Leisureworld
SENIOR CARE CORPORATION

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

AND

MANAGEMENT INFORMATION CIRCULAR

**ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON APRIL 21, 2015**

March 23, 2015

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual and special meeting (the "**Meeting**") of the holders of common shares of Leisureworld Senior Care Corporation (the "**Company**") will be held on Tuesday, April 21, 2015 at the hour of 10:00 a.m. (Toronto time) at the St. Andrew's Club, Sun Life Financial Tower, 150 King Street West, 16th Floor, Toronto, Ontario for the following purposes:

1. **TO RECEIVE** the financial statements of the Company for the period ended December 31, 2014, together with the report of the auditors thereon;

2. **TO ELECT** the directors of the Company for the ensuing year;

3. **TO APPOINT** auditors of the Company and authorize the board of directors of the Company to fix the remuneration of the auditors;

4. **TO CONSIDER** and, if deemed advisable, to pass a resolution (the "**Name Change Resolution**"), the full text of which is attached as Appendix A to the Management Information Circular, with or without variation, to amend the Company's notice of articles and articles (collectively, the "**Articles**") to change the name of the Company from Leisureworld Senior Care Corporation to Sienna Senior Living Inc.;

5. **TO CONSIDER** and, if deemed advisable, to pass a resolution (the "**LTIP Resolution**"), the full text of which is attached as Appendix B to the Management Information Circular, with or without variation, to reconfirm and approve all unallocated securities, rights and other entitlements pursuant to the Company's long term incentive plan effective January 1, 2011 as amended on February 25, 2014 and November 11, 2014 (the "**LTIP**");

6. **TO CONSIDER** and, if deemed advisable, to pass a resolution (the "**RSUP Resolution**"), the full text of which is attached as Appendix C to the Management Information Circular, with or without variation, to reconfirm and approve all unallocated securities, rights and other entitlements pursuant to the Company's restricted share unit plan effective January 1, 2011 as amended on February 25, 2014 and November 11, 2014 (the "**RSUP**"); and

7. **TO TRANSACT** such further or other business as may properly come before the Meeting or any adjournment or adjournments thereof.

The accompanying management information circular provides additional information relating to the matters to be dealt with at the Meeting and forms part of this notice.

DATED at Toronto, Ontario this 23rd day of March, 2015.

BY ORDER OF THE BOARD OF DIRECTORS

"Lois Cormack"

President and Chief Executive Officer
Leisureworld Senior Care Corporation

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INFORMATION CIRCULAR

Unless otherwise indicated, or the context otherwise requires, "**Company**" or "**Leisureworld**" refers to Leisureworld Senior Care Corporation and its direct and indirect subsidiaries. Unless otherwise indicated, all dollar amounts are expressed in Canadian dollars and references to "$" are to Canadian dollars.

This information circular (the "**Information Circular**") is furnished in connection with the solicitation of proxies by or on behalf of management of Leisureworld, for use at the annual and special meeting (the "**Meeting**") of holders ("**Shareholders**") of common shares ("**Common Shares**") of the Company to be held on Tuesday, April 21, 2015 at the hour of 10:00 a.m. (Toronto time) at the St. Andrew's Club, Sun Life Financial Tower, 150 King Street West, 16th Floor, Toronto, Ontario, and at all postponements or adjournments thereof, for the purposes set forth in the accompanying notice of the Meeting (the "**Notice of Meeting**").

PROXY SOLICITATION AND VOTING

Solicitation of Proxies

The solicitation of proxies for the Meeting will be made primarily by mail, but proxies may also be solicited personally, in writing or by telephone by employees of the Company, at nominal cost. The Company will bear the cost in respect of the solicitation of proxies for the Meeting and will bear the legal, printing and other costs associated with the preparation of the Information Circular.

Appointment and Revocation of Proxies

Together with the Information Circular, the Shareholders will also be sent a form of proxy (a "**Form of Proxy**"). The persons named in such proxy are directors of the Company. **A Shareholder who wishes to appoint some other person to represent him, her or it at the Meeting may do so by crossing out the persons named in the enclosed Form of Proxy and inserting such person's name in the blank space provided in the Form of Proxy or by completing another proper Form of Proxy. Such other person need not be a Shareholder of the Company.**

To be valid, proxies or instructions must be deposited at the offices of Computershare Trust Company of Canada (the "**Agent**"), 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, so as not to arrive later than 10:00 a.m. (Toronto time) on April 17, 2015, or be deposited with the chair of the Meeting (the "**Chair of the Meeting**") prior to the commencement of the Meeting. If the Meeting is adjourned, proxies or instructions to the Agent must be deposited 48 hours (excluding Saturdays, Sundays and holidays) before the time set for any reconvened meeting at which the proxy or instructions are to be used, or be deposited with the Chair of the Meeting prior to the commencement of the Meeting or any reconvened meeting.

The document appointing a proxy must be in writing and completed and signed by a Shareholder or his or her attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized. Instructions provided to the Agent by a Shareholder must be in writing and completed and signed by the Shareholder or his or her attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized. Persons signing as officers, attorneys, executors, administrators, and trustees or similarly otherwise should so indicate and provide satisfactory evidence of such authority.

A Shareholder that has given a proxy may revoke the proxy: (a) by completing and signing a proxy bearing a later date and depositing it as aforesaid; (b) by depositing an instrument in writing executed by the Shareholder or by his or her attorney authorized in writing: (i) at the registered office of the Company at any time up to and including the last business day preceding the day of the applicable Meeting, or any adjournment thereof, at which the proxy is to be used, or (ii) with the Chair of the Meeting prior to the commencement of such Meeting on the day of such Meeting or any adjournment thereof; or (c) in any other manner permitted by law. A Shareholder that has given instructions to their nominee with respect to the voting of the Common Shares may revoke the instructions: (a) by completing and signing instructions bearing a later date and depositing them as aforesaid; (b) by depositing an instrument in writing executed by the Shareholder or by his or her attorney authorized in writing: (i) at the registered office of the Agent at any time up to and including the last business day preceding the day of the applicable Meeting, or any adjournment thereof, at which the instructions are to be relied on, or (ii) with the Chair of the Meeting prior to the commencement of such Meeting on the day of such Meeting or any adjournment thereof; or (c) in any other manner permitted by law.

Voting of Proxies

The persons named in the accompanying Form of Proxy will vote the Common Shares in respect of which they are appointed, on any ballot that may be called for, in accordance with the instructions of the Shareholder as indicated on the proxy. In the absence of such specification, such Common Shares will be voted at the Meeting as follows:

- **FOR the election of each of the nominees to the board of directors listed under the heading "Matters to be Considered at the Meeting — Election of Directors";**
- **FOR the appointment of PricewaterhouseCoopers LLP, Chartered Accountants, as auditors of the Company and to authorize the board of directors to fix the auditor's remuneration;**
- **FOR the passing of a resolution, the text of which is included at Appendix A to the Information Circular, to amend the Company's Articles to change the name of the Company from Leisureworld Senior Care Corporation to Sienna Senior Living Inc.;**
- **FOR the passing of a resolution, the text of which is included at Appendix B to the Information Circular, to reconfirm and approve all unallocated securities, rights and other entitlements pursuant to the Company's long term incentive plan effective January 1, 2011 as amended on February 25, 2014 and November 11, 2014 (the "LTIP"); and**
- **FOR the passing of a resolution, the text of which is included at Appendix C to the Information Circular, to reconfirm and approve all unallocated securities, rights and other entitlements pursuant to the Company's restricted share unit plan effective January 1, 2011 as amended on February 25, 2014 and November 11, 2014 (the "RSUP").**

For more information on these issues, please see the section entitled "Matters to be Considered at the Meeting" in this Information Circular.

The persons appointed under the Form of Proxy are conferred with discretionary authority with respect to amendments to or variations of matters identified in the Form of Proxy and the Notice of Meeting and with respect to other matters which may properly come before the Meeting. In the event that amendments or variations to matters identified in the Notice of Meeting are properly brought before the Meeting, it is the intention of the persons designated in the enclosed Form of Proxy to vote in accordance with their best judgment on such matter or business. At the time of printing the Information Circular, the directors of the Company (the "**Directors**", the "**Board**" or the "**Board of Directors**") know of no such amendments, variations or other matters.

INFORMATION FOR BENEFICIAL HOLDERS OF SECURITIES

Information set forth in this section is very important to persons who hold Common Shares otherwise than in their own names. A non-registered securityholder of the Company (a "**Beneficial Holder**") who beneficially owns Common Shares, but whose Common Shares are registered in the name of an intermediary (such as a securities broker, financial institution, trustee, custodian or other nominee who holds securities on behalf of the Beneficial Holder or in the name of a clearing agency in which the intermediary is a participant) should note that only proxies or instructions deposited by securityholders whose names are on the records of the Company as the registered holders of Common Shares can be recognized and acted upon at the Meeting.

Common Shares that are listed in an account statement provided to a Beneficial Holder by a broker are likely not registered in the Beneficial Holder's own name on the records of the Company and such Common Shares are more likely registered in the name of CDS Clearing and Depository Services Inc. ("**CDS**") or its nominee.

Applicable regulatory policy in Canada requires brokers and other intermediaries to seek voting instructions from Beneficial Holders in advance of securityholders' meetings. Every broker or other intermediary has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Holders in order to ensure that their Common Shares are voted at the Meeting. Often, the form of proxy supplied to a Beneficial Holder by its broker is identical to that provided to registered securityholders. However, its purpose is limited to instructing the registered securityholder how to vote on behalf of the Beneficial Holder. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Investor Communications Solutions ("**Broadridge**"). Broadridge typically prepares a machine-readable voting instruction form, mails those forms to the Beneficial Holders and asks Beneficial Holders to return the proxy forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions representing the voting of the securities to be represented at the Meeting. A Beneficial Holder receiving a Broadridge voting instruction form cannot use that voting instruction form to vote Common Shares directly at the Meeting. The voting instruction form must be returned to Broadridge well in advance of the Meeting in order to have the Common Shares voted.

Although Beneficial Holders may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of CDS or their broker or other intermediary, a Beneficial Holder may attend at the Meeting as proxy holder for the registered holder and vote their Common Shares in that capacity. Beneficial Holders who wish to attend the Meeting and indirectly vote their own Common Shares as proxy holder for the registered holder should enter their own names in the blank space on the Form of Proxy or voting instruction form provided to them and return the same to their broker or other intermediary (or the agent of such broker or other intermediary) in accordance with the instructions provided by such broker, intermediary or agent well in advance of the Meeting.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

To the knowledge of management of the Company, other than as described in this Information Circular, no Director or executive officer of the Company, no proposed nominee for election as a Director of the Company, and no associate or affiliate of any such person has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The Company is authorized to issue an unlimited number of Common Shares. As of the date of this Information Circular, there were 36,360,982 Common Shares outstanding.

At the Meeting, each Shareholder of record at the close of business on March 12, 2015, the record date established for the Notice of Meeting (the "**Record Date**"), will be entitled to one vote for each Common Share held on all matters proposed to come before the Meeting, except to the extent such Shareholder has transferred any such Common Shares after the Record Date and the transferee of such Common Shares establishes ownership thereof and makes a written demand to the Corporate Secretary of the Company, not later than 10 days before the date of the Meeting, to be included in the list of Shareholders entitled to vote at the Meeting, in which case the transferee will be entitled to vote such Common Shares.

To the knowledge of the Directors, there are no persons that beneficially own or exercise control or direction over Common Shares carrying 10% or more of the votes attached to the issued and outstanding Common Shares.

MATTERS TO BE CONSIDERED AT THE MEETING

Financial Statements

The consolidated financial statements of the Company for the fiscal year ended December 31, 2014 ("**Fiscal 2014**"), management's discussion and analysis (MD&A) thereon and the accompanying auditors' report that were filed by the Company and made available on www.sedar.com, and mailed to Shareholders with this Information Circular, will be placed before the Shareholders at the Meeting. No formal action will be taken at the Meeting to approve the financial statements. If any Shareholder has questions regarding such financial statements, such questions may be brought forward at the Meeting.

Election of Directors

The number of Directors to be elected at the Meeting has been fixed at six. **The persons named in the enclosed Form of Proxy, if not expressly directed to the contrary in such Form of Proxy, intend to vote for the election, as Directors, of the proposed nominees whose names are set out below.** It is not contemplated that any of the proposed nominees will be unable to serve as a Director but, if that should occur for any reason prior to the Meeting, the persons named in the enclosed Form of Proxy reserve the right to vote for another nominee at their discretion. Each nominee elected as a Director will hold office until the next annual meeting of the Shareholders or until his or her successor is elected or appointed. The individuals proposed to be nominated for election as Directors are:

Dino Chiesa

Lois Cormack

Janet Graham

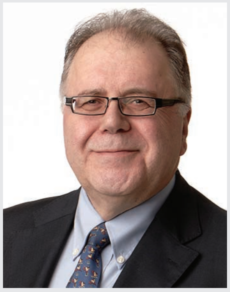
Paula Jourdain Coleman

Jack MacDonald

John McLaughlin

The following tables set forth certain information for the individuals proposed to be nominated for election as Directors. The nominees make up the current Board of Directors of the Company. Biographies for each nominee, which include a summary of each nominee's principal occupation and employment within the five preceding years, as well as a discussion of each proposed nominee's independence, are set out in the Company's annual information form dated March 23, 2014 (the "**AIF**") and such information is incorporated by reference herein. The AIF can be found under the Company's profile at www.sedar.com. Upon request, the Company will promptly provide a copy of the AIF free of charge to a Shareholder of the Company.

Dino Chiesa, Board Chair Toronto, Ontario, Canada	**Director Since:** March 2010 **Independent**



Mr. Chiesa served as the immediate past chair of Canada Mortgage and Housing Corporation, one of Canada's largest financial institutions, and is principal of Chiesa Group, a commercial real estate developer. He is a member of the Board of Trustees of Morguard North American Residential REIT. He is a former Trustee and Vice-Chair of Canadian Apartment Properties Real Estate Investment Trust and former CEO of its predecessor, a former director of Dynacare Laboratories Inc., and a former member of the Board of Trustees of Sunrise Senior Living Real Estate Investment Trust.

Mr. Chiesa has held several positions within the Government of Ontario, including Assistant Deputy Minister, Municipal Affairs and Housing and Chief Executive Officer of each of Ontario Housing Corporation and Ontario Mortgage Corporation.

Equity Ownership/Control (as of March 23, 2015)		**Committee Membership**
Common Shares (voting securities)	Deferred Share Units (non-voting securities)	Audit Committee Compensation, Governance & Nominating Committee
18,500	104,859	

Public Board Membership
Morguard North American Residential REIT (TSX: MRG.UN)

2014 Meeting Attendance	
Board Meetings Attended	Applicable Committee Meetings Attended
7 of 7 Meetings	12 of 12 Meetings

Lois Cormack Bradford, Ontario, Canada	**Director Since:** November 2013 **Non-Independent**

Ms. Cormack is the President and Chief Executive Officer of the Company. She has extensive experience and relationships in the health care and seniors' care sectors, including in the regulatory and policy environment in the Province of Ontario, as well as a wealth of experience in developing, leasing and operating LTC and retirement homes. She served most recently as President of Specialty Care Inc.

Ms. Cormack has served on a number of provincial and national committees, including as Chair of the Board of Directors of the Ontario Long-Term Care Association (OLTCA). Ms. Cormack currently sits on the Board of Directors of the OLTCA and is a member of the Board of Governors of Seneca College.

Equity Ownership/Control (as of March 23, 2015)		**Committee Membership**
Common Shares (voting securities)	Deferred Share Units (non-voting securities)	None
60,795	15,600	

Public Board Membership
None

2014 Meeting Attendance	
Board Meetings Attended	Applicable Committee Meetings Attended
6 of 6 Meetings	N/A

Janet Graham, Audit Committee Chair Toronto, Ontario, Canada	**Director Since:** March 2010 **Independent**

Ms. Graham is a Managing Director of IQ Alliance Incorporated, a Toronto-based real estate advisory services firm. Prior to joining IQ Alliance Incorporated, Ms. Graham was an independent consultant for a number of years, delivering real estate related financial advisory services to major corporate clients. She has held several senior positions at a Canadian chartered bank, specializing in corporate finance and lending.

Ms. Graham is a member of the Board of Trustees and Chair of the Audit Committee of Milestone Apartments Real Estate Investment Trust, a member of the Board of Directors and Chair of the Audit Committee of Toronto Waterfront Revitalization Corporation, and a former member of the Boards, and Chair of the Audit Committee, of a number of public corporations and trusts.

