the growth of these businesses as required. However, there is no certainty the Corporation will be able to raise additional financing under terms that are favorable to the Corporation.

Automated Benefits Inc.

Autoben's proprietary software product and value-added services provide insurance companies, Third Party Administrators ("TPAs") and independent insurance brokers the ability to manage the adjudication and payment process of health and dental benefits with self-insured plans by allowing for local adjudication and administration of employee claims. As employers seek ways to reduce their benefit costs and providers seek ways to deliver additional value-added services to their customers, Autoben believes that the market for its product will continue to increase.

Product Development

The development efforts in the first half of 2008 continued to be focused on building a number of other features that would enable the client to manage greater volumes while improving the user experience. This included developing the ability to process Weekly Indemnity benefit claims and the introduction of real-time e-dental adjudication, which allows electronically submitted claims to be automatically adjudicated. Autoben also created enhancements to the claims experience screen to provide the ability to override the amount payable on a claim and save pre-determinations and short-term disability claims.

On October 21, 2008, Autoben announced the launch of its latest software product, Adjudicare. This release includes a newly designed software application, a new website, and a refreshed corporate look and feel.

The Adjudicare application will maintain all of the innovative components from the previous Autoben product, but with a new corporate design. The Adjudicare application will also offer new features to further enhance the customer experience including:

- The new Management Console component lets users create and edit their own benefit plans, administer their own system users and create and manage multiple plan designs and setups.
- Improved security settings that allow administrators to set roles for system users and outline the permissions granted to each user role.
- Benefit plan effective dates that allow simple adjudication of claims under multiple benefit plans. Claims will automatically adjudicate under the effective plan from the service date of the claim.
- Employee maintenance coverage effective dates have now been added to the employee maintenance screen, allowing the system to track employee level changes.

- Employee coverage status has moved locations to save time and ensure the status changes are tracked by the employee maintenance coverage effective date. Active and suspend actions were also added to allow temporary coverage suspensions.
- New benefit plan reports enable users to create customized benefit plan reports, allowing a greater focus on plan details. It also includes a schedule of benefits option with a summary report to aid in the creation of benefit booklets.

The Adjudicare software product is now more robust and capable of handling larger volumes and Autoben is now strategically positioned to focus solely on software solutions for the administration of group health and dental plans.

Sales & Marketing Efforts

Autoben grew from 35,000 certificates[1&2] at the end of 2007 to 38,000 certificates[1&2] at the end of 2008 and has now surpassed $100 million in cumulative claims processed by the customers using the software system. As the business evolves, management continues to look for other key performance indicators (KPIs) that will assist investors in understanding the progress the business is making. Gross claims dollars processed[1&2] is an industry standard KPI for claims adjudication. In 2008, approximately $42.5 million in health and dental claims were processed by the Adjudicare software. This compares to $34.3 million in the same period last year. As Autoben improves the software's ability to handle higher volumes of claims, the gross claims dollars processed[1&2] increases.

Another KPI of interest is net revenue (gross margin) per certificate[1&2]. In 2008, the net revenue per certificate[1&2] was approximately $33.42. This compares to approximately $27.53 in the same period last year. This increase reflects the impact of the transition out of certain low-margin insurance products and an increased sales mix of high margin software products.

Autoben plans to follow the launch of the new Adjudicare brand with renewed emphasis on marketing its adjudication solution to a number of larger customers, including organizations such as TPAs and insurance companies. The addition of Sirius as a reference account will also give Autoben greater credibility with other TPAs that they are targeting as potential customers.

Autoben is working with partners such as Google to optimize their web marketing strategy. Potential customers who type in keywords such as "adjudication" will be directed to the Adjudicare website. This will be the first time that the Internet is being used as a sales and marketing tool to complement the direct sales effort at Autoben.

In fiscal 2008 and fiscal 2007, as indicated in the Corporation's financial statements for the year ended December 31, 2008, no single customer of Autoben accounted for 10% or more of the Corporation's revenue.

Key Account Strategy

On April 29, 2008, Autoben announced that a contractual agreement had been reached with Direct Marketing Centre Inc. ("DMC") who will use the Adjudicare software for the administration and adjudication of medical and dental benefits for their group insurance clients.

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[1] *Currently Autoben uses "certificates, gross claims dollars processed and net revenue per certificate" as a key performance indicator (KPI) to measure volume as a way to assist potential investors to understand the underlying variables that affect revenue. As the business evolves, different KPI's may be used to measure volume or other underlying indicators of revenue to reflect the business model at that time.*

[2] *Automated Benefits Corp. is not aware of any uniform standards for calculating "certificates, gross claims dollars processed and net revenue per certificate" and we believe that the Corporation's presentation of these measures may not be calculated consistently with other companies in the same or similar business. Moreover, these measures are of operational performance and not measures of financial performance under generally accepted accounting principles. All other financial measures referenced herein have been prepared in accordance with Canadian generally accepted accounting principles unless stated otherwise.*

DMC administers a variety of services ranging from traditional insurance plans to non-insurance complementary programs, working as a TPA. Formerly a division of Allstate Life Insurance Company of Canada, DMC has more than 12 years experience of providing quality service and support to many of Canada's leading life insurance companies.

Autoben will assist DMC with their growth by paying claims on behalf of their client base. DMC has agreements in place with insurance companies in Canada to provide administration on an outsourced basis and will be utilizing the Adjudicare system for claims payment. DMC has begun transitioning the business on to the Adjudicare platform and will continue to add business throughout the year from their client base.

On December 19, 2007, Autoben announced that it had signed a new contract with Sirius Benefit Plans ("Sirius"), a TPA, who will use the Autoben software for the administration and adjudication of medical and dental benefits for their group insurance clients. Sirius decided to spend 2008 upgrading their internal claims management system so that it could be more closely integrated with the Adjudicare system to achieve the maximum benefits from these two technologies. Sirius expects to release the new version of their claims management system in Q2 2009 and then transfer their current clients, numbering in excess of 10,000 employee certificates[1&2], onto the Adjudicare system for the balance of 2009.

Strategic Partnerships

On March 20, 2008, Autoben announced a partnership with Unison Benefits. Autoben streamlined its offerings, exiting all business lines not directly related to the functionality and support of their proprietary software. Autoben had been offering a full range of administration, including the resale of insured products, but will now focus exclusively on providing health and dental claims administration software to their client base. Unison Benefits will take responsibility for these other business lines. Unison Benefits is a division of a privately owned insurance brokerage that has been providing their clients with service and advice on both individual and group insurance products for over 20 years.

Recent Events and Outlook for 2009

Autoben announced on April 7, 2009 that it had formalized a contract with Platinum Health Benefits Solutions ("Platinum HB Solutions") of Mississauga, Ontario. Platinum HB Solutions provides self-insured and administrative services for drugs, extended health, dental and disability benefits. Serving individuals, small and large groups, Platinum HB Solutions wanted to continue offering cost-effective solutions without reducing coverage. After an extensive market study of all suppliers of adjudication services, Platinum HB Solutions selected Adjudicare as their partner because it was both the best software solution and the best fit for their business model.

