SMART EMPLOYEE BENEFITS INC.
(formerly Whiteknight Acquisitions Inc.)

Management Discussion and Analysis
for the period October 1, 2011 to November 30, 2012

March 26, 2013

Basis of Presentation
This Management Discussion and Analysis ("MD&A") of Smart Employee Benefits Inc. ("Company" or "SEB") dated March 26, 2013 should be read in conjunction with the consolidated financial statements and the accompanying notes for the period ended November 30, 2012.

The Company's consolidated financial statements and accounting policies are in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board. All dollar amounts are in Canadian dollars unless otherwise indicated.

Forward looking statements
Certain statements in this MD&A may constitute "forward-looking" statements, which involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of SEB, or the industry, to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. When used in this MD&A, such statements use words such as "may", "will", "expect", "believe", "plan" and other similar terminology. These statements are not guarantees of future performance and are subject to numerous risks and uncertainties, including those described elsewhere in this document. The risks and uncertainties include: the ability to achieve profitability and manage growth; reliance on and retention of competent staff; competition; performance obligations and client satisfaction; general state of the economy; possible acquisitions; possible future litigation; insurance limits; legislative and regulatory changes; revenue and cash flow volatility; operating risks; protection of intellectual property; appraisal mandates; restrictions on growth. Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results. These statements reflect management's current expectations regarding future events and operating performance and speak only as of the date of this MD&A. Although the forward-looking statements contained in this MD&A are based upon what management believes to be reasonable assumptions, SEB cannot assure investors that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this MD&A, and, except in accordance with applicable law, SEB assumes no obligations to update or revise them to reflect new events or circumstances. Additionally, SEB undertakes no obligation to comment on analyses, expectations or statements made by third parties in respect of SEB, its financial or operating results, or its securities.

Introduction

Nature of Business
SEB is a technology company providing software-enabled services in three major areas;
(i) health-care solutions and services;
(ii) software solutions and services; and
(iii) professional services.

Company Status
The Company is in its early stages of development and it is in the process of developing revenue. It has closed its first two acquisitions, in February and March, 2013. It is reviewing other potential acquisitions.

The shares of the Company are traded on the Toronto Venture Stock Exchange ("TSXV") using the symbol "SEB".

SEB Incorporation and Early Development

Incorporation
SEB as a company resulted from a Reverse Takeover Transaction ("RTO") transaction which occurred on July 11, 2012 whereby Whiteknight Acquisitions Inc. ("Whiteknight") acquired 100% of the shares of Smart Employee Solutions Inc. ("SES").

SES was incorporated December 17, 2010 to enter the group health benefit industry as a third party administrator ("TPA"), using its own proprietary claims adjudication software, which in management's opinion, would make the Company unique in the industry. Whiteknight was incorporated December 23, 2010 to operate as a Capital Pool Company.

Whiteknight initial capitalization
January, 2011 $280,000 raised from seed shareholders as initial capital.
April, 2011 - $600,000 gross proceeds raised through an Initial Public Offering ("IPO")

SES – Whiteknight Letter of Intent
On July 19, 2011, SES executed a Letter of Intent with Whiteknight, whereby Whiteknight would acquire 100% of the issued and outstanding shares of SES, through an exchange of securities following which the shareholders of SES would become the controlling shareholders of Whiteknight (the "Transaction"). The proposed Transaction would result in Whiteknight issuing 30,000,010 common shares in exchange for the 3,000,001 outstanding common shares of SES. The Transaction was intended to constitute the Qualifying Transaction ("QT") of Whiteknight as such term is defined in Policy 2.4 of the Corporate Finance Manual of the TSXV.

SES - Adjudication Software License
In July, 2011, the Company entered into a license agreement ("License") with Bevertec CST Inc. ("Bevertec") a shareholder of the Company, to acquire from Bevertec the license of a software platform which provides the adjudication of health benefit claims ("Adjudication Software"). The License provides (a) a perpetual, irrevocable, transferable and exclusive right and license to use the

Adjudication Software in Canada; and (b) a perpetual, irrevocable, transferable and non-exclusive right and world-wide license to use the Adjudication Software outside Canada.

The price to be paid under the terms of the License was a payment of $500,000 (made following the completion of the RTO) and then a royalty stream of payments ("Royalty") payable as follows: up to $0.5 million based on 1% of the first $50 million of sales revenue; up to $2 million based on 2% the next $100 million in sales revenue; and up to $5 million based on 3% of the next $167 million of sales revenue.