Equity Ownership/Control (as of March 23, 2015)		**Committee Membership**
Common Shares (voting securities)	Deferred Share Units (non-voting securities)	Audit Committee (Chair) Compensation, Governance & Nominating Committee
10,000	17,446	

Public Board Membership
Milestone Apartments Real Estate Investment Trust (TSX: MST.UN)

2014 Meeting Attendance	
Board Meetings Attended	Applicable Committee Meetings Attended
7 of 7 Meetings	12 of 12 Meetings

Paula Jourdain Coleman Oakville, Ontario, Canada	**Director Since:** February 2014 **Independent**

Ms. Jourdain Coleman is the owner and President of Lakebridge Investments Inc., a privately-held investment company. She joined Leisureworld's board of directors in February 2014, following Leisureworld's 2013 acquisition of a portfolio of Specialty Care properties as well as its management business. Ms. Jourdain Coleman previously served as Chairman and CEO of Specialty Care Inc.

Ms. Jourdain Coleman currently serves on the Board of Directors of George Brown College Foundation and is a member of the International Women's Forum. She previously served on the board of directors of St. Joseph's Health Care Centre and is also a past President of the Ontario Long Term Care Association (OLTCA) and the Ontario Retirement Communities Association (ORCA).

Equity Ownership/Control (as of March 23, 2015)		**Committee Membership**
Common Shares (voting securities)	Deferred Share Units (non-voting securities)	None
588,817	3,553	

Public Board Membership
None

2014 Meeting Attendance	
Board Meetings Attended	Applicable Committee Meetings Attended
7 of 7 Meetings	N/A

Jack MacDonald
Burlington, Ontario, Canada

Director Since: March 2010
Independent

Mr. MacDonald served as Chair of Compass Group Canada & ESS North America until September, 2012. Prior to this role he was Chief Executive Officer of the company for the period 1996 to 2010.

Mr. MacDonald is the Lead External Director of Micco Companies, a privately held company operating in Nova Scotia. Mr. MacDonald's previous board roles include Honourary Chair, Toronto Zoo Campaign — "Wild for Life"; Chair, Canadian Aboriginal Business Hall of Fame; member of the Province of Ontario Investment and Trade Advisory Council; Chair, Canadian Foundation for Dietetic Research; Chair, President's Advisory Council for Humber College; Director of the Colorectal Cancer Screening Initiative Foundation; and Director of the Canadian Physiotherapy Association.

Equity Ownership/Control (as of March 23, 2015)		**Committee Membership**
Common Shares (voting securities)	Deferred Share Units (non-voting securities)	Audit Committee Compensation, Governance & Nominating Committee
14,500	12,460	

Public Board Membership

None

2014 Meeting Attendance	
Board Meetings Attended	Applicable Committee Meetings Attended
7 of 7 Meetings	12 of 12 Meetings

John McLaughlin, Chair of Compensation, Governance & Nominating Committee
Oakville, Ontario, Canada

Director Since: March 2010
Independent

Mr. McLaughlin is President of Tall Oak Management Inc., a privately-held management consulting and investment company. Mr. McLaughlin is a former director of Futuremed Healthcare Products Corporation, serving as Chairman from 2006 to March 2012. He is also a former director of Aim Health Group, where he was Chair of the Audit Committee. Currently, he is a Director of Medical Pharmacies Group Inc.

Mr. McLaughlin has served as Chief Executive Officer of a number of Canadian hospitals. He has served on the Board of the Ontario Long Term Care Association in several posts including Chair. He is a graduate of St. Mary's University and of the University of Western Ontario's Executive Development Program.

Equity Ownership/Control (as of March 23, 2015)		**Committee Membership**
Common Shares (voting securities)	Deferred Share Units (non-voting securities)	Audit Committee Compensation, Governance & Nominating Committee (Chair)
20,000	29,231	

Public Board Membership

None

2014 Meeting Attendance	
Board Meetings Attended	Applicable Committee Meetings Attended
7 of 7 Meetings	12 of 12 Meetings

Majority Voting

Effective March 15, 2011, the Board adopted, on a voluntary basis, majority voting principles for the election of Directors at annual Shareholders' meetings. This includes the practice of ensuring that the proxy forms used for the election of Directors by Shareholders enable Shareholders to vote in favour of, or withhold their vote for, each Director nominee separately. In an uncontested election, any Director nominee who receives a greater number of votes "withheld" than votes "for" shall promptly submit to the Board his or her resignation, which shall take effect only upon the acceptance by the Board.

The Board, upon recommendation of the Compensation, Governance and Nominating Committee, shall within 90 days following the date of the applicable meeting determine either to accept or not accept the Director's resignation, and the Board shall promptly disclose, via press release, the determination, including, in cases where the Board has determined not to accept a resignation, the reasons therefor. It is generally expected that the Compensation, Governance and Nominating Committee will recommend that the Board accept such resignation except in extraordinary circumstances. If a resignation is accepted, the Board may appoint a new Director to fill any vacancy, or may reduce the size of the Board.

Diversity in the Board and Management

The Company is committed to fostering an open and inclusive workplace culture. The Company's code of business conduct and ethics (described under the heading "Ethical Business Conduct", below) underscores a commitment to diversity, recognizing it as a tremendous asset. The code of business conduct and ethics explicitly states that the Company and its affiliates are firmly committed to providing equal opportunity in all aspects of employment.

Further, in February 2015, the Board adopted a Board Diversity Policy, in recognition that a board of directors comprised of highly qualified directors from diverse backgrounds, who understand the changing complexity of the business environment in which the Company operates, promotes better corporate governance. In support of this goal and in accordance with the Board Diversity Policy, the Nominating and Corporate Governance Committee will, when identifying candidates to nominate for election to the Board:

(a) identify the experience, functional expertise and personal skills and qualities that are needed to enhance the effectiveness of the Company's board of directors;

(b) consider only candidates that are highly qualified based on the experience, functional expertise and personal skills and qualities identified as necessary by the Board; and

(c) consider the level of representation of both genders on the Board, along with other markers of diversity, including gender, age, ethnicity and geographic background, when making recommendations for nominees to the Board.

The Company aspires towards Board composition in which each gender comprises at least one-third of the independent directors, and has not adopted any specific targets for executive officers, as the preference is to permit the Company to maintain flexibility in identifying a qualified pool of candidates that adequately reflects the various diverse characteristics that the Company seeks to promote from time to time. While the Company has not established targets specifically addressing the representation of women in executive officer positions, women have been, and will continue to be, considered by the Company, the Board and the Compensation, Governance and Nominating Committee in the making of executive officer appointments.

Currently, three of the six members of the Board (50%), and four of the six executive officers of the Company (67%), are women.

Director Term Limits

The Board does not consider it necessary to have a mandatory retirement policy for members of the Board, except in the circumstances set out below. Rather, the Board is of the view that Directors who have served on the Board for an extended period of time are able to provide valuable insight and perspective into the operations and future of the Company, based on their experience with, and understanding of, the Company's history, policies and objectives. However, the Board also considers it important that the Company receive the benefit of fresh approaches, new ideas and alternative viewpoints from new Board members from time to time and, accordingly, the Board reviews director rotation on an annual basis.

A Director who is an officer of the Company (other than a person who served as an officer in an interim capacity) is required to resign from the Board at the time he or she retires or otherwise ceases to be an active employee of the Company. Additionally, no Director will be permitted to sit on the Audit Committee or the CGNC beyond the tenth anniversary of the Director's first appointment or election to the Board. A Director may also be asked to resign from the Board in accordance with the Company's By-Laws if circumstances arise that materially impair such Director's ability to fulfill his or her obligations as a member of the Board.

Board Skills Matrix

The Company's Compensation, Governance and Nominating Committee has developed a Board Skills Matrix (see "Corporate Governance Disclosure") which identifies the professional skills, expertise and qualifications that the Board would ideally possess. The table attached as Appendix E to this Information Circular shows the mix of skills and experience of the Company's nominees to the board of directors.

To be effective, the election of each of the nominees to the board of directors listed above must be approved by a simple majority of the votes cast by Shareholders, present in person or represented by proxy, at the Meeting. **The persons named in the enclosed Form of Proxy, if not expressly directed to the contrary in such Form of Proxy, will vote such proxies in favour of the election of each of the nominees to the board of directors set out in this Information Circular.**

Appointment of Auditors

PWC has been the auditor of the Company since its inception. Specifically, PWC was first appointed on October 18, 2005 and continued to be the auditor of the Company following its initial public offering in March 2010.

The audit committee of the Company (the "**Audit Committee**") recommends to the Shareholders that PricewaterhouseCoopers LLP, Chartered Accountants, ("**PWC**"), be appointed as the independent auditor of the Company, to hold office until the next annual meeting of the Shareholders or until their successor is appointed, and that the Directors be authorized to fix the remuneration of the auditors.

To be effective, the resolution to appoint PWC as auditors of the Company and to authorize the Directors to fix their remuneration must be approved by a simple majority of the votes cast by Shareholders, present in person or represented by proxy, at the Meeting. **The persons named in the enclosed Form of Proxy, if not expressly directed to the contrary in such Form of Proxy, will vote such proxies in favour of a resolution to appoint PWC as auditors of the Company and to authorize the Directors to fix their remuneration.**

Audit Committee Information

Reference is made to the AIF for information relating to the Audit Committee as required under Form 52-110F1. The AIF can be found under the Company's profile at www.sedar.com. Upon request to the Corporate Secretary, the Company will promptly provide a copy of the AIF free of charge to a securityholder of the Company.

Approval of Amendment of the Company's Articles

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to pass an ordinary resolution (the "**Name Change Resolution**") approving an amendment to the Articles of the Company to change the name of the Company from Leisureworld Senior Care Corporation to Sienna Senior Living Inc. The full text of the Name Change Resolution is attached hereto as Appendix A.

To be effective, the Name Change Resolution must be approved by a simple majority of the votes cast by Shareholders, present in person or represented by proxy, at the Meeting. **The persons named in the enclosed Form of Proxy, if not expressly directed to the contrary in such Form of Proxy, will vote such proxies in favour of the Name Change Resolution.**

Purpose of the Name Change

On February 4, 2015, the Company announced its intentions to rebrand itself as Sienna Senior Living. The decision to rebrand follows several years of growth to become a diversified seniors living organization providing retirement living, home care, third party management and long-term care services to local Canadian communities. Management believes that the new identity supports the Company's brand philosophy aimed at delivering on "the warmth of human connection." The rebranding will result in a renaming of the Company's 10 retirement residences and 35 long term care homes. The home names will no longer include the parent name and will better reflect their connection to the local community in which the homes operate. The Company consulted broadly with stakeholders to develop a new vision, mission, values and creed that would engage its 7,500 employees and align with the organization's growth strategy. This exercise presented an opportunity to capitalize on the strength of its existing divisions under a single brand, guided by a common vision "to awaken our communities to the possibilities of life's next chapters."

In connection with the rebranding, the Company seeks to effect a legal name change from Leisureworld Senior Care Corporation to Sienna Senior Living Inc., effective May 1, 2015. In connection with the name change to Sienna Senior Living Inc., the Company expects to trade under the new trading symbol "SIA".

Approval of the LTIP Resolution

LTIP Resolution

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to pass, with or without alteration or modification, an ordinary resolution (the "**LTIP Resolution**"), the full text of which is set forth in Appendix B to this Information Circular, to reconfirm and approve all unallocated securities, right and other entitlements pursuant to the LTIP.

In accordance with the rules of the Toronto Stock Exchange (the "**TSX**"), directors and shareholders must re-approve unallocated securities, rights or other entitlements under any security based compensation arrangement that does not have a maximum aggregate of securities issuable every three years, such as the Company's LTIP. The LTIP was approved by Shareholders at the annual meeting of Shareholders held on April 18, 2012. Accordingly, Shareholder approval for the reconfirmation of all unallocated securities, rights or other entitlements under the LTIP is being sought at the Meeting. This approval will be effective for three years from the date of this Meeting. The Board approved all unallocated securities, rights or other entitlements under the LTIP on March 20, 2015.

If approval of unallocated entitlements is obtained at the Meeting, the Company will not be required to seek further approval of the grant of unallocated entitlements under the LTIP until the Company's annual meeting of Shareholders in 2018 (provided that such meeting is held on or prior to April 21, 2018). Whether or not the LTIP Resolution is approved, all grants currently outstanding under the LTIP will remain in effect in accordance with their terms. If the LTIP Resolution is not approved, any currently unallocated entitlements under the LTIP will no longer be available for grant, and Award Shares that are terminated, cancelled or not acquired following a grant of an Incentive Amount (as such terms are defined below) will not be available for reallocation under LTIP.

To be effective, the LTIP Resolution must be approved by a simple majority of the votes cast by Shareholders, present in person or represented by proxy, at the Meeting. The Board of Directors unanimously recommends that the Shareholders vote in favour of the LTIP Resolution. **The persons named in the enclosed Form of Proxy, if not expressly directed to the contrary in such Form of Proxy, will cast the votes represented by such proxy in favour of the LTIP Resolution.**

General

For a description of the LTIP, see "Statement of Executive Compensation — Elements of NEO Compensation — Long Term Incentive Program".

The LTIP is commonly referred to as an "evergreen" plan. The maximum number of Common Shares that may be reserved for issuance at any time under the LTIP as Award Shares (as defined below) and under the RSUP upon the redemption of restricted share units thereunder ("**RSUs**"), together, is 5% of the number of Common Shares issued and outstanding at such time (or 1,818,049 Common Shares calculated with respect to the 36,360,982 Common Shares issued and outstanding as of the date hereof).

From the date of inception of the LTIP and RSUP to the date hereof, there have been (i) Incentive Amounts (as defined below) awarded under the LTIP aggregating $647,094, as a result of which eligible participants have acquired 50,752 Award Shares (as defined below), representing approximately 0.1% of the issued and outstanding Common Shares as at the date hereof; and (ii) RSU Awards (as defined below) under the RSUP aggregating $955,475 in respect of which eligible participants have been credited 74,974 RSUs (each redeemable upon vesting for, at the option of the participant, one Common Share or cash equal to the market value of one Common Share). Under the RSUP an aggregate of 21,627 Common Shares have been issued in respect of previously outstanding RSUs and, as discussed below, 39,000 RSUs remain outstanding.

As at the date hereof, taking into account any Incentive Amounts or RSU Awards that have been exercised, terminated, cancelled, redeemed, repurchased or expired, there are currently (i) $0 in outstanding Incentive Amounts under the LTIP; and (ii) RSU Awards under the RSUP in the amount of $564,730 (inclusive of accrued dividend amounts and calculated based on the closing price of the Common Shares on the TSX on March 13, 2015) and in respect of which eligible participants have been credited 39,000 RSUs (representing a potential entitlement to approximately 0.1% of the issued and outstanding Common Shares as at the date hereof). As at the date hereof, there remain an aggregate of 1,779,049 Common Shares issuable under the LTIP or RSUP (representing approximately 4.9% of the issued and outstanding Common Shares as at the date hereof).

Approval of the RSUP Resolution

RSUP Resolution

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to pass, with or without alteration or modification, an ordinary resolution (the "**RSUP Resolution**"), the full text of which is set forth in Appendix C to this Information Circular, to reconfirm and approve all unallocated securities, right and other entitlements pursuant to the RSUP.

In accordance with the rules of the Toronto Stock Exchange (the "**TSX**"), directors and shareholders must re-approve unallocated securities, rights or other entitlements under any security based compensation arrangement that does not have a maximum aggregate of securities issuable every three years, such as the Company's RSUP. The RSUP was approved by Shareholders at the annual meeting of Shareholders held on April 18, 2012. Accordingly, Shareholder approval for the reconfirmation of all unallocated securities, rights or other entitlements under the RSUP is being sought at the Meeting. This approval will be effective for three years from the date of this Meeting. The Board approved all unallocated securities, rights or other entitlements under the LTIP on March 20, 2015.

If approval of unallocated entitlements is obtained at the Meeting, the Company will not be required to seek further approval of the grant of unallocated entitlements under the RSUP until the Company's annual meeting of Shareholders in 2018 (provided that such meeting is held on or prior to April 21, 2018). Whether or not the RSUP Resolution is approved, all grants currently outstanding under the RSUP will remain in effect in accordance with their terms. If the RSUP Resolution is not approved, any currently unallocated entitlements under the RSUP will no longer be available for grant, and previously granted RSUs will not be available for reallocation if they are cancelled or terminated prior to exercise.

To be effective, the RSUP Resolution must be approved by a simple majority of the votes cast by Shareholders, present in person or represented by proxy, at the Meeting. The Board of Directors unanimously recommends that the Shareholders vote in favour of the RSUP Resolution. **The persons named in the enclosed Form of Proxy, if not expressly directed to the contrary in such Form of Proxy, will cast the votes represented by such proxy in favour of the RSUP Resolution.**

General

For a description of the RSUP, see "Statement of Executive Compensation — Elements of NEO Compensation — Long Term Incentive Program" below.

