Automated Benefits Corp.
Management's Discussion and Analysis
May 29, 2012

The following Management's Discussion and Analysis ("MD&A") of the Corporation should be read in conjunction with the interim consolidated financial statements and accompanying notes, which are prepared in accordance with International Financial Reporting Standards ("IFRS") for the quarter ended March 31, 2012, the 2011 Annual MD&A and the Corporation's audited financial statements (and related notes) as of December 31, 2011 and 2010 and the Business Acquisition Report dated May 29, 2012 available on SEDAR. 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 document is intended to assist the reader in better understanding operations and key financial results as of the date of this report. The consolidated interim financial statements and the MD&A have been reviewed by the Corporation's Audit Committee and approved by its Board of Directors.

Corporate Overview

Automated Benefits Corp. (the "Corporation") is a holding company with its head office located in Toronto, Ontario and is dedicated to acquiring and profitably growing companies which provide software applications to the insurance industry. Its wholly-owned subsidiary, Automated Benefits Inc. ("Adjudicare"), 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. ("Symbility Canada") and its wholly-owned subsidiary, Symbility Solutions (U.S.A.) Inc. ("Symbility USA") (Symbility Canada and Symbility USA are jointly referred to on a consolidated basis as "Symbility" or "Symbility Solutions") 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, Montreal, Québec, Milwaukee, Wisconsin and Tyler, Texas. Symbility USA has its registered office in the State of Delaware.

Forward-looking Statements

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 the Corporation's future cost structure, future sales and marketing activities, increased penetration into certain markets through strategic partnerships, the impact of the introduction of new products, the ability of new management to leverage sales opportunities, increase in the size of certain markets, expected increases in revenue, expected revenue from certain contracts, customer rollout plans for specific products, expected increase in gross margins, Adjudicare software product placement targets and Symbility product placement targets is forward-looking information.

Aside from specific commentary in sections of this document and the 2011 Annual MD&A that provides additional detail, management has made the following material factors and assumptions in providing forward-looking information:

- The markets for the software products sold by its subsidiaries do not materially change or decline in size.
- The Corporation's competitors do not significantly change their business model making it harder for the Corporation to succeed.
- The Corporation does not require significant financing to execute on its business plans.
- The Corporation is able to continue to grow its revenue without a significant increase in its cost structure.
- The software sold by the Corporation's subsidiaries continues to meet the service level obligations contained within the contracts with their customers.
- The Canadian dollar does not strengthen significantly creating a material impact from foreign exchange associated with revenue from its U.S. and European customer contracts.
- The Corporation had two customers that represent more than 10% of revenue in the first quarter of 2012 and management has assumed that these contracts continue generating revenue at similar levels in 2012 and 2013.
- That Symbility is able to successfully integrate the recent acquisition into its operations.

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, customer demand, competition and the risks posed by potential technological advances, risks relating to the protection of the Corporation's intellectual property, risks relating to fluctuation in foreign currency exchange rates, and exposure to increased credit and liquidity risk. 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 May 29, 2012.

Non-IFRS Measures

In addition to disclosing results in accordance with IFRS, the Corporation also provides supplementary non-IFRS 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, impairment losses, stock-based compensation, restructuring costs included in general and administration expense and other non-recurring gains or losses including transaction costs related to acquisition. 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 IFRS and is not necessarily comparable to similar measures presented by other companies. Adjusted EBITDA should not be considered in isolation or as a substitute for net earnings (loss) prepared in accordance with IFRS.

Recent Events

On May 16, 2012 Symbility announced an extension of its strategic partnership with Wipro Limited. Wipro provides comprehensive IT solutions and services to corporations globally. Wipro Limited is the first PCMM Level 5 and SEI CMM Level 5 certified IT Services Company globally. Symbility will leverage Wipro's existing relationships and their strength in the Asian market to continue our global expansion.

On April 15-18, 2012 Symbility was a gold level sponsor at the PLRB/LIRB Claims Conference & Insurance Services Expo (PLRB). PLRB is the largest property and liability claims educational event in the industry. It provides concept sessions and technical clinics, half-day workshops and seminars, exhibits, and other training and networking events allowing experienced claims personnel to study, analyze, and debate hypothetical claims situations, theories, and practices with their peers, lawyers, accountants, and other professionals. This event draws approximately 2,000 to 3,500 attendees and exhibitors from across the industry. It is the largest industry event of its kind.

On April 10, 2012 the Corporation completed the acquisition of Marshall & Swift/Boeckh's (MSB) claims division (the "Transaction"). The operational impact of this Transaction will be:

- Symbility and MSB will integrate their complementary property claims workflow software, claims loss estimating solutions and process analytics to create a new industry driving force committed to service, innovation and fair play.

- Symbility is acquiring MSB's claims division, including contracts, claims employees, software and analytics assets; in consideration for these assets and a cash investment, MSB's parent company, Decision Insight Information Group, will become the largest shareholder with a one-third equity stake in Symbility's parent company, Automated Benefits Corp.