SES - Convertible Financing

During the period July, 2011 to December, 2011, SES issued $1,305,000 in Convertible Term Notes Financing ("Notes"). The Notes were Promissory Notes of the Company, secured by a General Security Agreement against the assets of the Company and by a personal guarantee of the Chief Executive Officer and President of the Company. The Notes were due at the earlier of the closing of the QT or July 25, 2012. The Notes paid 8% interest and awarded certain bonus amounts, payable in shares on closing of the QT, as follows:

- 7% of the principal, for amounts advanced before September 1, 2011
- 3% of the principal, for amounts advanced after September 1, 2011

In addition, a bonus equal to 10% of the funds was awarded as the QT did not close prior to February 28, 2012.
The bonus amounts were paid in shares when the QT closed in July, 2012.

RTO Transaction

In May, 2012, the TSXV granted conditional approval for the QT and the QT closed on July 11, 2012, when Whiteknight acquired 100% of the issued and outstanding shares of SES.

To effect the Transaction, Whiteknight issued 30,000,010 common shares in exchange for the 3,000,001 common shares of SES, being 100% of the issued and outstanding capital of SES, resulting in the shareholders of SES becoming the controlling shareholders of Whiteknight.

On July 19, 2012, the TSX Venture Exchange approved the Transaction, resulting in the shares of the Company beginning to trade on the exchange under the symbol "SEB".

Concurrent Financing

Concurrent with the closing of the Transaction, the Company closed a financing whereby 6,491,667 units, each unit consisting of one common share and one common share-purchase warrant, were issued at a price of $0.30 per unit for total gross proceeds of $1,947,500. The warrants have a three year term, with an exercise price of $0.45 in year one, $0.55 in year two and $0.65 in year three. The Company incurred transaction costs of $217,325 in fees and commissions and issued 649,167 broker share-purchase warrants, which have a two year term and are exercisable at $0.30 per share.

Conversion of Debt

Also concurrent with the closing of the Transaction, the Company issued 6,093,000 common shares and 1,305,000 common share-purchase warrants to holders of the Notes on conversion and extinguishment of the Notes. The warrants expire May 31, 2014 and are exercisable at $0.30 per share.

Name change
At a shareholder meeting held on July 30, 2012, the shareholders of Whiteknight voted to change the name of Whiteknight to “Smart Employee Benefits Inc.”.

Board of Directors

At the shareholders’ meeting July 30, 2012, the following directors were elected to the Board of Directors to serve until the next shareholders’ meeting.

Ronald D. Barbaro
Independent Director
Lead Director, Member of the Audit Committee and Compensation Committee
Mr. Barbaro served as President and CEO the Prudential Insurance Company of America Canadian Operations 1985 – 1990, then President of Prudential’s Worldwide Ops. 1990-1993 – (launched operations in Italy, Korea and Spain). Currently he is Chairman of Levon Resources Ltd; Board Member of: The Brick Ltd. (former Chairman); Trans Global Life and Trans Global Insurance (former Chairman); and Imvescor Restaurant Group Inc. He is a former President and CEO of The Ontario Lottery and Gaming Corporation; President Toronto Argonaut Football Club; Chairman Toronto Design Exchange, Campaign Chairman of the United Way and Chairman of the Premier of Ontario’s Economic (SARS) Recovery Team, and has served on more than 30 other public boards including Thomson Reuters. Mr. Barbaro has been recognized with many awards, including induction into the Academy of Achievement of Sales and Marketing Executives in both Canada and the U.S.A.; and featured in numerous print media and appearances for his significant contributions to the business world.

Nancy Myles Elliott, BA, LLB
Independent Director
Chair of the Governance Committee and member of the Compensation Committee
Nancy Elliott is a lawyer and seasoned business woman with extensive experience in the development of Canada-China business and investment strategies. Fluent in Mandarin, Ms. Elliott has built significant relationships in China over the past twenty years, advising clients on corporate and immigration matters. She is well-respected and trusted and has become a conduit for responsible Chinese investment in technology, real estate and resources, both in Canada and around the world. In addition to her legal practice, Ms. Elliott has experience as a shareholder and director of several companies, including private equity, mortgage brokerage, consulting and advisory. Ms. Elliott has also dedicated her time to volunteer work assisting new immigrants, and is a member of several community-based organizations.

Keith R. Harris, B. Comm., CA
Independent Director
Member of the Audit Committee and the Governance Committee
Since January 2011 Keith R. Harris has acted as a consultant and corporate director through his financial advisory firm Naiscoot Capital Corporation. He is currently a director of Frontline Technologies Inc., Maudore Minerals Ltd. and Whiteknight Acquisitions II Inc. From January 2008 to December 2010, he was President and Chief Financial Officer of Stifel Nicolaus Canada Inc. (and its predecessor company Thomas Weisel Partners Canada Inc.), the Canadian broker-dealer subsidiary of Stifel Financial Corp., a financial holding company listed on the New York

Stock Exchange. In 2002, he was a co-founder and Chief Financial Officer of a boutique Canadian investment bank, Westwind Partners Inc., which was sold to Thomas Weisel Partners Group (TWPG) in 2008. TWPG was subsequently bought by Stifel Nicolaus in 2010. Mr. Harris received a B. Comm from the University of Toronto in 1975 and received his CA designation in 1977 while employed with Ernst & Young.

