POOLSAFE

YOUR PERSONAL POOLSIDE ATTENDANT

Management Discussion and Analysis

December 31, 2021

Introduction

The following is Management's Discussion & Analysis (the "**MD&A**") of the consolidated financial position and results from operations of Pool Safe Inc. (the "**Company**" or "**Pool Safe**") for the year ended December 31, 2021. This MD&A should be read in conjunction with the Company's consolidated financial statements for its years ended December 31, 2021 and December 31, 2020, with accompanying notes to those statements for the years then ended.

The Company's reporting currency is the Canadian dollar and all amounts in this MD&A are expressed in Canadian dollars unless otherwise indicated. The Company's consolidated financial statements for its fiscal years ended December 31, 2021 and December 31, 2020 were prepared in accordance with International Financial Reporting Standards ("**IFRS**").

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors (the "Board"), considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company's common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

During the year ended December 31, 2017, the Company became a reporting issuer in Ontario, British Columbia and Alberta as explained in the Overview section. The common shares of the Company are listed for trading on the TSX-Venture Exchange (the "**TSX-V**") under the trading symbol **POOL**. This MD&A is dated as of April 26, 2022.

Additional Information

Additional information relating to the Company is on the System for Electronic Document Analysis and Retrieval ("**SEDAR**") at www.sedar.com.

Overview

Pool Safe was a privately held corporation, which was incorporated on October 27, 2011 pursuant to the *Business Corporations Act* (Ontario). Pool Safe was a privately held corporation until April 24, 2017, the date which Pool Safe completed its listing requirements and became publicly trading on the TSX-V.

Pool Safe manufactures and sells a product known as the "PoolSafe". Specifically engineered for its safety benefits, the PoolSafe is a feature rich device that functions as a multi-purpose safe, contains a solar-powered charger for USB compatible devices including phones and tablets as well as a server call-button and a beverage cooler and holders. The service call buttons installed on each PoolSafe alerts service staff to the guest needs. The PoolSafe product is targeted towards the owners and operators of hotels, resorts, waterparks and cruise ships, and is designed to provide their ultimate consumers with security, convenience and guest services.

The Company earns revenues through direct sales of the PoolSafe as well as through a revenue-share partnership where there is no upfront capital cost to the Company's customers. With this, the Company also offers a DBS system, which is a touch screen application installed in the customers' food and beverage area. The touch screen alerts their staff when a guest has pressed the PoolSafe call button. Each PoolSafe is unique, thus enabling the Company's customers to respond directly to their own customer needs. The Company continues to develop its tablet and app product, an application that connects directly to the Point of Sale ("**POS**") system of the resort.

This allows guests to place their own food and beverage orders directly as well as gain access to other amenities offered at the resort location. The application is specific to each PoolSafe unit. The PoolSafe also provides for branding and customization opportunities. Each PoolSafe can be equipped with a branded lift-lid and a media wrap which will enable the Company to generate additional revenue while enhancing brand awareness.

The PoolSafe provides additional revenue streams including product rental fees, increased food and beverage orders as well as optional media advertising. The cost of the product is quickly recovered through these additional revenue streams.

Throughout the 2018 year, Pool Safe developed new hardware and software technology which enables two-way communication between the PoolSafe, its data base gateway and the Cloud. As an IoT enabled appliance, the PoolSafe can collect usage information and deposit it into an archive in the Cloud, for later mining and monetization. For the Company's portfolio of current and future revenue share partnerships, the PoolSafe's food and beverage long range, low power, wireless connectivity technology ("LoRa") facilitates a wider service coverage area. Unlike WiFi, which has a 100-foot range, the LoRa technology has a range of up to 1.2 kilometres, is embedded with the PoolSafe solutions, and does not require the property to add or make changes to their current infrastructure. The Company will continue to add new services to its already feature rich design.

Key Performance Indicators

Key performance indicators that the Company uses to manage the business and evaluate its financial results and operating performance include new customers, net investment in equipment, revenues, average yields, operating expenses and net income. The Company evaluates its performance on these metrics by comparing the actual results and normalized results to management budgets, forecasts and prior period performance.

Recent Events

At December 31, 2020, the Company issued a $460,000 principal amount of unsecured convertible debentures (the "Debentures") and had promissory notes of $67,000 outstanding. In Q1 2021, the Company issued 3,162,000 commons shares to the holders of this debt, to extend the maturity term of the debt to May 2023. In Q2 2021, the Company issued 11,500,000 shares to extinguish the Debentures and 1,675,000 shares to extinguish the promissory notes. Further, the Company issued 871,510 shares in payment of $34,860 of accrued interest related to these debts.

At December 31, 2020, the Company reported $370,766 due to Intrexa Ltd., against a credit agreement with for a secured revolving credit facility of $1 million to be advanced in instalments. This facility enables the Company to access funds for the purchase of inventory, in addition to some working capital requirements in a manner that is very shareholder friendly. No longer constrained by access to capital, management will be able to actively move forward to conclude numerous revenue-sharing opportunities with hotels, resorts and water parks around the world. In the 2021 year, the Company repaid $188,466 and drew a further $279,400 against this facility.

In May 2021, the Company entered into a Financing Agreement for a senior secured loan of $500,000. The Company issued 1,600,000 warrants in conjunction with the Senior Secured Loan. The loan is due December 31, 2022 and bear interest at 12% per annum. The warrants were valued at $24,598 using a Black-Scholes valuation option model and are considered a cost of issuance. The warrants are being accreted against the loan balance, as interest, over the term of the loan. This loan is subordinate only to the revolving line of credit.

