SMART EMPLOYEE BENEFITS INC

www.seb-inc.com

Management Discussion and Analysis

For the quarter ended May 31, 2015

Contents

Management Discussion and Analysis of Financial Statements

This Management Discussion and Analysis ("MD&A") of Smart Employee Benefits Inc. (the "Company" or "SEB") covers the second quarter financial statements and events during and subsequent to the quarter ended May 31, 2015 up to the date of this report July 30, 2015. This MD&A should be read in conjunction with the unaudited condensed interim consolidated financial statements and accompanying notes for the quarter ended May 31, 2015. All financial information is prepared in accordance with International Financial Reporting Standards ("IFRS"). All dollar amounts are in Canadian dollars unless otherwise indicated.

The Company is a reporting issuer in Ontario, Alberta and British Columbia, and is listed on the TSX-V under the symbol SEB. SEB documents and securities filings can be viewed on the SEDAR website (www.sedar.com) and additional information on the Company can be obtained via the Company's website at www.SEB-inc.com.

Forward Looking Statements, Risks and Uncertainties

Certain statements in this MD&A may constitute "forward-looking" statements that 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" or other similar terminology. These statements are not guarantees of future performance and are subject to numerous risks and uncertainties.

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; valuation mandates; and restrictions on growth. Given these risks and others described elsewhere in this document, 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, and, except in compliance 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.

Company Overview

Smart Employee Benefits Inc., through its global infrastructure, is uniquely positioned to offer a full suite of technology-enabled services and solutions to its geographically diverse clientele. Through two divisions, both public and private organizations are able to leverage project and consulting expertise, proprietary software offerings, group benefit administration and claims adjudication, auxiliary health services and information technology training and licensing.

The Technology Division serves corporate and government clients through three inter-related segments:

- Logitek and Inforica – Development, implementation, integration and hosting of software solutions for big data environments, retail supply chain, PCI compliant transaction processing, and energy management, amongst others;
- SOMOS – Leaders in the provision of information technology solutions in central Canada. Services include: business, project, portfolio and IT consulting, and licensing and training for Marval™ and Prince2™; and
- Paradigm – Premier supplier of the most trusted consulting professionals in Western Canada, offering both IT and business consulting services, with a renowned reputation for continuous professional development.

The Health and Wellness Division focuses on software-enabled services in the Personal Health Sector and delivers its offerings to corporate and government clientele through four inter-related segments:

- SES Benefits – Utilizing its leading-edge proprietary benefit adjudication and administration software, SES is able to provide cost-effective flexible group plan design and administration, and fast, accurate secure claims adjudication to all types of customers;
- Banyan – Leveraging leading-edge proprietary disability management software, both national and global employers and insurers are offered full spectrum solutions in disability and workers compensation claims management;
- Meschino Health and Adeeva – Web-based individual health management platform, offering personalized assessments and education, in addition to being a producer of high quality products and formulations directed toward promoting health; and
- Consulting – Offering risk management solutions through health-related data analysis and consulting services including benefit program design, workers compensation and disability management audits, actuarial consulting, and strategies for wellness and mental health in the workplace.

Company Achievements

Since inception, SEB has:

- Developed and Acquired Market Leading Technology -- the Company has created mission critical, leading edge technology solutions which provide a significant competitive advantage in several key industry sectors, in particular employee group benefit solutions and health claims processing.
- Hired an Experienced Management and Board – SEB has recruited a very experienced Board of Directors and management team with a proven track record building and managing companies utilizing both organic and acquisition growth strategies. The team has extensive industry experience and business relationships.
- Instituted a new Business Model – implemented a Software as a Service (SAAS) business model resulting in a recession resistant, annuity based revenue stream.

- Built a Pipeline of Acquisition Candidates – created a strong pipeline of acquisition/investment candidates in a fragmented industry in which SEB is well positioned to be a consolidator.
- Become a Public Company- became a TSX-V publicly listed company with more than 60% of the fully diluted shares held by insiders and employees. This is an excellent vehicle on which to drive an acquisition based growth strategy.
- Raised New Capital – sourced over $12.4 million of new capital which has allowed the Company to execute its growth plan.
- Completed Acquisitions – To date, SEB has closed nine acquisitions. Seven in previous years, and two in the current year. The projected financial result is a solid base of sustainable annual revenue in excess of $60 million. In addition, the Company has signed a Letter of Agreement (LOA) subsequent to the quarter to acquire the Maplesoft Group of Companies which is anticipated to increase this base by an additional $50 million per annum.

Company Developments During and Subsequent to the Quarter ended May 31, 2015

Operating Results for the Quarter

For the quarter ended May 31, 2015, SEB recorded revenue of $13,342,530 an increase of $2,060,950 over first quarter, bringing the year to date revenue to $24,624,110 (an increase of 146% over prior year). Second quarter included three full months of Paradigm results, as compared to only two in the previous quarter. Adjusted EBITDA (EBITDA less acquisition and associated financing costs, and non-cash share based compensation) from on-going operations for Q2, 2015 was $611,223, escalating adjusted EBITDA for the six months then ended to $1,131,327 (compared to a losses of $432,744 and $1,077,317 in the previous year).

On-going operations generated positive cash flow of $352,220 for the quarter, representing an increase of $914,458 from the comparable quarter prior year.

Acquisition/Investment

During the quarter, SEB laid the ground work for further expansion of its Technology Division through the negotiations to acquire the Maplesoft Group of Companies. This resulted in the signing of an LOA on June 10, 2015.

As one of the largest established consulting firms operating in the federal government environment, Maplesoft is perceived to be a highly valued asset. Maplesoft management have represented that it has a number of large contract vehicles, a well-established workforce of employees (head office) and independent consultants (client sites), solid client relations and has a positive and sustainable EBITDA. Due diligence is currently being performed on this company and the transaction is anticipated to be completed by fourth quarter.

The Health and Wellness Division also expanded through investment. During the quarter, SEB joined forces with the Business Improvement Group to form BIG Benefits and HR Inc. (“BIG”). Big Benefits and HR Services Inc. will leverage BIG’s sales channels to promote the Health and Wellness services offered by SEB, which includes SEB HR and Consulting Services, Disability Management from Banyan Work Health Solutions, and the Wellness Platform offered by Meschino.