Marc Kealey, BA, Cert. Campaign Management
Independent Director
Chair of the Compensation Committee and member of the Governance Committee
Through his start in acute care restructuring while in Durham Region, Marc Kealey is credited with helping to lay the groundwork for the creation of the first integrated hospital system in Ontario forging the template for the integrated hospital operations model throughout Canada. Since that time, he has become a leading voice for transformation in Health care and drug reform in his roles as a qualified health system design consultant and as the CEO of Canada's largest pharmacy organization. In that particular role he helped steer some of the most comprehensive drug reform throughout Canada and the United States. He is an expert in governance, communications and business management process, and is known for his advocacy efforts for patients, communities and organizations through his role as a principal at K&A Inc. a consultancy serving the healthcare, energy and gaming sectors. In addition to his contributions in the health care business arena, Marc is an expert in communications and building effective governance structures. He is dedicated to public service and involved in many organizations and causes. He serves on the Board of many organizations including: Care Givers United, Canadian Friends of the Elderly, the Board of Governors at McMaster University, Smart Systems for Health Agency in Ontario, University of Waterloo's Pharmacy School and many federal initiatives. He was an advisor to the former Prime Minister of Canada John Turner (1984 -1988) and the Premier of Ontario, David Peterson (1988-1990).

Stephen Peacock, BSC, MBA
Independent Director
Chair of the Audit Committee
Stephen is an engineer and a seasoned financial executive. After several years in the international operations of a leading engineering service company, he earned his MBA at the University of Western Ontario and went on to hold senior positions in domestic and international organizations including RBC, Lancaster Financial, Citibank, Levesque Beaubien, Shroders and HSBC. More recently, he was a founder of Mustang Capital Partners in 2002, a Calgary based limited market dealer specializing in mergers and acquisitions. He currently is the President of Bearspaw Capital Corp., a private investment firm. He previously was a director of Avery Resources Inc. when it was a TSX-V listed company.

Walter Simone, CLU, C.H.F.C., CFSB, TEB, CFS, CFP, RHU, RFC, RPA, CSA
Non-independent Director
Chairman
Walter has been in the insurance and financial services industry for 41 years and is considered to be one of the best in his field in Canada. Walter is a Qualifying & Life member of the Million Dollar Round Table, 37 years qualifying with 6 of those years at the Court of the Table and the last 13 years at the Top of the Table. In addition to his academic and business achievements,

Walter has participated in numerous community organizations, including the Business Management Advisory Council at Ryerson University.

John McKimm, BBA, MBA, LLB, FCSI
Non-independent Director
Chief Executive Officer, President, Chief Information Officer
Mr. McKimm has over 35 years of experience providing operations and financial expertise to public and private companies. His experience covers many sectors, including financial services and technology. Mr. McKimm has extensive investment banking and corporate finance expertise, specializing in emerging and growth companies providing specialty services in SR&ED claims, strategic and financial restructurings, mergers and acquisitions, and arranging financing. He has served as a director and officer of many public and private companies, including extensive experience on board committees as both a Committee Member and Chair. Most recently, Mr. McKimm founded and was Chairman and Chief Executive Officer of Brainhunter Inc., a company that was listed on TSX.

Barry Walsh, BA
Non-independent Director
Mr. Walsh has over forty years of experience as an entrepreneur in the technology field. Mr. Walsh is the founder of Bevertec CST Inc., a company specializing in both IT professional services and banking software solutions. Mr. Walsh has extensive global experience in both selling and building technology solutions. He has a Bachelor of Arts in Computer Science.

Following the closing of the acquisition of Logitek Technology Ltd., Latiq Qureshi was appointed to the Board by the Directors.

Latiq Qureshi,
Non-independent Director
President, Logitek Technology Ltd.
Mr. Qureshi founded Logitek Technology Ltd. in 1999 and has built it into a highly respected provider of supply-chain management software to major retail organizations such as the LCBO, Rogers, Sears, The Bay, Target, and many others. Mr. Qureshi founded Logitek's parent company, Logitek Data Sciences Ltd. – a systems integration and professional services firm – in 1976 He is both an entrepreneur and a gifted technician. The Government of Canada recognized Mr. Qureshi with the Queen Elizabeth II Golden Jubilee Medal for his commitment, perseverance and support for community leadership.

Company Objectives and Strategy

Company Objectives
SEB is a technology company providing software-enabled services in three major areas;
(i) health care solutions and services;
(ii) software solutions and services; and
(iii) professional services.