From the date of inception of the LTIP and RSUP to the date hereof, there have been (i) Incentive Amounts (as defined below) awarded under the LTIP aggregating $647,094, as a result of which eligible participants have acquired 50,752 Award Shares (as defined below), representing approximately 0.1% of the issued and outstanding Common Shares as at the date hereof; and (ii) RSU Awards (as defined below) under the RSUP aggregating $955,475 in respect of which eligible participants have been credited 74,974 RSUs (each redeemable upon vesting for, at the option of the participant, one Common Share or cash equal to the market value of one Common Share). Under the RSUP an aggregate of 21,627 Common Shares have been issued in respect of previously outstanding RSUs and, as discussed below, 39,000 RSUs remain outstanding.

As at the date hereof, taking into account any Incentive Amounts or RSU Awards that have been exercised, terminated, cancelled, redeemed, repurchased or expired, there are currently (i) $0 in outstanding Incentive Amounts under the LTIP; and (ii) RSU Awards under the RSUP in the amount of $564,730 (inclusive of accrued dividend amounts and calculated based on the closing price of the Common Shares on the TSX on March 13, 2015) and in respect of which eligible participants have been credited 39,000 RSUs (representing a potential entitlement to approximately 0.1% of the issued and outstanding Common Shares as at the date hereof). As at the date hereof, there remain an aggregate of 1,779,049 Common Shares issuable under the LTIP or RSUP (representing approximately 4.9% of the issued and outstanding Common Shares as at the date hereof).

STATEMENT OF EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

This Compensation Discussion and Analysis provides information regarding all significant elements of compensation paid, payable, awarded, granted, given or otherwise provided by the Company to (i) the President and Chief Executive Officer, (ii) the Executive Vice-President and Chief Financial Officer, (iii) the Executive Vice-President, Human Resources and Chief Administrative Officer, (iv) the Executive Vice-President, Operations — Long Term Care, and (iv) Executive Vice-President, Operations — Retirement and Managed Services (collectively, the "**Named Executive Officers**" or "**NEOs**").

For Fiscal 2014, the Named Executive Officers are: Lois Cormack, President and Chief Executive Officer (the "**CEO**"); Nitin Jain, Executive Vice-President and Chief Financial Officer from May 20, 2014 (the "**CFO**"); Timothy McSorley, former Executive Vice-President and Chief Financial Officer (Interim) until May 20, 2014; Manny DiFilippo, former Executive Vice-President and Chief Financial Officer until January 8, 2014; Michael Annable, Executive Vice-President, Human Resources and Chief Administrative Officer (the "**CAO**"); Paul Rusthforth, former Executive Vice-President, Operations — Long-Term Care until his retirement in December 2014; and Debbie Doherty, Executive Vice-President, Operations — Retirement and Managed Services.

Mr. McSorley was appointed as Executive Vice-President and Chief Financial Officer (Interim), upon Manny DiFilippo's resignation from the Company on January 8, 2014, and served until the appointment of Nitin Jain as Executive Vice-President and Chief Financial Officer on May 20, 2014.

Compensation Objectives and Strategy

Compensation plays an important role in recognizing the achievement of the Company's short-term and long-term business objectives. The objectives of the Company's compensation program are to:

- attract, retain and motivate highly qualified employees with a history of proven success;
- align the interests of the employees with Shareholders' interests and with the successful execution of the Company's business strategy;
- establish performance goals that, if met, are expected to improve long-term Shareholder value; and

- tie compensation to those performance goals and provide meaningful short-term and long-term rewards for achieving them.

Role of the Compensation, Governance and Nominating Committee

The Company's Compensation, Governance and Nominating Committee (the "**CGNC**") consists of four Directors, being Mr. John McLaughlin (Chairman), Mr. Jack MacDonald, Ms. Janet Graham and Mr. Dino Chiesa. All members of the CGNC are independent Directors of the Company. Among other things, and in accordance with the Committee's charter approved by the Board and adopted on November 12, 2014, the CGNC assists the Board in fulfilling its oversight responsibilities by carrying out the following duties:

- keeps itself apprised of matters relating to the selection and retention of executive officers, and ensures that a succession plan for such officers is in place; and further reviews the Chief Executive Officer's recommendations and/or decisions with respect to the recruitment, promotion, transfer and termination of other executive officers;
- annually reviews the Chief Executive Officer's goals and objectives for the upcoming year that are relevant to his or her compensation, evaluates the Chief Executive Officer's performance in meeting those goals and objectives, and reviews and makes recommendations to the Board regarding his or her compensation, as well as minimum equity ownership position and compliance with such requirement;
- administers and makes recommendations regarding the adoption and operation of incentive compensation plans, and approves the annual incentive awards for executive officers under such plans;
- reviews and makes recommendations to the Board concerning matters relating to the Directors, including with respect to Board size and composition, qualifications, remuneration, appointments and succession planning, as well as ensuring that new Directors receive the necessary orientation and resources and all Directors are provided with appropriate continuing education opportunities;
- annually reviews the effectiveness of the Board and each committee in fulfilling their mandated responsibilities and duties, as well as reviews the performance of each Director; and
- reviews and makes recommendations regarding the Company's overall approach to governance.

Compensation Risk Management

The Company has designed its compensation programs in a standardized and balanced manner to appropriately align management with Shareholders' interests by providing incentives to achieve both short-term and long-term performance objectives. The Company's executive compensation program has, among other things, the following characteristics which mitigate the risks typically associated with compensation programs:

- Total compensation is benchmarked against the company's peer group by the CGNC. Total compensation is benchmarked and balanced between base salary, short-term and long-term incentives. The compensation plans are relatively consistent between executives, with increasing emphasis on long-term incentives for executives with higher levels of responsibility.
- The Board evaluates and approves the compensation structure for the Chief Executive Officer and approves the compensation structure of other Named Executive Officers of the Company, based on recommendations of the CGNC, and is responsible for the selection, performance management, compensation and succession planning of the Chief Executive Officer.
- Financial objectives support the Company's approved annual budget, and individual objectives support approved business strategies and priorities.
- The CGNC can use its discretion to ensure payouts are not overly influenced by an unusual result in a particular performance objective.
- Short-term performance is measured using several financial, business and individual performance objectives to determine incentive payouts. This balances the risks associated with relying on any one

performance objective. The incentive opportunity is capped and payouts are generally determined based on audited financial statements.

- RSUs are designed to encourage a longer-term focus on Shareholder value and, subject to the discretion of the CGNC to accelerate vesting, do not vest until the third anniversary of the date upon which the RSUs are granted (see "Statement of Executive Compensation — Elements of NEO Compensation — Long-Term Incentive Program").
- Executive Deferred Share Units (deferred share units or "**EDSUs**") are designed to encourage a long-term focus on Shareholder value and, subject to the discretion of the CGNC to accelerate vesting, a participant's EDSUs vests on the third anniversary of the date upon which the EDSUs are granted and are subject to matching by the Company in accordance with the terms and limits set out in the Executive Deferred Share Unit Plan adopted by the Company effective November 12, 2014 (the "**EDSUP**) (see "Statement of Executive Compensation — Elements of NEO Compensation — Long-Term Incentive Program").
- The Company's Long-Term Incentive Program (described below under the heading "Elements of NEO Compensation — Long-Term Incentive Program") supports executives' personal long-term Common Share ownership, directly aligning their interests and Shareholders'.

Engagement of Compensation Consultants

The CGNC, on behalf of the Company, has in the past engaged Chrysalis Group Inc., an independent consulting firm, to advise on the design, testing and implementation of senior executive compensation programs and emerging trends and best practices in both the long-term care and retirement residence sector, as well as Canadian companies of similar scope, size and complexity. The CGNC worked with Chrysalis Group Inc. to establish a compensation framework with the goal of attracting, retaining and motivating talented senior management.

In Fiscal 2014, the CGNC, on behalf of the Company, engaged Hugessen Consulting, an independent consulting firm, to review and advise on the Company's compensation framework for senior executive officers of the Company, with a specific focus on the Company's long-term incentive framework and comparative compensation benchmarking for senior executives of the Company. The CGNC worked with Hugessen Consulting to structure a compensation framework with the goals of achieving a focus on long-term performance, building up management share ownership over time, and attracting, and engaging, retaining and motivating senior management.

Executive Compensation — Related Fees

An amount of $19,743 was paid to Chrysalis Group Inc. during Fiscal 2013, and an amount of $22,978 was paid to the Chrysalis Group Inc. in Fiscal 2012. An amount of $53,908 was paid to Hugessen Consulting during Fiscal 2014.

Benchmarking and Changes to Compensation Framework

The Company's compensation program is benchmarked relative to a peer group of companies whose Canadian operations are similar in terms of revenues, complexity and focus and are broadly representative of the talent market for the Company. In designing the Company's compensation program, the CGNC focuses on remaining competitive in the market with respect to total compensation for each executive. However, the CGNC does review each element of compensation for market competitiveness and may weigh a particular element more heavily based on the executive's role within the Company.

The CGNC worked with the Chrysalis Group Inc. to identify an appropriate comparator or peer group which was used for executive compensation benchmarking purposes for Fiscal 2012 and Fiscal 2013. The general comparator group consisted of organizations with Canadian operations in the for-profit sector that were selected based on their strong customer, member, or client service orientation and ability both to manage complex supply chains and to distinguish their brands in a competitive marketplace. The peer group included, amongst others, ADP Canada, Cadillac Fairview Corporation, Cineplex Entertainment LP, Gamma Dynacare Medical Labs, Lifelabs Inc., Starbucks Corporation and Symcor Inc. The industry comparator group consisted of three publicly-traded long term care and retirement residence industry organizations with Canadian operations: Amica Mature Lifestyles Inc., Chartwell Retirement Residences and Extendicare Inc.

In Fiscal 2014, the CGNC worked with Hugessen Consulting to identify an appropriate comparator or peer group which was used for executive compensation benchmarking purposes for Fiscal 2014. The updated comparator group consisted of TSX-listed public companies in Canada operating in an industry comparable to the Company (such as healthcare) and, among other relevant criteria, selected for their similarity in size and complexity to the Company, having greater than 400 employees (with the focus on over 1,000 employees) and within a specified threshold in at least two of the following three metrics: total enterprise value, market capitalization and total revenue. The external advisor further undertook a comprehensive review of the Company's compensation framework for senior executive officers of the Company. The peer group comprised of Great Canadian Gaming Corp., Northern Property Real Estate Investment Trust, Whistler Blackcomb Holdings Inc., Uni-Select Inc., InnVest Real Estate Investment Trust, NorthWest Real Estate Investment Trust, Retrocom Real Estate Investment Trust and easyhome Ltd., and the following four publicly-traded long term care and retirement residence industry organizations with Canadian operations: Amica Mature Lifestyles Inc., Regal Lifestyle Communities Inc., Chartwell Retirement Residences and Extendicare Inc.

As a result of the Fiscal 2014 analysis of the Company's compensation program, the Board and CGNC, as applicable, implemented changes and improvements to the long-term incentive programs applicable to senior executives of the Company in order reflect current market practices and further align with the overall objectives for executive compensation. In addition to the recommended alignment of the Chief Executive Officer base salary, the Board and CGNC, as applicable, implemented or adopted the following improvements to the executive compensation framework (each as described elsewhere in this Information Circular): (a) the implementation of the Executive Share Ownership Policy; (b) amendment to the RSU Plan to include cliff vesting provisions; (c) adoption of the Executive Deferred Share Unit Plan; (d) implementation of the DSU matching program; and (e) amendment to the LTIP to require that new participants shall only be permitted to participate in the LTIP if approved by the CGNC, on the recommendation of the Chief Executive Officer of the Company.

Elements of NEO Compensation

The Company's compensation for the Company's Named Executive Officers for Fiscal 2014 consisted primarily of three elements: base salary, short-term incentives and long-term incentives.

Base Salary

Competitive base salary enables the attraction and retention of talented executives who will contribute to the success of the Company. Salaries are determined following an analysis of peer group benchmarks, general compensation trends and individual performance, including contributions to financial and business results. Salary is reviewed annually by the CGNC.

*Short-Term Incentive Program ("**STIP**")*

The STIP is designed to motivate improvement in financial and operating performance on an annual basis. STIP awards are based on performance achieved relative to pre-determined financial, business and individual performance targets. Awards are approved by the CGNC and earned awards are granted annually in cash, except as may otherwise be approved by the CGNC.

The performance metrics include: absolute growth in Adjusted Funds from Operations ("**AFFO**"), absolute return to Shareholders, relative return to Shareholders against the TSX REIT sector and industry competitors, and individual goals related to the executive's specific areas of accountabilities and the Company's annual business plan objectives. Minimum performance thresholds for each performance metric must be accomplished before a payout or partial payout under the STIP is made.

Long-Term Incentive Program

The Company's Long-Term Incentive Program is generally comprised of three components: the LTIP, the RSUP and the EDSUP, all of which are collectively intended to reward senior management for their sustained contributions to the Company and provide an incentive to enhance long-term performance and maximize Shareholder value. In addition, the CGNC may approve receipt of all or part of an executive officer's cash STIP award in the form of EDSUs, thereby facilitating support for the achievement of ownership thresholds required by the Executive Share Ownership Policy, reducing the cash requirements of the Company, and further encouraging a longer-term focus on Shareholder value.

(i) Long-Term Incentive Plan

Under the LTIP, the CGNC may grant an award opportunity (each, an "**Incentive Amount**") annually in respect of the prior fiscal year to eligible participants, which include the President of the Company, an Executive Vice-President of the Company, or an officer of the Company or any of its subsidiaries who performs a policy making function in respect of the Company and such other officers or employees of the Company as the CGNC may determine from time to time, upon the recommendation of the Chief Executive Officer of the Company. Each eligible participant is entitled to purchase, subject to the terms of the LTIP, that number of Common Shares (rounded down to the nearest whole number) (the "**Award Shares**") equal to the quotient obtained by dividing such participant's Incentive Amount by the volume weighted average closing price of the Common Shares on the TSX for the five trading days immediately preceding the award date. The required number of Award Shares will be issued from treasury pursuant to the terms of the LTIP.

Each participant may borrow from the Company, at the prime rate of interest per annum established by the Company's bank at the time the Award Shares are issued or at such other interest rate as determined by the CGNC at the time the Award Shares are issued, an amount not greater than 95% of the aggregate purchase price for the Award Shares (the "**Participant Loan**") in order to acquire such Award Shares. The Participant Loan is due and payable on the date which is ten years from the date the related Award Shares are issued. Until the Participant Loan has been repaid in full, the related Award Shares are pledged to the Company as security against the outstanding balance of the Participant Loan, any cash dividends declared on such Award Shares will be applied against the outstanding balance of the Participant Loan and the holder thereof shall not be entitled to assign, or exercise any voting rights attached to, such Award Shares. No Participant Loan, or portion thereof, shall be granted to any participant if such grant could result in the amounts then owing under all Participant Loans of such participant exceeding two times such participant's then base salary.

No Award Shares may be issued to any participant if such issuance could result, at any time, in: (a) the number of Common Shares reserved for issuance to participants, pursuant to the LTIP and any other common share compensation arrangement (including the RSUP), exceeding 10% of Common Shares then issued and outstanding; (b) the number of Common Shares issuable to insider participants, at any time under the LTIP and any other common share compensation arrangements (including the RSUP), exceeding 10% of Common Shares then issued and outstanding; or (c) the number of Common Shares issued to insider participants, within anyone-year period. under the LTIP and any other common share compensation arrangements (including the RSUP), exceeding 10% of Common Shares then issued and outstanding.

The LTIP is an "evergreen" plan, whereby the number of Common Shares equivalent to the number Award Shares and securities of any other common share compensation arrangement (including the RSUP) that have been issued, exercised, terminated, cancelled, redeemed, repurchased or expired, at any time, are immediately re-reserved for issuance under the LTIP and available for future issuances, subject to the limits contained in the LTIP. Accordingly, subject to certain exceptions, including regulatory restrictions, Award Shares that are not acquired following a grant of an Incentive Amount shall be available for subsequent Incentive Amount awards.

The LTIP provides that the CNGC reserves the right, in its absolute discretion, to amend, suspend or terminate the LTIP, or any portion thereof, at any time without obtaining the approval of Shareholders, subject to those provisions of applicable law and regulatory requirements (including the rules, regulations and policies of the TSX, if any, that require the approval of Shareholders). Such amendments may include, without limitation: (a) minor changes of a "house-keeping nature", including, without limitation, any amendment for the purpose of curing any ambiguity, error or omission in the LTIP, or to correct or supplement any provision of the LTIP that is inconsistent with any other provision of the LTIP; (b) amending any rights already acquired by a participant under the LTIP, including such rights that relate to the effect of termination of a participant's employment; provided that (except with respect to any amendments described in (c) below) if such amendment materially and adversely alters or impairs such rights, including such participant's entitlement to any Award Shares previously granted to him or her under the LTIP, the CGNC shall first obtain the consent of such participant; (c) amendments necessary to comply with the provisions of applicable law or the applicable rules of the TSX, including with respect to the treatment of Award Shares issued under the LTIP; (d) amendments respecting the administration of the LTIP; (e) amendments necessary to suspend or terminate the LTIP; (f) a change relating to the eligibility of any participant in the LTIP; and (g) any other amendment, fundamental or otherwise, not requiring shareholder approval under applicable laws or the applicable rules of the TSX.