Autoben announced on April 14, 2009 that it had formalized a contract with GroupHealth Global Partners ("GroupHEALTH") of White Rock, British Columbia. GroupHEALTH is a leader in the group benefit consulting and system administration industry in Canada. With over 30 years of experience, GroupHEALTH provides private, public and civic organizations with leading-edge group benefit plans to better fit their ever changing needs. After completing a detailed review of the Autoben value proposition against one of the largest claim administration firms in Canada, Adjudicare was selected as the software solution for the administration of their health and dental benefits. GroupHEALTH will transition existing clients beginning April 1, 2009 and their network of 52 offices across Canada will focus on growing this solution over the coming months.

The Adjudicare software product is now more robust and capable of handling larger volumes as demonstrated by the recent addition of larger clients such as Platinum HB Solutions and GroupHEALTH. Autoben is now strategically positioned to focus solely on software solutions for the administration of group health and dental plans. The improvements to the software will support the existing client base in their growth strategies while also enabling the Autoben sales team to market its adjudication solution to a number of larger customers, including organizations such as TPAs and insurance companies.

Symbility Solutions Inc.

Symbility Solutions Inc. is in the business of automating property and casualty insurance claims.

Symbility.NET is a web application, an Internet-based communications hub, data warehouse and analytics engine, allowing claim participants to access all information related to any claims they have participated in, from any computer with an Internet connection. Users can assign claims to third parties, review the claims in process and then approve and audit the claims to ensure tight process controls are in place. It also provides very powerful analytics tools to mine the extensive data collected with each claim and create various graphical and tabular reports, as well as search for specific claims based on numerous criteria.

Symbility *mobile claims* is a lightweight application that is used to review claims, gather information, create and edit estimates in the field on a tablet PC or laptop or at the office on a desktop PC. By utilizing a unique claims synchronization technology, *mobile claims* is an extension of Symbility.NET, allowing users to take claims data off-line, anywhere.

The combination of Symbility.net and *mobile claims* is the only collaborative solution which enables insurers to manage the life cycle of a property claims estimate while involving multiple parties and maintaining an unprecedented amount of control and visibility in the process.

Product Development

The development efforts in the first half of 2008 focused on building a number of other features to improve the user experience, streamline the property claims workflow and make the processing of claims as efficient as possible. This included integration of a commercial database in *mobile claims* to supplement the residential database, providing the user the ability to record handwritten notes in electronic ink, and the introduction of new report templates which give users greater insight into their claims status, financial performance, and KPIs. Based on customer feedback, Symbility also created a manual entry feature which enables the user to create an estimate without requiring a diagram for less complex structures.

On October 14, 2008, Symbility announced the release of version 3.2 of its *mobile claims* software package. The release of version 3.2 is the realization of adapting the *mobile claims* platform to the UK market and leveraging the intellectual property of The Innovation Group ("Innovation Group") and offers the following value added enhancements:

- The accommodation of pounds sterling as a currency.
- The ability to accept metric measurements as opposed to just imperial.
- The integration of a UK specific pricing database.
- The creation of custom regulated engineering reports.

These new advancements in the software focus primarily on meeting customer requirements to make processing of claims as efficient as possible in the UK market.

The product was deployed to the subsidence management services division of Innovation Group in late 2008. The subsidence management services division specializes in the diagnosis and repair of properties throughout the UK, working closely with both the client and their insurance provider to manage the subsidence claims process from start to finish. Version 3.2 of *mobile claims* was designed specifically for integration with Innovation Group's proprietary claims management system, a desktop application that gives engineers and contractors the capability to manage the subsidence claims process remotely. With this collaboration, new claims will simultaneously be created in both *mobile claims* and Innovation Group's claims system. This will allow management of claims from Innovation

Group's home office while engineers and contractors are able to build schedules on-site using *mobile claims.*

Sales and Marketing Efforts

On March 17, 2008, Symbility announced the extension of their existing contract with Farmers Mutual of Nebraska ("FMNE") for an additional five year period. This extension suggests that Symbility's clients are benefiting from our product and are committed to utilizing our technology. With this contract, Symbility expects to see minimum guaranteed revenue of more than $750,000 US over the course of five years, based on FMNE's current number of users on the system and the annual license fee per user.

On March 25, 2008, Symbility announced that Schafer, Wood & Associates had signed a two-year contract for use of Symbility's *mobile claims* software solution. Schafer, Wood & Associates is a full service adjusting company that provides independent adjusters to the insurance industry during catastrophic events.

On November 5, 2008, Symbility announced the formalization of a five year contract with Franklin Mutual Insurance Company ("FMI"), a division of the Franklin Mutual Insurance Group of Branchville, New Jersey. FMI claims to be the largest mutual insurance company in New Jersey and has been insuring clients for over 129 years. FMI will use Symbility's *mobile claims* software on tablet PC's in the field to drive efficiency and quality into their operation while ultimately improving customer service.

As Symbility's customers roll-out the *mobile claims* product to their adjusting base, the number of users has grown from 8,000 users[3&4] at the end of 2007 to 10,000 users[3&4] at the end of 2008. During 2008, approximately 78,000 claims[3&4] were processed on the *mobile claims* product as compared to approximately 52,000 claims[3&4] in the same period for the previous year.

As the business evolves, management continues to look for other KPIs that will assist investors in understanding the progress the business is making. During 2008, the revenue per claim[3&4] was approximately $20.24, as compared to approximately $24.24 per claim[3&4] in the same period for the previous year.

The *mobile claims* product was initially introduced to insurance carriers who generated the majority of the claims volume processed by Symbility. Over time, the insurance carriers are requiring increasing numbers of independent adjusters and contractors in their supply network to use the *mobile claims* product to perform estimates for their claims. These new users are charged a lower price per claim than the base rate provided to the insurance carriers. While this results in a decrease in revenue per claim, the number of claims continues to grow organically without any significant sales effort required by Symbility to acquire these new customers.

Symbility is currently at various stages of Phase 1 evaluation (defined as proof of concept) with six companies. These companies are geographically diverse and include companies domiciled in the West Coast, Midwest, and Southwest regions of the USA and outside of North America.

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[3] *Currently Symbility uses "users", "claims" and "revenue per claim" as a key performance indicator to measure volume as a way to assist potential investors to understand the underlying variables that affect revenue. As the business evolves, different KPIs may be used to measure volume or other underlying indicators of revenue to reflect the business model at that time.*

[4] *Automated Benefits Corp. is not aware of any uniform standards for calculating "users", "claims" and "revenue per claim" and we believe that the Corporation's presentation of these measures may not be calculated consistently with other companies in the same or similar business. Moreover, these measures are of operational performance and not measures of financial performance under generally accepted accounting principles. All other financial measures referenced herein have been prepared in accordance with Canadian generally accepted accounting principles unless stated otherwise.*

In fiscal 2008 and fiscal 2007, as indicated in the Corporation's financial statements for the year ended December 31, 2008, no single customer of Symbility accounted for 10% or more of the Corporation's revenue.

