

IONIC BRANDS CORP.

STATEMENT OF EXECUTIVE COMPENSATION

The following information, dated as of June 29, 2021 is presented by the management of the Company in accordance with Form 51- 102F6V – *Statement of Executive Compensation – Venture Issuers*, and sets forth compensation for the year ended December 31, 2020.

For purposes of this Form:

GENERAL

The following compensation information is provided as required under Form 51-102F6V for Venture Issuers (the “**Form**”), as such term is defined in NI 51-102.

For the purposes of this Statement of Executive Compensation:

“**Company**” means Ionic Brands Corp.;

“**compensation securities**” includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the company or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the company or any of its subsidiaries; and

“**Named Executive Officers**” or “**NEOs**” means each of the following:

- (a) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief executive officer (“**CEO**”), including an individual performing functions similar to a CEO;
- (b) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief financial officer (“**CFO**”), including an individual performing functions similar to a CFO;
- (c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000; and
- (d) each individual who would be a NEO under paragraph (c) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year.

Director and Named Executive Officer Compensation, Excluding Compensation Securities

The following table of compensation, excluding options and compensation securities, provides a summary of the compensation paid by the Company to NEOs and directors of the Company for each of the two most recently completed financial years ended December 31, 2020 and December 31, 2019.

Options and compensation securities are disclosed under the heading “**Stock Options and Other Compensation Securities**” of this Form.

| Table of compensation excluding compensation securities | | | | | | | |
|---|------|---|--------------|----------------------------------|--|--|---------------------------|
| Name and position | Year | Salary, consulting fee, retainer or commission US(\$) | Bonus US(\$) | Committee or meeting fees US(\$) | Value of Perquisites ⁽¹⁾ US(\$) | Value of all other compensation US(\$) | Total Compensation US(\$) |
| John Gorst ⁽²⁾ <i>CEO & Board Chairman, Director</i> | 2020 | 34,000 | Nil | Nil | Nil | 43,900 | 77,900 |
| | 2019 | 273,450 | Nil | 4,500 | Nil | 24,735 | 302,685 |
| Dan Devlin ⁽³⁾ <i>(former) Interim Chief Financial & Chief Operations Officer</i> | 2020 | 87,325 | Nil | Nil | Nil | Nil | 87,325 |
| | 2019 | 164,000 | Nil | Nil | Nil | Nil | 164,000 |
| Christian Struzan ⁽⁴⁾ <i>Chief Marketing Officer & Director</i> | 2020 | 94,000 | Nil | Nil | Nil | Nil | 94,000 |
| | 2019 | 191,650 | Nil | 6,000 | Nil | Nil | 197,650 |
| Andrew Schell ⁽⁵⁾ <i>(Former) Chief Strategies Officer & Director</i> | 2020 | Nil | Nil | Nil | Nil | Nil | Nil |
| | 2019 | 176,000 | Nil | 4,500 | Nil | 77,692 | 258,192 |
| Scott Manson ⁽⁶⁾ <i>(Former) CFO & Counsel</i> | 2020 | Nil | Nil | Nil | Nil | Nil | Nil |
| | 2019 | 120,500 | Nil | Nil | Nil | Nil | 120,500 |
| Johnny Stange ⁽⁷⁾ <i>(Former) Chief Revenue Officer</i> | 2020 | Nil | Nil | Nil | Nil | Nil | Nil |
| | 2019 | 249,139 | Nil | Nil | Nil | 32,665 | 281,804 |
| Rhett Couture ⁽⁸⁾ <i>(Former) VP Business Dev & Interim CFO</i> | 2020 | Nil | Nil | Nil | Nil | 5,000 | 5,000 |
| | 2019 | 98,187 | Nil | Nil | Nil | Nil | 98,187 |
| Bryen Salas ⁽⁹⁾ <i>President & Director</i> | 2020 | 135,253 | Nil | Nil | Nil | Nil | 135,253 |
| | 2019 | 242,907 | 55,889 | 6,000 | Nil | Nil | 304,796 |
| Austin Gorst ⁽¹⁰⁾ <i>VP Sales & Director</i> | 2020 | 91,517 | Nil | Nil | Nil | Nil | 91,517 |
| | 2019 | 140,017 | 44,370 | 6,000 | Nil | Nil | 190,387 |
| M. Carroll Benton ⁽¹¹⁾ <i>(Former) Director</i> | 2020 | Nil | Nil | Nil | Nil | Nil | Nil |
| | 2019 | 8,000 | Nil | 6,000 | Nil | Nil | 14,000 |
| Brian Lofquist ⁽¹²⁾ <i>(Former) Director</i> | 2020 | Nil | Nil | Nil | Nil | Nil | Nil |
| | 2019 | Nil | Nil | 6,000 | Nil | Nil | 6,000 |
| Christian Vara ⁽¹³⁾ <i>Director</i> | 2020 | 121,400 | Nil | Nil | Nil | Nil | 121,400 |
| | 2019 | Nil | Nil | Nil | Nil | Nil | Nil |

