

## 2016 STOCK OPTION PLAN

Genius Properties Ltd. (formerly, Synergy Acquisition Corp.)

### ARTICLE 1 PURPOSE OF PLAN

1.1 The purpose of this stock option plan (the “**Plan**”) of Genius Properties Ltd. (the “**Corporation**”), a corporation incorporated under the *Canada Business Corporations Act*, is to advance the interests of the Corporation by encouraging the directors, employees and consultants of the Corporation and of its subsidiaries or affiliates, if any, by providing them with the opportunity, through options, to acquire common shares in the share capital of the Corporation (the “**Shares**”), thereby increasing their proprietary interest in the Corporation, encouraging them to remain associated with the Corporation and furnishing them with additional incentive in their efforts on behalf of the Corporation in the conduct of its affairs.

### ARTICLE 2 ADMINISTRATION OF PLAN

2.1 The Plan shall be administered by the board of directors of the Corporation or by a special committee of the directors appointed from time to time by the board of directors of the Corporation pursuant to rules of procedure fixed by the board of directors (such committee or, if no such committee is appointed, the board of directors of the Corporation is hereinafter referred to as the “**Board**”).

2.2 Subject to the provisions of the Plan, the Board may

- (a) grant options to purchase shares to persons eligible, employees, consultants, employees of management companies or directors;
- (b) determine the terms, limitations, restrictions and conditions of such awards;
- (c) when deemed appropriate, interpret the Plan and all option agreements entered into thereunder, define the terms used in the Plan and in all option agreements entered into thereunder, prescribe and amend and rescind rules and regulations relating to the Plan.
- (d) take other decisions and do all necessary actions for the implementation and management of the plan. All determinations and interpretations made by the Board shall be binding and conclusive on all Optionees (as defined herein) under the Plan and on their legal personal representatives and beneficiaries.

2.3 Each option to purchase Shares (an “**Option**”) granted hereunder may be evidenced by an agreement in writing, signed on behalf of the Corporation and by the Optionee (as defined

herein), in such form as the Board shall approve, and each such agreement shall recite that it is subject to the provisions of this Plan (each such agreement being an “**option agreement**”).

### **ARTICLE 3 STOCK EXCHANGE RULES**

3.1 All Options granted pursuant to this Plan shall be subject to rules and policies of the Canadian Securities Exchange (the “**Exchange**”), applicable corporate and securities laws, and rules and policies of any stock exchange or exchanges (other than the Exchange) on which the Shares may be listed on in the future, and any other regulatory body having jurisdiction hereinafter (collectively, “**Applicable Laws**”).

### **ARTICLE 4 SHARES SUBJECT TO PLAN**

4.1 Subject to adjustment as provided in Article 16 hereof, the Shares to be offered under the Plan shall consist of authorized but unissued Shares of the Corporation. The maximum number of shares that may be issued under the Plan is ten percent (10%) of the outstanding shares of the Corporation at the time of allocation of the Option. The maximum number of shares that can be reserved for a beneficiary under the Plan is five percent (5%) of the number of Shares issued and outstanding on the grant date (on a non-diluted basis) less the total number of shares already reserved for issuance to such person under any other option to purchase treasury shares granted as incentive or compensation. Any share which is subject to an option which for any reason whatsoever has been cancelled or ended before being lifted, will again be available under the Plan.

### **ARTICLE 5 MAINTENANCE OF SUFFICIENT CAPITAL**

5.1 The Corporation shall at all times during the term of the Plan keep available such numbers of Shares as will be sufficient to satisfy the requirements of the Plan.

### **ARTICLE 6 ELIGIBILITY AND PARTICIPATION**

6.1 Directors, consultants and employees (and any other person that the Board wishes to grant stock options to) of the Corporation or any of its subsidiaries, and employees of a person or company which provides management services to the Corporation or any of its subsidiaries (“**Management Company Employee(s)**”) shall be eligible for selection to participate in the Plan (collectively, the “**Optionees**” and individually, an “**Optionee**”). Subject to compliance with Applicable Laws, Optionees may elect to hold Options granted to them in an incorporated entity wholly-owned by them and such entity shall be bound by the Plan in the same manner as if the Options were held by the Optionee.