Strategic Partnerships

On March 27, 2008, Symbility announced the integration of its *mobile claims* software with Enservio Inc. (“Enservio”). The two companies jointly developed this solution to serve adjusters on the claim site, allowing them to quickly and efficiently manage contents claims valuations. With this integration, Symbility users can now assign an Enservio inventory specialist or inventory contents directly at a loss site, eliminating the need for multiple visits to the loss site. With this reduction in site visits, faster, total claim processing can be achieved, increasing the efficiency of all parties involved.

On April 24, 2008, Symbility announced a strategic partnership with Innovation Group for the expansion of the Symbility *mobile claims* platform.

Innovation Group, headquartered in the United Kingdom, will become both a user and exclusive value added reseller of Symbility Solutions’ *mobile claims* software solution outside of North America. Innovation Group is a global provider of technology-enabled outsourcing and software solutions to the property and casualty industry. With an international reach spanning 11 countries and over 220 global customers, Innovation Group is responsible for the processing of more than 20 million policies annually.

On July 22, 2008 Symbility announced a strategic alliance integrating e2Value’s web-based property Insurance-to-Value (“ITV”) calculation services to Symbility’s *mobile claims* estimation application.

Based in Stamford, Connecticut, e2Value delivers ITV and workflow solutions that contribute to the profitable operations of its customers. As the leading hosted application provider of online replacement cost valuations for residential, commercial and farm and ranch properties in the United States, e2Value offers a standard calculating platform that integrates easily with digital technologies for expedited information sharing and decision making among a company’s sales, underwriting, and claims functions. e2Value has aligned itself with RSMeans, the leading source of construction cost data for contractors, engineers and architects throughout North America to further complement their insurance industry expertise and technological superiority.

With this leading edge partnership, both Symbility and e2Value customers will now have the added advantage of completing both their residential and commercial estimates and ITV valuation at a claim site, increasing the efficiency of adjusters and valuators with reduced site visits and increasing indemnity with instant online valuations.

Symbility expects these strategic partnerships will increase their network and further strengthen the brand, product, and market presence.

Recent Events and Outlook for 2009

On March 12, 2009, Symbility announced that it had signed a five-year contract with the Chubb Group of Insurance Companies (“Chubb”) of Warren, New Jersey.

The member insurers of Chubb form a multi-billion dollar organization providing property and casualty insurance for personal and commercial customers worldwide through 8,500 independent agents and brokers. Chubb’s global network includes branches and affiliates in North America, Europe, Latin America, Asia, and Australia.

In 2009, Chubb will deploy Symbility.NET, the collaborative workflow management solution, to enhance Chubb’s existing integration of their claims management system with field activities, manage the workflow among all parties, and to provide custom reporting and comparative analysis. Chubb’s outside field adjusters will use *mobile claims*, Symbility's wireless application, for estimating claims and managing adjuster workflow.

On March 23, 2009, Symbility announced the formalization of a one year contract with Farmers Mutual United Insurance Company ("Farmers Mutual") of Wahoo, Nebraska. Established in 1878, Farmers Mutual focuses exclusively on serving property owners in the State of Nebraska. Strongly committed to increasing both its revenue and customer base, Farmers Mutual now averages over $3.3 million in premiums per year.

On April 1, 2009, the Corporation announced the signing of a three-year contract with Promutuel Lanaudière, a coordinate of Groupe Promutuel of Québec, Canada. For more than 150 years, Promutuel has committed to bringing both insurance and financial services to over 525,000 Quèbec-based insured customers. Symbility currently provides its application to Promutuel du Lac au Fjord, another division of Groupe Promutuel, and this contract represents a further expansion of Symbility's user base in Quebec.

The contract with Chubb is significant in terms of enhancing the reputation of Symbility as it represents the first large U.S. insurance carrier to choose Symbility over its competitors. Chubb also has a reputation of using leading edge technology. Management believes that this provides the Symbility brand with a new level of credibility in the industry, which may be leveraged to generate serious interest from other large insurance carriers in North America.

In parallel, Innovation Group is assisting in the sales process by showcasing *mobile claims* to other potential insurance carriers, independent adjusters and contractors outside of North America.

Management believes that this two-pronged sales strategy is positioning Symbility to become a leader in providing technology solutions to the property and casualty insurance industry.

Group Insurance Software Business

In the Corporation's financial statements the segmented information for Autoben is described as "Group Insurance Software".

Through the sale of its medical and dental adjudication software to insurance brokers, Autoben generates revenues from:

- Transaction fees earned as a percentage of medical and dental group insurance claims run through Autoben's software by its customer base.
- Resale of premium group insurance benefits products to brokers and self-insured employers, including stop-loss and out of country.
- Resale of drug cards for processing medical prescriptions and dental services.
- Professional services earned from providing customized programming solutions to customers.
- Help desk and maintenance support to its customers who use Autoben's software.

Autoben has historically seen lower gross margins than a traditional software business. This is due to the fact that its existing business model requires the resale of certain lower-margin insurance products to insurance brokers in order for them to offer their customers a full self-insured benefits plan. Management has transitioned out of the lowest margin product lines to focus on the sale of software and services. When combined with targeting larger customers who have the purchasing power to buy insurance products directly from the carriers, Autoben expects to improve its gross margins as its sales mix shifts to more sales of higher margin transaction fees for the use of its software.

Property and Casualty Software Business

In the Corporation's financial statements the segmented information for Symbility is described as "Property and Casualty Software".

Both Symbility Solutions Inc. and Symbility Solutions (U.S.A.) generate revenue from:

- Transaction fees from insurance carriers and independent adjusters processing claims using Symbility's proprietary software solution.

- License fees from insurance carriers who are charged on a per-user basis for the use of Symbility's proprietary software solution.

- Professional services earned from providing training and customized programming solutions to customers.

While there has been a large acceptance of its technology by those in the field, Symbility has learned that the rollout of its system takes a great deal of time and to some extent a lot of training of customer staff. Management expects revenues to continue to increase as these existing customers ramp-up the use of Symbility's technology and management's focus on sales and marketing and strategic partnerships enables the acquisition of new customer contracts.

Selected Financial Information

These financials have been prepared in accordance with Canadian GAAP. For further information, please see Note 1 and Note 2 of the audited consolidated financial statements for the year ended December 31, 2008. The following table shows selected financial information for the year ended December 31, 2008 and a comparison to the same period in the last two prior years.

The selected financial information for the years ended December 31, 2008, December 31, 2007 and December 31, 2006 are reported below in thousands of dollars, except per share amounts.

	YEAR ENDED DEC. 31, 2008	**YEAR ENDED DEC. 31, 2007**	**YEAR ENDED DEC. 31, 2006**
Autoben Revenue	2,276	2,043	1,785
Symbility Revenue	1,579	1,188	662
Total Revenue	3,855	3,231	2,447
Net Loss	(1,774)	(4,020)	(6,643)
Loss per Share	(0.02)	(0.04)	(0.08)
Total Assets	2,855	4,740	4,883
Total Long-Term Financial Liabilities	20	42	35

Over the past three years, revenue has increased as Autoben has grown its customer base and Symbility has started to recognize the revenue from the rollout of its new contracts. During this period, the Corporation has incurred losses as both divisions invest in product development, sales and marketing, and general and administration to establish and grow a presence for their products in the insurance industry. These losses have started to decline significantly during the year ended December 31, 2008 due to a combination of growth in high-margin revenue and a reduction in costs as a result of efforts by management to consolidate operations.