Notes:

1. "Perquisites" include perquisites provided to an NEO or director that are not generally available to all employees and that, in aggregate, are: (a) \$15,000, if the NEO or director's total salary for the financial year is \$150,000 or less, (b) 10% of the NEO or director's salary for the financial;

- year if the NEO or director's total salary for the financial year is greater than \$150,000 but less than \$500,000, or (c) \$50,000 if the NEO or director's total salary for the financial year is \$500,000 or greater.
2. John Gorst was appointed CEO and a director on March 22, 2019. Although employed at an annual salary of \$300,000, during the year ended December 31, 2020, Mr. Gorst agreed to a reduced salary of \$120,000. Mr. Gorst received salary of \$34,000 and received 365,833 post share consolidation common shares of the Company in lieu of salary not received. The fair market value of the shares received was \$43,900.
 3. Dan Devlin was initially employed as Chief Operations Officer to oversee the Company's expansion of the edibles market, and then assumed the interim CFO role in November 2019 to assist the Company in completing its public audit. Although employed at an annual salary of \$180,000, during the year ended December 31, 2020, Mr. Devlin agreed to a reduced salary of \$120,000. Mr. Devlin received salary of \$87,325, deferred salary in the amount of \$15,000 and waived salary in the amount of \$17,675. Mr. Devlin resigned from his position as interim CEO on June 1, 2021.
 4. Christian Struzan serves as the Chief of Marketing (CMO) and is Director of the Company. Although employed at an annual salary of \$205,000, during the year ended December 31, 2020, Mr. Struzan agreed to a reduced salary of \$108,000. Mr. Struzan received salary of \$94,000, deferred salary in the amount of \$13,500 and waived salary in the amount of \$500.
 5. Andrew Schell had served as the Chief Strategies Officer and Director and resigned in September 2019.
 6. Scott Manson who was retained as CFO and General Counsel stepped down from the CFO role to serve as General Counsel in third quarter of 2019. Mr. Manson resigned from his position as General Counsel in December 2019.
 7. Johnny Stange serving as Chief Revenue Officer was terminated in November 2019 when unable to fulfill performance expectations and growth goals in the California and Nevada markets.
 8. Rhett Couture was initially employed as the VP of Business Development, to oversee industry growth opportunities, primarily in Canada, and held a brief interim role as CFO in Q3 of 2019 before being terminated in November 2019 for performance issues.
 9. Bryen Salas is a board director and served as Executive Vice President and in September 2019, served as President of a holdings company of the Company. Although he is employed at an annual salary of \$180,000, during the year ended December 31, 2020, Mr. Salas agreed to a reduced salary of \$156,000. Mr. Salas received salary of \$135,253, deferred salary in the amount of \$13,000 and waived salary in the amount of \$7,747.
 10. Austin Gorst previously served as General Sales Manager of the Oregon subsidiary market and in October 2019, assumed Vice President of Sales. Although employed at an annual salary of \$144,000, during the year ended December 31, 2020, Mr. Austin Gorst agreed to a reduced salary of \$96,000. Mr. Austin Gorst received salary of \$91,517, deferred salary in the amount of \$4,000 and waived salary in the amount of \$483.
 11. M. Carroll Benton was a member of the Board of directors from March 2019 to September 25, 2020. Ms. Benton deferred Board compensation of \$1,500.
 12. Brian Lofquist was a member of the Board of directors from March 22, 2019 to September 25, 2020. Mr. Lofquist deferred Board compensation of \$1500.
 13. Christian Vara was appointed to the board of Directors on February 25, 2020. Mr. Vara provides consulting services to the Company and earns a monthly consulting fee of \$15,000 per month.