(i) Health care solutions and services

SEB management estimates that the size of the Canadian health claims market is $56.0 billion in total premiums with $33.0 billion in group benefits premiums and $23.0 billion in direct health claims premiums. SEB management further estimates that of the total premiums, the portion allotted to claims processing and plan administration and reporting is between 10% and 20% of the premium dollars, depending on variables such as size of client, range of activities, etc.

The Company's primary focus is Group Employee Benefits. The secondary focus is Other Direct Health Claims Processing environments. The technology platform and expertise utilized in servicing the Group Benefits environment is easily transferable to other health claims processing and in the provision of complementary technology and human resource solutions and services to the same client base.

SEB intends to obtain this business through acquisition and referral and retain it through the provision of superior service through the use of technology.

Business Model – Acquisitions and Transition

SEB intends to grow its Group Benefits and Health Claims Processing business through the following steps:

a) SEB is operating as a licensed TPA and Broker, SEB manages (automates) the complete group benefits supply chain (i.e. business processes) among insurers, clients, brokers, consultants, technology service providers and healthcare service providers.
b) Acquire Client Relationships: acquire/invest in TPAs, Insurance Brokerage, Consultants and Technology providers.
c) Transition Client Relationships to SEB's Fully Integrated Technology Platform. This will allow SEB to retain up to 13% more of the premium dollars currently flowing out to other service providers, enhancing the profitability of the entity acquired.
d) Share Enhanced Profitability with all Constituents: profit sharing provides financial incentive to all parties, including clients.

All areas where SEB targets acquisition/investment (including: TPAs, Brokers, Consultants and Technology Providers) are fragmented (except for adjudication) with hundreds and thousands of parties, many looking for succession and exit strategies.

(ii) Software solutions and services

The group benefits technology and expertise allows SEB to provide other related supply chain solutions, systems integration services and human resource solutions and services to the same clients.

SEB is focused on the following solutions and services

a) Supply chain (retail, energy, financial services)
b) Systems integration and software development

c) Specialty practices and services such as training (e.g. Prince2®), hosting, outsourcing to China and India

Business Model

SEB's initial acquisitions will be technology-focused. Health care is a massive "data management" and "business intelligence" business where the key skill sets involve managing and processing data in a dynamic environment, making decisions based on the data and analyzing and reporting on all aspects of the data. SEB's acquisitions will focus on surrounding the fully-integrated health claims processing platform (administration/adjudication/billing and payments/reporting) with the technology infrastructure to provide clients with unique customized solutions.

(iii) Professional services

SEB is focused on the following professional services

a) Staff augmentation
b) Job boards
c) HR technology solutions
d) Call centre support

Acquisitions

SEB intends to grow its technology business by acquiring existing entities with operations and products in fields and activities related to and/or complementary to its existing health care solutions and services business. The health care solutions and services technology and expertise allows SEB to provide other related supply chain solutions, systems integration services and human resource solutions and services to the same clients.

Logitek Technology Limited ("Qlogitek")

In a news release dated February 7, 2013 the SEB announced that it had closed the acquisition of Logitek Technology Ltd ("Qlogitek").

SEB issued, in satisfaction of the $2,009,452 purchase price, 6,698,173 SEB shares ("Shares") and 1,000,000 Share Purchase Warrants ("Warrants"). SEB and the seller of QLogitek, Logitek Data Sciences Ltd., agreed to a contractual escrow arrangement pursuant to which one million Shares would be released on the closing and the balance over a period of 30 months in various amounts at 6 month intervals. The Warrants have a term of 42 months and an escalating exercise price every 12 months of $0.45, $0.55 and $0.65 during the first three years of the term and at $0.75 for the last six months of the term. The Warrants contain performance vesting conditions during their term equating to cumulative revenue and EBITDA targets of $15.0 million and $3.0 million, respectively. As part of the transaction and in order to retire $651,858 of debt owing by QLogitek, SEB issued a five year convertible note in the amount of $651,858 with an annualized interest rate of 3% and an escalating conversion price of $0.45, $0.55, $0.65, $0.70 and $0.75 from years one through five.

Qlogitek is in the supply-chain software business. It supplies and hosts, on a software-as-a-service model, various software products which help to manage the supply chains of many large well-known entities in Canada such as the LCBO, Sears, Rogers, Best Buy, The Bargain Shop, etc.

SEB views this acquisition as an important first step as SEB views the provision of health care benefits as a type of supply chain with many characteristics similar to that of supply chains in other industries. Qlogitek brings proven technology to manage such supply chains, which will be applicable to the SEB health-care solutions.

Supply-chain Technology

Supply Chain Processes permeate the infrastructure of every business operation in every organization of any significant size. SEB management views Health Claims Processing as a specialized supply chain environment. The SEB proprietary Adjudication software, surrounded with Administration – Claims Paying – Reporting modules creates a health claims processing supply chain, supported by the supply-chain technological expertise of Qlogitek.