Financings

The completed acquisitions, the continued development of SEB's technology platform, and the Company's operations during the startup phase were funded through a mixture of returns from existing business, and equity and debt financing. On March 9, 2015 the Company closed new credit facilities with a major Canadian Schedule A bank in the amount of up to $8,775,000. The credit facilities were obtained by Paradigm Consulting Group Inc. ("Paradigm") and SOMOS Consulting Group Ltd. ("SOMOS"), both wholly owned subsidiaries of SEB. The new financing arrangements include a $4,200,000 term loan acquisition facility which was used in connection with the Corporation's acquisition of Paradigm. The acquisition facility bears interest in a range of Canadian Dollar Prime Rate (the "Prime Rate") to Prime Rate plus 1.75%, depending on the amount advanced under the facility, has a term of 3 years and may be repaid at any time without penalty. Paradigm has also obtained a $3,000,000 operating demand facility, bearing interest at the Prime Rate plus 0.75% to 1.75%, depending on Paradigm's debt to EBITDA ratio, along with a $50,000 corporate credit card.

At the same time, SEB's wholly owned subsidiary, SOMOS, entered into a new credit facility with the same Canadian bank to replace the current credit facility of SOMOS. The new SOMOS facility consists of a $1,500,000 operating demand loan bearing interest at the Prime Rate plus 1.875% and a $25,000 corporate credit card.

Both Paradigm's new credit facilities and the new SOMOS facility are secured by a first charge over all of the assets of certain subsidiaries of the Company, contain positive, negative and financial covenants, and include other usual and customary terms and conditions. The Company, Paradigm, SOMOS and certain other subsidiaries have provided guarantees pursuant to the new credit facilities.

Below is a timeline of the financing activities which took place during and subsequent to the quarter:

- March 1, 2015 – May 31, 2015—during the quarter 3,750 options were exercised for proceeds of $1,313 and
- March 10, 2015 – The Company closed new credit facilities with a Schedule A bank in the amount of up to $8,775,000.

Recently, SEB also initiated analyst coverage with the publishing of research reports by prominent investment dealers.

Restructuring

Operating changes continue to be made to each of the entities to streamline operations, reduce costs, and leverage synergies between the companies. During the quarter, the consulting contracts and references of Stroma were transitioned to SOMOS which will manage that business segment on a go-forward, further, the Stroma Engineering Division was also transitioned to Inforica.

Company Business Model and Strategy

SEB has been focused on delivering a full suite of technology and health solutions to its clientele which complement the Company's leading edge health claims adjudication platform. There are two primary target markets in Canada – employee group benefits which exceed $35.0 billion annually and government funded benefits (federal and provincial) which are in excess of $25.0 billion. SEB's technology platform can easily adapt to managing the end-to-end business processes in both environments. These markets are in excess of $60.0 billion in Canada, with the employee group benefit portion growing over 80% in the past decade. Through acquisitions, SEB intends to acquire additional client relationships and vendor status to support a complementary organic growth environment with both employers and government.

SEB's growth strategy has been acquisitions driven. In the Health and Wellness Division, acquisitions target third party administrators, as well as broker and consultant organizations that provide solutions and services to employers. The objective is to secure the client relationships and transition many of the front and back-office business processes to the SEB technology platform over time. In the Technology Division, SEB is focused on companies which have established vendor relationships, security clearances and project references that are required to bid on government contracts, in addition to, technology providers with operations and/or products which are strategically supportive of Health Care processing/operations and/or products which are related and/or complementary to Health Care processing, such as energy management, re-insurance, etc.

The growth plan for 2015 calls for SEB to continue to execute its acquisition program and at the same time launch organic growth initiatives.

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. The targeted acquisitions are expected to bring synergistic opportunities for cross selling, in addition to references necessary for successful responses to RFPs.

Operations Overview

Acquisitions

Paradigm Consulting Group

During the year, on December 31, 2014, SEB's indirect wholly owned subsidiary, 101270941 Saskatchewan Ltd., acquired all of the issued and outstanding shares of Paradigm Consulting Group Inc. and all of the issued and outstanding units, directly and indirectly, of PCGI Consulting Services Partnership (collectively referred to as "Paradigm"). This deal was closed in escrow until the amalgamations described below were completed on March 9, 2015.

Due to the fact that the Paradigm acquisition involved the purchase of shares as well as the purchase of partnership units, both directly and indirectly through holding companies of certain of the vendors, various companies were amalgamated to simplify the corporate structure and to enable the business acquired to reside in a single company. The purchaser company, 101270941 Saskatchewan Ltd., was amalgamated with Paradigm Consulting Group Inc., 101275162 Saskatchewan Ltd. (formerly 5677387 Manitoba Ltd. before its continuance into Saskatchewan), Craven Farms Ltd., 101275149 Saskatchewan Ltd. (formerly 4311612 Manitoba Inc. before its continuance into Saskatchewan) and 101271586 Saskatchewan Ltd. The name of the amalgamated company is Paradigm Consulting Group Inc.; and all of the issued and outstanding shares of this company are owned by SOMOS Consulting Group Ltd., a wholly owned subsidiary of SEB.

On March 9, 2015, the various continuances and amalgamations were completed and the Paradigm transaction documents were released from escrow.

Over the past 24 years Paradigm and PCGI have provided management consulting, change management, and application and IT services to corporate and government clients throughout the Prairie Provinces. Paradigm has more than 150 consultants, mostly employees, who service a legacy client base where the top 10 clients have an average engagement history of over 12 years. Paradigm's unique specialty practices and strong client relationships include healthcare, government, technology integration, insurance and utilities. The SEB Group gives Paradigm the opportunity to incorporate advanced software and solutions that will deliver significant added value for the majority of Paradigm's client base.

Paradigm is a very strategic acquisition for SEB, bringing significant government and corporate client relationships along with technical skills and expertise, which allow SEB to compete more effectively in Western Canada, particularly in the areas of healthcare and benefits administration and adjudication. SEB has made significant progress in developing a presence in Western Canada and Paradigm consolidates SEB's strength, providing local presence and delivery capability to service and manage important client relationships in this marketplace.