<u>Results from Operations</u>

Consolidated Balance sheet as at December 31, 2008 as compared to December 31, 2007

Current Assets

Accounts receivable has decreased by approximately $15,000 since December 31, 2007. This decrease is principally explained by an increased focus on the collection of receivables for Autoben and Symbility after the centralization of the collections function in Toronto.

Note receivable has decreased by approximately $42,000 as the loan to shareholder was repaid.

Prepaid expenses have decreased by approximately $67,000. This decrease relates to a reduction in expenses related to recruiting fees, software licenses and database licenses.

Restricted Cash Deposits

The Corporation's restricted cash deposits have decreased by approximately $114,000. This relates to a reduction in the cash collateral required to support a letter of credit and certain corporate credit cards. Please see the liquidity and capital resources section of this document for more information.

Property and Equipment

The Corporation's net fixed assets decreased by approximately $113,000 since December 31, 2007. This decrease can be attributed to a reduction in capital expenditures in fiscal year 2008 as compared to fiscal year 2007, a write-down of certain assets in Kitchener related to the office consolidation, and the depreciation for the year.

Intangible Asset

Intangible assets have increased by approximately $9,000 since December 31, 2007. This increase relates to the purchase of indefinite-life intangible assets which consist of trademarks for Autoben and Symbility. The Corporation assessed these assets for impairment on an annual basis and when events or changes in circumstances indicate that an asset might be impaired.

Consolidated Statement of Operations, Deficit, and Comprehensive Loss

Revenues

Revenues for the three months and twelve months ended December 31, 2008 increased to approximately $963,000 and $3,855,000, respectively. This compares to revenues of approximately $786,000 and $3,231,000 for the same period in the previous year. This represents an increase of approximately $177,000 and $624,000 or 23% and 19%, respectively.

The majority of this increase relates to growth in Symbility's sales as customer acceptance of their technology increased. For the three months and twelve months ended December 31, 2008, Symbility had revenues of approximately $349,000 and $1,579,000, respectively. This compares to revenues of approximately $242,000 and $1,188,000 for the same period in the previous year. This represents an increase of approximately $107,000 and $391,000 or 44% and 33%, respectively.

The balance of this increase is attributed to Autoben which saw growth in revenue from its existing customer base due mainly to in increase in the price of its Adjudicare product. Revenues for the three months and twelve months ended December 31, 2008 for Autoben increased to approximately $614,000 and $2,276,000, respectively. This compares to revenues of approximately $544,000 and $2,043,000 for the same period in the previous year. This represents an increase of approximately $71,000 and $233,000 or 13% and 11%, respectively.

Cost of Sales

Cost of sales represents costs of certain insurance products, which are in turn sold to broker customers of Autoben, as well as the cost of certain database license fees and fees for claims transferred to the *mobile claims* product paid to third parties by Symbility.

The cost of sales for the three months and twelve months ended December 31, 2008 decreased to approximately $276,000 and $1,058,000, and represents 29% and 27% of related revenue, respectively. This compares to cost of sales of approximately $289,000 and $1,121,000 for the same period in the previous year, which represented 37% and 35% of related revenues during this period, respectively. In general, as sales of Symbility's high-margin technology grows, the overall cost of sales as a percentage of revenue decreases and the overall gross margin of the Corporation is improving.

Autoben's costs related to direct insurance and distribution in the three months and twelve months ended December 31, 2008 were approximately $264,000 and $1,006,000 and represents 43% and 44% of related revenue, respectively. This compares to approximately $281,000 and $1,080,000 in the same period in the previous year which represents 52% and 53% of related revenue, respectively. The primary reason for the decrease in the cost of sales relates to the discontinuation of certain low-margin insurance products at the end of fiscal year 2007. The cost of sales has decreased as a percentage of revenue as the mix of high margin sales related to transaction fees has increased as compared to the sale of lower-margin insurance products.

Symbility's cost of sales attributed to database licenses and fees paid for claims during the three months and twelve months ended December 31, 2008 was approximately $12,000 and $53,000 which represents 3.7% and 3.4% of related revenue, respectively. This compares to approximately $8,000 and $42,000 in the same period in the previous year which represented 3.3% and 3.5% of related revenue, respectively. Database licensing costs increased as a result of growth in users of Symbility's products.

General and Administration

General and administration expense for the three months and twelve months ended December 31, 2008 was approximately $868,000 and $2,645,000, respectively. This compares to approximately $944,000 and $3,238,000 for the same period in the previous year for a decrease of $76,000 and $593,000, respectively.

General and administration expenses at Automated Benefits Corp. decreased by approximately $6,000 and $211,000, respectively. This related mainly to a reduction in consulting fees, recruiting fees, travel and professional fees. These cost savings are net of the transfer of costs associated with the centralization of customer support and quality assurance to the Toronto office.

General and administration expenses at Symbility also decreased by approximately $21,000 and $366,000, respectively. This was mainly due to savings associated with the closure of the Kitchener office and the transfer of the customer support, accounting, and quality assurance functions to the Toronto office.

General and administration expenses at Autoben decreased by approximately $49,000 and $16,000, respectively. This was mainly due to a reduction in restructuring costs and a one-time charge for sales and use tax related to prior years. This was offset by increased allocations from head office for the centralization of the accounting, HR, administrative, and IT functions there.

Research and Development

Research and development for the three months and twelve months ended December 31, 2008 decreased to approximately $144,000 and $877,000, respectively. This compares to approximately $185,000 and $1,168,000 for the same period in the previous year for a decrease of approximately $41,000 and $291,000, respectively.

Research and development expenses at Symbility decreased by approximately $11,000 and $238,000, respectively. This decrease reflects a reduction in resources at Symbility as the development process was streamlined and certain development projects were completed.

Research and development expenses at Autoben decreased by approximately $30,000 and $53,000, respectively. This decrease mainly relates to a reduction in costs as a result of the consolidation of the Edmonton datacenter in Montreal and Autoben's first SR&ED tax credit.

Sales and Marketing

Sales and marketing for the three months and twelve months ended December 31, 2008 decreased to approximately $176,000 and $824,000, respectively. This compares to approximately $276,000 and $1,261,000 during the same period in the previous year for a decrease of $100,000 and $437,000, respectively.

Sales and marketing costs at Automated Benefits Corp. increased by approximately $2,000 and $32,000, respectively. This reflects the centralization of the marketing function at the Toronto office.

Sales and marketing costs at Symbility decreased by approximately $132,000 and $577,000, respectively. This relates mainly to a reduction in sales agency fees paid to a particular contractor and a reduction in the use of consultants.