- MSB also has entered into a long-term strategic license agreement with Symbility to integrate MSB's claims estimation data into Symbility's mobile claims software.

In March of 2012, Symbility announced it had signed a five year agreement with Chubb, a leading provider of comprehensive insurance products and services tailored to individuals with unique homes and possessions. Chubb Canada will implement Symbility Claims Connect®, a collaborative workflow management solution with unparalleled control and visibility of claims throughout the claim lifecycle, to enhance their existing claims management system across its network of adjustors and building contractors. Chubb Canada will also utilize Symbility Mobile Claims®, an innovative estimating tool designed to improve efficiency, customer service and speed during the estimation process.

In March of 2012 Symbility held its 2nd annual Symbility Symposium that brought together a community of customers, partners, vendors, employees and board members, to network and collaborate on the property and casualty marketplace today and plan for tomorrow. The event kicked off with welcoming comments from Symbility's CEO James Swayze, followed by a keynote presentation from Brian Head, City Attorney of Joplin, Missouri, on the lessons learned from the devastating tornado that ripped through their city on May 22, 2011. Marc-Olivier Huynh, CTO & Founder of Symbility Solutions highlighted Symbility's product roadmaps, including a demonstration of the product on iPad and Android tablets. Customer case studies followed from William L. Gregory, Assistant Manager - Property Claims, The Cincinnati Insurance Companies and Dennis Squibb, VP Claims, Farmers Insurance, who detailed their decision-making process, which led to a company-wide implementation of Symbility. The event concluded with an presentation about what 2012 holds for the Insurance industry from Ellen Carney, Senior Analyst, Forrester Research.

In January of 2012, Adjudicare announced it had signed a formal partnership with WorldCare®, a pioneer and leader in the global healthcare community offering highly specialized and personalized electronic second medical opinions from top medical centers to local attending physicians for the benefit of their patients. This new service offering will help our diverse partner network to build customer loyalty, reduce healthcare costs by reducing misdiagnoses and inappropriate treatments, and provide their customers necessary medical second opinions that reflect the state-of-the-art in modern medical practices.

In January of 2012, Symbility announced that Farmers Insurance Exchange will be rolling out our software to the balance of their company. After a successful initial rollout to the specialty claims division, Farmers decided that the Symbility platform offered a compelling business case to introduce it to the rest of their organization.

Overall Performance

The three-month period ending March 31, 2012 was a strong quarter for the Corporation compared to the three month period ending March 31, 2011. Consolidated revenue grew approximately 42%. Operating expenses (including transaction related expenses) increased 147% as compared to the prior year, however excluding transaction related expenses, operating expenses increased by 75%. The net loss of approximately $1,155,000 for the period compares to net income of $57,000 for the comparable period. Adjusted EBITDA[1] was ($70,000) for the three-month period ending March 31, 2012 compared to $105,000 for the comparable period. The Corporation ended with a cash balance of approximately $846,000. The one of the key focuses in the quarter was the investment in the future by advancing the Transaction, which closed on April 10, 2012.

The Product Strategy, Marketing Initiatives, New Product Development, Strategic Customer and Vendors and economic and industry factors disclosed in our 2011 Annual MD&A issued on April 26, 2012 are substantially unchanged at this time.

The Corporation completed the Transaction subsequent to the end of the quarter – See Subsequent Events for additional details and the Business Acquisition Report filed on www.sedar.com.

Operating Segments

The Corporation has two operating segments which offer different products and services:

- The Adjudicare division (group insurance software) provides an advanced and practical software solution to a network of Employee Benefits Brokers and Third Party Administrator partners in the adjudication of health and dental claims.
- The Symbility division (property and casualty software) provides powerful, accurate and easy-to-use claims processing and estimating software for Property and Casualty Insurers.

The Corporation also incurs costs in the head office which are not allocated to the operating segments for some of the executive costs, general and administrative expenses and stock based compensation costs.

See Results of Operations for details on the financial performance of each operating segment.

Outlook for 2012

Adjudicare

Management feels that the efforts made last year have created a complete benefits platform for our partners and generated a significant amount of momentum going into 2012:

- With the successful rollout of the development projects undertaken in 2011, management believes that the ability of our partners to scale their business has improved significantly.

[1] Adjusted EBITDA is defined as earnings before interest income, taxes, depreciation and amortization, impairment losses, stock-based compensation, restructuring costs included in general and administration expense and other non-recurring gains or losses including transaction costs related to acquisition. 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 IFRS and is not necessarily comparable to similar measures presented by other companies. Adjusted EBITDA should not be considered in isolation or as a substitute for net earnings (loss) prepared in accordance with IFRS.

- With the addition of technology such as online claims access and new third party offerings for Employee Assistance Programs and Second Opinion services, our product offering is now able to fully compete with comparable offerings from insurance carriers and other TPAs.
- New functionality developed in 2011 enables expansion into new market segments such as unions and new geographies such as Quebec.
- The acquisition of four strong new customers in the past twelve months further validates management's belief that with our strategic vision in place and our value proposition more clearly defined, the opportunity to provide a compelling business case to existing and new potential channel partners is significantly enhanced.
- Additional investments into marketing such as the Adjudicare partner event have already demonstrated that they have enabled our partners to network and work together to grow their business with Adjudicare.