The agreed purchase price of Paradigm was up to $15,793,436 subject to adjustments, consisting of firm consideration of $13,427,864 and additional consideration of up to $2,365,572 if certain performance targets are achieved.

The "firm consideration" consists of the following:

1. Cash of $9,288,112 (including a proposed $1,600,000 of a working capital balance sheet adjustment).
2. Vendor notes in the aggregate principal amount of $1,182,786, with interest accruing at an annual rate of 3% payable quarterly in arrears with one third of the outstanding principal payable at the end of year two and the balance payable at the end of year three. The notes are convertible into SEB shares at $0.50 per share.

3. 5,913,877 SEB shares with a deemed value of $2,956,966. The shares are subject to a 36-month contractual escrow, with shares being released every six months in equal amounts following the closing of the transaction.

In addition, 1,000,000 share purchase warrants were issued to Paradigm employees as a retention incentive, of which 12,500 warrants were issued to Paradigm's President and 20,000 warrants were issued to Paradigm's Vice President of Finance. The majority of Paradigm employees received an allocation of warrants. All warrants have a 48-month term and an exercise price of $0.50 per share. The warrants vest in equal amounts every six months following the closing of the transaction.

The "additional consideration", payable in cash, consists of up to:

1. $1,774,179 to be paid at the end of year three following closing, subject to meeting a cumulative EBITDA of $8,870,898.
2. $591,393 to be paid at the end of year four following closing, subject to meeting a cumulative EBITDA of $11,827,864.

If the cumulative EBITDA targets are reached prior to the three year and four year benchmarks, respectively, the additional consideration will be paid earlier.

In addition, Paradigm employees will be entitled to participate in two annual bonus pools:

1. All employees of Paradigm will be entitled to participate in a bonus pool, with the aggregate pool amount calculated as the amount exceeding a benchmark of $2,956,966 EBITDA for Paradigm in each year over a 4 year period from the closing at a rate of 20% of such excess.
2. Senior management of Paradigm shall be entitled to participate in a bonus pool calculated as 5% of the EBITDA of Paradigm.

SEB Benefits & HR Consulting Inc.

On Feb 11, 2015 SEB closed its investment in SEB Benefits and HR Consulting Inc. (SEBCON), which owns the consulting practices of Joseph Ricciuti, Paul Serafini, Julie Holden and Sandra Routledge (collectively, the "Operating Shareholders"). SEB has acquired 50% of the issued and outstanding shares of SEBCON with the Operating Shareholders owning the other 50%. SEBCON operates as a consulting company providing innovative services and solutions for corporate and government clients in the areas of Group and Health Benefits, Retirement Plans and Human Resources. The terms of the transaction are as follows:

1. $100,000 of SEB Shares ("SEB Shares") allocated among the four Operating Shareholders. The SEB Shares were issued at $0.50 per share. The SEB Shares are subject to a contractual escrow over a 24 month period, released 25% every 6 months.
2. 50,000 share purchase warrants to acquire SEB shares. The warrants are exercisable at $0.50 per SEB share for a term of 36 months and vest on the same terms as the SEB Shares stated above. The warrants were issued to three of the four Operating Shareholders.
3. Business Infrastructure - SEB will provide, at no cost to SEBCON, office space, technology support and such other infrastructure support as may be required for a period of 36 months, subject to SEBCON achieving targeted financial results.
4. Working Capital - SEB will provide agreed upon working capital loans during the first year of operation, including accounts receivable funding.
5. Other - SEB will provide SEBCON other support including health benefits for employees, licensing and professional liability insurance.

Dispositions

EDI Sale

On December 19, 2014, SEB announced that Logitek Technology Ltd. ("Logitek"), a wholly owned subsidiary of SEB, entered into an agreement with DiCentral Corporation ("DiCentral") to jointly service the Canadian Electronic Data Interchange ("EDI") market. As part of this transaction, DiCentral acquired Logitek's EDI business, including all existing IP and support infrastructure in Canada, for $2,150,000. On closing, Logitek received $1,000,000, $750,000 cash was paid January 15, 2015 and the remaining $400,000 is payable over 24 months in varying amounts in 6 month intervals.

Logitek now operates as a strategic partner-reseller of DiCentral's EDI solutions. DiCentral has co-located with Logitek at Logitek's offices in Mississauga, Ontario. Logitek personnel will continue to support existing clients in the same infrastructure. Over time, select applications will be migrated to DiCentral solutions. SEB will also deploy DiCentral's EDI technology solutions in SEB's health benefits administration and health claims processing environments. Logitek's "EDI" business was approximately 35% of Logitek's total sales.