Sales and marketing costs at Autoben increased by approximately $30,000 and $108,000, respectively. This reflects an increased investment into the Adjudicare brand.

Stock Based Compensation

Stock based compensation expense for the three months and twelve months ended December 31, 2008 was approximately $37,000 and $148,000, respectively. This compares to approximately $15,000 and $412,000 during the same period in the previous year for an increase of $22,000 and a decrease of $264,000, respectively. The increase relates to the expense of certain options issued to the Boardmarker Group in the fourth quarter of 2008. The decrease relates to certain options contracts which have now been fully expensed, a lower number of options issued, and a higher number of forfeitures as compared to the same periods in the previous year.

Amortization

Amortization expense for the three months and twelve months ended December 31, 2008 decreased to approximately $37,000 and $147,000, respectively. This compares to an amortization expense of approximately $40,000 and $244,000 during the same period in the previous year for a decrease of $3,000 and $97,000, respectively. The decrease relates to the fact that certain fixed assets were written off as a result of the consolidation of the Kitchener office with the Toronto office. This somewhat offset by the amortization associated with investment in new property and equipment during the past year.

Gain on Sale of Customer Contracts

On October 26, 2007, the Corporation entered into a commercial agreement with Unison Benefits, a division of a privately owned insurance brokerage located in Thunder Bay. Unison Benefits has been providing their clients with service and advice on both individual and group insurance products for over 20 years. The customer contracts which were transferred to Unison Benefits for proceeds of $44,000 and a gain of $38,000 was recognized net of applicable costs.

Adjusted EBITDA

In addition to disclosing results in accordance with GAAP, the Corporation also provides supplementary non-GAAP measures as a method of evaluating the Corporation's performance. Management uses Adjusted EBITDA as a measure of enterprise-wide performance. Adjusted EBITDA is defined as earnings before interest income, taxes, depreciation and amortization, stock based compensation, restructuring costs, impairment charges, and other non-recurring gains or losses. Management believes Adjusted EBITDA is a useful measure that facilitates period-to-period operating comparisons. Adjusted EBITDA does not have any standardized meaning prescribed by GAAP and is not necessarily comparable to similar measures presented by other companies. Adjusted EBITDA should not be considered in isolation of as a substitute for net earnings (loss) prepared in accordance with GAAP. The Corporation has provided a reconciliation of Adjusted EBITDA to GAAP net earnings (loss) in the following table.

In thousands of dollars

	Year Ended December 31, 2008	**Year Ended December 31, 2007**
Net Loss	**(1,774)**	**(4,020)**
Interest and other income	**(70)**	**(156)**
Depreciation and Amortization	**147**	**244**
Stock-Based Compensation	**148**	**412**
Restructuring Costs	**287**	**222**
Gain on Sale	**0**	**(38)**
Adjusted EBITDA	**(1,262)**	**(3,336)**

Adjusted EBITDA for the year ended December 31, 2008 was approximately $(1,262,000). This compares to approximately $(3,336,000) for the same period last year for an improvement of $2,074,000.

Summary of Quarterly Results

The following table shows selected financial information for each of the eight most recently completed quarters reported below in thousands of dollars, except per share amounts.

For the Quarters Ended								
	Fiscal Year 2008				**Fiscal Year 2007**			
	Dec. 31, 2008	Sept. 30, 2008	Jun 30, 2008	Mar 31, 2008	Dec. 31, 2007	Sept. 30, 2007	Jun 30, 2007	Mar 31, 2007
Revenue	963	1,045	986	861	786	774	909	762
Net Loss	(566)	(68)	(445)	(695)	(876)	(723)	(1,103)	(1,318)
Net Loss per Share	(0.01)	(0.00)	(0.00)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)

Over the past eight quarters, revenue has increased as Autoben has grown its customer base and Symbility has started to recognize the revenue from the rollout of its new users. The losses incurred by the Corporation began to decline significantly in Fiscal Year 2008 due to a combination of growth in high-margin revenue and a reduction in costs as a result of efforts by management to consolidate operations.

Critical Accounting Policies

Measurement Uncertainties

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, related amounts of revenue and expenses, and disclosure of contingent assets and liabilities at the date of the consolidated financial statements. Actual results could differ from these estimates and the differences could be material.

Significant areas requiring the use of management's estimates include reasonability of collection of receivables, equity-based compensation, indefinite life intangible assets, the useful lives of definite life assets and the estimation of certain accrued liabilities.

Revenue Recognition

Autoben has developed a non-traditional supply chain for group insurance, determining that it is a re-seller, as opposed to a sales agent in these transactions. Management has taken this position due to the fact that Autoben acts as a principal in the transaction, retains title to the product until the transaction is complete, assumes the risks and rewards of ownership, and has the ability to set the pricing for its fees.

Autoben’s revenue reflects the gross revenue for certain insurance products in which Autoben is classified as a re-seller.

The following table summarizes the revenue and net revenue for the re-selling of premium and pooled insurance products:

In thousands of dollars.

	Year Ended Dec. 31, 2008	**Year Ended Dec. 31, 2007**
Revenue	2,037	1,831
Cost of Sales	822	914
Net Revenue	1,215	917

Leases

Leases are classified as either capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of assets are accounted for as if they were an acquisition of an asset and incurrence of an obligation at the inception of the lease and are accounted for as capital leases. All other leases are accounted for as operating leases and expensed as incurred.

Changes in Accounting Policy

[i] Financial Instruments – disclosures and presentation

Effective January 1, 2008, the Corporation adopted the new The Canadian Institute of Chartered Accountants ["CICA"] Handbook Section 3862, “Financial Instruments – disclosures”, and Section 3863, “Financial Instruments – presentation”. These standards place an increased emphasis on disclosures about the risks associated with both recognized and unrecognized financial instruments and how these risks are managed. The adoption of these standards does not have a material impact on the consolidated financial statements. For more information, see Note 11 of the audited consolidated financial statements for the year ended December 31, 2008.

[ii] Capital disclosures

Effective January 1, 2008, the Corporation adopted the CICA Handbook Section 1535, "Capital Disclosure" which established standards for disclosing information about an entity's capital and how it is managed. This standard requires disclosure of an entity's objectives, policies, and processes for managing capital, quantitative data about what the entity regards as capital, and whether the entity has complied with any capital requirements and, if it has not complied, the consequences of such non-compliance. The adoption of these standards does not have a material impact on the consolidated financial statements. For more information, see Note 12 of the audited consolidated financial statements for the year ended December 31, 2008.

[iii] General Standards of Financial Statement Presentation

Effective January 1, 2008, the Corporation adopted the CICA amended Handbook Section 1400, General Standards of Financial Statement Presentation. These amendments require management to disclose any uncertainties that cast significant doubt upon an entity's ability to continue as a going concern. In assessing whether the going concern assumption is appropriate, management must take into account all available information about the future, which is at least, but is not limited to, 12 months from the consolidated balance sheet date. The adoption of this standard does not have a material impact on the consolidated financial statements.