Stock Option Plan or Other Compensation Plan

10% Rolling Stock Option Plan (Option-Based Awards)

The Company has in place a 10% "rolling" stock option plan dated for reference May 27, 2016 (the "**Option Plan**"), which was last approved by Shareholders at the Company's annual general and special meeting held on March 8, 2021.

The Option Plan was implemented by the Company to provide incentives to directors, officers, senior management and consultants of the Company and to enable the Company to attract and retain experienced and qualified individuals in those positions by permitting such individuals to directly participate in an increase common share value created for the Shareholders. The Company currently has no equity compensation plans other than the Option Plan. The Option Plan is a part of the Company's long-term incentive strategy for its executive officers. The Option Plan is intended to reinforce commitment to long-term profitability and Shareholder value.

All option grants are recommended by the Corporate Governance Committee and Compensation Committee and approved by the Board of Directors. Stock option grants are dependent on each recipient's level of responsibility, authority and importance to the Company and the degree to which such executive officer's long-term contribution will be key to the Company's long-term success. Previous grants of stock options are taken into account when considering new grants. In addition to recommending the number of stock options to be granted, the Compensation Committee also makes the following determinations:

- the recommended exercise price for each option granted;
- the date on which each option is granted;
- the vesting terms for each option; and
- any other material terms and conditions of each option grant.

The Compensation Committee makes these determinations subject to, and in accordance with, the provisions of the Option Plan.

Material Terms of the Option Plan

- (a) the number of shares reserved for issue pursuant to options granted to participants who are Insiders (as such term is defined in the Option Plan) shall not exceed 10% of the number of shares then outstanding;
- (b) the grant to Insiders within a 12-month period, of a number of Options exceeding 10% of the outstanding Common Shares;
- (c) the grant to any one optionee within a 12-month period, of a number of Options exceeding 5% of the issued and outstanding Common Shares unless the Company obtains the requisite disinterested shareholder approval;
- (d) the grant to all persons engaged by the Company to provide investor relations activities, within any 12-month period, of Options reserving for issuance a number of Common Shares exceeding in the aggregate 2% of the Company's issued and outstanding Common Shares; or
- (e) the grant to any one consultant, in any 12-month period, of Options reserving for issuance a number of Common Shares exceeding in the aggregate 2% of the Company's issued and outstanding Common Shares.

The directors may amend or discontinue the Option Plan at any time, provided that no such amendment may, without the consent of the Optionee, alter or impair any option previously granted to an optionee under the Option Plan and provided further that any amendment to the Option Plan will require the prior consent of the CSE, if applicable. Pursuant to the Board's authority to govern the implementation and administration of the Option Plan, all previously granted and outstanding stock options shall be governed by the provisions of the Option Plan.

Stock Options and Other Compensation Securities

The following table sets forth incentive stock options (option-based awards) pursuant to the Company's share option plan that were outstanding to NEOs and directors of the Company who were not NEOs during financial year ended December 31, 2020.