Financial Overview

Quarterly Balance sheet

	May 31, 2015	Feb 28, 2015	Nov 30, 2014	Aug 31, 2014	May 31, 2014	Feb 28, 2014	Nov 30, 2013	Aug 31, 2013
Cash	$ 2,866,208	$ 3,232,971	$ 403,096	$ 180,862	$ 1,737,535	$ 707,687	$ 257,608	$ 685,766
Accounts receivable	9,755,162	10,721,191	5,092,777	5,373,033	3,820,419	3,405,557	2,551,968	2,032,056
Funds in lawyer's trust account	-	1,500,000	-	-	-	-	-	-
Inventory	55,244	65,015	95,825	118,928	108,862	-	-	-
Prepaids and deposits	936,418	755,140	464,910	705,378	664,472	79,511	82,188	149,115
Total Current Assets	**13,613,032**	**16,274,317**	**6,056,608**	**6,378,201**	**6,331,288**	**4,192,755**	**2,891,764**	**2,866,937**
Advances to acquisition target	-	-	-	-	-	-	749,892	745,000
Long term deposits	275,352	275,352	275,352	158,474	-	-	-	-
Investments in associates	-	68,477	3,300,892	-	-	-	-	-
Equipment	945,548	1,005,373	623,489	837,646	653,356	550,654	472,343	462,422
Software	3,479,092	3,096,784	1,990,169	2,731,939	2,821,971	2,862,007	1,740,584	2,485,000
Intellectual property	87,083	89,833	92,583	250,000	250,000	-	-	-
Customer relationships	7,366,698	6,325,670	2,013,808	1,433,659	1,026,964	1,029,017	1,094,167	1,583,415
Trade names	3,351,234	5,598,636	1,235,369	1,225,100	961,000	662,900	704,800	-
Goodwill	7,936,313	6,722,860	3,283,157	1,980,489	1,612,190	1,325,310	1,147,793	-
Total Assets	**$ 37,054,352**	**$ 39,457,302**	**$ 18,871,427**	**$ 14,995,508**	**$ 13,656,769**	**$ 10,622,643**	**$ 8,801,343**	**$ 8,142,774**
Bank loan	$ 4,853,464	$ 1,391,300	$ 1,482,208	$ 1,555,784	$ 878,193	$ 722,836	$ 846,819	$ 969,802
Accounts payable and accruals	5,722,692	6,098,616	4,504,779	2,893,603	2,912,639	2,023,736	1,896,195	1,209,013
Deferred revenue	443,885	553,654	721,520	933,237	729,671	243,495	356,289	569,565
Current portion of equipment leases	11,851	23,205	35,260	77,205	67,152	67,830	96,659	14,491
Current portion of equipment loans	21,875	25,843	32,625	38,000	43,375	56,583	73,708	17,125
Current portion of convertible debt	4,095,333	1,737,388	678,928	-	-	-	-	-
Current portion of contingent liabilitie	90,000	90,000	93,962	-	-	-	-	-
Government remittances and current taxes payable	889,159	1,023,563	775,091	755,087	765,655	752,660	20,186	-
Short term notes	2,075,729	9,270,211	7,099	677,769	5,100	135,537	5,100	5,100
Total Current Liabilities	**18,203,988**	**20,213,780**	**8,331,472**	**6,930,685**	**5,401,785**	**4,002,677**	**3,294,956**	**2,785,096**
Bank loan	2,887,500	-	-	-	-	-	-	-
Equipment leases payable	2,187	4,375	8,998	48,362	14,038	38,273	36,546	48,870
Contingent consideration payable	2,195,082	3,158,618	1,137,555	248,613	248,613	-	-	-
Equipment loans	-	-	-	-	-	-	-	73,708
Convertible debt	1,031,200	3,309,132	4,009,624	4,457,270	4,151,397	3,868,038	2,628,045	2,334,815
Deferred income taxes	724,506	836,003	865,027	571,214	571,214	571,214	571,214	-
Preferred shares issued by subsidiary	350,000	350,000	350,000	350,000	350,000	350,000	-	-
Total Long Term Liabilities	**7,190,475**	**7,658,128**	**6,371,204**	**5,675,459**	**5,335,262**	**4,827,525**	**3,235,805**	**2,457,393**
Share capital	19,870,506	19,997,823	15,093,131	11,085,786	10,454,437	8,538,149	7,878,625	7,113,837
Share issue costs	(612,979)	(612,979)	(612,978)	(504,580)	(504,580)	(504,580)	(504,580)	(306,012)
Contributed surplus	1,308,502	1,308,502	926,216	1,011,348	930,546	779,501	724,486	977,599
Warrants	3,996,188	3,996,188	3,693,108	3,029,971	2,699,971	2,699,971	2,552,739	2,732,504
Options	1,786,662	1,413,059	1,255,222	692,548	586,477	311,397	311,397	447,099
Deficit	(17,047,908)	(15,097,522)	(15,499,981)	(12,653,725)	(10,968,052)	(9,785,035)	(8,692,085)	(8,064,742)
Total Shareholders' Equity	**9,300,971**	**11,005,071**	**4,854,718**	**2,661,348**	**3,198,799**	**2,039,403**	**2,270,582**	**2,900,285**
Non-controlling interest in subsidiaries	**2,358,918**	**580,323**	**(685,967)**	**(271,984)**	**(279,077)**	**(246,962)**	**-**	**-**
Total Liabilities and Shareholders' Equity	**$ 37,054,352**	**$ 39,457,302**	**$ 18,871,427**	**$ 14,995,508**	**$ 13,656,769**	**$ 10,622,643**	**$ 8,801,343**	**$ 8,142,774**

Balance Sheet Discussion

Accounts receivable
Accounts receivable increased $5,934,743 over the same quarter prior year due to multiple acquisitions in the last year. The Q2, 2015 balance decreased since Q1, 2015 by $966,029 to $9,755,162, primarily as a result of a temporary hold on spending in certain government departments. SOMOS accounts receivable were particularly affected showing a decrease of $648K in the quarter.

Funds in lawyer's trust
During Q1, 2015 the Chairman of the Board of Directors advanced $1,500,000 paying interest at 10% per annum due August 31, 2015. The funds were released from trust during Q2, 2015.

Inventory
The decrease in inventory of $9,771 over the first quarter is attributable to solid supplement sales in Adeeva. The inventory level is approximately half of what is was a year ago (when Adeeva was first acquired) due to implementation of stronger inventory management.

Prepaids and deposits
Prepaids increased by $181,278 in the quarter primarily due to expenses incurred on behalf of Veteran's Affairs Canada by SOMOS in advance of contract billings, and $271,946 over second quarter 2014 as a result of the acquisitions within the past year.

Long term deposits
The long term deposit account contains the deposit for the corporate premises in Mississauga ON which the company relocated to in Q3, 2014. This amount remains unchanged from previous quarter.

Investment in associates
Investment in associates decreased by $68,477 from prior quarter due to account reclassification. This amount is consistent with the zero balance recorded in Q2, 2014.

Equipment
Equipment is comprised of the depreciated value of furniture, computer hardware and computer hardware under capital lease. The Q2, 2015 balance decreased by $59,825 from Q1, 2015 as a result of $65,839 depreciation expense offset by $6,014 investment in additions (primarily composed of computer hardware). This amount increased over prior year by $292,192 due to the inclusion of equipment of both Paradigm and Banyan.