Notwithstanding the foregoing, the Company will be required to obtain the approval of the Shareholders for any amendment related to: (i) any reduction in the purchase price of Award Shares issuable under the LTIP; (ii) any amendment to remove or exceed the participation limit of insider participants; (iii) any increase to the maximum number of Common Shares issuable under the LTIP as Award Shares and the RSUP upon redemption of the RSUs (as defined below) together, as a fixed number or a fixed percentage of the Company's outstanding Common Shares represented by such securities; (iv) amendments to the eligible participants under the LTIP that may permit the introduction of non-employee directors on a discretionary basis; (v) any amendment which would permit the Award Shares issued under the LTIP may be transferable or assignable (other than pursuant to a pledge in favour of the Company as security against the outstanding balance of the related Participant Loan) prior to the repayment in full of the amounts owing under the related Participant Loan; or (vi) amendments to the amending provisions.

Participation in the LTIP shall be immediately terminated, and any outstanding amounts will be immediately due and payable, upon the Retirement, Death, Termination without Cause, Incapacity to Work, Resignation or Termination for Cause of a Participant (all as defined in LTIP).

A participant is not entitled to transfer, assign, charge, pledge or hypothecate, or otherwise alienate, whether by operation of law or otherwise, (a) the participant's Incentive Amount or any rights the participant has in the LTIP, and (b) except pursuant to the Participant Loan and pledge agreement, any Award Shares until any and all amounts owing under the related Participant Loan have been repaid in full.

On February 25, 2014, the LTIP was amended to clarify that eligible participants includes all executive officers of the Company and to extend the Participant Loan repayment period from 5 years to 10 years in order to encourage long-term Common Share ownership by participants. On November 11, 2014, the LTIP was amended to to provide (i) that new participants shall only be permitted to participate in the LTIP if approved by the CGNC, on the recommendation of the Chief Executive Officer of the Company, and (ii) that participation in the LTIP shall be immediately terminated, and any outstanding amounts will be immediately due and payable, upon the Retirement, Death, Termination without Cause, Incapacity to Work, Resignation or Termination for Cause of a Participant (all as defined in LTIP).

(ii) Restricted Share Unit Plan

Under the RSUP, the CGNC may grant an award in the form of RSUs (each, an "**RSU Award**") annually in respect of the prior fiscal year to eligible participants, which include the President of the Company, an Executive Vice-President of the Company, or an officer of the Company or any of its subsidiaries who performs a policy making function in respect of the Company and such other officers or employees of the Company as the CGNC may determine from time to time. In respect of each RSU Award, the eligible participant is credited that number of restricted share units (rounded down to the nearest whole number) ("**RSUs**") equal to the quotient obtained by dividing the value of such participant's award by the volume weighted average closing price of the Common Shares on the TSX for the five trading days immediately preceding the date of the award. An "RSU Account" will be maintained by the Company for each participant and will show the RSUs credited to such participant from time to time.

Subject to the discretion of the CGNC to accelerate vesting, a participant's RSU Award will vest on the third anniversary of the date upon which the RSUs are granted (the "**Vesting Date**"). RSUP participants are notionally entitled to receive distributions per RSU equal to the amount of dividends paid per Common Share.

Such distributions will be credited to the participant's RSU Account in the form of additional RSUs. The number of RSUs to be credited for each dividend will be equal to the aggregate amount of such dividend divided by the volume weighted average closing price of the Common Shares on the TSX for the five trading days immediately preceding the date such dividend was declared. For purposes of vesting, all such RSUs shall be deemed to have the same grant date as those RSUs for which the applicable dividends were notionally declared.

Effective as of a given Vesting Date, subject to a participant's option to redeem all or a portion of vested RSUs in cash, the Company will redeem each vested RSU by issuing one Common Share for each RSU so redeemed. Any lump sum payment in cash will be calculated by multiplying the number of RSUs to be redeemed for cash by the volume weighted average closing price of the Common Shares on the TSX for the five trading days immediately preceding the applicable Vesting Date.

No RSUs may be credited to any participant if such credit could result, at any time, in: (a) the number of Common Shares reserved for issuance to participants, pursuant to the redemption of RSUs and any other common share compensation arrangement (including the LTIP), exceeding 10% of Common Shares then issued and outstanding; (b) the number of Common Shares issuable to insider participants pursuant to the redemption of RSUs, at any time under the RSUP and any other common share compensation arrangements (including the LTIP), exceeding 10% of Common Shares then issued and outstanding; or (c) the number of Common Shares issued to insider participants pursuant to redemption of RSUs, within anyone-year period, under the RSUP and any other common share compensation arrangements (including the LTIP), exceeding 10% of Common Shares then issued and outstanding.

RSUs that cannot be redeemed as a result of having terminated or expired, or having been redeemed for cash in accordance with the RSUP, shall be available for subsequent RSU Awards. The RSUP is an "evergreen" plan whereby the number of Common Shares equivalent to the number of RSUs and securities of any other common share compensation arrangement (including the LTIP) that have been issued, exercised, terminated, cancelled, redeemed, repurchased or expired, at any time, are immediately re-reserved for issuance under the RSUP and available for future issuances subject to the limits contained in the RSUP.

The RSUP provides that the CNGC reserves the right, in its absolute discretion, to amend, suspend or terminate the RSUP, or any portion thereof, at any time without obtaining the approval of Shareholders, subject to those provisions of applicable law and regulatory requirements (including the rules, regulations and policies of the TSX, if any, that require the approval of Shareholders). Such amendments may include, without limitation: (a) minor changes of a "house-keeping nature", including, without limitation, any amendment for the purpose of curing any ambiguity, error or omission in the RSUP. or to correct or supplement any provision of the RSUP that is inconsistent with any other provision of the RSUP; (b) amending any rights already acquired by a participant under the RSUP, including such rights that relate to the effect of termination of a participant's employment; provided that (except with respect to any amendments described in (c) below) if such amendment materially and adversely alters or impairs such rights, including such participant's entitlement to any RSUs previously granted to him or her under the RSUP, the CGNC shall first obtain the consent of such participant; (c) amendments necessary to comply with the provisions of applicable law or the applicable rules of the TSX, including with respect to the treatment of RSUs issued under the RSUP; (d) amendments respecting the administration of the RSUP; (e) amendments necessary to suspend or terminate the RSUP; (f) a change relating to the eligibility of any participant in the RSUP; and (g) any other amendment, fundamental or otherwise, not requiring shareholder approval under applicable laws or the applicable rules of the TSX.

Notwithstanding the foregoing, the Company will be required to obtain the approval of the Shareholders for any amendment related to: (i) any amendment to remove or exceed the participation limit of insider participants; (iii) any increase to the maximum number of Common Shares issuable under the LTIP as Award Shares and the RSUP upon redemption of the RSUs together, as a fixed number or a fixed percentage of the Company's outstanding Common Shares represented by such securities; (iv) amendments to the eligible participants under the RSUP that may permit the introduction of non-employee directors on a discretionary basis; (v) any amendment which would permit the RSUs granted under the RSUP to be transferable or assignable (other than for normal estate settlement purposes) prior; or (vi) amendments to the amending provisions.

On Resignation of a participant or Termination for Cause, any unvested amounts shall be immediately forfeited to the Company. On Termination without Cause or Incapacity to Work, participants shall receive a pro rata amount reflecting that portion of the three year vesting period during which they were employed by the Company. Upon fully agreed Retirement or death, subject to the Board's discretion, participants may participate in all awards at the established vesting dates.

A participant is not entitled to transfer, assign, charge, pledge or hypothecate, or otherwise alienate, whether by operation of law or otherwise, the participant's RSUs or any rights the participant has in the RSUP, other than for normal estate settlement purposes.

On February 25, 2014, the RSUP was amended to clarify that eligible participants include all executive officers of the Company. On November 11, 2014, the RSUP was amended to provide (i) that the RSUs shall vest at the end of three years from the Grant Date (as defined in RSUP), (ii) that on Resignation or Termination for Cause, any unvested amounts shall be immediately forfeited to the Company, (iii) that on Termination without Cause or Incapacity to Work, participants shall receive a pro rata amount reflecting that portion of the three year vesting period during which they were employed by the Company, (iv) that upon fully agreed Retirement or death, subject to the Board's discretion, participants may participate in all awards at the established vesting dates, and (v) for an update the Change of Control provision to be consistent with current market practices and to provide additional clarity.

(iii) Executive Deferred Share Unit Plan

Effective November 12, 2014, following the CGNC's comprehensive review of the executive compensation framework in Fiscal 2014, the Board approved the adoption of the EDSUP for executive officers and such other officers or employees as the Board may determine from time to time. The EDSUP is intended to allow participants to participate in the long-term success of the Company and promote a greater alignment of interests between the participants and Shareholders of the Company, while reducing the cash requirements of the Company, to the extent that participants elect to receive all or a percentage of their annual base incentive awards in the form of notional Common Shares (deferred share units or EDSUs). Each participant in the EDSUP, at his or her discretion, is entitled to elect to have up to 100% of his or her annual base incentive awards contributed to the EDSUP. In satisfaction of such contribution, the participant is credited that number of EDSUs equal to the quotient obtained by dividing the amount of the contribution by the volume weighted average closing price of the Common Shares on the TSX for the five trading days immediately preceding the date of payment. The Company will match 25% of all EDSUs so credited (in the case of all executive officers except the Chief Executive Officer) and 35% (in the case of the Chief Executive Officer), up to a maximum of 25% of the annual base incentive awards, or such other amount as the Board may determine.

Subject to the discretion of the CGNC to accelerate vesting, a participant's EDSU will vest on the third anniversary of the date upon which the EDSUs are granted. EDSUP participants are notionally entitled to receive distributions per EDSU equal to the amount of dividends paid per Common Share. Such distributions will be credited to the participant's EDSU account in the form of additional EDSUs. The number of EDSUs to be credited for each dividend will be equal to the aggregate amount of such dividend divided by the volume weighted average closing price of the Common Shares on the TSX for the five trading days immediately preceding the date such dividend was declared. For purposes of vesting, all such EDSUs shall be deemed to have the same grant date as those EDSUs for which the applicable dividends were notionally declared. Participants are not entitled to transfer, assign, charge, pledge or hypothecate or otherwise alienate EDSUs other than for normal estate settlement purposes.

EDSUs may be redeemed only when a participant no longer serves as an executive officer (or officer or employee) of the Company for any reason, including in the event of the death of the participant. Redemptions are paid out in cash. Each participant is required to elect annually the amount of his or her base incentive award that will be contributed to the EDSUP for the upcoming year. Participants may change their election from year to year.

Copies of the LTIP, EDSUP and the RSUP are available upon written request from the Corporate Secretary of the Company, 302 Town Centre Blvd., Suite 200, Markham, Ontario, L3R 0E8 or may also be found on SEDAR at www.sedar.com and on the Company's website at www.leisureworld.ca.

Minimum Share Ownership Policy

Effective November 12, 2014, following the CGNC's comprehensive review of the executive compensation framework in Fiscal 2014, the CGNC adopted an executive officer share ownership policy (the "**Executive Share Ownership Policy**") requiring executive officers to hold, by the earlier of December 31, 2019 or five (5) years from the date of hire, a combination of Common Shares, RSUs and/or EDSUs equal to: three times the annual base salary for the Chief Executive Officer, and one time the annual base salary for all other executive officers.

Additionally, executive officers must receive at least 25% of their long-term incentive award pursuant to the Long-Term Incentive Program in EDSUs, up to a maximum of 100% of the grant at such executive officer's election. The remaining portion of the award not received in EDSUs will be granted in RSUs. Unless otherwise determined by the CGNC, the Company is required to match 25% (in the case of all executive officers except the Chief Executive Officer) and 35% (in the case of the Chief Executive Officer) of the award that is received in EDSUs, up to a maximum of 25% of the total incentive award. For example, if ten EDSUs are granted to an executive officer other than the Chief Executive Officer constituting 50% of the total incentive award, the Company will grant an additional five EDSUs (representing 25% of the total incentive award grant) to the executive officer.

Fiscal 2014 Performance Goals and Metrics

The performance goals and metrics for the Company's NEOs in Fiscal 2014 were as follows:

Chief Executive Officer

Upon the achievement of specific performance goals established by the Company, the CEO is awarded an annual performance bonus of up to 75% of her base salary, generally payable in cash in accordance with the Company's STIP, and up to 37.5% of her base salary as a grant of RSUs pursuant to the Company's RSUP. The CEO is also eligible to be awarded up to 37.5% of her base salary as an incentive opportunity pursuant to the Company's LTIP. In Fiscal 2014, in support of the Executive Share Ownership Policy whereby the CEO is required to achieve ownership of a combination of Common Shares, RSUs and/or EDSUs equal to three times her annual base salary, the CGNC determined to permit the CEO to elect to receive $145,437 of her $245,437 cash STIP award in the form of EDSUs.

The performance categories and weightings used in determining the CEO's Fiscal 2014 annual performance bonus are as follows:

Performance Area	Performance Weighting %	Performance Achievement %
Absolute Growth in AFFO/share	10%	90%
Absolute Growth in FFO/share	10%	90%
Payout Ratio Target	20%	95%
Return to Shareholders exceeding the median return of TSX REIT sector and comparator group	20%	100%
Overall Growth — Establish operating and management platform for further growth	25%	90%
Execute the debt strategy on bond refinancing	5%	100%
Establish a Retirement Home platform for the Company	5%	80%
Investor Relations and Capital Markets Strategy	5%	100%
Total	100%	93.5%

Executive Vice President and Chief Financial Officer

Manny DiFilippo resigned from the Company on January 8, 2014. Mr. DiFilippo's did not earn any performance bonus for Fiscal 2014. Timothy McSorley acted as Executive Vice-President and Chief Financial Officer (Interim) until May 20, 2014. Mr. McSorley did not earn any performance bonus for Fiscal 2014.

Nitin Jain is the Executive Vice-President and Chief Financial Officer since May 20, 2014. Upon the achievement of specific performance goals established by the Company, the CFO is awarded an annual performance bonus of up to 50% of his base salary, payable in cash in accordance with the Company's STIP, and up to 30% of his base salary as a grant of RSUs pursuant to the Company's RSUP. The CFO is also eligible to be awarded up to 20% of his base salary as an incentive opportunity pursuant to the Company's LTIP.

The performance categories and weightings used in determining the CFO's Fiscal 2014 annual performance bonus are as follows:

Performance Area	Performance Weighting %	Performance Achievement %
Absolute Growth in AFFO/share	15%	90%
Absolute Growth in FFO/share	15%	90%
Return to Shareholders compared to TSX REIT sector for comparator group	20%	100%
Investment and Financing Strategy	15%	100%
Business Integration	20%	100%
Investor Relations and Capital Markets Strategy	5%	100%
Succession Planning	10%	100%
Total	100%	97%

Executive Vice President of Human Resources and Chief Administrative Officer

Upon the achievement of specific performance goals established by the Company, the CAO is awarded an annual performance bonus of up to 30% of his base salary payable in cash in accordance with the Company's STIP and up to 30.0% of his base salary as a grant of RSUs pursuant to the Company's RSUP. The performance categories and weightings used in determining the CAO's Fiscal 2014 annual performance bonus are as follows:

Performance Area	Performance Weighting %	Performance Achievement %
Absolute Growth in AFFO/share	10%	90%
Absolute Growth in FFO/share	10%	90%
Total Return to Shareholders compared to TSX REIT sector for comparator group	10%	100%
Implement Back Office Improvements	15%	100%
Upgrade of the Payroll System and Processes	15%	80%
Business Integration	15%	100%
Succession Planning	10%	80%
Reduce G&A Expenses	5%	100%
Total	100%	93%

Executive Vice President, Operations — Long Term Care

Upon the achievement of certain performance goals established by the Company, the Executive Vice President, Operations — Long Term Care is awarded an annual performance bonus of up to 50% of his base salary payable in cash in accordance with the Company's STIP and up to 25% of his base salary as a grant of RSUs pursuant to the Company's RSUP, and is also eligible to be awarded up to 25% of his base salary as an incentive opportunity pursuant to the Company's LTIP.

The Executive Vice President, Operations — Long Term Care retired effective November 2, 2014. The performance categories and weightings used in determining his Fiscal 2014 annual performance bonus were premised on, among others, absolute growth in AFFO and FFO per share, shareholder return, redevelopment strategy, quality of care and service, and exceeding long-term care budgeted NOI. Upon retirement, the Company and the Executive Vice President, Operations — Long Term Care mutually agreed to an annual performance bonus on the basis of 70% performance achievement up to his retirement date, paid in cash in accordance with the Company's STIP.