| Compensation Securities | | | | | | | |
|--|-------------------------------|---|------------------------|--|--|---|-----------------|
| Name and position | Type of compensation security | Number of compensation securities, number of underlying securities, and percentage of class | Date of issue or grant | Issue, conversion or exercise price (\$) | Closing price of security or underlying security on date of grant (\$) | Closing price of security or underlying security at year end (\$) | Expiry date |
| John Gorst <i>CEO, Board Chairman & Director</i> | Performance warrants | 2,408,000 | March 22, 2019 | \$0.05 | N/A | \$0.02 | June 30, 2021 |
| | Stock Options | 126,000 | April 11, 2019 | \$0.68 | \$0.62 | \$0.02 | April 12, 2024 |
| | Stock Options | 200,000 | August 16, 2019 | \$0.20 | \$0.145 | \$0.02 | August 16, 2024 |
| Dan Devlin <i>(former) Interim CFO & Chief Operations Officer</i> | Stock Options | 50,000 | April 11, 2019 | \$0.68 | \$0.62 | \$0.02 | April 12, 2024 |
| | Stock Options | 50,000 | August 16, 2019 | \$0.20 | \$0.145 | \$0.02 | August 16, 2024 |
| Christian Struzan <i>Chief Marketing Officer & Director</i> | Performance warrants | 2,008,000 | March 22, 2019 | \$0.05 | N/A | \$0.02 | June 30, 2021 |
| | Stock Options | 129,000 | April 11, 2019 | \$0.68 | \$0.62 | \$0.02 | April 12, 2024 |
| | Stock Options | 200,000 | August 16, 2019 | \$0.20 | \$0.145 | \$0.02 | August 16, 2024 |
| Andrew Schell <i>(Former) Chief Strategies Officer & Director</i> | Performance warrants | 2,408,000 | March 22, 2019 | \$0.05 | N/A | \$0.02 | June 30, 2021 |
| | Stock Options | 126,000 | April 11, 2019 | \$0.68 | \$0.62 | \$0.02 | April 12, 2024 |
| | Stock Options | 200,000 | August 16, 2019 | \$0.20 | \$0.145 | \$0.02 | August 16, 2024 |
| Scott Manson <i>(Former) CFO & Counsel</i> | Stock Options | 129,000 | April 11, 2019 | \$0.68 | \$0.62 | \$0.02 | April 12, 2024 |
| Johnny Stange <i>(Former) Chief Revenue Officer</i> | Performance warrants | 100,000 | March 22, 2019 | \$0.05 | N/A | \$0.02 | June 30, 2021 |
| | Stock Options | 129,000 | April 11, 2019 | \$0.68 | \$0.62 | \$0.02 | April 12, 2024 |
| Rhett Couture <i>(Former) VP Business Dev Interim CFO</i> | Stock Options | 60,000 | April 11, 2019 | \$0.68 | \$0.62 | \$0.02 | April 12, 2024 |
| | Stock Options | 500,000 | August 16, 2019 | \$0.20 | \$0.145 | \$0.02 | August 16, 2024 |
| Bryen Salas <i>President & Director</i> | Performance warrants | 1,908,000 | March 22, 2019 | \$0.05 | N/A | \$0.02 | June 30, 2021 |
| | Stock Options | 129,000 | April 11, 2019 | \$0.68 | \$0.62 | \$0.02 | April 12, 2024 |

| | | | | | | | |
|--|----------------------|-----------|-----------------|--------|---------|--------|-----------------|
| | Stock Options | 200,000 | August 16, 2019 | \$0.20 | \$0.145 | \$0.02 | August 16, 2024 |
| Austin Gorst <i>Vice-President & Director</i> | Performance warrants | 1,908,000 | March 22, 2019 | \$0.05 | N/A | \$0.02 | June 30, 2021 |
| | Stock Options | 129,000 | April 11, 2019 | \$0.68 | \$0.62 | \$0.02 | April 12, 2024 |
| | Stock Options | 200,000 | August 16, 2019 | \$0.20 | \$0.145 | \$0.02 | August 16, 2024 |
| M. Carroll Benton <i>(Former) Director</i> | Stock Options | 100,000 | April 11, 2019 | \$0.68 | \$0.62 | \$0.02 | April 12, 2024 |
| | Stock Options | 100,000 | August 16, 2019 | \$0.20 | \$0.145 | \$0.02 | August 16, 2024 |
| Brian Lofquist <i>(Former) Director</i> | Stock Options | 100,000 | April 11, 2019 | \$0.68 | \$0.62 | \$0.02 | April 12, 2024 |
| | Stock Options | 100,000 | August 16, 2019 | \$0.20 | \$0.145 | \$0.02 | August 16, 2024 |

Exercise of Compensation Securities by NEOs and Directors

There were no compensation securities exercised by NEOs and directors of the Company during financial year ended December 31, 2020.

Employment, Consulting and Management Agreements

The following are summaries of the material terms of each agreement under which compensation was provided to NEOs during the year ended December 31, 2020.