With all of these components in place, management is optimistic that Adjudicare can continue to grow at a healthy rate in 2012.

Symbility
Management continues to feel that all of the pieces are in place to create significant growth in Symbility in North America:

- Based on ongoing input from customers, our product now better meets their needs.
- The rollout of Farmers is a validation of our technology by one of the largest insurers in the world.
- The supply chain in the U.S. is starting to use our products.
- The strategic partnership with MSB provides access to a credible pricing database, which Symbility will bring to its current and potential customers in North America.
- Completion of the Transaction which adds approximately $7 million of annualized revenue and is already starting to provide more sales traction in the Quebec and U.S. markets.

By having committed to a long term relationship with Innovation Group, Symbility has shown its existing and prospective customers that we are investing in and supporting the European market. Management expects that significant wins with major insurers such in Europe create an exciting opportunity to gain credibility and market share in both of these geographies and reference accounts that should create additional opportunities to acquire other new customers in Europe and other geographies.

We feel confident that these factors can be leveraged into significant revenue growth for Symbility in 2012.

Selected Financial Information

This financial information has been prepared in accordance with IFRS. For further information and significant accounting policies, please see Notes 1, 2, and 21 of the audited consolidated financial statements for the years ended December 31, 2011 and 2010.

The following table shows selected financial information for the three-month period ended March 31, 2012 and a comparison to the same period in the prior year.

In thousands of dollars, except per share amounts.

	THREE-MONTHS ENDED MAR. 31, 2012	THREE-MONTHS ENDED MAR. 31, 2011
Adjudicare Revenue	879	779
Symbility Revenue	1,482	888
Total Revenue	2,361	1,667
Net Income (loss)	(1,155)	57
Earnings (loss) per Share	(0.01)	0.00
Total Assets	4,451	3,512
Total Long-Term Financial Liabilities	618	305

Results of Operations

Interim Consolidated Statements of Loss and Comprehensive Loss

Revenue

Revenue for the three-month period ended March 31, 2012 increased to approximately $2,361,000. This compares to revenue of approximately $1,667,000 for the same period in the previous year. This represents an increase of approximately $694,000 or 42%.

The majority of this increase relates to growth in Symbility's sales as customer acceptance of their technology increased and revenue from the contract with Farmers Specialty Division is recognized. For the three-month period ended March 31, 2012, Symbility had revenue of approximately $1,482,000. This compares to revenue of approximately $888, 000 for the same period in the previous year. This represents an increase of approximately $594,000 or 67%.

The balance of the increase for the period can be attributed to Adjudicare which saw growth in revenue from its existing customer base due mainly to the rollout of the groups associated with Sirius. Revenue for the three-month period ended March 31, 2012 for Adjudicare increased to approximately $879,000. This compares to revenue of approximately $779,000 for the same period in the previous year. This represents an increase of approximately $100,000 or 13%.

Cost of Sales

Cost of sales represents costs of certain insurance products, which are in turn sold to broker customers of Adjudicare, as well as the cost of certain database license fees paid to third parties by Symbility. Cost of sales is directly variable with revenue for Adjudicare. Cost of sales is relatively fixed for Symbility's revenue; therefore for increases in revenue (other than as a result of the Transaction) there is no significant incremental cost of sales. As a percentage of revenue cost of sales decreases and gross margin of the Corporation improves.

The cost of sales for the three-month period ended March 31, 2012 increased to approximately $371,000, and represents 16% of related revenue. This compares to cost of sales of approximately $343,000 for the same period in the previous year, which represented 21% of related revenue.

Symbility's cost of sales attributed to database licenses during the three-month period ended March 31, 2012 was approximately $18,000 which represents 1% of related revenue. This compares to approximately $31,000 in the same period in the previous year which represented 3% of related revenue. The main reason for the decrease in the cost of sales was due to the one-time setup fee of the pricing database to support the Quebec region incurred in Q1 2011.

Adjudicare's costs related to direct insurance and distribution in three-month period ended March 31, 2012 were approximately $353,000 and represents 40% of related revenue. This compares to approximately $312,000 in the same period in the previous year which represents 40% of related revenue. The increase in the cost of sales relates to an increase in the resale of certain insurance products.

General and Administration

General and administration (G&A) expense for the three-month period ended March 31, 2012 was approximately $1,122,000. This compares to approximately $668,000 for the same period in the previous year for an increase of $454,000.

G&A expenses of Symbility increased by approximately $209,000. The increase relates mainly to investment in additional staff, compensation adjustments and customer support to enable the growth in Symbility's business.

G&A expenses of Adjudicare increased by approximately $27,000. The increase related to investment in additional staff, reassignment of some staff to support the business and an increase in travel expenses in 2012. This was offset by a reduction of certain positions in the organization.