Software, Intellectual property, Customer relationships, Trade names and Goodwill
Prior to Q2, 2015 the Company acquired control of nine companies (Logitek, SOMOS, Inforica, Antian, Adeeva, Stroma, Banyan, Paradigm and SEBCON). The difference between the purchase price of these companies, and the tangible assets has been attributed to intangible assets such as software, intellectual property, customer relations, trade names and goodwill. During the quarter, a valuator was contracted to allocate the value of intangible assets for both Paradigm and Banyan. We have reflected the preliminary adjustments of these valuations in Q2, 2015.

Bank loan
During the quarter, the Company closed new credit facilities on behalf of Paradigm Consulting Group and replaced the existing credit arrangement of both SOMOS and Stroma. The balance of $7,740,964 partially reflects the financing of the acquisition of Paradigm and replaces the $7,688,112 of short term

notes shown on the balance sheet at Q1, 2015.

Accounts payable and accruals

Accounts payable and accruals decreased over the previous quarter by $375,924. The balance of $5,722,692 has increased over Q2, 2014 by $2,810,053 due to the consolidation of companies acquired over the past 12 months.

Deferred revenue

Deferred revenue is the amount of licensing fees and consulting service revenue paid in advance of services being rendered. This amount decreased by $109,768 over prior quarter, and $285,786 over Q2, 2014 as deferred revenues were taken into income.

Government remittances and current taxes payable

The liability for government remittances decreased since Q1, 2015 by $134,404. A portion of this amount reflects the reduction of tax provision for the EDI sale of Logitek due to additional related transaction fees. The amount increased $123,502 from Q2, 2014 partially as a result of tax due on the above noted sale and increased operational earnings.

Short term notes

Short term notes decreased by $7,194,482 over prior quarter. As mentioned above, $7,688,112 was replaced by bank financing. The remaining balance reflects the note payable to the Chairman of the Board in the amount of $1,500,000 for temporary financing also associated with Paradigm. At Q2, 2014, the balance was $5,100.

Equipment leases and loans

Both equipment leases and loans have decreased over prior quarter, representing payments on existing leases/loans. No new equipment leases or loans were entered into during the quarter. The balance of Equipment leases payable remains consistent with Q2, 2014 at $14,038, while equipment loans increased by $21,875 over prior year's second quarter due to computer hardware additions.

Contingency liability

Total contingent liability decreased during the quarter by $963,536 primarily as a result of adjustments stemming from the external Valuator's preliminary report on the Paradigm acquisition. At Q2, 2014, the contingent liability was $248,613, the increase of $2,036,469 in the past 12 months is primarily due to the consideration contingently payable for Banyan ($206,330) and Paradigm ($1,208,634).

Convertible debt

The net increase in convertible debt for the quarter was $80,013, while the year over year amount increased $975,136. This includes $1,182,786 convertible notes issued on the acquisition of Paradigm.

Deferred income taxes

The decrease of $111,498 over prior quarter's deferred income tax expenses and the increase of $153,292 over Q2, 2014 amount are reflections of timing differences associated with the amortization of intangible assets.

Preferred shares issued by subsidiary

Inforica converted existing debt to preference shares with a royalty component. The holders of the preference shares can request they be retracted on October 18, 2018 for the face value of $350,000. There has been no change to this amount in the prior quarter or prior year.

Quarterly Income Statement

	Quarters							
	Mar 1, 2015 to May 31, 2015	*Dec 1, 2014 to Feb 28, 2015*	*Sep 1, 2014 to Nov 30, 2014*	*Jun 1, 2014 to Aug 31, 2014*	*Mar 1, 2014 to May 31, 2014*	*Dec 1, 2013 to Feb 28, 2014*	*Sep 1, 2013 to Nov 30, 2013*	*Jun 1, 2013 to Aug 31, 2013*
Revenue	**$ 13,342,530**	**$ 11,281,580**	**$ 4,260,462**	**$ 5,749,929**	**$ 5,754,539**	**$ 4,257,290**	**$ 3,505,874**	**$ 3,005,052**
Cost of revenues								
Compensation	8,838,234	7,342,872	2,228,583	4,290,056	3,826,131	3,356,047	2,900,794	2,319,632
Other	1,358,423	1,218,595	1,068,470	297,888	615,140	61,107	(261,990)	123,658
	10,196,657	8,561,467	3,297,053	4,587,944	4,441,271	3,417,154	2,638,804	2,443,290
Gross Margin	**3,145,873**	**2,720,113**	**963,409**	**1,161,985**	**1,313,268**	**840,136**	**867,070**	**561,762**
Operating costs								
Salaries and other comp costs	1,063,830	1,271,697	1,690,343	1,229,655	1,108,346	844,577	895,879	973,570
Professional fees	416,731	118,078	242,802	129,160	128,182	175,595	155,219	168,499
Office and general	1,054,089	810,234	740,260	814,458	509,484	464,537	553,810	283,023
	2,534,650	**2,200,009**	**2,673,405**	**2,173,273**	**1,746,012**	**1,484,709**	**1,604,908**	**1,425,092**
Income (Loss) before the following:	**611,223**	**520,104**	**(1,709,996)**	**(1,011,288)**	**(432,744)**	**(644,573)**	**(737,838)**	**(863,330)**
Share-based compensation	373,603	157,837	593,892	106,071	275,080	-	(116,864)	10,840
Interest	330,458	125,124	126,465	153,532	161,739	105,079	19,706	58,975
Amortization	724,802	683,300	391,671	249,287	194,378	197,084	156,080	151,082
Depreciation	65,714	35,008	150,807	24,188	28,231	25,228	82,763	20,973
Accretion of interest	187,892	194,512	446,382	134,214	122,960	90,431	59,384	66,983
Equity in income of associate	-		(28,192)	-	-	-	-	-
	(1,071,246)	**(675,677)**	**(3,391,021)**	**(1,678,580)**	**(1,215,132)**	**(1,062,395)**	**(938,907)**	**(1,172,183)**
Income tax expense (recovery)	(71,485)	69,378	(257,930)	-	-	-	(311,563)	-
Loss before acquisition and financing costs and sale of a portion of business	**(999,761)**	**(745,055)**	**(3,133,091)**	**(1,678,580)**	**(1,215,132)**	**(1,062,395)**	**(627,344)**	**(1,172,183)**
Acquisition and financing costs	830,127	-	-	-	-	-	-	-
Gain on sale of a portion of business (net of tax)	(100,000)	1,200,000	-	-	-	-	-	-
Net comprehensive income (loss)	**$ (1,929,888)**	**$ 454,945**	**$ (3,133,091)**	**$ (1,678,580)**	**$ (1,215,132)**	**$ (1,062,395)**	**$ (627,344)**	**$ (1,172,183)**
Attributed to non-controlling interest	**$ 170,498**	**$ 52,486**	**$ (286,835)**	**$ 7,093**	**$ (32,115)**	**$ 30,555**	-	-
Attributed to common shareholder	**$ (2,100,386)**	**$ 402,459**	**$ (2,846,256)**	**$ (1,685,673)**	**$ (1,183,017)**	**$ (1,092,950)**	**$ (627,344)**	**$ (1,172,183)**