6.2 Subject to the terms hereof, the Board shall determine to whom Options shall be granted, the terms and provisions of the respective option agreements, the time or times at which such Options shall be granted and vested, and the number of Shares to be subject to each option.

6.3 The Corporation represents that, in the event that the Corporation wishes to grant Options under the Plan to any director, employee, consultant, or Management Company Employees, it will only grant such Options to Optionees who are bona fide directors, employees, consultants, or Management Company Employees, as the case may be.

6.4 An Optionee who has been granted an Option may, if such Optionee is otherwise eligible, and if permitted under Applicable Laws, be granted an additional Option or Options if the Board shall so determine.

## **ARTICLE 7 EXERCISE PRICE**

7.1 The exercise price of the Shares shall be determined by the Board, subject to applicable Exchange approval, at the time any Option is granted. In no event shall such exercise price be lesser than:

- (a) the closing share price the day preceding the grant on the stock exchanges where they are traded or off-exchange (if they are traded on any exchange), or
- (b) if there were no transactions, the average of the closing bid and closing price seller the day before the grant. The exercise price of options will be subject to adjustments under Article 16 below.

7.2 Once the exercise price has been determined by the Board and accepted by the Exchange and the Option has been granted, the exercise price of an Option may be reduced upon receipt of Board approval and in compliance with the rules and policies of the Exchange and other Applicable Laws.

## **ARTICLE 8 NUMBER OF OPTIONED SHARES**

8.1

(a) The number of Shares subject to an option granted to any one Optionee shall be determined by the Board, but no one Optionee shall be granted an Option which exceeds the maximum number permitted by the Exchange.

(b) No single Optionee, who is considered an Insider, as that term is defined by the *Securities Act* (Quebec), Related Person, as that term is defined by the Exchange, or is otherwise similarly constrained to such persons due to the application of Applicable Laws, may be granted Options to purchase a number of Shares equaling more than 5% of the issued Shares of the Corporation in any twelve-month period, or more than 5% of the

outstanding securities of the Corporation, calculated on a fully diluted basis, unless the Corporation meets requirements under Applicable Laws including applicable Exchange requirements.

(c) Optionees, in the aggregate, who are considered Insiders, as that term is defined by the *Securities Act* (Quebec), Related Persons, as that term is defined by the Exchange, or are otherwise similarly constrained to such persons due to the function of Applicable Laws, may not be granted Options to purchase a number of Shares equaling more than ten percent (10%) of the issued Shares of the Corporation in any twelve-month period, or equaling more than ten percent (10%) of the securities of the issuer, calculated on a fully diluted basis, unless the Corporation meets requirements under Applicable Laws including applicable Exchange requirements.

(d) Options shall not be granted if the exercise thereof would result in the issuance of more than 2% of the issued Shares of the Corporation in any twelve-month period to any one consultant of the Corporation (or any of its subsidiaries).

(e) Options shall not be granted if the exercise thereof would result in the issuance of more than two percent (2%) of the issued Shares of the Corporation in any twelve-month period to employees conducting Investor Relations Activities (as such term is defined in the policies of the Exchange). Options granted to persons performing Investor Relations Activities will contain vesting provisions such that vesting occurs over at least twelve months with no more than  $\frac{1}{4}$  of the Options vesting in any three-month period.

## **ARTICLE 9 DURATION OF OPTION**

9.1 Each Option and all rights thereunder shall be expressed to expire on the date set out in the option agreement for each Optionee and shall be subject to earlier termination as provided in Article 11 and hereof, provided that in no circumstances shall the duration of an Option exceed the maximum term permitted by the Exchange. For greater certainty, the policies of the Exchange provide that the maximum term may not exceed ten (10) years from the date of grant.