G&A expenses of the head office increased by approximately $218,000. The increase is related annual compensation adjustments, investment in additional staff and higher stock-based compensation.

Research and Development

Research and development (R&D) expenses for the three-month period ended March 31, 2012 increased to approximately $412,000. This compares to approximately $281,000 for the same period in the previous year for an increase of approximately $131,000.

R&D expenses of Symbility increased by approximately $124,000. This increase is due to additional personnel to support product development initiatives and quality assurance. This was slightly offset by an increase in the estimate of scientific research and experimental development tax credits.

R&D expenses of Adjudicare decreased by approximately $2,000. The decrease mainly relates to a decrease in travel expenses by developers, offset by an increase in the data center costs to support the product development projects.

R&D expenses of the head office increased by approximately $9,000. This increase was mainly due to a higher stock-based compensation expenses in Q1 2012.

Sales and Marketing

Sales and marketing expenses for the three-month period ended March 31, 2012 increased to approximately $647,000. This compares to approximately $299,000 during the same period in the previous year for an increase of $348,000.

Sales and marketing expenses of Symbility increased by approximately $250,000. The increase relates mainly to an investment into additional sales and marketing personnel and the costs of increased marketing activities, including the Symbility Symposium event.

Sales and marketing expenses of Adjudicare increased by approximately $73,000. The increase relates to investment of additional sales and marketing personnel and the related travel expenses and higher expenses to develop the marketing and positioning strategy.

Sales and marketing expenses of the head office increased by approximately $25,000. This increase is mainly due to a higher stock-based compensation expense in Q1 2012.

Transaction related expenses

Transaction related expenses for the three-month period ended March 31, 2012 were $912,000. This compares to $Nil during the same period in the previous year. The Corporation was in the process of completing the Transaction discussed above. This Transaction closed on April 10, 2012.

Other operating expenses

Other operating expenses include depreciation and amortization, impairment loss and foreign exchange. Other operating expenses for the three-month period ended March 31, 2012 increased to approximately $51,000. This compares to approximately $23,000 for the same period in the previous year for an increase of approximately $28,000. The increase relates mainly to the increase in depreciation for property and equipment and amortization of intangible assets due to assets purchased in 2011 and the fluctuation of the foreign exchange rate.

Adjusted EBITDA

The Corporation has provided a reconciliation of Adjusted EBITDA to IFRS net earnings (loss) in the following table.

In thousands of dollars

	Three-month period ended March 31, 2012	**Three-month period ended March 31, 2011**
IFRS Net Income (Loss)	**(1,155)**	**(57)**
Finance income (costs) and other income	**1**	**(4)**
Depreciation and Amortization	**26**	**11**
Impairment loss	**0**	**0**
Stock-Based Compensation	**146**	**20**
Restructuring Costs	**0**	**20**
Transaction related expenses	**912**	**0**
Adjusted EBITDA	**(70)**	**104**

Adjusted EBITDA for the three-month period ended March 31, 2012 was approximately ($70,000). This compares to approximately $104,000 for the same period last year for a decrease of $174,000. The decrease is mainly due to the investment in resources to support the growth in the existing business and increased sales and marketing efforts.

Interim Consolidated Statements of Financial Position as at March 31, 2012 as compared to December 31, 2011

Current Assets

Accounts receivable and others have decreased by approximately $648,000 since December 31, 2011. This decrease is principally explained by the receipt of payment from a significant customer for an annual license payment.

Prepaid expenses and other assets have increased by approximately $142,000. This increase to the accrual of SR&ED tax credits in 2012, prepaid filing fees and prepaid annual license / database fees and was offset by a repayment of a loan by a related party.

Restricted Cash Deposits

The Corporation's restricted cash deposits remained the same as last year. These deposits relate to the cash collateral required to support a letter of credit and certain corporate credit cards.

Property and Equipment

The Corporation's property and equipment increased by approximately $2,000 since December 31, 2011. The Corporation assesses these assets for impairment on an annual basis and when events or changes in circumstances indicate that an asset might be impaired.

Intangible Assets

Intangible assets have increased by approximately $5,000 since December 31, 2011. This increase relates mainly to the investment into computer software and certain indefinite-life intangible assets such as trademarks. The Corporation assesses these assets for impairment on an annual basis and when events or changes in circumstances indicate that an asset might be impaired.