SOMOS Group of Companies

On March 5, 2013, SEB announced that it had closed the acquisition of 100% of the SOMOS Group of Companies ("SOMOS").

SOMOS shareholders, as part of the Transaction price terms, received $325,000 in cash, 2,500,000 SEB shares ("Shares") at a valuation of $0.30 per share and 1,000,000 SEB Share Purchase Warrants ("Warrants"). The Shares will be escrowed over a period of 30 months released in various amounts at 6 month intervals. The Warrants will have a term of 60 months and an escalating exercise price per common share of SEB every 12 months of $0.45, $0.55, $0.65, $0.70, and $0.75. In addition, the purchase price will also be satisfied by SEB issuing to the SOMOS shareholders a five year convertible note in the aggregate principal amount of $400,000 (the "Convertible Note"). The Convertible Note shall bear interest at a rate of 3% per annum. Interest shall be paid quarterly and principal may be repaid annually in equal installments. The Convertible Note shall be convertible into common shares of SEB at an escalating conversion price of $0.45, $0.55, $0.65, $0.70 and $0.75 per common share of SEB from years' one through five, respectively. The parties have also agreed to adjust the purchase price upwards by a portion of outstanding SRED credits collected by SOMOS, post-closing, to a maximum increase in the purchase price of $287,000, as such credits are paid/remitted to SOMOS or for its benefit.

SOMOS is an Ottawa-based Management Consulting, services and training company in business since 1991. SOMOS offers management solutions, professional services, training and project management solutions to corporate clients in technology, aerospace and defense, and governments, both federal and provincial. SOMOS has extensive vendor arrangements with corporate and government clients. SOMOS has enjoyed significant, profitable growth in the past few years where sales are now exceeding $7.0 million annually with a substantial pipeline of annuity business and business prospects.

Based on its existing vendor relationships with the Government of Canada and other large organizations, SOMOS will offer opportunities for SEB to market its other services and products, particularly its health claims processing. A significant aspect of winning government business, including health-care opportunities, is having the vendor relationships to respond to Requests for Proposals (“RFPs”). SOMOS has these.

Inforica Group

On March 15, 2013 SEB’s Board of Directors approved a Memorandum of Agreement to acquire a 50% interest in the Inforica Group for an investment of working capital, the amount to be disclosed at a later date. Completion of the transaction is subject to final closing documentation and applicable regulatory approval.

The Inforica Group includes the following entities:

- Inforica Inc. – is a Canadian System Integration business.
- Inforica Energy Solutions Inc. – is a Canadian Energy Software Solutions and Business Process Services business, with operations in Canada, India and Dubai, UAE. The India and Dubai operations are 100% owned subsidiaries.

SEB has the first right of refusal to acquire the 50% interest in the Inforica Group not owned by SEB. Inforica Group shareholders have a right to buy back half of SEB’s ownership of Inforica Inc. (only) within a 36 month period.

Other Potential Acquisitions

As part of its growth strategy as discussed above, SEB is in various levels of discussions/negotiations with:

- Third Party Administrators (“TPAs”), Broker/Consultants;
- technology providers with operations and/or products which are specific to Health Care processing such as wellness platforms, pharmacy benefit management (PBM), health data management services, niche groups such as international students; and
- technology providers with operations and/or products which are related and/or complementary to Health Care processing, such as energy management, re-insurance, etc.

Summary of Objectives and Strategies

SEB’s immediate objective is to reach sustainable profitability through acquisitions, which will quickly establish a critical mass of business and client relationships from which to launch organic growth initiatives. Organic growth initiatives include both the transitioning of health-care clients to the SEB technology environment and the winning of new business through the RFP process. Acquisitions bring the infrastructure and references necessary for successful responses to RFPs.