Income Statement Analysis and Discussion

Revenue

Revenue for the three months ended May 31, 2015 was $13,342,530 ($5,754,539 for the three months ended May 31, 2014) and $24,624,110 for the six months then ended ($10,011,829 for the six months ended May 31, 2014). The substantial increase over the prior year's results is primarily due to the inclusion of the revenues of the newly acquired/controlled companies.

Revenue generated during the second quarter increased by $2,060,950 from the first quarter. The Technology Division showed revenues of $10,747,305 an increase over Q1 of $1,870,938. This increase reflected the inclusion of an additional month of Paradigm revenue. The Health and Wellness Division had revenues of $2,595,225, an increase of $190,012 over Q1, primarily resulting from organic growth.

Cost of revenues

Compensation

The Compensation portion included in "Cost of revenues" reflects billable cost of employees and contractor costs in SOMOS, Logitek, Paradigm, Banyan and Inforica. The compensation cost for the three months ended May 31, 2015 was $8,838,234 ($3,826,131 for the comparable period prior year) and $16,181,106 for the six months then ended ($7,182,178 for the six months ended May 31, 2014). The increase over the prior year's results is due to the inclusion of the compensation costs of the newly acquired/controlled companies. This is consistent with the increase reflected in revenues.

Compensation paid during the second quarter 2015 increased $1,495,362 over the first quarter 2015. The Health and Wellness Division showed an increase of $212,563 primarily as a result of additional costs incurred from Banyan's expansion into Australia, while the Technology Division showed $1,285,151 increase primarily from the inclusion of a full three months costs of Paradigm, compared to the two months reflected in the previous quarter, offset by reductions in the other technology companies.

Other

"Other" under this classification represents expenses directly incurred to earn the revenue stream. This includes sales commissions and cost of inventory. The costs for three months ended May 31, 2015 were $1,358,423 ($615,140 for the comparable three months in 2014) and $2,577,018 for the six months then ended ($676,247 for the six months ended May 31, 2014). The current quarter showed an increase of $139,828 over the first quarter 2015. These increases are consistent with the changes in revenue noted above.

Operating costs

Salaries and other compensation costs

Salaries and other compensation costs were $1,063,830 for the quarter and $2,335,527 for the six months ended May 31, 2015 ($1,108,346 and $1,952,923 respectively for the comparable period prior year). The increase over the prior year's results is due to the inclusion of the compensation costs of the newly acquired/controlled companies.

Salaries showed a net increase from the first quarter of $207,867. The Technology Division showed reduced salary expense of $32,556 even with the addition of an additional month of Paradigm costs reflected, however, both the Corporate Office and Health and Wellness Division increases in additional staffing offset it.

Professional fees

Professional fees for the quarter were $416,731 bringing the year to date amount to $534,809 ($128,182/$303,777 for prior year's comparable periods). The increase over the prior year's results is due to the inclusion of the costs of the newly acquired/controlled companies.

Second quarter professional fees expense included over $100,000 of additional accounting, tax and audit fees of Banyan. Many of these costs pertained to Banyan's expansion into Australia. The $298,653 increase over first quarter also reflected additional fees incurred by Paradigm to align its management team and corporate structure.

Office and general

Office and general expenses were $1,054,089 for the quarter ended May 31, 2015 and $1,864,323 for the six months then ended ($509,484 and $974,021 for the respective periods prior year). The increase over the prior year's results is due to the inclusion of the costs of the newly acquired/controlled companies and their alignment into SEB including rebranding costs.

Office costs for the quarter increased by $243,855, of this $144,217 was an increase strictly pertaining to costs incurred by Paradigm.

Share based compensation

Share based compensation was $373,603 for the quarter, bringing the year to date amount to $531,440 ($275,080 and $275,080 for the three and six month comparable periods in prior year). This is a non-cash incentive used by the Company to retain key employees in the companies acquired during this time frame and retain new ones.

Share based compensation increased by $215,766 as a result of immediate vesting of options issued during the period.

Amortization

Amortization for the three months ended was $724,802 an increase of $530,424 over second quarter 2014, while amortization for the six months ended May 31, 2015 was $1,408,102 compared to $391,462 for the six months ended 12 months earlier. The increase over the prior year's results is due to the costs of the newly acquired/controlled companies.

Depreciation

Depreciation of $65,714 was recorded for the three months ended May 31, 2015, while $100,722 was recorded for the six months then ended compared to $28,231 for the three months ended May 31, 2014 and $53,459 for the six months then ended. The increase over the prior year's results is due to the inclusion of depreciation of assets from of the newly acquired/controlled companies.

Interest accretion

Interest accretion for the quarter was $187,892, bringing the year to date expense to $382,404. The comparable period prior year recorded $122,960 and $213,391. This is consistent with the increase in convertibles debt issued as part of the acquisitions during the past 12 months.