Changes in accounting policies not yet adopted

The following accounting pronouncements have been released in October 2006 but have not yet been adopted by the Corporation:

[i] International Financial Reporting Standards ["IFRS"]

In 2006, Canada's Accounting Standards Board ratified a strategic plan that will result in the adoption by Canadian public companies of IFRS. The Corporation will be required to report using the converged standards effective for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The Corporation has not determined the impact of adopting IFRS. A project team will be established to manage the transition to IFRS and to ensure successful implementation within the required timeframe. The Corporation will provide disclosures of the key elements of the plan and progress on the IFRS conversion as the information becomes available during the transition period.

[ii] Goodwill and intangible assets

In 2008, the CICA issued Handbook Section 3064 ["CICA 3064"], "*Goodwill and Intangible Assets*". CICA 3064 replaces Section 3062, "*Goodwill and Intangible Assets*", and Section 3450, "*Research and Development Costs*". It establishes standards for the recognition, measurement and disclosure of goodwill and intangible assets. This new standard is effective for the Corporation's interim and annual consolidated financial statements commencing January 1, 2009. The Corporation is currently assessing the impact of the new standard.

Scientific Research and Experimental Development Tax Credits

In 2008, Symbility and Autoben have recorded investment tax credits totaling $162,506 (2007 - $124,840) and reduced research and development expenditures by this amount. The Corporation has accumulated $220,329 of non-refundable investment tax credits, which can be carried forward to reduce future Federal income taxes payable and will begin to expire in 2012.

Disclosure of Outstanding Share Data

The following chart summarizes the equity securities outstanding as of the date hereof:

EQUITY SECURITY	**NUMBER OUTSTANDING APRIL 24, 2009**
Common Shares	111,360,206
Warrants	9,172,000
Broker's Warrants	421,100
Preferred Shares	3,786,882
Stock Options	6,297,267

Liquidity and Capital Resources

At December 31, 2008, the Corporation's consolidated cash position was $1,546,197 compared to $3,089,320 at December 31, 2007.

This decrease is principally explained by the cash required to fund the Corporation's operations during the period.

The Corporation has a working capital position of $1,352,640 at December 31, 2008 as compared to $2,750,499 of working capital at December 31, 2007. The Corporation continues to use its cash to fund operations as its divisions establish market share in their respective segments of the insurance industry. With current cash balances, and assuming the Corporation's cost structure remains the same, management expects to be able to fund future operations for at least another year for the following reasons:

- Going into 2009, Symbility has recently announced the addition of new customers for the *mobile claims* product such as Chubb which represents high margin revenue that reduces the operating cash flow requirements of that division.
- Adjudicare has also announced contracts with larger TPAs including GroupHEALTH, which will add incremental volume to that division with minimal additional costs.
- The Corporation has no significant debt on its balance sheet which enables it to pursue venture debt or bridge financing if it cannot raise additional equity to fund operations as required.

Exposure to Increased Credit and Liquidity Risk

In October of 2008, the Chartered Accountants of Canada issued an alert "MD&A Disclosures in Volatile and Uncertain Times" suggesting matters that may need to be discussed in the MD&A to provide transparent and complete communications during this period of economic uncertainty.

Credit Availability and Cost

Currently, the only debt that the Corporation has is a small number of capital leases at fixed interest rates with fixed terms. These do not represent a material amount of current or long term debt. The Corporation is not required to meet covenant requirements of a senior lender and does not face the risk associated with refinancing short-term or long-term debt.

As identified above, management believes that it has sufficient cash on hand for the next year. As a result, management believes that the Corporation does not require a credit facility at this time. If that situation changes, management would make an assessment at that time as to whether the current credit environment has improved and the access to credit is an economically viable financing strategy.

Customer Demand

In general, Symbility's customers generate revenue for that division from property and casualty claims that come from weather-related events and accidents in the home. These events occur in all economic environments and the insurers have policies with their customers that require them to pay these claims. Management is not aware that any of Symbility's material customers, which are insurance companies, have had any recent financial difficulties.

Autoben generates the majority of its revenues from health and dental claims related to employee benefit plans. In a difficult economy, these claims tend to rise as employees that fear their job is in jeopardy max-out their benefits limits as soon as possible. Management is not aware that any of Autoben's material customers, which are insurance brokers and third party administrators, have had any recent financial difficulties.

Management has not engaged any independent third parties to investigate the creditworthiness and financial position of customers of Symbility and Autoben.

Currencies

Symbility is the only business with significant exposure in fluctuations in the exchange rate between the Canadian and U.S. dollars. The recent decline in the Canadian dollar has actually benefitted Symbility because roughly half of its revenues are denominated in US dollars but the majority of its costs are in Canadian dollars. As a result, the recent increase in the US dollar has created a net benefit to Symbility going into fiscal year 2009.

Commodities

As a software supplier, the Corporation is not exposed to any commodities risk.

Counterparties

While counterparty risk is typically associated with financial institutions, they can extend to customers and suppliers that conduct a significant amount of business with the entity. Creditworthiness of suppliers can become an issue when the supplier produces goods and services for the Company under contract or license agreement. The largest suppliers under contract are represented by insurance companies and health and dental services providers to the Autoben division. Management is not aware that any of these suppliers are not creditworthy.

In summary, management believes that the Company is not materially exposed to increased credit and liquidity risk relating to the general deterioration of external market conditions since Q4 2008.

The Corporation has not entered into any contractual obligations which will require future payments, including long-term debt other than operating leases for equipment and premises, capital leases for equipment and certain payments under certain vendor contracts.

The following chart is a summary of contractual obligations of the Corporation, including payments for each of the next three years and thereafter as at April 24, 2009.

Payments Due by Period					
Contractual Obligations	**Total**	**Up to 1 year**	**1 – 3 years**	**4 – 5 years**	**After 5 years**
Capital Lease Obligations	$ 23,263	$ 10,083	$ 13,180	$Nil	$Nil
Operating Leases	$367,931	$122,409	$245,522	$Nil	$Nil
Purchase Obligations[5]	$230,000	$80,000	$150,000	$Nil	$Nil
Total Contractual Obligations	**$621,194**	**$212,492**	**$408,702**	**$Nil**	**$Nil**

The Corporation has entered into commitments for additional capital expenditures totalling approximately $20,000 at this time.

Restricted Cash Deposits

On November 21, 2007, the Corporation entered into a cash collateral agreement with the Royal Bank of Canada for $25,750 to secure certain corporate credit cards issued. The agreement was amended to reduce the amount to $15,000 on March 28, 2008.

On November 21, 2007, the Corporation entered into another cash collateral agreement with the Royal Bank of Canada for $17,500 to secure certain corporate credit cards issued.

On November 21, 2007, the Corporation entered into a third cash collateral agreement with the Royal Bank of Canada for $282,500 to secure the letter of credit certain corporate credit cards issued. The agreement was amended to reduce the amount to$179,500 on November 7, 2008.

The interest income earned on these restricted cash deposits accrues to the Corporation at rates ranging from 1.25% to 1.5% annually.