Operations

Quarterly Income statement

	Oct 1, 2011 to Nov 30, 2012	*Oct and Nov, 2012*	*Jul 1, 2012 to Sep 30, 2012*	*Apr 1, 2012 to Jun 30, 2012*	*Jan 1, 2012 to Mar 31, 2012*	*Oct 1, 2011 to Dec 31, 2011*	*Dec 17, 2010 to Sep 30, 2011*
Revenue	**$ 294,299**	**$ 66,556**	**$ 57,937**	**$ 57,520**	**$ 54,342**	**$ 57,944**	**$ 50,681**
Cost of revenues							
Claims	158,781	29,884	37,679	29,725	29,351	32,142	28,337
Premiums	56,302	8,455	12,534	12,018	11,499	11,796	7,589
	215,083	38,339	50,213	41,743	40,850	43,938	35,926
Gross Margin	**79,216**	**28,217**	**7,724**	**15,777**	**13,492**	**14,006**	**14,755**
Operating Costs							
Salaries and other compensation costs	1,286,887	224,077	263,360	320,037	259,415	219,998	550,852
Professional fees	570,763	23,394	142,785	208,375	55,649	140,560	10,339
Office and general	403,222	94,413	93,946	60,211	79,972	74,680	18,327
Development costs	289,791	289,791	-	-	-	-	-
	2,550,664	**631,676**	**500,091**	**588,623**	**395,036**	**435,238**	**579,518**
Income before the undernoted	**(2,471,448)**	**(603,459)**	**(492,367)**	**(572,846)**	**(381,544)**	**(421,232)**	**(564,763)**
Share-based compensation	318,768	44,518	274,250	-	-	-	-
Interest	86,164	-	5,775	30,978	26,028	23,383	4,500
Amortization of software licence	58,333	8,333	12,500	12,500	12,500	12,500	12,500
Depreciation of equipment	8,163	1,166	1,749	1,749	1,749	1,750	1,750
Accretion of bonus	196,650	4,126	-	-	159,752	32,772	7,656
Accretion of interest	241,001	-	-	20,113	107,911	112,977	40,973
Fair value adjustment on related party loan	-	-	-	-	-	-	(122,533)
Share adjustment on RTO	841,238	(15,000)	856,238	-	-	-	-
	1,750,317	**43,143**	**1,150,512**	**65,340**	**307,940**	**183,382**	**(55,154)**
Net loss and comprehensive loss	**$ (4,221,765)**	**$ (646,602)**	**$ (1,642,879)**	**$ (638,186)**	**$ (689,484)**	**$ (604,614)**	**$ (509,609)**

Revenues

The Company records approximately $60,000 per quarter in premium revenue for processing the group benefits for a small number of test clients, of which approximately $40,000 is derived from Bevertec CST Inc., a shareholder of the Company (discussed later under "Transactions with Related Parties"). Variations in revenue from quarter to quarter result from changing numbers of employees (through additions, terminations, etc.), changing benefit levels, etc.

Costs

Primary costs, as shown above, relate to compensation, and costs related to raising capital (professional fees, and interest and other debt-related costs).

Summary of salaries and compensation costs for the fourteen month period ending November 30, 2012

Operations	$ 701,948
Management	456,786
Consultants	79,993
Directors	45,750
Commissions	2,410
Total	**$ 1,286,887**

Staff

The Company has 16 individuals employed or under management contracts. Of these, 11 are directly involved in the development and operations of the Health Benefits Solution software and 5 are administration and executive management, whose role is to raise necessary capital and grow the business through acquisitions and other business development, and provide necessary administration services.

SEB intends to marginally increase its core staff over the next twelve months; any significant growth in compensation costs will be as a result of acquisitions completed.

Summary of Professional fees for the fourteen month period ending November 30, 2012

Legal	$ 299,551
Audit and accounting	185,520
Other	85,692
Total	**$ 570,763**

A significant portion of the Legal and Audit and accounting costs were incurred in the process of preparation of the filing statement for the QT, discussed earlier. Significant costs were incurred related to the convertible financing. This type of cost will occur in the future in relation to acquisitions and financings and are therefore difficult to project.

Summary of Office and general for the fourteen month period ending November 30, 2012

Rent	$ 113,925
Marketing Costs	71,683
Insurance	49,866
Travel & Entertainment	35,399
Filing fees	40,720
All other	95,754
Total	**$ 407,348**

Quarterly Balance sheet

	November 30, 2012	*September 30, 2012*	*June 30, 2012*	*March 31, 2012*	*December 31, 2011*	*September 30, 2011*
Assets						
Cash	$ 135,189	$ 234,016	$ 40,775	$ 90,361	$ 366,008	$ 362,557
Funds in trust	-	-	-	-	135,510	400,000
Sundry receivables	15,144	226,648	91,452	73,484	39,578	36,782
Prepaids and deposits	48,354	16,667	16,667	16,667	16,667	-
Total Current Assets	198,687	477,331	148,894	180,512	557,763	799,339
Developed software	-	371,255	113,850	-	-	-
Equipment, net of depreciation	29,335	30,501	25,089	26,838	27,904	23,250
Intangible asset, net of amortization	429,167	437,500	450,000	462,500	475,000	487,500
Total Assets	**$ 657,189**	**$ 1,316,587**	**$ 737,833**	**$ 669,850**	**$ 1,060,667**	**$ 1,310,089**
Liabilities						
Accounts payable and accrued liabilities	$ 377,974	$ 528,493	$ 808,935	$ 347,879	$ 157,122	$ 156,908
Obligation to related party	-	-	750,000	750,000	698,627	657,397
Advance re funding	30,000	-	-	-	-	-
Due to related company	48,205	-	-	-	-	-
Convertible debt	-	-	1,305,000	1,284,887	1,228,350	919,891
Due to shareholders	5,100	5,100	5,100	5,100	5,100	4,100
Total Current Liabilities	461,279	533,593	3,094,035	2,387,866	2,089,199	1,738,296
Shareholders' Deficiency						
Share capital	3,657,558	4,046,567	36,500	36,500	36,500	36,500
Share issue costs	(306,012)	(321,012)	-	-	-	-
Contributed surplus	49,191	49,191	49,191	49,191	49,191	44,902
Warrants	1,462,029	1,073,020	-	-	-	-
Options	64,518	20,000	-	-	-	-
Deficit	(4,731,374)	(4,084,772)	(2,441,893)	(1,803,707)	(1,114,223)	(509,609)
Total Shareholders' Equity (Deficiency)	195,910	782,994	(2,356,202)	(1,718,016)	(1,028,532)	(428,207)
Total Liabilities and Shareholders' Equity (Deficiency)	**$ 657,189**	**$ 1,316,587**	**$ 737,833**	**$ 669,850**	**$ 1,060,667**	**$ 1,310,089**