Quarterly Cash Flows

	Quarters							
	Mar 1, 2015 to May 31, 2015	*Dec 1, 2013 to Feb 28, 2014*	*Sep 1, 2014 to Nov 30, 2014*	*Jun 1, 2014 to Aug 31, 2014*	*Mar 1, 2014 to May 31, 2014*	*Dec 1, 2012 to Feb 28, 2014*	*Sep 1, 2013 to Nov 30, 2013*	*Jun 1, 2013 to Aug 31, 2013*
Loss before acquisition and financing costs and sale of portion of business:	**$ (999,761)**	**$ (745,055)**	**$ (3,127,558)**	**$ (1,685,673)**	**$ (1,183,017)**	**$ (1,092,950)**	**$ (627,344)**	**$ (1,172,183)**
Add items not involving cash:								
deferred tax recovery	-	-	-	-	-	-	(311,563)	-
amortization	724,772	683,330	391,672	249,287	194,378	197,084	156,125	151,037
depreciation	65,714	35,008	150,807	24,188	28,231	25,228	82,763	20,973
accreted interest	187,892	194,512	441,873	138,722	122,960	90,431	59,384	66,983
share-based compensation	373,603	157,837	593,892	106,071	275,080	-	(116,864)	10,840
equity income from associate	-	-	(28,192)	-	-	-	-	-
	352,220	325,632	(1,577,506)	(1,167,405)	(562,368)	(780,207)	(757,499)	(922,350)
non-cash working capital	2,639,604	(2,441,977)	1,733,049	(395,147)	389,192	(730,775)	(76,925)	216,633
Cash used in operating activities	**2,991,824**	**(2,116,345)**	**155,543**	**(1,562,552)**	**(173,176)**	**(1,510,982)**	**(834,424)**	**(705,717)**
Cash flows from investing activities								
Cash received on sale of portion of business	-	1,750,000	-	-	-	-	-	-
Advance to related company	-	-	-	-	-	-	5,500	-
Purchase of software	(430,014)	(68,782)	(141,702)	-	-	-	(40,000)	-
Acquisition of Antian	-	-	(357,701)	-	-	-	-	-
Acquisition of Stroma	-	-	(650,000)	-	-	-	-	-
Acquisition of Banyan	-	-	(1,575,000)	-	-	-	-	-
Net cash on acquisiton of Logitek	-	-	-	-	-	-	330	-
Net cash on acquisition of Inforica	-	-	(16,864)	-	-	29,064	-	-
Net cash on acquisition of Adeeva	-	-	-	-	6,209	-	-	-
Net cash on acquisition of Antian	-	-	357,701	-	98,458	-	-	-
Net cash on acquisition of Stroma	-	-	302,453	(650,000)	-	-	-	-
Net cash on investment in Banyan	-	848,559	-	-	-	-	-	-
Net cash on acquisition of Paradigm	(7,974,270)	1,159,848	-	-	-	-	-	-
Advance to acquisition target	-	-	-	-	-	-	(4,892)	(245,000)
Purchase of equipment	(6,014)	(5,626)	58,686	(137,283)	(81,826)	(26,625)	(92,751)	(9,859)
Acquisition and financing costs	(830,127)	-	-	-	-	-		
Cash flows from investing activities	**(9,240,425)**	**3,683,999**	**(2,022,427)**	**(787,283)**	**22,841**	**2,439**	**(131,813)**	**(254,859)**
Cash flows from financing activities								
Proceeds from equity financings	-	-	3,000,000	-	-	-	500,000	-
Issue costs on equity financings	-	-	(55,858)	-	-	-	(147,870)	-
Exercise of warrants	-	1,262,725	150	59,750	1,368,850	254,800	67,500	-
Exercise of options	1,313	56,000	26,375	9,100	22,438	4,725	(58,687)	67,280
Convertible debt to be issued	-	-	-	-	-	-	(30,000)	-
Advances from shareholders	-	-	163,923	-	(155,437)	(8,486)	-	-
Financing through capital leases	(13,542)	-	(44,377)	44,377	-	-	115,433	-
Repayment of equipment loans	(3,968)	(6,782)	(5,375)	(5,375)	(13,208)	(17,125)	(14,757)	(9,873)
Repayment of equipment leases	-	(16,678)	(36,933)	-	(24,913)	(27,101)	(47,957)	(17,125)
Advances (repayment of short term notes	-	-	(653,153)	672,699	(17,547)	-	(10,714)	-
Proceeds from short term notes	2,068,630	-	-	-	-	-	-	-
Proceeds/repayments from bank loan	3,937,500	-	-	-	-	-	-	-
Proceeds from convertible debt	-	-	235,580	12,611	-	1,751,809	340,000	725,000
Issue costs on convertible debt	-	-	(248,192)	-	-	-	(174,869)	-
Repayment of convertible debt	(108,095)	(33,044)	(35,092)	-	-	-	-	-
Cash provided by financing activities	**5,881,838**	**1,262,221**	**2,347,048**	**793,162**	**1,180,183**	**1,958,622**	**538,079**	**765,282**
Net change in cash for the period	(366,763)	2,829,875	222,234	(1,556,673)	1,029,848	450,079	(428,158)	(195,294)
Cash, beginning of period	3,232,971	403,096	180,862	1,737,535	707,687	257,608	685,766	881,060
Cash, end of period	**$ 2,866,208**	**$ 3,232,971**	**$ 403,096**	**$ 180,862**	**$ 1,737,535**	**$ 707,687**	**$ 257,608**	**$ 685,766**

Liquidity

The Company is targeting to continue to be cash-positive from operations during the remainder of fiscal 2015. Cash generated in operating activities for the quarter was $2,991,824, compared to cash used of $877,479 in the comparable quarter prior year.

Up to this date, the Company has been in the early development stage and was in the process of developing/acquiring sustainable revenue for generation of cash flow. During that period, it relied on raising the necessary cash through issues of equity capital or debt which is convertible to equity capital to fund acquisitions, operations and software development.

Sources and Uses of Cash

The major sources of cash during the quarter were proceeds from the new term bank loan in the amount of $4,200,000, Paradigm's operating line and the proceeds from short term loans in the amount of $2,068,630.

The major use of cash during the quarter was the replacement of promissory notes issued on the acquisition of Paradigm in the amount of $7,974,270.