<u>Summary of Quarterly Results</u>

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 2012	**Fiscal 2011**				**Fiscal 2010[2]**		
	Mar. 31, 2012	Dec. 31, 2011	Sept. 30, 2011	Jun. 30, 2011	Mar. 31, 2011	Dec. 31, 2010	Sept. 30, 2010	Jun. 30, 2010
Symbility Revenue	$1,482	$1,407	$1,201	$1,238	$888	$892	$1,049	$574
Adjudicare Revenue	$879	$838	$819	$776	$779	$723	$657	$697
Revenue	$2,361	$2,245	$2,020	$2,014	$1,667	$1,615	$1,706	$1,271
Net Income (Loss)	$(1,155)	$(290)	$88	$51	$57	$(49)	$385	$(405)
Net Income (Loss) per Share	$(0.01)	$(0.00)	$0.00	$0.00	$0.00	$(0.00)	$0.00	$(0.00)

[2] *All 2010 quarterly amounts have been restated to conform to IFRS for comparative reporting purpose.*

Over the past eight quarters, revenue has increased as Adjudicare 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 2010 due to a combination of growth in high-margin revenue without a corresponding increase in operating expenses. The loss incurred by the Corporation in Q4 2011 and Q1 2012 was mainly due to transaction costs including legal, accounting, consulting and travel expenses related to the Transaction.

In Adjudicare there is limited seasonality due to the nature of the business. In Symbility the property and casualty insurance business has higher claims in the second and third quarter based on seasonal weather effects.

Symbility's activities that result in exposure to fluctuations in foreign currency exchange rates consist of the sale of products and services to customers invoiced in foreign currencies and the purchase of services invoiced in foreign currencies. See Financial Instruments and Risk Management. The impact of foreign currency changes will increase in future quarters as more of the Corporations revenues are expected in foreign currencies.

Liquidity and Capital Resources

During the three-month period ended March 31, 2012, the Corporation had a net loss of $1,155,461 and had cash flows of ($911,641) from operations. At March 31, 2012, the Corporation's consolidated cash position was $845,712 compared to $1,301,229 at December 31, 2011.

At March 31, 2012, current liabilities include accounts payable and accrued liabilities of $2,774,034 and deferred revenue of $1,220,443 for a total of $3,994,477 compared to $4,065,293 at December 31, 2011. The decrease in current liabilities is due deferred revenue on annual license fees being recognized and to 2011 bonus payments made in March 2012 but offset by an increase in transaction related expenses included in accounts payable.

At March 31, 2012, current assets is comprised of cash and cash equivalents of $845,712, accounts receivable and others of $2,333,134, and prepaid expenses and other assets of $706,398 for a total of $3,885,244 compared to $4,894,982 at December 31, 2011. The decrease in current assets is a result of payment of some transaction related expenses, offset by the collection of receivables.

The Corporation has a working capital deficit of $(61,926) at March 31, 2012 as compared to $829,689 of working capital at December 31, 2011. This decrease is primarily attributable to the increase in accounts payable related to transaction costs in 2012. A significant portion of the payables related to the transaction have been deferred with the consent of the suppliers to be paid upon closing of the private placement and the transaction. With current cash balances and customer contracts, management expects to be able to fund future operations for at least another year for the following reasons:

- Clients like Farmers have added high margin license revenue and have started to generate positive operating cash flow in the Symbility division.
- Clients from Symbility's newly acquired claim business will generate additional revenue and cash flow to the Corporation.
- Adjudicare has certain existing clients such as Sirius and new clients such as Sure Path Group and Seventh-day Adventist Church which are expected to continue to add incremental volume to the software with minimal additional costs, other than cost of sales.
- The Corporation received additional working capital from the issuance of common shares to the MSB Group at the closing date, offset by the payment of a one-time dividend.

- The closing of the Transaction was neutral to the Corporation’s working capital due to the receipt of a cash payment equal to any working capital shortfall in the Transaction.

Commitments

As part of the recent Transaction, the Corporation has entered into a transition services agreement which will require future payments to support the business operations.

As of April 10, 2012, the Corporation has entered into a four-year transition services agreement with MSB with an annualized commitment of $1,017,000. The termination of the agreement is subject to the earlier of i) the time when no customers of the MSB claim business or the new claims business are using certain existing MSB products, ii) four (4) years following the effective date which is on April 10, 2012 and iii) portions of the agreement upon 90 days’ notice .

Capital Expenditure Plan

Management has decided that it is essential to invest in additional computer equipment and software to increase hosting capacity to support the growth of the Corporation. As well additional property and equipment will be required as the Corporation integrates the MSB acquisition.

After March 31, 2012, the Corporation has entered into commitments for capital expenditures under this plan of approximately $65,000.

Off Balance Sheet Arrangements

The Corporation did not enter into any off balance sheet arrangements during the period ended March 31, 2012 and has not done so historically.

Related Party Transactions

On July 29, 2011, the Corporation agreed to loan $40,000 to its Chief Executive Officer. This promissory note matures on April 30, 2012 with an annual interest rate of 2.5%. The loan of $40,000 was secured by 150,943 shares of the Corporation owned by the Chief Executive Officer which on December 31, 2011 had a market value of $40,755. On March 30, 2012, the Corporation's Chief Executive Officer repaid the promissory note for $40,000 plus $677 in accrued interest. The Corporation subsequently returned 150,943 common shares of the Corporation that had been held as collateral to secure the loan to the Chief Executive Officer.

For the three-month period ended March 31, 2012, the Corporation expensed $65,375 (March 31, 2011 - $20,500) for services provided by the Directors of the Corporation.