Software Development

The Company is in the process of finalizing development of Health Care Systems software, including its claims adjudication software as well as administration modules.

The development work performed on the adjudication software is performed by SEB employees and is expensed as part of Salaries and other compensation costs (see above). The work is expensed as opposed to being capitalized as the system is fully operational and is currently being used to process health benefit claims (see discussion elsewhere).

The administration modules which will support and wrap around the adjudication software is being developed partially SEB employees and partially by third party developers under the supervision of SEB management. Work performed in the June and September quarters was initially capitalized but a decision was made that it was more appropriate to treat the work as a current cost, due to the developing company, Logitek Technology Ltd., being acquired by SEB (see Logitek acquisition discussion elsewhere).

Quarterly cash flows

	Oct 1, 2011 to Nov 30, 2012	Oct and Nov, 2012	Jul 1, 2012 to Sep 30, 2012	Apr 1, 2012 to Jun 30, 2012	Jan 1, 2012 to Mar 31, 2012	Oct 1, 2011 to Dec 31, 2011	Dec 17, 2010 to Sep 30, 2011
Net loss for the period	**$ (4,221,765)**	**$ (646,602)**	**$ (1,642,879)**	**$ (638,186)**	**$ (689,484)**	**$ (604,614)**	**$ (509,609)**
Add items not involving cash:							
amortization of software licence	58,333	8,333	12,500	12,500	12,500	12,500	12,500
depreciation	8,161	1,164	1,749	1,749	1,749	1,750	1,750
accreted interest	241,001	-	-	20,113	107,911	112,977	40,973
accreted bonus	196,650	4,126	-	-	159,752	32,772	7,656
share-based compensation	318,768	44,518	274,250	-	-	-	-
fair value adjustment	-	-	-	-	-	-	(122,533)
share adjustment for RTO	841,238	(15,000)	856,238	-	-	-	-
non-cash working capital	185,515	(11,327)	(242,824)	443,088	(2,902)	(520)	262,470
Total adjustments	**1,849,666**	**31,814**	**901,913**	**477,450**	**279,010**	159,479	202,816
Cash used in operating activities	**(2,372,099)**	**(614,788)**	**(740,966)**	**(160,736)**	**(410,474)**	**(445,135)**	**(306,793)**
Cash flows from investing activities							
Developed software	-	371,255	(257,405)	(113,850)	-	-	-
Advance from related company	48,205	48,205					
Purchase of equipment	(14,247)	1	(7,161)	-	(683)	(6,404)	-
Cash flows from investing activities	**33,958**	**419,461**	**(264,566)**	**(113,850)**	**(683)**	**(6,404)**	**-**
Cash flows from financing activities							
Proceeds from share issue	1,745,175	15,000	1,730,175	-	-	-	36,500
Cash acquired on RTO	443,598	-	443,598	-	-	-	-
Related party obligation	(750,000)	-	(750,000)	-	-	-	-
Short term loans	30,000	30,000	-	-	-	-	-
Advances from shareholders	1,000	-	-	-	-	1,000	4,100
Debt issuance costs	(14,000)	51,500	-	-	-	(65,500)	(21,250)
Short term loans	-	-	(225,000)	225,000	-	-	-
Proceeds from issue of debt	255,000	-	-	-	-	255,000	650,000
Release of funds in trust	400,000	-	-	-	135,510	264,490	-
Cash provided by financing activities	**2,110,773**	**96,500**	**1,198,773**	**225,000**	**135,510**	**454,990**	**669,350**
Net change in cash for the period	(227,368)	(98,827)	193,241	(49,586)	(275,647)	3,451	362,557
Cash, beginning of period	362,557	234,016	40,775	90,361	366,008	362,557	-
Cash, end of period	**$ 135,189**	**$ 135,189**	**$ 234,016**	**$ 40,775**	**$ 90,361**	**$ 366,008**	**$ 362,557**

Liquidity

The Company is targeting being cash-positive from operations upon the anticipated acquisition of businesses with positive cash flows and the subsequent improvement of those cash flows by migrating currently out-sourced transaction costs to the SEB transaction processing operations.