Summary of Financial Commitments as at May 31, 2015

	Balance May 31, 2015	Commitments by year				
		2015	2016	2017	2018	2019
Short term notes	**2,075,729**	**2,075,729**	**-**	**-**	**-**	**-**
Convertible debt						
Note issued on acquisition of Logitek Feb 6, 2013	651,858	-	-	-	651,858	-
Financing May 13, 2013	1,025,000	-	1,025,000	-	-	-
Financing August 30, 2013	725,000	-	725,000	-	-	-
Financing Sept 6, 2013	250,000		250,000	-	-	-
Financing Feb 14, 2014	1,950,000		1,950,000	-	-	-
Note issued on acquisition of Antian Professional Services	240,860	31,216	63,865	65,824	67,844	12,111
Note issued on acquisition of Stroma Jun 6, 2014	250,001	83,333	83,333	83,334	-	-
Note issued on acquisition of Paradigm on Dec 31, 2014	1,106,390	-	-	368,797	737,593	-
	6,199,109	**114,549**	**4,097,198**	**517,955**	**1,457,295**	**12,111**
Term bank loan						
Loan #1	3,937,500	525,000	1,050,000	1,050,000	1,050,000	262,500
	3,937,500	**525,000**	**1,050,000**	**1,050,000**	**1,050,000**	**262,500**
Equipment loans						
Loan #2	21,875	6,250	12,500	3,125	-	-
	21,875	**6,250**	**12,500**	**3,125**	**-**	**-**
Equipment leases						
Lease #1	10,937	4,375	6,562	-	-	-
Lease #2	1,844	1,844	-	-	-	-
Lease #3	1,257	1,257	-	-	-	-
	14,038	**7,476**	**6,562**	**-**	**-**	**-**
Premise leases						
Lease #1	730,340	84,270	168,540	168,540	168,540	140,450
Lease #2	2,248,573	243,613	545,822	604,418	633,716	221,005
Lease #3	802,062	89,118	178,236	178,236	178,236	178,236
Lease #4	146,529	16,281	32,562	32,562	32,562	32,562
Lease #5	54,000	54,000	-	-	-	-
	3,981,504	**487,282**	**925,160**	**983,756**	**1,013,054**	**572,253**
Total	**$ 16,229,755**	**$ 2,691,286**	**$ 5,041,420**	**$ 1,504,836**	**$ 2,470,349**	**$ 584,364**

Equipment leases
The Company finances equipment from time to time using equipment leases. The leases are amortized over the term of the lease. Expiry dates range from April, 2015 to August, 2016.

Equipment loans
The Company finances equipment from time to time using equipment loans secured by the specific pieces of equipment financed by the loans. Termination date of the one remaining loan is February, 2017.

Premise leases
As a result of the acquisition of Paradigm, an additional premise lease was added to the commitment schedule. Banyan has relocated to 5500 Explorer Drive, the SEB corporate office and requires no additional disclosure.

Subsequent Events

Acquisition of Maplesoft Group Inc.

On June 11, 2015, the Company announced it had, through its wholly-owned subsidiary, SOMOS Consulting Group Ltd. ("SOMOS"), entered into an agreement, dated June 10, 2015, to acquire 100% of Maplesoft Group Inc. ("Maplesoft"), an Ottawa-based corporation with regional offices in Calgary, Montreal and Toronto.

The acquisition cost of Maplesoft is approximately $19,331,845 plus performance-based contingent consideration:

1. Cash of $10,000,000;
2. Debt to be assumed of $7,331,845;
3. SEB shares, equivalent to $2,000,000, priced based on the three day weighted average trading price prior to the closing date, subject to a minimum price equal to the higher of (i) $0.50 per share and (ii) the price of the SEB shares on the closing date;
4. 1,000,000 share purchase warrants for employee retention vesting over a 48-month period, with an exercise price of no less than the price of the SEB shares at the closing date; and
5. Performance incentive consideration equivalent to 15% of the increase of the enterprise value of Maplesoft over a five year period (the "Performance Incentive Payments").

In addition, SEB will also provide an advance of $2,000,000 to existing Maplesoft shareholders to be secured by the SEB shares issued to such shareholders. The advance will be offset against any amounts owed to such shareholders pursuant to the Performance Incentive Payments.

The transaction is subject to completion of final due diligence and definitive documents between the parties and approval by the TSXV and the respective Boards of Directors of the parties.

Transactions with Related Parties

Management fees
Two shareholders of the Company, one acting in the capacity of President, Chief Executive Officer and Chief Information Officer and the other acting as Chief Financial Officer, Chief Operating Officer and

Corporate Secretary, were paid management fees during the period March 1, 2015 to May 31, 2015 totaling $135,750 ($106,500 during the period March 1, 2013 to May 31, 2014). The President, Chief Executive Officer and Chief Information Officer is also a Director of the Company.

Short term notes receivable
Included in Accounts receivables are amounts due from two Directors, in the amounts of $60,000 and $112,539. The amounts are expected to be collected within the fiscal year.

Short term notes payable
Included in Short Term Loans was an amount of $1,500,000 advanced by the Chairman of the Board at an interest rate of 10% per annum, with a maturity date of August 31, 2015.

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.

Going Concern

The Company has incurred operating losses and negative cash flow from operations during recent quarters. There is no assurance that the Company will be able to generate net income or positive cash flow from operations in the foreseeable future. Based on these events and conditions there are material uncertainties that may cast 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 software and achieve other business objectives. It cannot be determined at this time whether these objectives will be realized. The unaudited condensed interim consolidated financial statements do not reflect the adjustments or reclassification of assets and liabilities which would be necessary if the Company were unable to continue as a going concern.

Credit Risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. For financial assets, this is typically the gross carrying amount, net of any amounts offset and any impairment losses. In the normal course of business, the Company is exposed to credit risk from its customers and the related accounts receivable are subject to normal industry credit risk. To mitigate this risk the Company reviews the creditworthiness of material new customers, monitors customer payment performance and, where appropriate, reviews the financial condition of existing customers. The Company establishes an allowance for doubtful accounts that corresponds to the specific credit risk of its customers and economic circumstances. The Company is not exposed to any significant credit rate risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The bank loan bears interest at floating rates and as such is subject to interest rate cash flow risk resulting from market fluctuations in interest rates. The Company is not exposed to any significant interest rate risk.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations such as accounts payable out of cash. The Company's future liquidity is dependent on factors such as the ability to generate cash from operations and to raise money through debt or equity financing. It is believed that the Company will be cash positive in 2015, mitigating any potential risk.