Executive Vice President, Operations — Retirement and Managed Services

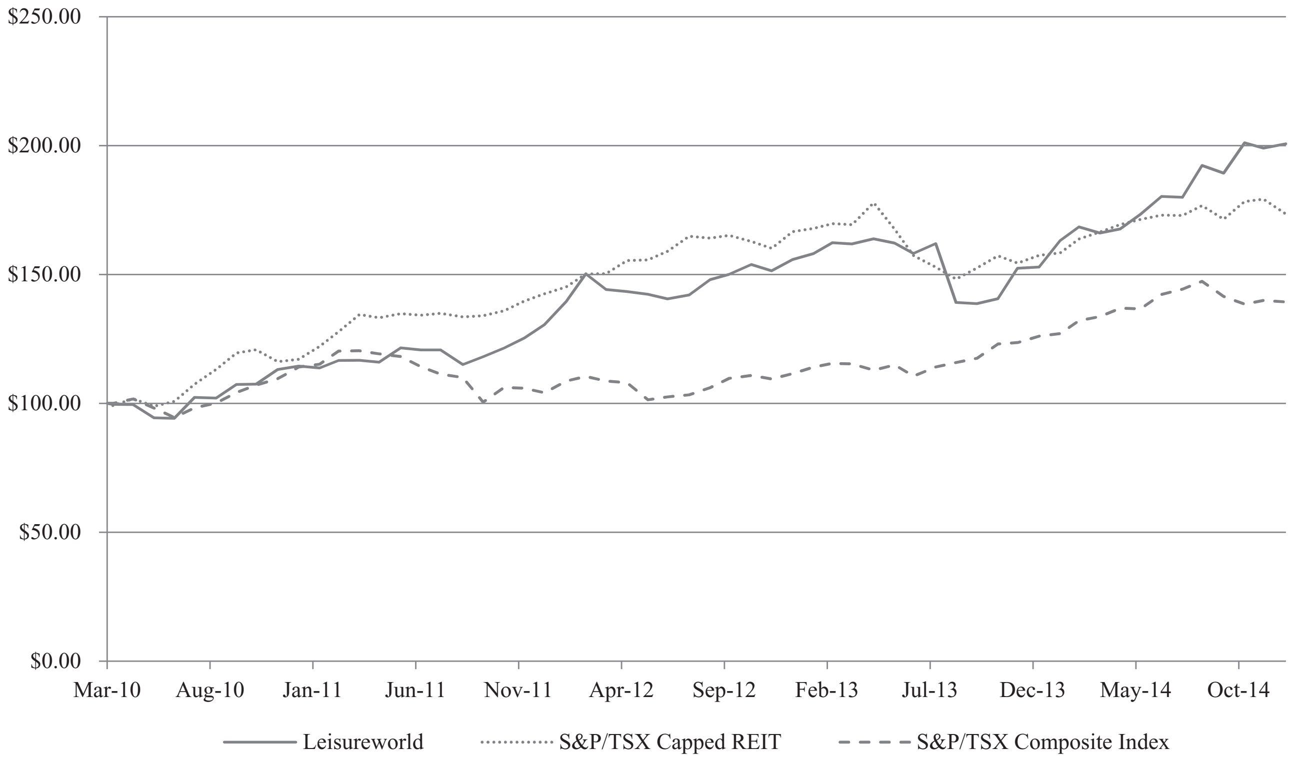
Upon the achievement of certain performance goals established by the Company, the Executive Vice President, Operations — Retirement is awarded an annual performance bonus of up to 30% of her base salary payable in cash in accordance with the Company's STIP and up to 25% of her base salary as a grant of RSUs pursuant to the Company's RSUP. The performance categories and weightings used in determining her Fiscal 2014 annual performance bonus were as follows:

Performance Area	Performance Weighting %	Performance Achievement %
Absolute Growth in AFFO/share	5%	90%
Absolute Growth in FFO/share	5%	90%
Growth Strategy for Portfolio	10%	80%
Achieve budgeted Retirement Home Performance and Implement the RH Platform	50%	80%
Business Integration.	20%	100%
Succession Planning	10%	100%
Total	100%	93%

Performance Graph

The following graph compares the total cumulative return for an investor of $100 on March 23, 2010 (the date of the Company's initial public offering) in each of (i) Common Shares; (ii) the S&P/TSX Capped REIT Index and (iii) the S&P/TSX Composite Index. During the period, the total cumulative return for $100 invested in Common Shares was $200.65 as compared to $173.51 for the S&P/TSX Capped REIT Index and $139.37 for the S&P/TSX Composite Index.

Cumulative Total Return on $100 Investment Assuming Distributions are Re-Invested
March 23, 2010 – December 31, 2014



Date	03/23/10	12/31/10	12/31/11	12/31/12	12/31/13	12/31/14
Leisureworld	$100	$114.44	$130.54	$155.80	$152.87	$200.65
S&P/TSX Capped REIT Index	$100	$117.12	$142.51	$166.60	$157.43	$173.51
S&P/TSX Composite Index	$100	$114.06	$104.11	$111.59	$126.08	$139.37

The compensation paid to the NEOs is not directly tied to the total return to Shareholders during the period shown in the chart above. However, one of the factors used to determine the annual incentive awards for the CEO, CFO, CAO, and the Executive Vice President, Operations — Long Term Care (four of the NEOs) is the total return to Shareholders for the fiscal year just completed relative to the returns on a broad market index. Part of the total compensation payable to all of the NEOs is paid in RSUs, and this type of compensation provides a direct alignment of management and Shareholder interests.

Summary Compensation Table

For each of the Company's NEOs in Fiscal 2014, the following table provides a summary of the compensation for the Company's three most recently completed financial years.

Name and Principal Position	Year	Salary ($)	Share-Based Awards[1] ($)	Option-Based Awards ($)	Non-Equity Incentive Plan Compensation ($) Short-Term Incentive Plans[2]	Non-Equity Incentive Plan Compensation ($) Long-Term Incentive Plans	Pension Value ($)	All Other Compensation[3] ($)	Total Compensation ($)
LOIS CORMACK	2014	351,346	325,108	—	100,000	—	—	34,567	811,022
President and Chief Executive Officer	2013	244,061	184,942	—	169,884	—	—	19,936	618,823
	2012	—	—	—	—	—	—	—	—
NITIN JAIN[4]	2014	142,338	90,939	—	121,500	—	—	13,230	368,700
Executive Vice-President and	2013	—	—	—	—	—	—	—	—
Chief Financial Officer	2012	—	—	—	—	—	—	—	—
MANNY DIFILIPPO[5]	2014	4,700	—	—	—	—	—	1,404	6,105
Former Executive Vice-President and	2013	244,420	70,000	—	137,520[6]	—	—	18,070	470,010
Chief Financial Officer	2012	244,420	59,883	—	119,766	—	—	14,533	438,602
TIM MCSORLEY[7]	2014	169,500	—	—	—	—	—	—	169,500
Former Executive Vice-President and	2013	—	—	—	—	—	—	—	—
Chief Financial Officer	2012	—	—	—	—	—	—	—	—
PAUL RUSHFORTH	2014	249,720	—	—	87,402	—	—	26,008	359,929
Executive Vice-President,	2013	249,720	57,952	—	85,905	—	—	20,644	414,221
Operations — Long-Term Care	2012	244,820	59,370	—	118,740	—	—	16,993	439,923
DEBBIE DOHERTY	2014	228,375	61,851	—	59,378	—	—	12,185	361,788
Executive Vice-President,	2013	19,250	—	—	—	—	—	1,770	21,020
Operations — Retirement and Managed Services	2012	—	—	—	—	—	—	—	—
MICHAEL ANNABLE	2014	226,462	80,214	—	64,170	—	—	22,347	393,192
Executive Vice-President, Human	2013	64,653	20,295	—	20,295	—	—	6,586	111,830
Resources & Chief Administrative Officer	2012	—	—	—	—	—	—	—	—

Notes:

(1) Share-based awards include the RSU Awards granted pursuant to the RSUP and EDSUs granted pursuant to the EDSU Plan (see definitions below under "Equity Compensation Plans and Incentive Plan Awards"). In addition to the RSU Awards and EDSU grants, certain of the Company's NEOs were awarded Incentive Amounts pursuant to the LTIP. In the case of Messrs. DiFilippo and Rushforth, share based awards include RSU Awards of $70,000 and $15,000, respectively, granted in Fiscal 2014 as special bonuses in connection with the successful completion of a large acquisition, and in the case of Ms. Cormack, an RSU Award in the amount of $100,000 granted in February 2014 in respect of special contributions made in Fiscal 2014. Remaining RSU Awards and EDSU grants in respect of Fiscal 2014 were granted in February 2015 in satisfaction of performance bonuses.

(2) Reflects awards granted in February 2015 in satisfaction of performance bonuses for Fiscal 2014. In the case of Ms. Cormack, represents the value of the STIP award actually received in cash by Ms. Cormack in Fiscal 2014 in part satisfaction of her performance bonus. In support of the Executive Share Ownership Policy whereby the CEO is required to achieve ownership of a combination of Common Shares, RSUs and/or EDSUs equal to three times her annual base (see "Statement of Executive Compensation — Elements of NEO Compensation — Minimum Share Ownership Policy"), the CGNC determined to permit the CEO to elect to receive $145,437 of her $245,437 cash STIP award in the form of EDSUs, as reflected in the table to which this footnote relates.

(3) Includes a car allowance, wellness allowance and matching contributions by the Company to a registered retirement savings plan.

(4) Mr. Jain was appointed to his position as Executive Vice-President and Chief Financial Officer on May 20, 2014.

(5) Mr. DiFilippo resigned from his position as Executive Vice-President and Chief Financial Officer on January 8, 2014.

(6) Cash bonus earned for Fiscal 2013 paid in connection with the cessation of Mr. DiFilippo's employment on January 8, 2014. Other payments made to Mr. DiFilippo in Fiscal 2014 in connection with the cessation of his employment are summarized below in the table under the heading "Termination and Change of Control Benefits".

(7) Mr. McSorley was appointed as Executive Vice-President and Chief Financial Officer (Interim) upon Mr. DiFilippo's resignation from the Company on January 8, 2014, and served until the appointment of Mr. Jain as Executive Vice-President and Chief Financial Officer on May 20, 2014.

Equity Compensation Plans and Incentive Plan Awards

The following table sets out all outstanding Common Share-based awards for each NEO as at December 31, 2014. All such awards are RSUs held under the RSUP.

	Option-Based Awards				Share-Based Awards		
Name and Principal Position	**Number of Common Shares Underlying Unexercised Options (#)**	**Option Exercise Price ($)**	**Option Expiration Date**	**Value of Unexercised "In-The-Money" Options ($)**	**Number of Common Shares That Have Not Vested[1] (#)**	**Market or Payout Value Of Share-Based Awards That Have Not Vested[2] ($)**	**Market or Payout value of vested share-based awards not paid out or distributed ($)**
LOIS CORMACK . . . . *President and Chief Executive Officer*	N/A	N/A	N/A	N/A	15,954	223,201	N/A
NITIN JAIN . . . . *Executive Vice-President and Chief Financial Officer*	N/A	N/A	N/A	N/A	N/A	N/A	N/A
MANNY DIFILIPPO[3] . . . . *Former Executive Vice-President and Chief Financial Officer*	N/A	N/A	N/A	N/A	N/A	N/A	N/A
TIM MCSORLEY . . . . *Former Executive Vice-President and Chief Financial Officer*	N/A	N/A	N/A	N/A	N/A	N/A	N/A
PAUL RUSHFORTH[4] . . . . *Executive Vice-President, Operations — Long Term Care*	N/A	N/A	N/A	N/A	9,960	139,338	N/A
DEBBIE DOHERTY . . . . *Executive Vice-President, Operations — Retirement and Managed Services*	N/A	N/A	N/A	N/A	N/A	N/A	N/A
MICHAEL ANNABLE . . . . *Executive Vice-President, Human Resources & Chief Administrative Officer*	N/A	N/A	N/A	N/A	1,756	24,561	N/A

Notes:

(1) The number of Common Shares that have not vested includes additional RSUs and EDSUs that have been credited in respect of the payment of dividends on Common Shares, pursuant to the terms of the RSUP and the EDSUP.

(2) Estimates of fair market value based on the $13.99 closing price of Common Shares on the TSX on December 31, 2014.

(3) All of Mr. DiFilippo's outstanding RSUs vested following his resignation and were redeemed for 12,875 Common Shares on January 23, 2014.

(4) All of Mr. Rushforth's outstanding RSUs continued in accordance with their terms pursuant to the RSUP upon his resignation in November 2014.

The following table sets out the value of incentive plan awards vested or earned for each NEO during Fiscal 2014.

Name and Principal Position	Option-Based Awards — Value Vested During the Year ($)	Share-Based Awards — Value Vested During the Year ($)[1]	Non-Equity Incentive Plan Compensation — Value Earned During the Year ($)
LOIS CORMACK *President and Chief Executive Officer*	N/A	N/A	245,437[2]
NITIN JAIN *Executive Vice-President and Chief Financial Officer*	N/A	N/A	121,500
MANNY DIFILIPPO *Former Executive Vice-President and Chief Financial Officer*	N/A	157,424	N/A
TIM MCSORLEY *Former Executive Vice-President and Chief Financial Officer*	N/A	N/A	N/A
PAUL RUSHFORTH *Executive Vice-President, Operations, Long-Term Care*	N/A	46,216	87,402
DEBBIE DOHERTY *Executive Vice-President, Operations, Retirement and Managed Services*	N/A	N/A	59,378
MICHAEL ANNABLE *Executive Vice-President, Human Resources and Chief Administrative Officer*	N/A	N/A	64,170

Notes:

(1) Represents the redemption of vested RSUs by Mr. DiFilippo (12,875 RSUs) and Mr. Rushforth (3,783 RSUs) at an applicable market price under the RSUP on each of the applicable vesting dates. All vested RSUs were redeemed for Common Shares.

(2) Represents the value of the cash STIP award earned by Ms. Cormack in Fiscal 2014 in connection with her performance. In support of the Executive Share Ownership Policy whereby the CEO is required to achieve ownership of a combination of Common Shares, RSUs and/or EDSUs equal to three times her annual base, the CGNC determined to permit the CEO to elect to receive $145,437 of her $245,437 cash STIP award in the form of EDSUs. Refer to the "Summary Compensation Table" above for a summary of the breakdown of actual equity and non-equity compensation received by Ms. Cormack in connection with Fiscal 2014.

Employment Agreements

Lois Cormack, President and Chief Executive Officer

Pursuant to the terms of an employment agreement with Leisureworld, Ms. Cormack serves as Leisureworld's President and Chief Executive Officer for an indefinite term. The agreement provides for an annual base salary, which for Fiscal 2014 was $350,000 (which amount is subject to annual review) and an annual performance bonus of up to 75% of her base salary payable in cash in accordance with the Company's STIP and up to 37.5% of her base salary granted as RSUs pursuant to the Company's RSUP, as well as eligibility to be awarded up to 37.5% of her base salary as an Incentive Amount pursuant to the Company's LTIP, upon the achievement of annual performance objectives. In addition, Ms. Cormack is entitled to customary benefits including a monthly travel allowance. The Company may terminate the agreement without cause upon making a lump sum payment in lieu of notice equal to the equivalent of 18 months' total compensation (which includes base salary for the year of termination and average annual STIP awards and average annual RRSP matching contributions during her tenure). The agreement may also be terminated by the Company for cause without giving notice.

Nitin Jain, Executive Vice-President and Chief Financial Officer

Pursuant to the terms of an employment agreement with Leisureworld, Mr. Jain serves as Leisureworld's Executive Vice-President and Chief Financial Officer for an indefinite term. The agreement provides for an annual base salary, which for Fiscal 2014 was $250,000 (which amount is subject to annual review) and an annual performance bonus of up to 50% of his base salary payable in cash in accordance with the Company's STIP and up to 30% of his base salary granted as RSUs pursuant to the Company's RSUP, as well as eligibility to be awarded up to 20% of his base salary as an Incentive Amount pursuant to the Company's LTIP, upon the achievement of annual performance objectives. In addition, Mr. Jain is entitled to customary benefits including a monthly travel allowance. The Company may terminate the agreement without cause upon making a lump sum payment in lieu of notice equal to the equivalent of 12 months' total compensation (which includes base salary for the year of termination and average annual STIP awards and average annual RRSP matching contributions during his tenure). The agreement may also be terminated by the Company for cause without giving notice.

Tim McSorley, Former Executive Vice-President and Chief Financial Officer

Mr. McSorley served as Leisureworld's Executive Vice-President and Chief Financial Officer (Interim) upon Mr. DiFilippo's resignation from the Company on January 8, 2014, and served until the appointment of Mr. Jain as Executive Vice-President and Chief Financial Officer on May 20, 2014. Mr. McSorley's interim employment arrangement with Leisureworld provided for the payment of $8,000 per week of service.