For the three-month period ended March 31, 2012, the Corporation issued 195,374 common shares with an estimated weighted average fair value of $0.35 per share for an aggregate value of $68,381 to the Directors of the Corporation for services provided in 2011. The issuance of these common shares to the Directors was approved by the TSX Venture Exchange. The estimated fair value was determined based on the share price on the date of issuance.

On March 1, 2012, 300,000 options were granted to the Directors of the Corporation in accordance with the Corporation’s stock option plan. Each option entitles its holder to purchase one common share of the Corporation at a price of $0.35 per share for a period of ten years from the date of grant. The options will vest in three equal tranches with one-third vesting immediately, one-third vesting on the first anniversary of the grant date, and one-third vesting on the second anniversary of the grant date.

On March 28, 2012, 450,000 options were granted to the officers of the Corporation in accordance with the Corporation's stock option plan. Each option entitles its holder to purchase one common share of the Corporation at a price of $0.34 per share for a period of ten years from the date of grant. The options will vest in three equal tranches with one-third vesting immediately, one-third vesting on the first anniversary of the grant date, and one-third vesting on the second anniversary of the grant date.

On May 29, 2012, 250,000 options were granted to an officer of the Corporation in accordance with the Corporation's stock option plan. Each option entitles its holder to purchase one common share of the Corporation at a price of $0.46 per share for a period of ten years from the date of grant. The options will vest in three equal tranches with one-third vesting immediately, one-third vesting on the first anniversary of the grant date, and one-third vesting on the second anniversary of the grant date. The granting of the stock options is subject to regulatory approval.

On May 29, 2012, 4,443,265 restricted shares were granted to certain staff, senior management and Directors of the Corporation in accordance with the Corporation's Restricted Share Plan ("Restricted Shares"). Of these Restricted Shares, 2,823,625 were granted to officers of the Corporation. Each Restricted Share is subject to forfeiture as described below. For Canadian employees, the Corporation has agreed to loan each employee an amount equal to the employee's Canadian income tax liability due upon the grant of the Restricted Share, repayable on terms equivalent to when the risk of forfeiture lapses. The approximate value of these loans is $160,000. There is no tax liability immediately payable for employees based in the United States and therefore no corresponding loan.

The risk of forfeiture of the Restricted Share lapses in accordance with the terms of the Restricted Share Plan. Each grant consists of three equal tranches with different forfeiture criteria. Tranche 1 of the Restricted Shares will have 20% of the risk of forfeiture lapse on each anniversary of the date of grant. Tranche 2 of the Restricted Shares will have the risk of forfeiture lapse upon the achievement of certain performance goals related to the integration of the operations of the Corporation and the Transaction over a period not to exceed two years from the Closing Date. Tranche 3 of the Restricted Shares will have 20% of the risk of forfeiture lapse equally over 5 years upon the achievement of certain financial performance based targets.

All of the above transactions with the Directors of the Corporation were recorded at the exchange amount.

Changes in accounting policies

International Financial Reporting Standards ("IFRS")

The Corporation has adopted IFRS as its basis of financial reporting commencing with the audited consolidated financial statements for the year ended December 31, 2011 and comparative periods are reported under IFRS. The Corporation's transition to IFRS is January 1, 2010. Previously, the Corporation prepared its annual consolidated financial statements in accordance with Canadian GAAP.

The adoption of IFRS has an impact on the Corporation's statements of financial position and statements of loss and comprehensive loss. For details, please refer to Note 21 in the audited consolidated financial statements for years ended December 31, 2011 and 2010.

Exemptions applied under IFRS 1

IFRS 1 provides the framework for the first-time adoption of IFRS and outlines that, in general, an entity shall apply the principles under IFRS retrospectively and that adjustments arising on conversion to IFRS shall be directly recognized in retained earnings. However, IFRS 1 also provides a number of optional exemptions from retrospective application of certain IFRS requirements as well as mandatory exceptions which prohibit retrospective application of standards. The following exemptions were applied in the preparation of the Corporation's opening balance sheet dated January 1, 2010.

i) Estimates - Hindsight is not used to create or revise estimates. The estimates previously made by the Company under Canadian GAAP were not revised for application of IFRS except where necessary to reflect any difference in accounting policies.

ii) Share-based payments - IFRS 2, Share-based Payments, encourages application of its provisions to equity instruments granted on or before November 7, 2002, but permits the application only to equity instruments granted after November 7, 2002 that had not vested by the Transition Date. The Corporation elected to avail itself of the exemption provided under IFRS 1 and applied IFRS 2 for all equity instruments granted after November 7, 2002 that had not vested by its Transition Date.

Impact of IFRS transition

As a result of the transition from Canadian GAAP to IFRS, there has not been a material impact on the consolidated financial statements of the Corporation.

Share-based payments

Under Canadian GAAP, awards with graded vesting provisions are treated as a single award for both measurement and recognition purposes. IFRS 2 requires such awards to be treated as a series of individual awards, with compensation measured and recognized separately for each tranche of options within a grant that has a different vesting date.