At this date, the Company is in its early development stage and is in the process of developing sustainable revenue for generation of cash flow. During this period, it relies on raising necessary cash to fund operations and software development through issues of equity capital or debt which is convertible to equity capital.

On December 27, 2012 the Company closed a financing of $554,000 of convertible notes with a term of 2 years, paying 10% interest. The notes are convertible into common shares of the Company at $0.45 per share any time during the term of the notes. The Company paid finder's fees of $22,450 in cash and 99,777 share purchase warrants, exercisable at $0.45 per share for a period of two years. At November 30, 2012, an amount of $30,000 had been advanced towards the convertible notes.

On February 28, 2013 SEB closed a financing of $1,106,000 consisting of 3,160,000 Units at $0.35 per Unit where each Unit consists of 1 Common Share and 1 Common Share Purchase Warrant. The Common Share Purchase Warrants are exercisable over a four year period at a price of $0.50 in year one, $0.55 in year two, $0.65 in year three and $0.75 in year four. The Company paid finder's fees of $50,050 cash and 286,000 warrants, exercisable at $0.35 per share for a period of two years from closing.

Lease Obligations
SEB is leasing its office premises under the terms of a sub-lease ending on March 31, 2013, at a monthly gross rent of $8,333. On February 21, 2013, SEB entered into a sub-lease for office premises for a term April 1, 2013 to June 26, 2014 at a monthly gross rent of $19,250.

Transactions with Related Parties

Bevertec CST Inc.
Bevertec CST Inc. ("Bevertec") is a related party to the Company by virtue of holding approximately 21% of the common shares of the Company as of this date. An officer and director of Bevertec is also a Director of the Company. There are two types of transactions between Bevertec and the Company:

(1) The Company processes group-benefit health claims for Bevertec
As discussed elsewhere, the Company is in development and has a few select clients for which it processes group benefit health claims. The largest client is Bevertec. Of the $294,298 in revenue recorded by the Company for the period ended November 30, 2012, $226,598 was derived from transactions with Bevertec

(2) Software Licencing Agreement
Effective July 1, 2011, the Company entered into a licence agreement ("Licence") with Bevertec to acquire from Bevertec the licence of a software platform which provides the adjudication of health benefit claims ("Adjudication Software"). The Licence provides (a) a perpetual, irrevocable, transferable and exclusive right and license to use the Adjudication Software in Canada; and (b) a perpetual, irrevocable, transferable and non-exclusive right and world-wide license to use the Adjudication Software outside Canada.

The price under the terms of the Licence is a payment of $500,000 (paid following the completion of the QT) and then a royalty stream of payments ("Royalty") payable as follows: up to $0.5 million based on 1% of the first $50 million of sales revenue; up to $2 million based on 2% the next $100 million in sales revenue; and up to $5 million based on 3% of the next $167 million of sales revenue.

The timing and amount of royalty stream payments is not determinable due to ongoing enhancement of the software functionality and its sale is dependent on successful acquisitions, no amount has been accrued for fair value of royalty payments.

Disclosure Controls and Internal Control Risks
The President and Chief Executive Officer and the Chief Financial Officer are responsible for designing internal controls over financial reporting in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Company's financial statements for external purposes in accordance with International Financial Reporting Standards.

The design of the Company's internal control over financial reporting was assessed as of the date of the Management Discussion and Analysis. Based on this assessment, it was determined that the lack of segregation of duties among the Company's staff created the potential for a weakness in internal control over financial reporting. The lack of segregation is a result of the limited number of staff at this time, which is consistent with the business needs.

As business develops, staff will be added such that proper segregation of duties will be instituted. In the meantime, management exerts control over activities by signing all contracts and all cheques and carefully reviewing financial reports.

Risk factors
The Company's growth and performance are subject to a number of risks such as consumer demand, client acceptance of the Company's products and services, industry competition, technological obsolescence, obtaining and retaining competent staff and failure to obtain sufficient capital to build the required infrastructure and execute the growth strategy necessary to meet the Company's objectives.

Going Concern
The Company has incurred significant operating losses during the period and has negative working capital at the balance sheet date. Based on these events and conditions there is material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern, and, therefore it may be unable to realize its assets and discharge its liabilities in the normal course of business.

To remain a going concern, the Company will require additional capital to enable it to further develop its acquired software and to obtain the revenue-generating business it believes it can achieve. It cannot be determined at this time whether these objectives will be realized.

Additional Information
Additional information relating to the Company is available on the Company's website at www.SEB-inc.com and on SEDAR at www.sedar.com.