Related party transactions

For the year ended December 31, 2008, the Corporation expensed $24,500 ($18,000 -2007) for services provided by the independent and non-management directors of the Corporation. These fees were recorded at the exchange amount, which is the estimated fair value of the services rendered to the corporation by the independent and non-management directors.

On January 25, 2008, the Corporation's President and Chief Executive Officer repaid the promissory note for $40,000 plus $2,087 in accrued interest. The Corporation subsequently returned 227,273 common shares that had been held as collateral to secure the loan to the President and Chief Executive Officer.

On February 22, 2008, the Corporation issued 189,476 Common Shares with a fair value of $0.19 per share for an aggregate value of $36,000 to the independent directors of Automated Benefits Corp. for services provided to the Corporation for 2006 and 2007. Each independent director receives $5,000 per annum, and an additional $1,500 is payable to the chairman of each of the Compensation Committee and the Audit Committee of the Corporation. The issuance of the 189,476 Common Shares to the directors was approved by the TSX Venture Exchange on February 20, 2008 and the shares were issued on February 22, 2008.

[5] *"Purchase Obligation" means an agreement to purchase goods or services that is enforceable and legally binding on the Corporation that specifies all significant terms, including: fixed or minimum quantities to be purchased; fixed, minimum or variable price provisions; and the approximate timing of the transaction.*

For the year ended December 31, 2007, the Corporation expensed $45,000 in consulting fees paid to a private company controlled by a director. The one-year agreement signed September 21, 2006 expired June 30, 2007 and has not been renewed.

For the year ended December 31, 2007, the Corporation expensed $9,514 in consulting fees paid to an officer. The contract for these consulting services was terminated on June 5, 2007.

These fees were settled for cash consideration and were recorded at the exchange amount, which is the estimated fair value of the services rendered to the Corporation by the director and officer.

Off Balance Sheet Arrangements

The Corporation has not entered into any off balance sheet arrangements as at December 31, 2008.

Financial Instruments and Risk Management

The Corporation's financial instruments consist of accounts receivable, accounts payable and accrued liabilities and capital lease obligations and their carrying value approximates fair value due to their immediate or short-term maturity.

- Market Risk and Foreign Currency risk

The Corporation operates primarily within Canada and the United States, however, the foreign currency risk would not have a significant impact on net loss and comprehensive loss. The Corporation has not entered into foreign exchange derivative contracts.

- Credit risk

The Corporation is exposed to credit risk in the event of non-performance by customers. The Corporation monitors the credit risk of customers on a regular basis. The maximum credit risk is the carrying value of the accounts receivable.

- Liquidity risk

The Corporation's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements at any point in time. The Corporation achieves this by maintaining sufficient cash and cash equivalents and through the raising of equity financing.

For more information, see Note 11 of the consolidated financial audited financial statements for the year ended December 31, 2008.

Internal Controls over Financial Reporting

National Instrument 52-109

Effective December 15, 2008, the Canadian Securities Administrators (the "CSA") repealed Multilateral Instrument 52-109 *Certification of Disclosure in Issuer's Annual and Interim Filings* and the related forms and companion policy and replaced them with National Instrument 52-109 Certificate of Disclosure in Issuers' Annual and Interim Filings and the related forms and companion policy ("NI 52-109").

NI 52-109 does not require the CEO and CFO of a venture issuer to certify that they have designed and evaluated the effectiveness of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"). Management reviewed the design changes that were initiated in 2007 and completed those in 2008, which they believe will be beneficial to the Corporation. Management will also determine whether it is beneficial to conduct this next review of operational effectiveness of ICFR utilizing the parameters of an established framework or to use a less formal approach that is more suited to the business units.

Initiatives Completed in 2008

Management completed the following initiatives in 2008 that began in 2007:

- The development of a Corporate Risk Management policy, which was approved by the Board of Directors.
- A review of security access weaknesses was performed after the consolidation of the Kitchener office was completed.
- The information system review of Symbility's development group was extended to the consolidated Customer Support and Quality Assurance functions. This includes IT documentation, IT security, the change management process, IT projects, and data management for these functions.
- The location mapping and corporate risk assessment framework applied to Symbility's development group was to be applied to the Autoben development group.
- The Corporation purchased a license for a product called Optrack, which provides access to an automated, web-based software package that maintains stock option information and calculates the associated compensation expense. Management downloaded all of the Corporation's historical data and all stock-based compensation calculations are now performed using Optrack.
- With the consolidation of the remaining accounting functions from the Edmonton and Kitchener offices to the Toronto office, the finance department has identified all material processes in the preparation of financial statements and documented a series of new controls, procedures, and processes that resulted from this review.
- The proposed new design for segregation of duties has been implemented.

Management believes that the majority of its internal control objectives from the initial review performed in 2006 have been met. Management reserves the right to alter or eliminate any of these initiatives based on the changing needs of the business.

Risk and Uncertainties

The following are the principal risk factors with respect to the Corporation and its subsidiaries:

(a) The Corporation is in the business of developing claims management software for health and dental plans and insurance products for employer groups as well as property and casualty insurance claims estimation software. The development involves a substantial degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Shareholders must rely on the ability, expertise, judgment, discretion and integrity of the management of the Corporation.

(b) There is no assurance that the Corporation will be profitable in the future or that the Corporation will be able to generate sufficient cash from operations to pay dividends on its shares and it does not anticipate paying dividends in the near future. If the Corporation is unable to effectively manage its planned growth and expansion, its growth strategy could be negatively affected. Any inability to manage growth effectively could have a material adverse effect on the business, results of operations and financial condition of the Corporation.

(c) The Corporation is in the early stages of commercial production of certain of its products following the initial development stage and therefore, is subject to the risks associated with early stage companies, including start up losses, uncertainty of revenues, markets and profitability and the need to raise additional funding. The Corporation has committed, and for the foreseeable future will continue to commit, significant financial resources to product development and research.

(d) The Corporation has entered into a number of strategic relationships with third parties. The termination of any one or more of its strategic relationships may have a material adverse effect on the Corporation's ability to offer certain products and services.

(e) The Corporation's products are technically complex, and, despite pre-release testing, may contain undetected errors or performance problems. There can be no assurance that such errors or performance problems will not be discovered in the future, which may cause delays in product introduction, require design modification or result in product liability claims against the Corporation.

(f) The computer software industry generally is susceptible to significant technological advances in both hardware and software and the introduction of new products and services utilizing new technologies. Further, the industry is also subject to changing industry standards, market trends and customer preferences and to competitive pressures, which can, among other things, necessitate revisions in pricing strategies, price reductions and reduced profit margins. The success of the Corporation will depend on its ability to secure technological superiority in its products and maintain such superiority in the face of new technologies. While the Corporation believes its products are currently competitive, no assurances can be given that the products of the Corporation will be commercially viable or that further modification or additional products will not be required in order to meet demands or to make changes necessitated by developments made by competitors which might render products of the Corporation less competitive, less marketable or even obsolete over time. The future success of the Corporation will be influenced by its ability to continue to adapt its current systems and to develop new competitive products. Although the Corporation is committed to the development of new products and the improvement of its existing products, there can be no assurance that these research and development activities will prove profitable or that products resulting therefrom, if any, will be successfully produced and marketed.