Overview of individual contracts

John Gorst agreed to serve as the Chief Executive Officer (CEO) and Board Chairman executed an employment contract in August 2019, following his successful plight of taking Blacklist Holdings Inc. Holdings Inc. public. His initial contract enforces the term of one year from the effective date to continue until the Company exercises its right of non-renewal. His employment agreement with the Company provides for an annual salary of US\$300,000, and as long as he is in good standing, he is eligible for a bonus up to 50% of his base salary, pro-rated for the first partial year after effective date and paid within 2.5 months after the end of the applicable calendar/fiscal year as recommended by the Compensation Committee and approved by the Board.

Dan Devlin initially employed as Chief Operations Officer and then assumed Interim CFO under a contract he entered as Chief Operations Officer at an annual salary of US\$180,000.

Christian Struzan serves as Chief Marketing Officer and is a Director, under an annual salary of US\$205,000.

Bryen Salas serves as President and is a Director, under an annual salary of US\$180,000.

Austin Gorst serves as Vice President of Sales and is a Director, under an annual salary of US\$144,000.

Benefits on Termination Without Cause or For Good Reason

Each employee may terminate their agreement for good reason or the Company can terminate without cause, or at the end of the initial term where employee and Company are not agreeing to terms for continued employment, such termination entitles employee to receive payment as of the termination date for (i) any unpaid accrued salaries or other contracted compensation, (ii) any earned but unpaid annual bonus, (iii) full 100% vesting of any outstanding Performance Stock Options, (iv) full 100% vesting of any outstanding Performance Warrants, and (v) subject to employee's compliance with any proprietary rights agreement that may be in effect, and their execution, and non-revocation, of a release of claims in favor of the Company, its affiliates and their respective officers and directors in a form provided by the Company (the "Release"), Employee shall be entitled to receive twelve (12) months of Employee's final base salary as severance pay (the "Severance"). No severance will be paid if an employee refuses to sign said release, within (21) days of termination, and with (7) days to revoke release. Severance will be paid in a lump sum less required withholding taxes on the next normal pay period.

Good reason can be executed by the employee following written notice to be provided to the Company regarding existing circumstances whereby the Company has at least (30) days to cure such circumstances in the event of (a) material reduction to base salary of just said employee, and not proportionately across the board of all executives, (b) increased job duties without mutual content or corresponding salary increase, (c) failure by the Company to fund initiatives associated with employee's responsibilities and incentives that extend achievement of goals beyond reasonable expectation, (d) failure by the Company to make timely commitments or decisions for employee to achieve success consistent with job duties and incentives, (e) any material breach by the Company of any provision in the employment agreement. If employee does not terminate their

employment within 90 days after providing notice to Company to cure circumstances and if the Company is unresponsive within this timeframe, employee will be deemed to have waived right to terminate for good reason with respect to such grounds.

Benefits on Change in Control

If the employee’s employment is terminated by the Company for Good Reason or by the Company without Cause (other than on account of employee’s death or disability), in each case within twelve (12) months following a Change in Control, employee shall be entitled to receive payment of (i) any accrued but unpaid base salary as of the termination date, (ii) any earned but unpaid annual bonus as of the termination date, (iii) full (100%) vesting of any outstanding Performance Stock Options and Performance Warrants, and (iv) subject to the employee’s compliance with proprietary rights agreement that may be in effect, and his execution of the Release and such Release becoming effective within the release period, Employee shall be entitled to receive an amount as indicated below in accordance with specific executive contract(s) as severance pay, plus an additional US\$20,000 which payment amount equals the cost of COBRA continuation coverage premiums for group health plan coverage for the employee and its family for one year after the termination date. As specifically addressed in the employment contract, employee is entitled to severance or the change in control sequence, never both events. The employee will be paid in a lump sum, less withholding taxes, on the next regularly occurring payroll period after the last calendar day of the release period.

“Change in Control” means the occurrence of any of the following: (a) one person (or more than one person acting as a group) acquires ownership of stock of the Company that, together with the stock held by such person or group, constitutes more than 50% of the total fair market value or total voting power of the stock of the Company; provided that, a Change in Control shall not occur if any person (or more than one person acting as a group) owns more than 50% of the total fair market value or total voting power of the Company’s stock and acquires additional stock; or (b) the sale of all or substantially all of the Company’s assets (including those assets held by the Company’s subsidiaries); provided that such transaction constitutes a change in the ownership of the Company or a change in the ownership of a substantial portion of the Company’s assets under Section 409A of the Internal Revenue Code of 1986, as amended.