## **ARTICLE 10 OPTION PERIOD, CONSIDERATION AND PAYMENT**

10.1

(a) Subject to Article 9.1, the Option period shall be a period of time fixed by the Board, provided that the Option period shall be reduced with respect to any Option as provided in Article 11 and Article 12 covering cessation as a director, consultant, employee, or Management Company Employee of the Corporation or any of its subsidiaries or death of the Optionee.

(b) Subject to any vesting restrictions imposed by the Exchange, the Board may, in its sole discretion, determine the time during which Options shall vest and the method of vesting, or that no vesting restriction shall exist.

(c) Subject to any vesting restrictions imposed by the Board, Options may be exercised in whole or in part at any time and from time to time during the Option period.

(d) Except as set forth in Article 11 and Article 12, no Option may be exercised unless the Optionee is at the time of such exercise a director, consultant, or employee of the Corporation or any of its subsidiaries or a Management Company Employee of the Corporation or any of its subsidiaries.

(e) The exercise of any Option will be contingent upon receipt by the Corporation at its head office of a written notice of exercise, addressed to the chief financial officer of the Corporation, specifying the number of Shares with respect to which the Option is being exercised, accompanied by cash payment, certified cheque or bank draft for the full purchase price of such Shares with respect to which the Option is exercised. Certificates for such Shares shall be issued and delivered to the Optionee within a reasonable time following the receipt of such notice and payment. Neither the Optionee nor his legal representatives, legatees or distributees will be, or will be deemed to be, a holder of any Shares of the Corporation unless and until the certificates for the Shares issuable pursuant to Options under the Plan are issued to him or them under the terms of the Plan and the related option agreement.

(f) Notwithstanding any of the provisions contained in this Plan or in any option agreement, any and all obligations of the Corporation whatsoever to issue Shares to an Optionee pursuant to the exercise of an Option and/or this Plan shall at all times be subject to:

(i) completion of such registration or other qualification of such Shares, and obtaining approval of such governmental authority as the Corporation shall determine to be necessary or advisable in connection with the authorization, issuance or sale thereof;

(ii) the Corporation being satisfied that the issuance of such Shares shall not (whether with notice or the passage of time or both) breach, violate or be contrary to any of its constating documents, partnership agreements, applicable laws, regulations, stock exchange rules and policies, and other agreements to which it is a party;

(iii) the admission of such Shares to listing on any stock exchange on which the Shares may then be listed; and

(iv) the receipt from the Optionee of such representations, agreements and undertakings, including as to future dealings in such Shares, as the Corporation or its counsel determines to be necessary or advisable in order to safeguard against the violation of the securities laws of any jurisdiction and Applicable Laws.

In connection therewith, the Corporation shall, to the extent necessary, take all reasonable steps to obtain such approvals, registrations and qualifications as may be necessary for the issuance of such Shares in compliance with applicable securities laws and for the listing of such Shares on any stock exchange on which the Shares are then listed.

## **ARTICLE 11**

### **CEASING TO BE A DIRECTOR, OFFICER, CONSULTANT OR EMPLOYEE**

11.1 Subject to Section 11.2, if an Optionee ceases to be a director, employee, consultant, or Management Company Employee of the Corporation or any of its subsidiaries as a result of having been dismissed from any such position for cause, all unexercised Option rights of that Optionee under the Plan shall immediately become terminated and shall lapse, notwithstanding the original term of the Option granted to such Optionee under the Plan and under that Optionee's option agreement.

