



Victory Square Technologies Inc.

(the “Company”)

FORM 51-102F6V

STATEMENT OF EXECUTIVE COMPENSATION – Venture Issuers

(financial years ended December 31, 2018 and December 31, 2019)

Dated October 29, 2020

The following information regarding executive compensation is presented in accordance with National Instrument Form 51-102F6V – Statement of Executive Compensation – Venture Issuers (“Form 51-102F6V”). The objective of this disclosure is to communicate the compensation the Company paid, made payable, awarded, granted, gave or otherwise provided to each named executive officer and director for the financial years ended December 31, 2018 and December 31, 2019 and the decision-making process relating to compensation.

Information contained in this Form 51-102F6V is as of December 31, 2019 unless otherwise indicated and all dollar amounts referenced herein are in Canadian Dollars, unless stated otherwise.

GENERAL

For the purpose of this Statement of Executive Compensation:

“Company” means Victory Square Technologies Inc.;

“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;

“NEO” or **“named executive officer”** means each of the following individuals:

- (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 for that financial year; and
- (d) each individual who would be a named executive officer 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;

Based on foregoing definition, during the last completed financial year of the Company, the Company had three (3) NEOs, namely, **Shafin Diamond Tejani**, CEO, **Sheri Rempel**, CFO and Corporate Secretary, and **Vahid Shababi**, Chief Growth Officer.

DIRECTOR AND NEO COMPENSATION

Director and NEO compensation, excluding options and compensation securities

The following table sets forth all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company or its subsidiary, to each NEO and director of the Company, in any capacity, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the NEO or a director of the Company for services provided and for services to be provided, directly or indirectly, to the Company or its subsidiary.

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Shafin Diamond Tejani CEO, President & Director	2019	\$130,000 ⁽¹⁾	Nil	Nil	Nil	Nil	\$130,000
	2018	\$130,000 ⁽¹⁾	Nil	Nil	Nil	Nil	\$130,000
Sheri Rempel ⁽²⁾ CFO and Corporate Secretary, former Director	2019	\$42,030 ⁽³⁾	Nil	Nil	Nil	\$164,124 ⁽³⁾	\$206,154
	2018	\$37,552 ⁽⁴⁾	Nil	Nil	Nil	\$132,288 ⁽⁴⁾	\$169,840
Vahid Shababi ⁽⁵⁾ Chief Growth Officer	2019	\$160,000 ⁽⁶⁾	Nil	Nil	Nil	Nil	\$160,000
	2018	\$80,000 ⁽⁷⁾	Nil	Nil	Nil	Nil	\$80,000
Thomas Mayenknecht Director	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil
Peter Smyrniotis Director	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil
Howard Blank Director	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	\$50,000 ⁽⁸⁾	\$50,000

(1) Shafin Diamond Tejani was compensated for his role as CEO and President \$130,000 in management fees.

(2) Sheri Rempel was appointed CFO and a director of the Company on February 11, 2015. Ms. Rempel was appointed Corporate Secretary on June 4, 2018 and did not stand for re-election at the previous annual meeting of shareholders and ceased to be a director of the Company on June 21, 2018.

(3) Fees paid by the Company and a wholly-owned subsidiary of the Company to a corporation controlled by Sheri Rempel, CFO for full cycle

- bookkeeping, CFO services, corporate secretarial, administration. Of amount paid for services, Ms. Rempel received \$42,030.
- (4) Fees paid by the Company and a wholly-owned subsidiary of the Company to a corporation controlled by Sheri Rempel, CFO for full cycle bookkeeping, CFO services, corporate secretarial, administration. Of amount paid for services, Ms. Rempel received \$37,552.
 - (5) Vahid Shababi was appointed Chief Growth Officer on October 22, 2018.
 - (6) Vahid Shababi was compensated for his role as Chief Growth Officer \$160,000 in management fees.
 - (7) Compensation was paid to Vahid Shababi from the date of appointment until December 31, 2018.
 - (8) Fees paid by the Company to a corporation controlled by Howard Blank.

Stock Options and Other Compensation Securities

The Company did not grant or issue any compensation securities to any director or NEO during the financial year ended December 31, 2019. No compensation securities were outstanding as at December 31, 2019. The Company does not have any share-based awards plans for its NEOs or directors.

Exercise of Compensation Securities by Directors and NEOs

There were no compensation securities exercised by a director or NEO during the financial year ended December 31, 2019.

Stock Option Plans and Other Incentive Plans

The following is a summary of the substantive terms of the Company's current Incentive Stock Option Plan (the "**Stock Option Plan**"). The Stock Option Plan was adopted by the Company's Board of Directors on May 9, 2016, and, subsequently, ratified and approved by the shareholders of the Company at the annual meeting of shareholders held July 13, 2017.

The purpose of this Stock Option Plan is to attract and retain directors, officers, employees and consultants and to motivate them to advance the interests of the Company by affording them with the opportunity to acquire an equity interest in the Company through options granted under the Stock Option Plan to purchase Common Shares. Unless authorized by the shareholders of the Company, the Stock Option Plan, together with all of the Company's other previously established or proposed stock options, stock option plans, employee stock purchase plans or any other compensation or incentive mechanisms involving the issuance or potential issuance of Common Shares, shall not result, at any time, in the number of Common Shares reserved for issuance pursuant to options exceeding 10% of the issued and outstanding shares as at the date of grant of any option under the Stock Option Plan.