Under Canadian GAAP, compensation is recognized assuming all options will vest and adjusted as forfeitures occur. IFRS 2 requires an estimate of forfeitures to be reflected in the amount of compensation recognized.

Under IFRS, an estimate of forfeitures must be factored into the calculation of periodic compensation expense. Compensation costs are accrued based on the best estimate of the number of options expected to vest using the Black-Scholes model. Revisions are made to that estimate if subsequent information indicates that actual forfeitures are likely to differ from initial estimates. Also, under IFRS, the fair value of each tranche within a share-based award is treated as a separate award with the fair value determined separately and recognized as compensation expense over the term of its respective vesting period. Accordingly, upon the transition to IFRS, the Corporation recorded a fair value adjustment of $19,773 as at January 1, 2010 to decrease the contributed surplus with a corresponding charge to deficit. As at December 31, 2010, an additional fair value adjustment of $17,107 was recorded.

IFRS reclassification

Under IFRS, the Corporation elected to present expenses in the consolidated statements of financial position and consolidated statements of loss and comprehensive loss using a classification based on their function.

Changes in accounting policies not yet adopted

The following accounting pronouncements that have been released but have not yet been adopted by the Corporation:

Financial instruments

IFRS 9 as issued reflects the IASB’s work to date on the replacement of IAS 39, and applies to classification and measurement of financial assets and financial liabilities as defined in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of its financial assets. The standard is effective for annual periods beginning on or after January 1, 2015. In subsequent phases, the IASB will address impairment and hedge accounting. The Corporation is evaluating the impact of adopting IFRS 9 on the consolidated financial statements.

Financial Instruments – Disclosures

In December 2011, the IASB issued amendments to the disclosure requirements in IFRS 7, Financial Instruments: Disclosures ("IFRS 7"). The amendments require information about all recognized financial instruments that are set off in accordance with paragraph 42 of IAS 32, Financial Instruments - Presentation ("IAS 32"). The amendments also require disclosure of information about recognized financial instruments subject to enforceable master netting arrangements and similar agreements even if they are not set off under IAS 32. These amendments are effective for annual periods beginning on or after January 1, 2013. The Corporation is evaluating the impact of adopting IFRS 7 on the consolidated financial statements.

Consolidated financial statements

In May 2011, the IASB issued IFRS 10, Consolidated Financial Statements ("IFRS 10"). IFRS 10, which replaces the consolidation requirements of SIC-12 Consolidation – Special Purpose Entities and IAS 27, Consolidation and Separate Financial Statements, and establishes principles for the presentation and preparation of consolidated financial statements when an entity controls one or more entities. This new standard is effective for the Corporation's interim and annual consolidated financial statements commencing on or after January 1, 2013. The Corporation is evaluating the impact of adopting IFRS 10 on the consolidated financial statements.

Fair value measurement

IFRS 13, "Fair value measurement" ("IFRS 13") provides guidance on how to measure fair value of financial and non-financial assets and liabilities when fair value is required or permitted per IFRS. While many of the concepts in IFRS 13 are consistent with current practice, certain principles could have a significant effect on some entities adopting the standard. IFRS 13 is effective January 1, 2013 and will be adopted prospectively. The Corporation is evaluating the impact of adopting IFRS 13 on the consolidated financial statements.

Presentation of Financial Statements

In June 2011, the IASB amended "Presentation of Financial Statements" ("IAS 1") by revising how certain items are presented in other comprehensive income. Items within other comprehensive income that may be reclassified to profit and loss will be separated from items that will not. The standard is effective for financial years beginning on or after July 1, 2012 with early adoption permitted.
In December 2011, the IASB issued amendments to IAS 32, Financial Instruments – Presentation ("IAS 32"). The amendments require entities to disclose gross amounts subject to rights of set-off, amounts set off in accordance with the accounting standards followed, and the related net credit exposure. This information will help investors understand the extent to which an entity has set off in its financial position and the effects of rights of set-off on the entity's rights and obligations. These amendments are effective for annual periods beginning on or after January 1, 2014 and are required to be applied retrospectively. The Corporation is currently assessing the impact of the amendment on the consolidated financial statements.

Deferred Tax: Recovery of Underlying Assets

In December 2010, the IASB issued amendments to IAS 12, Income Taxes ("IAS 12") as Deferred Tax: Recovery of Underlying Assets – Amendments to IAS 12. The amendments provide an exception to the general principle in IAS 12 that the measurement of deferred tax assets and deferred tax liabilities should reflect the tax consequences that would follow from the manner in which the entity expects to recover the carrying amount of an asset. These amendments are effective for annual periods beginning on or after January 1, 2012. The Corporation is evaluating the impact of adopting IAS 12 on the consolidated financial statements.