11.2 If an Optionee ceases to be either a director, employee, consultant, or Management Company Employee of the Corporation or any of its subsidiaries for any reason other than as a result of having been dismissed for cause as provided in Section 11.1 or as a result of the Optionee's death, such Optionee shall have the right for a period of ninety (90) days (or until the normal expiry date of the Option rights of such Optionee if earlier) from the date of ceasing to be either a director, employee, consultant, or Management Company Employee to exercise his Option under the Plan to the extent that the Optionee was entitled to exercise it on the date of ceasing to be either a director, employee, consultant, or Management Company Employee. Upon the expiration of such ninety (90) day period all unexercised Option rights of that Optionee shall immediately become terminated and shall lapse, notwithstanding the original term of the Option granted to such Optionee under the Plan and under that Optionee's option agreement.

11.3 If an Optionee engaged in providing Investor Relations Activities to the Corporation ceases to be employed in providing such Investor Relations Activities, such Optionee shall have the right for a period of thirty (30) days (or until the normal expiry date of the Option rights of such Optionee if earlier) from the date of ceasing to provide such Investor Relations Activities to exercise his Option under the Plan to the extent that the Optionee was entitled to exercise it on the date of ceasing to provide such Investor Relations Activities. Upon the expiration of such thirty (30) day period (or the normal expiry date of the Option rights, as applicable) all unexercised Option rights of that Optionee shall immediately become terminated and shall lapse, notwithstanding the original term of the Option granted to such Optionee under the Plan and under that Optionee's option agreement.

11.4 Nothing contained in the Plan, nor in any Option granted pursuant to the Plan in an option agreement, shall as such confer upon any Optionee any right with respect to continuance as a director, consultant, employee, or Management Company Employee of the Corporation or of any of its subsidiaries.

11.5 Options granted to an individual who is a director, employee, consultant, or Management Company Employee of the Corporation shall not be affected by any change of employment of

that individual where the change immediately results in the individual becoming a director, employee, consultant, or Management Company Employee of the Corporation.

## **ARTICLE 12 DEATH OF OPTIONEE**

12.1 In the event of the death of any Optionee, the legal representatives of the deceased Optionee shall have the right for a period of one year (or until the normal expiry date of the Option rights of such Optionee if earlier) from the date of death of the deceased Optionee to exercise the deceased Optionee's Option under the Plan and pursuant to such Optionee's option agreement to the extent that it was exercisable on the date of death. Upon the expiration of such period all unexercised Option rights of the deceased Optionee shall immediately become terminated and shall lapse, notwithstanding the original term of the Option granted to the deceased Optionee under the Plan and option agreement.

## **ARTICLE 13 RIGHTS OF OPTIONEE**

13.1 No person entitled to exercise any Option granted under the Plan shall have any of the rights or privileges of a shareholder of the Corporation in respect of any Shares issuable upon exercise of such Option until certificates representing such Shares shall have been issued and delivered by the Corporation to such person or such person's representative, as applicable.

## **ARTICLE 14 HOLD PERIOD**

14.1 If required by Applicable Laws or by the Exchange any Shares issued upon the exercise of an Option shall be subject to a hold period, and may not be traded for a period of four (4) months plus a day from the date of grant (and/or any other applicable hold period(s)).

## **ARTICLE 15 PROCEEDS FROM SALE OF SHARES**

15.1 The proceeds from the sale of Shares issued upon the exercise of Options shall be added to the general funds of the Corporation and shall thereafter be used from time to time for such corporate purposes as the Board may determine.

## **ARTICLE 16 ADJUSTMENTS**

16.1 If the outstanding Shares of the Corporation are increased, decreased, changed into or exchanged for a different number or kind of shares or securities of the Corporation through re-organization, merger, re-capitalization, re-classification, stock dividend, subdivision, or

consolidation, or other similar transaction, an appropriate and proportionate adjustment shall be made by the Board in its discretion in the number or kind of Shares optioned and the exercise price per Share, as regards previously granted and unexercised Options or portions thereof, and as regards Options which may be granted subsequent to any such change in the Corporation's capital.

Adjustments under this Article shall be made by the Board whose determination as to what adjustments shall be made, and the extent thereof, shall be final, binding and conclusive. No fractional shares shall be required to be issued under the Plan on any such adjustment.