Termination Payment Calculation

The following table presents the incremental payments the Company would have to make to currently employed NEOs if a triggering event occurred as of December 31, 2020:

| Name | Termination Payment on a Without Cause Termination (US\$) | Termination Payment on a Change in Control (US\$) |
|-------------------|--|--|
| John Gorst | \$300,000 | \$500,000 |
| Dan Devlin | \$180,000 | \$200,000 |
| Christian Struzan | \$205,000 | \$240,000 |
| Bryen Salas | \$200,000 | \$220,000 |
| Austin Gorst | \$160,000 | \$220,000 |

Oversight and Description of Director and Named Executive Officer Compensation

Compensation of Directors

Compensation of directors is determined by a recommendation of the Compensation Committee and approval of the Board. Non-executive directors may receive quarterly retainers for meeting specific goals of the Board. Long term incentives (stock options) as granted are based on an existing complement of long-term incentives and corporate performance, as well as to be competitive with other companies of similar size and scope, and industry.

Compensation of Named Executive Officers

The Company's compensation philosophy for NEOs follows three underlying principles:

- (a) to provide compensation packages that encourage and motivate performance.
- (b) to be competitive with other companies of similar industry, size, and scope of operations so as to attract and retain talented executives; and
- (c) to align the interests of its executive officers with the long-term interests of the Company and its shareholders through stock related programs.

When determining compensation policies and individual compensation levels for the Company's NEOs, the Compensation Committee takes into consideration a variety of factors including: understanding of the amount of compensation generally paid in similar industry and relative companies to their executives with like roles and responsibilities; and in consideration of each executive officer's individual performance during the financial year; each executive officer's experience, skills and level of responsibility; the executive's historical compensation and performance within the Company; and existing market standards and technology within the industry. Management presents its recommendations to the Compensation Committee and the Board following the release of the annual financial statements. The Compensation Committee meets annually and on an as-needed basis to finalize NEO compensation matters, with input from management.

In keeping with the Company's philosophy to link executive compensation to corporate performance and to motivate executives to achieve exceptional levels of performance, the Company has adopted a compensation model consisting primarily of base salary, bonus, and "at-risk" compensation comprised of participation in long term incentive plans (stock options), as described below. The Compensation Committee responsibly manages the allocation of compensation using market research on industry, relative HR/personnel data and in consideration of rigorous goals and performance expectations.

Elements of NEO Compensation

Base Salary: The Company's employee NEOs receive an annual base salary and contractor NEOs receive monthly contractual compensation. These compensation plans are reviewed annually to ensure they reflect each respective executive's performance and experience in fulfilling their role and to ensure executive retention. In determining the compensation plan for each NEO, the Compensation Committee and the Board have taken into consideration the Company's understanding of the range of salaries paid to executives, and in consideration of the more arduous and challenging matters relevant to the cannabis industry.

Long Term Incentives (Stock Options): Long term incentives are performance-based grants of stock options. The awards are intended to align executive interests with those of Shareholders by tying compensation to share performance and to assist in retention through vesting provisions. Grants of stock options are based on:

- (a) the executive's performance.
- (b) the executive's level of responsibility within the Company.
- (c) the number and exercise price of options previously issued to the executive; and
- (d) the overall aggregate total compensation package provided to the executive.

Management makes recommendations to the Compensation Committee and the Board concerning the long-term incentives based on the above criteria. Stock options are typically granted on an annual basis in connection with the review of executives' compensation packages. Stock options may also be granted, at the discretion of the Board, throughout the year, as special recognition for extraordinary performance. The Board considers previous grants of options and the overall number of awards that are outstanding relative to the number of outstanding common shares in determining whether to make any new grants and the size and terms of any such grants, as well as the level of effort, time, responsibility, ability, experience, and level of commitment of the NEO.

Annual Bonus: Annual executive bonuses were not paid by the Company during the current fiscal year given the taxing constraints governing cash flow of the Company. The Company pays bonuses based upon the achievement of personal performance objectives established by management and the Company's Compensation Committee and a combination of operating milestones and profitability for the Company overall.

Pension Disclosure

No pension, retirement or deferred compensation plans, including defined contribution plans, have been instituted by the Company and none are proposed at this time.