Manny DiFilippo, Former Executive Vice-President and Chief Financial Officer

Mr. DiFilippo served as Leisureworld's Executive Vice-President and Chief Financial Officer pursuant to the terms of an employment agreement with Leisureworld. He resigned from his position on January 8, 2014. His employment agreement with the Company provided for an annual base salary, which for Fiscal 2014 was $244,420 and an annual performance bonus of up to 50% of his base salary payable in cash in accordance with the Company's STIP and up to 25% of his base salary granted as RSUs pursuant to the Company's RSUP, as well as eligibility to be awarded up to 25% of his base salary as an Incentive Amount pursuant to the Company's LTIP, upon the achievement of annual performance objectives. In addition, Mr. DiFilippo was entitled to customary benefits, including a monthly travel allowance.

Michael Annable, Executive Vice-President Human Resources and Chief Administrative Officer

Pursuant to the terms of an employment agreement with Leisureworld, Mr. Annable serves as Leisureworld's Executive Vice-President Human Resources and Chief Administrative Officer for an indefinite term. The agreement provides for an annual base salary, which for Fiscal 2014 was $230,000 (which amount is subject to annual review) and an annual performance bonus of up to 30% of his base salary payable in cash in accordance with the Company's STIP and up to 30% of his base salary granted as RSUs pursuant to the Company's RSUP. In addition, Mr. Annable is entitled to customary benefits including a monthly travel allowance. The Company may terminate the agreement without cause upon making a lump sum payment in lieu of notice equal to the equivalent of 6 months' base salary plus 1 month for each year of service thereafter.

Paul Rushforth, Executive Vice-President, Operations — Long Term Care

Pursuant to the terms of an employment agreement with Leisureworld, Mr. Rushforth served as Leisureworld's Executive Vice-President, Operations — Long Term Care until his retirement in November 2014. The agreement provides for an annual base salary, which for Fiscal 2014 was $249,720, and an annual performance bonus of up to 50% of his base salary payable in cash in accordance with the Company's STIP and up to 25% of his base salary granted as RSUs pursuant to the Company's RSUP, as well as eligibility to be awarded up to 25% of his base salary as an Incentive Amount pursuant to the Company's LTIP, upon the achievement of annual performance objectives. In addition, Mr. Rushforth was entitled to customary benefits including a monthly travel allowance.

Debbie Doherty, Executive Vice-President, Operations — Retirement and Managed Services

Pursuant to the terms of an employment agreement with Leisureworld, Ms. Doherty serves as Leisureworld's Executive Vice-President Operations Retirement and Managed Services for an indefinite term. The agreement provides for an annual base salary, which for Fiscal 2014 was $227,500 (which amount is subject to annual review) and an annual performance bonus of up to 25% of her base salary payable in cash in accordance with the Company's STIP and up to 30% of her base salary granted as RSUs pursuant to the Company's RSUP. In addition, Ms. Doherty is entitled to customary benefits including a monthly travel allowance. The Company may terminate the agreement without cause upon making a lump sum payment in lieu of notice equal to the equivalent of 12 months' total compensation (which includes base salary for the year of termination and the annual STIP awards and RRSP matching contributions during her tenure). The agreement may also be terminated by the Company for cause without giving notice.

Termination and Change of Control Benefits

Pursuant to the employment agreements outlined in greater detail above, the following table provides, for each of the foregoing NEOs, an estimate of the payments payable by the Company (or its subsidiaries), assuming a termination for any reason other than cause, or in connection with a change of control, taking place on December 31, 2014:

Name and Principal Position	Termination Payment ($)	Fiscal 2014 Short Term Incentive Award ($)	Vesting of Stock Based Compensation[(1)] ($)	Employee Benefits ($)	Total ($)
LOIS CORMACK *President and Chief Executive Officer*	939,750	245,437	0	0	1,194,576
NITIN JAIN *Executive Vice-President and Chief Financial Officer*	375,000	121,500	N/A	N/A	496,500
TIM MCSORLEY *Former Executive Vice-President and Chief Financial Officer*	0	0	N/A	0	0
MANNY DIFILIPPO[(2)] *Former Executive Vice-President and Chief Financial Officer*	191,079	137,520	157,424	0	482,928
PAUL RUSHFORTH *Executive Vice-President, Operations — Long-Term Care*	120,058	87,402	12,605	0	221,552
DEBBIE DOHERTY *Executive Vice-President, Operations — Retirement and Managed Services*	295,570	59,378	0	0	355,128
MICHAEL ANNABLE *Executive Vice-President, Human Resources and Chief Administrative Officer*	115,000	64,170	0	0	193,913

Notes:

(1) Stock based compensation includes the RSU Awards granted pursuant to the RSUP or EDSUs granted pursuant to the EDSU Plan. On termination or change of control, RSUs generally vest only at the discretion of the CGNC or else are forfeited or continue on the 3-year vesting schedule described above under "Elements of NEO Compensation — Long Term Incentive Program". Notwithstanding this, the RSU Awards made to Messrs. DiFilippo and Rushforth in Fiscal 2014 as special bonuses in connection with the successful completion of a large acquisition vest upon termination for any reason pursuant to the terms of the specific award grants. Except in the case of Mr. DiFilippo (see note 2, below), the value of vesting RSUs is determined based on the $13.99 closing price of Common Shares on the TSX on December 31, 2014.

(2) Mr. DiFilippo resigned from the Company on January 8, 2014. The amounts reflected are amounts actually paid or issued in connection with the cessation of his employment. At the exercise of the discretion of the CGNC, all of Mr. DiFilippo's outstanding RSUs vested following his resignation and were redeemed for 12,875 Common Shares on January 23, 2014.

Director Compensation

Director Fees

Each of the non-employee Directors of the Company is entitled to receive an annual retainer of $25,000. The Chairman of the Board is entitled to an additional annual retainer of $20,000. The chair of the Audit Committee is entitled to receive an additional annual retainer of $10,000. The chair of the CGNC is entitled to receive an additional annual retainer of $7,500. Each of the non-employee Directors of the Company is entitled to receive a fee of $2,000 for each Board or committee meeting which such Director attends in person and $500 per meeting for attending by telephone. In addition, non-employee Directors who, at the request of the Board or management of the Company, attend to business matters or affairs of the Company that are unrelated to Board or Committee meetings are entitled to receive a fee of $2,000 per diem while attending to such business matters or affairs. Non-employee Directors are also reimbursed for all reasonable travel and ancillary expenses.

Deferred Share Unit Plan

On February 22, 2012, the Board of Directors established a deferred share unit plan (the "**DSU Plan**") for Directors. The DSU Plan is intended to allow participants to participate in the long-term success of Leisureworld and promote a greater alignment of interests between the participants and Shareholders of the Company, while reducing the cash requirements of Leisureworld, to the extent that participants elect to receive their fees in the form of notional Common Shares (deferred share units or "**DSUs**"). Each member of the Board that is not also an employee of the Company, at his or her discretion, is eligible to participate in the DSU Plan. Under the DSU Plan, each such Director is entitled to elect to have up to 100% of his or her annual retainer fees in respect of his or her services as a Director and/or committee chair contributed to the DSU Plan. In satisfaction of such fees, the participant is credited that number of DSUs equal to the quotient obtained by dividing the fees payable by the volume weighted average closing price of the Common Shares on the TSX for the five trading days immediately preceding the date of payment. In addition, the Company matches all DSUs so credited, such that the number of DSUs credited to such Director is equal in value to two times the contributed fees.

Participants are notionally entitled to receive distributions per DSU equal to the amount of dividends paid per Common Share. Such distributions are credited to the participant as additional DSUs. The number of DSUs so credited for each dividend is equal to the aggregate amount of such dividend divided by the volume weighted average closing price of the Common Shares on the TSX for the five trading days immediately preceding the date such dividend was paid.

DSUs vest and may be redeemed only when a participant no longer serves on the Board of Directors for any reason (and is not otherwise employed by the Company). Redemptions are paid out in cash. Each Director is required to elect annually the amount of his or her fees that will be contributed to the DSU Plan for the upcoming year. Directors may change their election from year to year. Fees payable to a Director in respect of his or her attendance at meetings are not eligible for purposes of the DSU Plan. Effective July 23, 2012, the DSU Plan was amended to permit the issuance of DSUs at such time and in such amounts as the Board of Directors may determine rather than annually.

The following table describes Director compensation for the year ended December 31, 2014.

Name[1]	Fees Earned[2] ($)	Share-based award[3] ($)	Option-based Award ($)	Non-equity Incentive Plan Compensation ($)	Pension Value ($)	All Other Compensation ($)	Total Fees Earned ($)
DINO CHIESA	27,500	90,000	N/A	N/A	N/A	N/A	117,500
JANET GRAHAM	27,500	70,000	N/A	N/A	N/A	N/A	97,500
JOHN MCLAUGHLIN	27,500	65,000	N/A	N/A	N/A	N/A	92,500
JACK MACDONALD	27,500	50,000	N/A	N/A	N/A	N/A	77,500
PAULA JOURDAIN COLEMAN	9,500	45,138	N/A	N/A	N/A	N/A	54,638
DAVID CUTLER[4]	2,153	N/A	N/A	N/A	N/A	N/A	2,153
TOTAL	**121,653**	**320,138**	**N/A**	**N/A**	**N/A**	**N/A**	**441,791**

Notes:

(1) As CEO of the Company, Lois Cormack receives no compensation for serving as a Director.

(2) Includes only those fees that were paid in cash. See note (3) below.

(3) Share-based awards consist of the annual retainer fees which Directors elected to receive in the form of DSUs, plus the Company's matching contribution pursuant to the DSU Plan.

(4) David Cutler resigned from the Board on January 31, 2014. All of his outstanding DSUs were redeemed for cash in connection with his resignation.

Minimum Share Ownership Guidelines

The Board has adopted a policy requiring each Director to hold, within two years of becoming a Director, Common Shares and/or DSUs equal in value to three times the annual retainer received by such Director. All of the current Directors meet this minimum requirement.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table shows, as of December 31, 2014, compensation plans under which Common Shares are authorized to be issued from treasury both for plans previously approved by Shareholders and plans not previously approved by Shareholders (of which there are none).

Plan Category	(a) Number of securities to be issued upon exercise of outstanding rights (#)	(b) Weighted average exercise price of outstanding rights ($)	(c) Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a) (#)
Equity compensation plans approved by Shareholders (RSUP and LTIP)[1]	29,331		1,787,092
Equity compensation plans not approved by Shareholders	N/A	N/A	N/A
Total:	**29,331**		**1,787,092**

Note:

(1) Vested RSUs granted under the RSUP may be redeemed for Common Shares or cash at the participant's option. Eligible participants under the LTIP are entitled to purchase Common Shares equal to the quotient obtained by dividing such participant's award opportunity by the volume weighted average closing price of the Common Shares on the TSX for the five trading days immediately preceding the award date. See "Elements of NEO Compensation — Long Term Incentive Program".

DIRECTORS' AND OFFICERS' INSURANCE AND INDEMNIFICATION

The Company has obtained a directors' and officers' liability insurance policy, which covers corporate indemnification of Directors and officers and individual Directors and officers of the Company in certain circumstances. In addition, the Company has entered into indemnification agreements with its Directors and officers for liabilities and costs in respect of any action or suit against them in connection with the execution of their duties, subject to customary limitations prescribed by applicable law.

INDEBTEDNESS OF DIRECTORS AND OFFICERS

As of the date hereof, except as described below, no individual who is a Director or executive officer of the Company, or at any time during the most recently completed financial year of the Company, was a Director or executive officer of the Company or any of its subsidiaries, no individual proposed as a nominee for election as a Director of the Company and no associates of any such Director, executive officer or proposed nominee, is indebted to the Company.

Aggregate Indebtedness

The aggregate indebtedness to Leisureworld for the purchase of securities of the Company as at March 1, 2015 of all executive officers, Directors, employees and former executive officers, Directors and employees of the Company, excluding "routine indebtedness" (as defined under applicable securities laws), was approximately $909,228. The table below represents the approximate aggregate indebtedness, excluding routine indebtedness, outstanding as at March 23, 2015 entered into in connection with a purchase of securities and all other indebtedness.

Purpose	Aggregate Indebtedness to the Company or its subsidiaries ($)	To Another Entity
Share purchases	909,228	N/A
Other	N/A	N/A

Indebtedness of Directors and Executive Officers under Securities Purchase and Other Programs

The table below represents amounts outstanding for each individual who is, or at any time during the year ended December 31, 2014 was, a Director or executive officer of Leisureworld, each proposed nominee for election as Director of Leisureworld, and each associate of any such Director, executive officer or proposed nominee.

Name and Principal Position	Involvement of Company or Subsidiary	Largest Amount Outstanding During the Year Ended December 31, 2014 ($)	Amount Outstanding as at March 23, 2015 ($)	Financially Assisted Securities Purchases During the Year Ended December 31, 2014 (#)	Security for Indebtedness	Amount Forgiven During the Year Ended December 31, 2014 ($)
Securities Purchase Programs[(1)]						
LOIS CORMACK[(2)] . . . . *President & Chief Executive Officer*	Lender	562,716	652,770	6,905 Common Shares	Common Shares	nil
NITIN JAIN[(3)] . . . . *Executive Vice-President and Chief Financial Officer*	Lender	nil	45,838	nil Common Shares	Common Shares	nil
MANNY DIFILIPPO[(4)] . . . . . . *Former Executive Vice President & Chief Financial Officer*	Lender	80,191	74,848	nil	Common Shares	nil
PAUL RUSHFORTH[(5)] . . . . . . *Former Executive Vice President, Operations, Long-Term Care*	Lender	137,638	130,461	3,491 Common Shares	Common Shares	nil
Other Programs — N/A						

Notes:

(1) Under the LTIP, each participant may borrow from the Company, at the prime rate of interest per annum established by the Company's bank at the time Award Shares are issued or at such other interest rate as determined by the CGNC at the time such Award Shares are issued, an amount not greater than 95% of the aggregate purchase price for the Award Shares in order to acquire such Award Shares. Each such loan is due and payable on the date which is ten years from the date the related Award Shares are issued. Until such loan has been repaid in full, the related Award Shares are pledged to the Company as security against the outstanding balance of such loan, any cash dividends declared on such Award Shares will be applied against the outstanding balance of such loan and the holder thereof shall not be entitled to assign, or exercise any voting rights attached to, such Award Shares.

(2) On May 24, 2013, the Company loaned Ms. Cormack $500,000 to effect the purchase of Common Shares. The loan bears interest at 3.00% prime rate and is due on demand. The loan was issued independently of the LTIP, and was used for the purchase of 39,063 Common Shares. On March 19, 2014, the Company loaned Ms. Cormack $80,684.93 in connection with Award Shares granted, for Fiscal 2013 performance, pursuant to the LTIP. The loan bears interest at 3.00% prime and was contributed to the purchase price of the Award Shares. In connection therewith, Ms. Cormack received 6,905 Common Shares. On March 23, 2015, the Company loaned Ms. Cormack $116,582.81 in connection with Award Shares granted, for Fiscal 2014 performance, pursuant to the LTIP. The loan bears interest at 3.00% prime and was contributed to the purchase of the Award Shares. In connection therewith, Ms. Cormack received 8,364 Common Shares. All of the Common Shares have been pledged as security against the loans, which are personally guaranteed by Ms. Cormack.

(3) On March 23, 2015, the Company loaned Mr. Jain $46,075 in connection with Award Shares granted, for Fiscal 2014 performance, pursuant to the LTIP. The loan bears interest at 3.00% prime and was contributed to the purchase of the Award Shares. In connection therewith, Mr. Nitin received 3,305 Common Shares. The Common Shares have been pledged as security against the loan, which is personally guaranteed by Mr. Jain.

(4) On May 23, 2012, the Company loaned Mr. DiFilippo $27,300 in connection with Award Shares granted, for Fiscal 2011 performance, pursuant to the LTIP. The loan bears interest at 3.00% prime and was contributed to the purchase of the Award Shares. In connection therewith, Mr. DiFilippo received 2,418 Common Shares. On March 22, 2013, the Company loaned Mr. DiFilippo $56,888.85 in connection with Award Shares granted, for Fiscal 2012 performance, pursuant to the LTIP. The loan bears interest at 3.00% prime and was contributed to the purchase of the Award Shares. In connection therewith, Mr. DiFilippo received 4,738 Common Shares. Shares. All of the Common Shares have been pledged as security against the loans, which are personally guaranteed by Mr. DiFilippo.