(g) One element of the Corporation's business strategy is to create and diversify channels of distribution of its products both domestically and internationally. The Corporation is currently investing, and plans to continue to invest, cash and personnel resources to create a North American direct sales and marketing force and develop distribution relationships with additional third party distributors and resellers internationally. The Corporation's ability to achieve significant revenue growth in the future will depend in large part on its success in recruiting and training sufficient sales personnel, distributors and resellers. There can be no assurance that the Corporation will be able to attract, train and retain a sufficient number of distributors or direct sales personnel or that such third party distributors will recommend, or continue to recommend, the Corporation's products or devote sufficient resources to market such products. These factors could have a material adverse effect on the Corporation's business, operating results and financial condition.

(h) If financing is required in the future, the ability of the Corporation to arrange such financing will depend in part upon the prevailing capital market conditions as well as the business performance of the Corporation. There can be no assurance that the Corporation will be successful in its efforts to arrange additional financing on terms satisfactory to the Corporation. If additional financing is raised by the issuance of shares from the treasury of the Corporation, control of the Corporation may change and shareholders may suffer additional dilution. If adequate funds are not available, or are not available on acceptable terms, the Corporation may not be able to take advantage of opportunities, develop new products, or otherwise respond to competitive pressures and remain in business.

(i) The success of the Corporation will depend, in part, on its ability to maintain trade secret protection and the proprietary nature of its technology, as well as operate without infringing the proprietary rights of third parties. The systems and products developed by the Corporation also incorporate technology and processes that will not be protected by any patent and are capable of being duplicated or improved upon by competitors. Accordingly, the Corporation may be vulnerable to competitors, which develop competing technology, whether independently or as a result of acquiring access to the proprietary information. Despite these precautions, it may be possible for a third party to copy or otherwise obtain and use the Corporation's products or technology without authorization or to develop similar technology independently. In addition, effective copyright and trade secret protection may be unavailable or limited in certain foreign countries and the global nature of the Internet makes it virtually impossible to control the ultimate destination of the Corporation's products. The Corporation is currently evaluating the effectiveness of trade-mark protection with respect to its technologies and products. In those cases where trade-mark protection will be an effective means of maintaining its competitive advantage, the Corporation will make application for trade-marks in the appropriate jurisdictions. Despite the Corporation's efforts to protect its proprietary rights, unauthorized parties may attempt to copy aspects of the Company's products or to obtain and use information that the Corporation regards as proprietary. Policing unauthorized use of the Corporation's products will likely be difficult and expensive. There can be no assurance that the steps taken by the Corporation will prevent the misappropriation of its technology or that such agreements will be enforceable. In addition, litigation may be necessary in the future to enforce the Corporation's intellectual rights, to protect the Corporation's trade secrets, to determine the validity and scope of the proprietary rights of others or to defend against claims of infringement or invalidity. Such litigation could result in substantial costs and diversion of resources and could have a material adverse effect on the Corporation's business, operating results or financial condition.

(j) Although the Corporation does not believe that its products infringe the proprietary rights of any third parties, there can be no assurance that infringement or invalidity claims (or claims for indemnification resulting from infringement claims) will not be asserted or prosecuted against the Corporation or that any such assertions or prosecutions will not materially adversely affect the Corporation's business, financial condition or results of operations. Irrespective of the validity or the successful assertion of such claims, the Corporation would incur significant costs and diversion of resources with respect to the defense thereof which could have a material adverse effect on the Corporation's business, financial condition or result of operations.

(k) The Corporation has direct competition for the products offered by the Corporation's subsidiaries. These competitors and new entrants into the markets for these products and services may have longer operating histories, greater name recognition and greater financial, technical and marketing resources than the Corporation. Such competitors could materially adversely affect the Corporation's business, results of operations and financial condition.

(l) The forecasted demand for the Corporation's products or services may be overstated, based on incorrect or incomplete data and/or assumptions, or affected by developments in the Corporation's clients' markets or the industries as a whole.

(m) As access to, and usage of, much of the Corporation's software is highly dependent on the integrity of the Internet, the Corporation's licensees may experience difficulty in utilizing the software in the event of disruptions in their Internet service. This could result in the loss of customers and therefore could materially adversely affect the Corporation's business.

(n) The Corporation may experience fluctuations in future quarterly operating results that may be caused by many factors, including: (i) changes in the level of marketing and other operating expenses to support future growth; (ii) competitive factors; and (iii) general economic conditions. Consequently, the Corporation believes that period-to-period comparisons of its operating results will not necessarily be meaningful and should not be relied upon as an indication of future performance. It is likely that the Corporation's future quarterly operating results from time to time, may not meet the expectations of securities analysts or investors, which may have a material adverse effect on the market price of the Corporation's shares.

(o) The Corporation will be substantially dependent upon the services of a few key personnel for the successful operations of its businesses. The loss of the services of any of the personnel could have a material adverse effect on the business of the Corporation. In addition, competition exists for qualified personnel, and the Corporation may be unable to attract or retain highly qualified personnel in the future.

(p) As part of its business strategy, the Corporation may seek to grow by acquiring businesses or establishing joint ventures that it believes will complement its current or future business. The Corporation may not effectively select acquisition candidates or negotiate or finance acquisitions or integrate the acquired businesses and their personnel into its business. The Corporation cannot guarantee that it can complete any acquisition it pursues on favorable terms, or that any acquisitions completed will ultimately benefit its business.

(q) The Corporation may in the future derive significant sales revenues from sales of its products and services to customers located in other countries. As a result, fluctuations in the value of foreign currencies against the Canadian dollar could result in unanticipated fluctuations in the Corporation's financial results, which are currently denominated and reported in Canadian dollars. The Corporation's business could also be adversely affected by exchange controls, currency fluctuations, and laws or policies of other countries affecting foreign trade, investments or taxation.

(r) Certain of the directors of the Corporation also serve as directors of other public and private companies and consequently there exists the possibility for such directors to be in a position of conflict. Any decision made by such directors involving the Corporation will be made in accordance with the duties and obligations of directors to deal fairly and in good faith with the Corporation and such other companies. In addition, such directors must declare and refrain from voting on, any matter in which such directors may have a conflict of interest in accordance with the *Business Corporations Act* (Alberta).

(s) To some extent the Corporation operates in a traditional and established sector where there is significant resistance to change and new ideas. Accordingly, despite a viable product and related services, the Corporation may face significant resistance in increasing its customer base.

(t) The services provided by the Corporation between insurance brokers, their customers and insurance companies does not relieve the Corporation from ultimate liability in the event of an insurance company or insurance broker defaulting on their obligations relating to either the payment of premiums or settlement of claims. To this extent, the Corporation is exposed to contingent credit risk of an indeterminable amount. This risk is mitigated by contracting with reputable organizations, and by utilizing a number of different organizations to mitigate the exposure of any one insurance company or broker defaulting on its obligations.