The Stock Option Plan contains provisions such that:

- (a) the term of an option cannot exceed ten (10) years from the date of grant;
- (b) no more than 5% of the issued and outstanding shares of the Issuer may be granted to any one individual in any 12-month period;
- (c) no more than 4% of the issued and outstanding shares of the Issuer may be granted to any one consultant in any 12-month period;
- (d) no more than 1% of the issued and outstanding shares of the Issuer may be granted to any one person conducting investor relations activities in any 12-month period;
- (e) options will vest at the discretion of the Company's directors;
- (f) options are non-assignable and non-transferable, except as provided for in the event of a death of an optionee;
- (g) the period in which an optionee's heirs or administrators can exercise any portion of outstanding options must not exceed 12 months from the optionee's death;
- (h) option grants are limited to bona fide directors, officers, employees or consultants, or corporations wholly owned by such directors, officers, employees or consultants, as the case may be;

- (i) vested options terminate 90 days subsequent to any director, officer, employee or consultant ceasing to be engaged by the Issuer for any reason other than death; and
- (j) vested options terminate 30 days subsequent to any optionee engaged in investor relations activities ceasing to be engaged by the Company.

The Stock Option Plan is administered by the Company's Board of Directors, which, subject to the limitations of the Stock Option Plan, has the authority to:

- (a) grant options to purchase common shares to eligible persons;
- (b) determine the terms, limitations, restrictions and conditions respecting such grants;
- (c) interpret the Stock Option Plan and adopt, amend and rescind such administrative guidelines and other rules and regulations relating to the Stock Option Plan as it shall from time to time deem advisable; and
- (d) make all other determinations and take all other actions in connection with the implementation and administration of the Stock Option Plan including, without limitation, for the purpose of ensuring compliance with securities laws and CSE policies, as it may deem necessary or advisable.

Pursuant to the Stock Option Plan and subject to a minimum price of \$0.10 per common share, the exercise price of an option is set by the Board and cannot be less than the closing market price of the common shares on the trading day immediately preceding the date of grant of the option, less any applicable discount allowed by the CSE.

In addition, the Stock Option Plan contains provisions for changes in options pursuant to, among other corporate actions, any share consolidation or subdivision, stock dividend, take-over bid, or change of control.

Securities Authorized for Issuance Under Equity Compensation Plans

The following table sets out information with respect to all compensation plans under which equity securities are authorized for issuance as of December 31, 2019:

Equity Compensation Plan Information			
Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by Securityholders	7,305,485	\$N/A	7,305,485 ¹
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	7,305,485	\$0.05	7,305,485¹

¹ Represents the number of common shares available for issuance under the Stock Option Plan, which reserves a number of common shares for issuance, pursuant to the exercise of stock options, that is equal to 10% of the issued and outstanding common shares from time to time.

Employment, consulting and management agreements

The Company does not have any employment, consulting or management agreements or arrangements with any of the Company's current NEOs or directors.

Termination and Change of Control Benefits

The Company does not have any plan or arrangement to pay or otherwise compensate any Named Executive Officer if his employment is terminated as a result of resignation, retirement, change of control, etc. or if his responsibilities change following a change of control.

Oversight and description of director and named executive officer compensation

The Company does not have a formal compensation program. The Company currently does not pay directors who are not employees or officers of the Company for attending directors' meetings or for serving on committees. The Compensation Committee and the Board, as a whole, are responsible for ensuring that the Company has in place an appropriate plan for NEO compensation and for making recommendations with respect to the compensation of the Company's NEOs.

The Board is responsible for all matters relating to the compensation of the directors and each NEO of the Company with respect to: (i) general compensation goals and guidelines and the criteria by which bonuses and stock compensation awards are determined; (ii) amendments to any equity compensation plans adopted by the Board and changes in the number of shares reserved for issuance thereunder; and (iii) other plans that are proposed for adoption or adopted by the Company for the provision of compensation. The Board periodically reviews the Company's compensation structure to ensure that compensation realistically reflects the requirements of such positions based on factors such as time commitment and level of responsibility.

The general objectives of the Company's compensation strategy are to: (a) compensate management in a manner that encourages and rewards a high level of performance and outstanding results with a view to increasing long term shareholder value; (b) align management's interests with the long term interests of shareholders; (c) provide a compensation package that is commensurate with other similar technology companies to enable the Company to attract and retain talent; and (d) ensure that the total compensation package is designed in a manner that takes into account the constraints that the Company is under by virtue of the fact that it is a technology company without a history of earnings.

In the future the Company may grant a NEO stock options under the Stock Option Plan. A determination to make such grants may take into account the level of responsibility of the NEO as well as his or her impact and/or contribution to the operating performance of the Company, as well as the number of stock options, if any, previously granted to each NEO, and the exercise price of any outstanding stock options to ensure that such grants are in accordance with the policies of the CSE and to align the interests of the executive officers with the interests of the shareholders.

The Board may also award bonuses to its NEOs. The amount and award of such bonuses is discretionary, depending on, among other factors, the financial performance of the Company and the position of a NEO.

The Board has not adopted any specific policies or practices to determine the compensation for the Company's directors and officers, other than as disclosed above.

Pension disclosure

The Company does not have any pension, defined benefit, defined contribution or deferred compensation plans in place.