(5) On May 23, 2012, the Company loaned Mr. Rushforth $47,515 in connection with Award Shares granted, for Fiscal 2011 performance, pursuant to the LTIP. The loan bears interest at 3.00% prime and was contributed to the purchase of the Award Shares. In connection therewith, Mr. Rushforth received 4,209 Common Shares. On March 22, 2013, the Company loaned Mr. Rushforth $56,401.50 in connection with Award Shares granted, for Fiscal 2012 performance, pursuant to the LTIP. The loan bears interest at 3.00% prime and was contributed to the purchase of the Award Shares. In connection therewith, Mr. Rushforth received 4,697 Common Shares. On March 19, 2014, the Company loaned Mr. Rushforth $40,792.34 in connection with Award Shares granted, for Fiscal 2013 performance, pursuant to the LTIP. The loan bears interest at 3.00% prime and was contributed to the purchase of the Award Shares. In connection therewith, Mr. Rushforth received 3,491 Common Shares. All of the Common Shares have been pledged as security against the loans, which are personally guaranteed by Mr. Rushforth.

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

To the knowledge of the Directors of the Company, no informed person (as defined in National Instrument 51-102 — *Continuous Disclosure Obligations*) of the Company, no proposed Director of the Company and no known associate or affiliate of any such informed person or proposed Director, during Fiscal 2014, has or has had any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction which has or would materially affect Leisureworld or any of its subsidiaries, except as set forth in the AIF, which is incorporated by reference in this Information Circular and can be accessed on SEDAR at www.sedar.com.

CORPORATE GOVERNANCE DISCLOSURE

In Fiscal 2014, the Board engaged Meridien Consulting Services to advise the Board on governance best practices, and to assist the Board in undertaking its annual Board evaluation process, facilitate a Director peer feedback initiative (the "**Director Peer Feedback**"), and design a board skills matrix (the "**Board Skills Matrix**") with input from all Directors. In connection with the foregoing, in November 2014 the Board adopted the new Board Skills Matrix, updated the Board and Committee mandates, and further assessed and improved the position descriptions for The Chair of the Board of Directors and Committee Chairs.

The Board believes that good corporate governance improves corporate performance and benefits all Shareholders. Additionally, National Instrument 58-101 — *Disclosure of Corporate Governance Practices* prescribes certain disclosure by the Company of its corporate governance practices. This disclosure is presented below.

Board of Directors

(a) The independent members of the Board are Dino Chiesa, Paula Jourdain Coleman, Janet Graham, Jack MacDonald and John McLaughlin.

(b) Lois Cormack is the CEO of Leisureworld and is, therefore, not considered independent under National Instrument 51-110 — *Audit Committees*.

(c) Five of the six members of the Board are independent.

(d) Janet Graham is a member of the Board of Trustees of Milestone Apartments Real Estate Investment Trust. Dino Chiesa is a member of the Board of Trustees of Morguard North American Residential REIT.

(e) The independent Directors functioned independently of the non-independent Directors by holding *in camera* meetings after each regularly-scheduled Board meeting and informally conferring on Board matters as such members determined necessary or desirable. The opinions of independent Directors are also actively solicited by the Chair of the Board at each meeting of the Board of Directors.

(f) The Chair of the Board, Dino Chiesa, is an independent Director. Mr. Chiesa's responsibilities include establishing, in consultation with the Chief Executive Officer of the Company, the Directors and appropriate members of management, the agendas for each meeting of the Board. The agenda for each committee meeting is established by the Chair of that committee in consultation with appropriate members of the committee and management.

(g) The following table summarizes the number of Board of Directors and Committee meetings held and attendance by Directors for Fiscal 2014:

Director	*Board Meetings Attended (in person or by telephone)*	*Committee Meetings Attended (in person or by telephone)*
DINO CHIESA	7 of 7	12 of 12
JANET GRAHAM	7 of 7	12 of 12
JACK MACDONALD	7 of 7	12 of 12
JOHN MCLAUGHLIN	7 of 7	12 of 12
PAULA JOURDAIN COLEMAN(1)	7 of 7	N/A
LOIS CORMACK(2)	6 of 6	N/A

Notes:

(1) Ms. Jourdain Coleman was appointed to the Board in February 2014. She is not a member of any Committee of the Board.

(2) The Board requested that one Board meeting be held in the absence of Ms. Cormack, the sole non-independent Director of the Board. Ms. Cormack is not a member of any Committee of the Board.

Mandate of the Board of Directors

The mandate of the Board of Directors was adopted on November 12, 2014 and is attached to this Information Circular as Appendix D.

Position Descriptions

The Chair of the Board of Directors and Committee Chairs

On November 12, 2014, the Board of Directors adopted a written position description for the Chair of the Board, which sets out the Chair's key responsibilities, including duties relating to setting Board meeting agendas, chairing Board and Shareholder meetings, ensuring Directors are apprised of matters which are material to Directors on a timely basis, and providing advice, counsel and mentorship to the Company's management team. The Board has also adopted written position descriptions for the chair of the Audit Committee and for the chair of the CGNC, which position descriptions set out each of the committee chair's key responsibilities, including duties relating to setting committee meeting agendas, chairing committee meetings, working with the respective committee members and management to ensure, to the greatest extent possible, the effective functioning of the committee, and ensuring processes established by the Board for assessing the performance of the committee occurs and responsibilities assigned to the committee under the terms of its charter are discharged on a timely and diligent basis.

The Chief Executive Officer

On November 12, 2014, the Board of Directors adopted a written position description describing the appointment, role and responsibilities for the Chief Executive Officer of the Company. The Chief Executive Officer is generally responsible for the development and implementation of the Company's approved strategic plan. In discharging his or her responsibility for oversight of the Company's business, subject always to the oversight of the Board, the Chief Executive Officer is required to, among other things, develop, or supervise the development of, and recommend to the Board a long-term strategy and vision for the Company that leads to enhancement of shareholder value; strive to achieve the Company's financial and operating goals and objectives and report regularly to the Board on the progress against these goals, and on the overall condition of the Company's business; ensure that the day-to-day business affairs of the Company are appropriately managed; and provide leadership and direction to the other members of the management team. The Board retains discretion in the making of material decisions outside the ordinary course of the company's business, the appointment and removal of senior officers of the Company, and such other matters as the Board may determine from time to time.

Orientation and Continuing Education

The Board encourages the Directors to take relevant continuing education programs to expand their knowledge about best practices in corporate governance, the nature and operations of the Company, and broader industry issues affecting the Company. It is within the mandate of the CGNC to recommend to the Board continuing education activities or programs for Directors. The Company arranges for guest speakers to attend Board or committee meetings on a quarterly basis to provide information and education to Directors on a variety of subjects relevant to the Company and the role of its Directors.

The Company has an orientation program for new Directors under which a new Director meets separately with members of the executive team to discuss the role of the Board, its committees and its Directors, as well as the nature and operation of the Company's business. In addition, a new Director is presented with a Director manual that contains reference information to assist in the new Director's orientation to the Company and his or her role, including key Company policies and procedures, the Company's current strategic plan, the most recent annual and quarterly reports of the Company, and materials relating to key business issues.

Ethical Business Conduct

The Board of Directors has adopted a code of business conduct and ethics (the "**Code**") that sets out the principles that should guide the behaviour of Directors, officers and employees of Leisureworld. The Code addresses, among others, the following issues:

- conflicts of interest;
- protection and proper use of corporate assets and opportunities;
- confidentiality of corporate information;
- fair dealing with the Company's competitors and persons with whom Leisureworld has a business relationship;
- compliance with laws, rules and regulations; and
- reporting of any illegal or unethical behaviour.

Through the Company's whistleblower policy, the Board has established procedures that allow employees of the Company to confidentially and anonymously submit concerns to the chair of the Audit Committee (who is independent of management of Leisureworld) regarding any accounting or auditing matter or any other matter of a financial nature which such employee believes to be in violation of the Code. Any complaints received are acknowledged and promptly investigated, and a log of all complaints that are received is maintained, tracking their receipt, investigation and resolution. Any complaints that relate to a questionable accounting or auditing matter will be immediately brought to the attention, and reviewed under the direction, of the Audit Committee.

The Board of Directors (or any committee to which that authority has been delegated) can grant waivers of compliance with the Code. No such waiver has been granted since the adoption of the Code and consequently, the Company filed no material change report during the last fiscal year pertaining to any conduct of a Director or executive officer of the Company that constitutes a departure from the Code.

A copy of the Code is available upon written request from the Corporate Secretary of the Company, 302 Town Centre Blvd., Suite 200, Markham, Ontario, L3R 0E8 or may also be found on SEDAR at www.sedar.com and on the Company's website at www.leisureworld.ca.

To ensure the Directors exercise independent judgment, in considering transactions, agreements or decisions in respect of which a Director or executive officer has a material interest, the Director or executive officer is required to recuse himself or herself from the Board meeting at the time such transaction, agreement or decision is considered by the Board and such individual will not be permitted to cast a vote on the matter.

Recognizing that "related party transactions" can present perceived or actual conflicts of interest and may raise questions about whether such transactions are consistent with the Company's and its Shareholders' best interests, the Company has adopted a Related Party Transaction policy. That policy sets out defined criteria and procedures for the review, approval or ratification by the CGNC of any potential Related Party Transactions involving the Company.

Nomination of Directors

The CGNC has carefully reviewed and assessed the professional skills and abilities, the personality and other qualifications of each proposed nominee for election to the Board, including the time and energy that the nominee is able to devote to the task as well as the specific contribution that he or she can make to the Board. The CGNC is comprised entirely of independent Directors.

Compensation

The CGNC approves the compensation of the Company's Directors and executive officers. In doing so, the committee reviews, as appropriate, industry data published by compensation consultants for comparable positions. The CGNC reviews performance annually. The CGNC is comprised entirely of independent Directors.

Compensation, Governance and Nominating Committee

The CGNC consists of four Directors, each of whom is an independent Director of the Company. In addition to the role it plays in compensation matters discussed above under the heading "Statement of Executive Compensation", the CGNC is also responsible for developing the Company's approach to governance issues, monitoring and overseeing the quality and effectiveness of the corporate governance practices and policies of the Company, making recommendations to the Board with respect to new members of the Board and reviewing the effectiveness of the Directors and the contribution of individual Directors.

Other Board Committees

Other than the Audit Committee and the CGNC, the Board does not have (and does not currently intend to have) any other standing committees.

Meetings Independent from Management

Directors hold "in camera" sessions, in the absence of non-Independent Directors or senior executives of the Company, at every regularly scheduled Board and Committee meeting. For Fiscal 2014, the Board held seven (7) regularly scheduled meetings, each having an agenda, which specifically provided for an "in camera" session.

The two Committees of the Board are composed entirely of Independent Directors and, as with the Board meetings, each Committee meeting has an agenda, which specifically provides for an "in camera" session. In Fiscal 2014, four (4) such Audit Committee meetings were held and eight (8) such CGNC meetings were held.

Director Assessment

The Board, its committees and individual Directors are regularly assessed through surveys of their effectiveness and contribution in order for the Board to satisfy itself that the Board, its committees, and its individual Directors are performing effectively.

Director Qualifications and Continuing Education

In developing a strategy for Board composition, the CGNC uses the Board Skills Matrix to identify and evaluate Director capabilities and experience around specific targeted competencies that the Board would ideally possess. At Leisureworld, the key focus areas are: Real Estate/Development Experience, Seniors Housing Knowledge (experience gained from working in the sector or having significant business dealings with organizations in the sector), Senior Executive Experience (broad business experience as a CEO or director of a public company or other large organization), Financial and Accounting Literacy, Corporate Governance (experience in best practices in public company corporate governance structures, policies and processes), Risk Management (ability to identify and understand key risks to the organization, understanding of risk assessments and systems and mitigation measures), and Legal and Regulatory (well versed in capital market activities, continuous disclosure, regulatory requirements and corporate law). While an individual Director may have one or more of the skills, the objective is to ensure that all required skills are held collectively.

The Company has an orientation and education program in place for new Directors. All new Directors receive an Orientation Manual containing a record of historical public information about the Company, as well as the charters of the Board and Committee mandates, copies of all Board governance documents and other relevant corporate and business information. The orientation also includes a thorough review of key issues on the forefront of the Company's agenda, a review of corporate strategy and plans, a snapshot of current performance, a familiarization with Board documents and information sources, and a tour of the Company's various sites.

The Director Peer Feedback process continued in Fiscal 2014. The CGNC, comprised entirely of Independent Directors, surveys all six (6) Directors to provide feedback on the effectiveness of the Board and individual Directors. The Chair of the CGNC compiles the results and the CGNC assesses the operation of the Board and the Committees, the adequacy of information given to Directors, and the strategic direction and processes of the Board and Committees. If concerns are raised, the Chair of the CGNC reviews the Director Peer Feedback individually with each Director on a confidential basis to encourage the relevant Director to develop action plans to continue to hone and improve their contribution to the Board.

The Board as a group discusses the Director Peer Feedback survey results in order to identify and address areas requiring attention or improvement. The CGNC also assesses the performance of the Chairman of the Board, as well as the CEO.

Additionally, external experts are regularly brought in to Board meetings for continuing education on topics related to the Company and the industry in which it operates. Funds are also set aside for Directors to attend conferences and seminars as they deem appropriate to further their knowledge and ability to carry out their responsibilities. The Company also pays for industry publication subscriptions for the Independent Directors to keep informed of industry trends.

OTHER BUSINESS

The Directors are not aware of any matters intended to come before the Meeting other than those items of business set forth in the attached Notice of Meeting accompanying this Information Circular. If any other matters properly come before the Meeting, it is the intention of the persons named in the Form of Proxy to vote in respect of those matters in accordance with their judgment.

ADDITIONAL INFORMATION

Financial information is provided in the Company's comparative financial statements and the Company's management's discussion and analysis for Fiscal 2014 (the "**MD&A**"). Copies of the Company's financial statements for Fiscal 2014, together with the auditors' report thereon, the MD&A, the AIF (together with any document incorporated therein by reference) and this Information Circular are available upon written request from the Corporate Secretary of the Company, 302 Town Centre Blvd., Suite 200, Markham, Ontario, L3R 0E8. The Company may require payment of a reasonable charge if the request is made by a person who is not a Shareholder. These documents and additional information relating to the Company may also be found on SEDAR at www.sedar.com and on the Company's website at www.leisureworld.ca.

APPROVAL OF DIRECTORS

The contents and the sending of this Information Circular to the Shareholders have been approved by the Board of Directors.

BY ORDER OF THE BOARD OF DIRECTORS

"Lois Cormack"

President and Chief Executive Officer
Leisureworld Senior Care Corporation

Dated: March 23, 2015

APPENDIX A

NAME CHANGE RESOLUTION

BE IT RESOLVED AS AN ORDINARY RESOLUTION OF THE SHAREHOLDERS THAT:

1. The name of the Company be changed from Leisureworld Senior Care Corporation to Sienna Senior Living Inc. effective May 1, 2015.

2. The Notice of Articles and the Articles of the Company be altered accordingly.

3. Pursuant to section 257 of the *Business Corporations Act* (British Columbia), the change of name of the Company shall not take effect until a copy of these resolutions are received for deposit at the records office of the Company and a Notice of Alteration identifying the date of these resolutions has been filed with the Registrar of Companies.

4. Any director or officer of the Company is authorized to execute and deliver all such documents and instruments including a Notice of Alteration, and to do such further acts, as may be necessary to give effect to these resolutions or as may be required to carry out the full intent and meaning thereof.

5. Farris, Vaughan, Wills & Murphy LLP be appointed as the Company's agent to electronically file the Notice of Alteration to the Company's Notice of Articles with the Registrar of Companies.

APPENDIX B

LTIP RESOLUTION

RECITALS:

A. The Board of Directors of Leisureworld Senior Care Corporation (the "**Company**") adopted a long term incentive plan (the "**LTIP**"), approved by the shareholders of the Company by a majority of votes cast at the Annual and Special Meeting of Shareholders held on April 18, 2012, which provides that the maximum number of common shares of the Company ("**Common Shares**") that may be reserved for issuance at any time under the LTIP as Award Shares (as defined in the LTIP) and under the Company's Restricted Share Unit Plan upon the redemption of RSUs (as defined therein), together, is 5% of the number of Common Shares issued and outstanding at such time.

B. The rules of the Toronto Stock Exchange provide that all unallocated securities, rights or other entitlements pursuant to a security-based compensation arrangement which do not have a fixed maximum aggregate number of securities issuable thereunder, be approved every three years after its institution.

BE IT RESOLVED AS AN ORDINARY RESOLUTION OF THE SHAREHOLDERS THAT:

1. All unallocated securities, rights or other entitlements under the LTIP be and are hereby approved;

2. The Company has the ability to continue granting Award Shares under the LTIP until April 21, 2018 that is until the date that is three years from the date of this Meeting where approval of the holders of Common Shares is being sought; and

3. Any officer or director of the Company be and is hereby authorized for and on behalf of the Company to execute and deliver all documents and instruments, and to take all such other actions as such officer or director may deem necessary or desirable to implement the foregoing resolution and the matters authorized hereby, such determinations to be conclusively evidenced by the execution and delivery of such documents and other instruments and the taking of any such action.