Disclosure of interests in other entities

In May 2011, the IASB issued IFRS 12, Disclosure of Interests in Other Entities ("IFRS 12"). IFRS 12 is a new and comprehensive standard on disclosure requirements for all forms of interests in other entities, including subsidiaries, joint arrangements, associates and unconsolidated structured entities. This new standard is effective for the Corporation's interim and annual consolidated financial statements commencing on or after January 1, 2013. The Corporation is evaluating the impact of adopting IFRS 12 on the consolidated financial statements.

Disclosure of Outstanding Share Data

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

EQUITY SECURITY	**NUMBER OUTSTANDING MAY 29, 2012**
Common Shares	178,263,671
Restricted Shares	4,443,265
Stock Options[3]	9,740,531

On January 25, 2012, the Corporation and MSB, a wholly-owned subsidiary of Decision Insight, announced that they entered into a definitive arm's length agreement under which the Corporation will acquire MSB's claims division (the "Transaction") in exchange for the issuance to Decision Insight of such number of common shares of the Corporation ("Common Shares") as is equal to 30 percent of the Common Shares issued and outstanding immediately following such issuance, after adjusting for issued and outstanding options to acquire Common Shares ("Options").

In addition, in connection with the Transaction, Decision Insight has agreed to purchase by way of private placement at a price of $0.27 per Common Share (the "Private Placement") a further number of Common Shares equal to 3.29% of the Common Shares issued and outstanding immediately following the issuance of Common Shares to Decision Insight pursuant to both the Transaction, after adjusting for issued and outstanding Options. Following completion of the Transaction Decision Insight will become the largest shareholder of Automated Benefits, with 33.29 percent of the Common Shares, including Common Shares issuable upon the exercise of Options.

On March 27, 2012, each of the resolutions required to constitute the Transaction were approved by a majority of the votes cast by the Corporation's shareholders present in person or represented by proxy at the special meeting held by the Corporation. The Transaction closed on April 10, 2012.

On April 10, 2012, the Corporation issued 52,189,286 common shares with a fair value of $0.35 per share for an aggregate value of $18,266,650 to Decision Insight related to the Transaction. The issuance of these common shares to Decision Insight was approved by the TSX Venture Exchange. The fair value was determined based on the closing date of the transaction.

On April 10, 2012, the Corporation issued 7,021,530 common shares to Decision Insight related to the Private Placement in connection to the Transaction. The private placement has a price of $0.27 per

[3] Includes 270,000 options that were granted on May 29, 2012 to an officer and an employee of the Corporation in accordance with the Corporation's stock option plan.

Common Share for an aggregate purchase value of $1,895,813. The issuance of these common shares to Decision Insight was approved by the TSX Venture Exchange.

On April 11, 2012, with a portion of the proceeds from the Private Placement, the Corporation distributed a cash dividend in the amount of $0.01 per Common Share totaling $1,186,529 to shareholders of record as at the close of business on April 9, 2012.

On May 29, 2012, 4,443,265 restricted shares were granted to certain staff, senior management and Directors of the Corporation in accordance with the Corporation's Restricted Share Plan ("Restricted Shares"). Of these Restricted Shares, 2,823,625 were granted to officers of the Corporation. Each Restricted Share is subject to forfeiture as described below. For Canadian employees, the Corporation has agreed to loan each employee an amount equal to the employee's Canadian income tax liability due upon the grant of the Restricted Share, repayable on terms equivalent to when the risk of forfeiture lapses. The approximate value of these loans is $160,000. There is no tax liability immediately payable for employees based in the United States and therefore no loan.

Financial Instruments and Risk Management

The Corporation's financial instruments consist of accounts receivable, accounts payable and accrued liabilities and finance 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, the United States and the United Kingdom, and is therefore exposed to foreign currency risk. As at March 31, 2012, the fluctuation of the U.S. dollar of 1% will result in a gain or loss of approximately $26,000 in net loss and comprehensive loss. The Corporation's exposure to foreign currency changes for all other currencies is not material. With the acquisition of the MSB Claims business and the growth in US revenue, this exposure may increase in future quarters.

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. In the first quarter of 2012 and 2011, as indicated in the Corporation's interim consolidated financial statements and related notes for the period ended March 31, 2012, no single customer of Adjudicare accounted for 10% or more of the Corporation's revenue. In the first quarter of 2012, there were two customers of Symbility which each accounted for more than 10% of the Corporation's revenue. In the first quarter of 2011, there were two customers of Symbility which accounted for more than 10% of the Corporation's revenue.

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, managing cash from operations, and through the raising of equity financing. The negative working capital and equity at March 31 was a result of significant acquisition costs being incurred in the past two quarters. A number of professional service providers on the Transaction agreed to extended payment terms to coincide with the closing of the Transaction. In addition, the private placement referred to above, net of the dividend, increased working capital subsequent to the end of the quarter. This met the Corporation's objective of managing liquidity risk.

Risks and Uncertainties

Readers are referred to risk factors found in the Corporation's December 31, 2011 MD&A filed April 26, 2012 on SEDAR, which is available in electronic form at www.sedar.com.