16.2 Upon the liquidation or dissolution of the Corporation, the Plan shall terminate, and any Options granted hereunder shall terminate. In the event of a re-organization, merger or consolidation of the Corporation with one or more corporations as a result of which the Corporation is not the surviving corporation, or upon the sale of substantially all of the property or more than eighty (80%) percent of the then outstanding Shares of the Corporation to another corporation (a "**Change of Control**") all Options granted which have not yet vested shall immediately vest without consideration as to time or any other vesting provision set forth in the Plan or stock option agreement governing such Options, provided that such vesting is not in violation of the then current policies of the Exchange, if applicable, and all Optionees then entitled to exercise Options then outstanding shall have the right at such time immediately prior to consummation of the Change of Control to exercise their Options to the full extent not theretofore exercised. Upon consummation of the Change of Control, the Plan shall terminate and any Options theretofore granted hereunder that remain unexercised upon termination shall also terminate.

## **ARTICLE 17 TRANSFERABILITY**

17.1 All benefits, rights and Options accruing to any Optionee in accordance with the terms and conditions of the Plan shall not be transferable or assignable unless specifically provided herein or to the extent, if any, permitted by the Exchange. During the lifetime of an Optionee any benefits, rights and Options may only be exercised by the Optionee.

## **ARTICLE 18 AMENDMENT AND TERMINATION OF PLAN**

18.1 Subject to applicable approval of the Exchange, the Board may, at any time, suspend or terminate the Plan. Subject to applicable approval of the Exchange, the Board may also at any time amend or revise the terms of the Plan, provided that no such amendment or revision shall alter the terms of any Options theretofore granted under the Plan, unless allowed under and pursuant to Applicable Laws.



**ARTICLE 19  
NECESSARY APPROVALS**

19.1 The ability of an Optionee to exercise Options and the obligation of the Corporation to issue and deliver Shares in accordance with the Plan is subject to any approvals which may be required from any regulatory authority or stock exchange having jurisdiction over the securities of the Corporation and subject to Applicable Laws. If any Shares cannot be issued to any Optionee for whatever reason, the obligation of the Corporation to issue such Shares shall terminate and any Option exercise price paid to the Corporation will be returned to the Optionee.

**ARTICLE 20  
EFFECTIVE DATE OF PLAN**

20.1 The Plan supersedes any previous regimes. The Plan will be subject to the approval of any necessary regulatory authority as well as that of shareholders. An option granted prior to such approvals will be conditional upon obtaining such approvals and no option may be exercised without such approvals.

**ARTICLE 21  
INTERPRETATION**

21.1 The Plan will be governed by and construed in accordance with the laws of the Province of Quebec and the applicable Federal laws of Canada therein.

21.2 Nothing in this Plan or in any Option shall confer upon any director, employee, consultant, or Management Company Employee any right to continue in the employ of the Corporation or any of its subsidiaries or affect in any way the right of the Corporation or any of its subsidiaries to terminate his employment at any time. Nor shall anything in this Plan or in any Option be deemed or construed to constitute an agreement, or an expression of intent, on the part of the Corporation or any of its subsidiaries to extend the employment of any Optionee beyond the time that he or she would normally be retired pursuant to the provisions of any present or future retirement plan of the Corporation or any of its subsidiaries or beyond the time at which he or she would otherwise be retired pursuant to the provisions of any contract of employment with the Corporation or any of its subsidiaries.

21.3 Nothing in this Plan or any Option shall confer on any Optionee any right to continue providing ongoing services to the Corporation or any of its subsidiaries, or affect in any way the right of the Corporation or any of its subsidiaries to terminate his, her or its contract at any time. Nor shall anything in this Plan, any Option, or option agreement be deemed or construed as an agreement, or an expression of intent, on the part of the Corporation or any of its subsidiaries to extend the time for the performance of the ongoing services beyond the time specified in the contract with any such entity.

21.4 References herein to any gender include all genders.