APPENDIX C

RSUP RESOLUTION

RECITALS:

A. The Board of Directors of Leisureworld Senior Care Corporation (the "**Company**") adopted a restricted share unit plan (the "**RSUP**"), approved by the shareholders of the Company by a majority of votes cast at the Annual and Special Meeting of Shareholders held on April 18, 2012, which provides that the maximum number of common shares of the Company ("**Common Shares**") that may be reserved for issuance at any time under the RSUP upon the redemption of RSUs (as defined in the RSUP) and under the Company's long term incentive plan as Award Shares (as defined therein) together, is 5% of the number of Common Shares issued and outstanding at such time.

B. The rules of the Toronto Stock Exchange provide that all unallocated securities, rights or other entitlements pursuant to a security-based compensation arrangement which do not have a fixed maximum aggregate number of securities issuable thereunder, be approved every three years after its institution.

BE IT RESOLVED AS AN ORDINARY RESOLUTION OF THE SHAREHOLDERS THAT:

1. All unallocated securities, rights or other entitlements under the RSUP be and are hereby approved;

2. The Company has the ability to continue granting RSUs under the RSUP until April 21, 2018 that is until the date that is three years from the date of this Meeting where approval of the holders of Common Shares is being sought; and

3. Any officer or director of the Company be and is hereby authorized for and on behalf of the Company to execute and deliver all documents and instruments, and to take all such other actions as such officer or director may deem necessary or desirable to implement the foregoing resolution and the matters authorized hereby, such determinations to be conclusively evidenced by the execution and delivery of such documents and other instruments and the taking of any such action.

APPENDIX D

Leisureworld Senior Care Corporation
(the "Company")

BOARD MANDATE
(the "Mandate")

APPROVED BY THE BOARD OF DIRECTORS ON November 12, 2014

The board of directors of the Company (the "**Board**") has developed this Mandate to help it fulfill its responsibility to shareholders to oversee the management of the business and affairs of the Company in accordance with the bylaws of the Company, applicable law, and stock exchange rules and requirements. This Mandate has been adopted by the Board to help assure that it will have the necessary framework to review and evaluate the Company's business operations and to make decisions and arrive at conclusions that are independent of the Company's management. The Mandate is also intended to align the interests of directors and management of the Company with those of the Company's shareholders.

The Company's Compensation, Governance and Nominating Committee (the "**CGNC**") will review and assess this Mandate at least annually and suggest to the Board such changes, as the CGNC deems appropriate. As part of its annual review, the CGNC will review the board practices of other well-managed entities, as well as practices that are the focus of commentators on corporate governance. The Board is strongly committed to sound governance practices.

ROLE OF THE BOARD

The role of the Board is to provide guidance and strategic oversight to management, both collectively and individually, in order to realize the Company's business objectives and to maximize shareholder value. The Board acts as an advisor and counselor to senior management and oversees its management of the business and affairs of the Company.

In fulfilling its responsibilities, the Board is responsible for, among other things:

(a) overseeing the Company's strategy and achievement of business objectives;

(b) overseeing the Company's continuous disclosure and financial reporting;

(c) satisfying itself of the adequacy of the Company's information systems;

(d) reviewing and monitoring the Company's disclosure controls and internal controls and procedures for financial reporting;

(e) overseeing compliance with the Company's bylaws and with applicable law;

(f) overseeing the Company's enterprise risk management framework,

(g) determining the amount and timing of distributions to shareholders;

(h) developing the Company's approach to corporate governance;

(i) approving major decisions regarding the Company outside of the ordinary course, subject to the delegation of approval authority to management;

(j) CEO selection, evaluation, compensation and succession planning; and

(k) overseeing compliance with the Company's Code of Business Conduct and Ethics (the "**Code**") to satisfy itself as to the integrity of the CEO and other executive members and to ensure that the Company maintains a culture of integrity and accountability.

Role of Management

Management is responsible for developing and implementing strategy, safeguarding the Company's assets and for delivering the primary benefits of the Company's business activities to shareholders. When Management performance is inadequate, the Board has the responsibility to bring about appropriate change.

Management of the Company is under the direction and the control of the Chief Executive Officer of the Company (the "**Chief Executive Officer**"). Senior management, through the Chief Executive Officer, reports to and is accountable to the Board.

Management is responsible for the preparation of a business plan, which includes an annual operating and capital budget together with an outline of strategic initiatives, for review and approval of the Board. The Board's approval of the business plan provides a mandate for management to conduct the affairs of the Company. Material deviations from the plan are reported to and considered by the Board.

Composition, Orientation and Compensation of the Board

Director Independence

At least two-thirds of the members of the Board will be Independent Directors (within the meaning of NI 58-201). At least annually, the Board will review the independence of each director and directors will be asked to self-assess their independence status through a questionnaire.

Selection of Directors

Based on the recommendation of the CGNC, the Board is responsible for selecting nominees for election as directors and recommending them for election by the shareholders.

Director Skills Matrix

The Board, through the CGNC, will utilize a board skills matrix as a tool to facilitate the screening and selection of Board nominees.

Directors who experience a significant change in their personal circumstances, including a change in their principal occupation or time commitments, are expected to advise the CGNC, who will request a further review by the Board of the director's ability to continue as a director of the Board.

Orientation and Continuing Education

An orientation process is mandated for all new directors. This process includes comprehensive background briefings by the Chair of the Board, the Chief Executive Officer, the Chief Financial Officer of the Company (the "**Chief Financial Officer**"), and other officers or employees of the Company designated by the Chief Executive Officer. This process includes obtaining an understanding of the role of the Board and its committees as well as each director's individual role and responsibility. The coordination of the orientation program is the responsibility of the CGNC and the Company's Chief Executive Officer.

Directors are also encouraged to participate in continuing education programs.

Director Compensation

The Board is responsible, on the recommendation of the CGNC, for approving a compensation model that appropriately compensates directors for service on the Board and on Board committees.

Director Tenure, Rotation and Retirement

A director who is an officer of the Company (other than a person who served as an officer in an interim capacity) is required to resign from the Board at the time he or she retires or otherwise ceases to be an active employee of the Company. Consistent with this policy, the Chief Executive Officer (other than a person who served as an interim Chief Executive Officer) is required to resign as a director at the time he or she ceases to be the Chief Executive Officer.

The Board does not consider it necessary to have a mandatory retirement policy for directors. Rather, the Board is of the view that directors who have served on the Board for an extended period of time are able to provide valuable insight and perspective into the operations and future of the Company based on their experience with and understanding of the Company's history, policies and objectives. At the same time, the Board also considers it important that the Company receive the benefit of fresh approaches, new ideas and alternative viewpoints from new directors from time to time. On an annual basis, the Board will carefully review director rotation.

SERVICE ON OTHER PUBLIC ENTITY BOARDS AND BOARD COMMITTEES

Directors are encouraged to limit the number of other public entity boards and committees of those boards on which they serve, taking into account potential board and committee attendance, participation and effectiveness on those boards and committees. Directors should also advise, in writing, the Chair of the Board and the Chair of the CGNC prior to accepting an invitation to serve on another board or board committee.

DIRECTOR EQUITY OWNERSHIP

Directors are required to hold, within two years of becoming a Director, Common Shares of the Company ("**Shares**"), and/or Deferred Share Units under the Company's Deferred Share Unit Plan, equal in value to three times the annual retainer received by such Director. Any investment in Shares above this amount may be made on a voluntary basis. The equity ownership of each Director will be calculated as at March 31st (approximately) each year based on the greater of cost of the Share purchases or market value. The CGNC is responsible for reviewing director Share ownership on an annual basis and making recommendations to the Board in respect thereof.

BOARD AND COMMITTEE MATTERS

Board Committees

The Board has established an Audit Committee and a Compensation, Governance and Nominating Committee and may establish such further committees as it deems necessary or desirable from time to time. The Chair of the Board together with the Chief Executive Officer will be responsible for recommending to the CGNC members and Chairs for appointment to each committee. Members will meet the criteria for membership in such committees as determined by the Board and as otherwise required by applicable law, rules and regulations, with consideration given to the preferences of individual directors. The CGNC is responsible for recommending to the Board the proposed members and Chair of each committee. The Board may, to the extent it considers desirable, give consideration to rotating committee members periodically to the extent practicable.

Board Committee Charters

Each Board committee will have its own charter. Subject to applicable law, rules and regulations, the charters will set forth the purposes, membership, powers, authority, duties and responsibilities of, and procedural matters relating to meetings of, the Board committees. The Audit Committee has the responsibility to at least annually, review its charter and recommend it for approval by the CGNC. The CGNC has the responsibility to at least annually review its charter and recommend it for approval by the Board.

RESPONSIBILITIES AND FUNCTIONING OF THE BOARD

Company Strategy

The Board is responsible for the oversight of the Company's strategy. At least annually, the Board will discuss the strategic objectives of the Company with management. This discussion will consider, among other things, the opportunities and risks pertaining to the Company. These discussions may be held during regularly scheduled Board meetings. Proposed changes to Company strategy are expected to be brought to the attention of the Board by senior management in a timely manner for the Board's consideration and approval, if appropriate. The Board will monitor the Company's progress in meeting its strategic objectives.

Risk Management

The Board is responsible for satisfying itself that appropriate policies and procedures are in place to identify and manage the risks applicable to the Company. At least annually, the Board, or its committees, will meet with management regarding the risks applicable to the Company. Significant Company risk management decisions are expected to be brought to the attention of the Board by senior management in a timely manner for the Board's consideration. These decisions will be discussed and approved by the full Board. The Board, or its committees, will monitor the Company's progress in meeting its risk management objectives.

Approach to Governance

The Board is responsible for developing the Company's overall approach to governance. This responsibility may be delegated to the CGNC.

Operating Plans and Financial Goals

The Board will review and approve the Company's annual operating plans and specific financial goals, and monitor performance throughout each year.

Selection of the Chair of the Board

The Board will select the Chair of the Board annually from among its members. The Chair of the Board will be an Independent Director within the meaning of NI 58-201. In the event that at any time the Chair of the Board is not an Independent Director, a Lead Director will be appointed from among the independent directors. The Lead Director will act as an effective leader of the Board in respect of matters required to be considered by the Independent Directors, and will ensure that the Board's agenda will enable it to successfully carry out its duties.

If the current Chair of the Board vacates his or her position for any reason prior to the end of their term, then the Chair of the CGNC will immediately assume the role of Chair of the Board until another Chair is appointed.

Succession Planning — Board

The CGNC will maintain a Board succession plan that is responsive to the Company's needs and the interests of its shareholders and will periodically report to the Board on succession planning, including in the event of an emergency.

Succession Planning — Chief Executive Officer and Chief Financial Officer

The Board, with the assistance of the CGNC and with the assistance of the confidential recommendations and evaluations of potential successors by the Chief Executive Officer, will identify, evaluate, appoint and provide training to successors to the Chief Executive Officer and the Chief Financial Officer.

Annual Assessment of Performance

The Board will conduct an annual self-evaluation to determine whether it, its committees and its committee members are functioning effectively. The CGNC will solicit comments from all directors and report annually to the Board with an assessment of the Board's performance, the performance of Board Committees and its directors. This assessment will be discussed with the full Board annually. The assessment will specifically focus on areas in which the functioning of the Board or Board committees could be improved.

Evaluation of the Chief Executive Officer and Other Named Executive Officers

The Board will evaluate and approve the compensation structure of the Chief Executive Officer and approve the compensation structure of other Named Executive Officers (as defined in NI 51-102) of the Company, all based on the recommendations of the CGNC.

Meetings of Independent Directors

To promote open discussion among the Company's independent directors, at each regularly scheduled meeting of the directors and at such other time as any independent director may request, the independent directors will meet without management or any other non-independent directors present. The Chair of the Board (or any lead director that has been appointed) will preside at these separate meetings.

Loyalty and Ethics

In their roles as directors, all directors owe a duty of loyalty to the Company. This duty mandates that the best interests of the Company take precedence over any other interest possessed by a director. Directors are expected to conduct themselves in accordance with the Code.

Frequency of Board Meetings

The Board will hold in person meetings at least quarterly. In addition, the Board may hold additional meetings from time to time as determined by the needs of the business of the Company. The Company's Secretary will be responsible for the preparation of minutes of each Board meeting.

Director Attendance

Each director is expected to attend all regular meetings of the Board in person and all meetings of Board committees of which the director is a member. Attendance by telephone or video conference may be used to facilitate attendance. In addition, each director is encouraged to attend each annual meeting of shareholders of the Company. The Board recognizes that occasional meetings may need to be scheduled on short notice when the participation of a director is not possible and that conflicts may arise from time to time that will prevent a director from attending a regularly scheduled meeting. However, the Board expects that each director will make every possible effort to keep such absences to a minimum. Poor attendance by a director (an absence from more than one regularly scheduled Board meeting per year) will be considered by the CGNC in deciding whether to recommend the director to the Board for re-election as a director.

Each director is expected to be sufficiently knowledgeable of the business of the Company, including its financial statements, and the risks it faces, to ensure his or her active and effective participation in the deliberations of the Board and each committee on which he or she serves.

Selection of Agenda Items for Board Meetings

The Chair of the Board, with the assistance of the Chief Executive Officer will establish the agenda for each Board meeting. Each director may suggest to the Chair of the Board the inclusion of additional items on the agenda. At any regularly scheduled Board meeting, each director may raise subjects for discussion that are not on the meeting's formal agenda.

Information that is important to the Board's understanding of the business of the Company will be distributed to the Board sufficiently in advance of each Board meeting to permit the directors adequate time to consider the material and ask questions of management, as appropriate. Directors are expected to review the information in advance of the meeting so that they can knowledgeably participate in the meeting. All such information will be maintained in conformity with the Company's policies on confidentiality.

Attendance of Non-Directors at Board Meetings

The Chief Executive Officer, the Chief Financial Officer and the Secretary of the Company are expected to attend Board meetings. The Chief Executive Officer, at his or her discretion, may invite other employees, advisors or consultants to attend Board meetings for the purposes of making presentations. The Chair of the Board or the Chief Executive Officer, at his or her discretion, may invite employees of the Company, consultants, advisors or others, as appropriate, to attend Board meetings.

Access to Management, Outside Counsel and Auditors

Board members will have complete access to the Chief Executive Officer, the Chief Financial Officer and the Company's outside counsel and auditors. It is the obligation of each Board member to use judgment to ensure that such contact is not distracting to the business operations of the Company and that, except as may be inappropriate, the Chief Executive Officer is appropriately advised of all such contacts.

Power to Retain Advisors

The Board and each Board committee have the power at the Company's expense, to hire legal, financial or other advisors, as they may deem necessary, without consulting or obtaining the approval of any officer of the Company in advance.

Board's Interaction with Investors, the Press, and Other Company Stakeholders

The Board believes that management should speak for the Company. Individual directors may, from time to time, receive requests for comment from various constituencies who are involved with the Company. Any such request should be forwarded to the Chief Executive Officer or his or her designee. Generally, communications from shareholders and the investment community will be directed to the Chief Financial Officer, who will coordinate an appropriate response depending on the nature of the communication.

If comments from the Board or any of its members are appropriate, they should come only following consultation with the Chief Executive Officer and management.

Disclosure Policy and Code

The Board is responsible for ensuring that the Company has established and maintains a Disclosure and Insider Trading Policy and the Code. The purpose is to ensure the Company maintains a high level of trust and integrity in accordance with the highest ethical standards.

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APPENDIX E

Leisureworld Senior Care Corporation
(the "Company")

BOARD SKILLS MATRIX

An individual may have one or more of any of the skills. The objective is to ensure all required skills are held collectively as a Board.

B = Basic
E = Good
G = Excellent

Skills, Experience, Qualifications and Competencies	Dino Chiesa	Janet Graham	John McLaughlin	Jack MacDonald	Paula Jourdain-Coleman	Lois Cormack
Real Estate/Development Experience	**E**	**E**	**G**	**B**	**G**	**G**
Seniors Housing Knowledge — experience gained from working in the nursing home and/or seniors housing sector or having significant business dealings with organizations in the nursing home, senior housing business	**E**	**G**	**E**	**G**	**E**	**E**
Senior Executive Experience — broad business experience as a CEO or director of a public company or other large organization	**E**	**G**	**E**	**E**	**E**	**G/E**
Financial and Accounting Literacy — based on the definitions of financial literacy/expert for members of the Audit Committee under securities laws — senior experience in financial accounting and public reporting, familiar with IFRS and, corporate finance	**E**	**E**	**E**	**G**	**G/E**	**G**
Corporate Governance — experience in best practices in public company corporate governance structures, policies and processes	**G**	**E**	**E**	**E**	**G/E**	**G**
Risk Management — ability to identify and understand key risks to the organization, understanding of risk assessments and systems and mitigation measures in the oversight of risk management	**E**	**E**	**G/E**	**E**	**E**	**E**
Legal and regulatory — well versed in capital markets activities, continuous disclosure, regulatory requirements and corporate law	**G/E**	**E**	**G/E**	**G/E**	**G**	**G**

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