In 2020, the Company experienced a considerable slowdown due to COVID19, with many of its revenue share partners staying closed throughout the year while other were required to reduce occupancy at their facilities. In the midst of this unprecedented global pandemic, the Company partnered or sold 83 PoolSafe units while maintaining a presence at waterparks throughout North America. These results were significantly lower than the anticipated revenue share partnerships and direct sales.

In the 2021 year the Company added 313 new PoolSafe units into operation with revenue share partners. In addition, the Company and its partners renewed several Revenue Share Agreements ("RSA") for an additional three years. Of which, 60 new PoolSafe units have not been delivered as the partner site has yet to open. As of the date of this MDA, in 2022 the Company has added a further 68 units into service with revenue share partners. New Revenue Share Agreements for an additional 115 units were also executed at the date of this MDA.

Selected Financial Information

The table below summarizes key operating data for the last three fiscal years.

	Year Ended December 31, 2021 $	Year Ended December 31, 2020 $	Year Ended December 31, 2019 $
Total revenue	254,939	264,888	416,309
Cost of sales	424,793	241,989	276,723
Operating costs	449,008	654,480	854,100
Net and comprehensive loss	(618,862)	(631,581)	(714,514)
Total assets	873,536	670,128	824,652
Total liabilities	1,371,414	1,198,842	1,090,090
Total equity	(497,878)	(528,714)	(265,438)
Shares outstanding, end of period	89,229,750	72,021,240	65,251,239
Weighted average shares outstanding	81,461,153	71,212,008	65,251,239
Net loss per share	(0.01)	(0.01)	(0.01)

Selected Quarterly Financial Information

The following quarterly results for the eight most recent quarters have been prepared in accordance with IFRS as listed below.

Three Months Ended	Cash	Current Liabilities	Revenue	Net Loss	Loss Per Share	Weighted Average Shares Outstanding
December 31, 2021	$ 28,906	$ 1,293,727	$ 21,867	$ (219,310)	$ (0.003)	89,229,750
September 30, 2021	245,923	733,726	169,591	(52,489)	(0.001)	89,229,750
June 30, 2021	240,935	557,021	50,679	(275,065)	(0.003)	83,672,889
March 31, 2021	8,319	1,025,678	12,802	(71,998)	(0.001)	72,021,239
December 31, 2020	34,742	964,661	35,628	(310,408)	(0.004)	72,021,239
September 30, 2020	24,219	782,405	152,072	(10,800)	(0.000)	72,021,239
June 30, 2020	25,139	848,684	31,629	(85,788)	(0.001)	72,021,239
March 31, 2020	168,729	845,471	45,559	(224,585)	(0.003)	69,566,572

<u>Three-month periods ended December 31, 2021 and December 31, 2020</u>

The net loss for the three-month period ended December 31, 2021 was $219,310 (December 31, 2020 - $310,408).

Sales in the three-month period ended December 31, 2021 were $21,867 as COVID affected both timing on new unit deliveries as well as site attendance. The cost of goods sold was affected by the return of 59 units and by upgrading revenue share units currently in service. Several of these returned units were refurbished and placed into service. Sales and margins in the most recent three-month period reflect the receipts from revenue share assets and sales of PoolSafe units. During the December 2020 quarter, no new revenue share units were delivered, well below the anticipated sales level, as COVID-19 related deferrals and shut-downs have affected the industry. The Company's revenue share partners are experiencing reduced occupancy and park attendance due to COVID-19 and as of now have very little visibility going forward. Revenue sharing opportunities are expected to drive greater future sales.

The Company recognized an impairment charge of $187,623 against patents and design assets in the December 2020 quarter. This expense was based on management's review and application of International Financial Reporting Standards against revenue over the last three years. COVID and lack of capital restricted sales growth as compared to plan. Management continues to believe that these assets will deliver future profits. This impairment charge does not affect the Company's future plans.

The following table sets forth a summary of the Company's operating expenses by category for the three-month periods:

	Three-Month Period Ended Dec. 31, 2021 $	Three-Month Period Ended Dec. 31, 2020 $
Selling, general and administrative	77,113	(15,103)
Stock-based compensation	-	-
Professional fees	10,710	16,972
Investor relations and regulatory	7,953	(33,692)
Foreign exchange	(513)	9,881
Advertising and promotion	14,739	8,864
Depreciation	35,153	27,880
Government grant	(83,077)	(3,600)
Impairment of patents and designs	-	187,623
Interest on loan payable	39,147	49,905
	101,225	248,730

Operating expenses were $101,225 for the three-month period ended December 31, 2021 (December 31, 2020 - $248,730). Selling, general and administrative expenses reflect a more normal level than the care and maintenance nature of the business, in the December 2020 period. The Company has started to experience customer demand for its units, resulting in significant deliveries and new sales orders in the December 2021 and Q1 2022 period. Businesses are starting to return to pre-COVID levels. The government grant reflects subsidies received. Most of the December 2020 period expense was non-cash charges, including $187,623 for impairment of the patents and design assets, and $27,880 for depreciation.

During the December 2020 quarter the Company focused on cash conservation as the COVID-19 crisis closed or reduced access to many of the businesses to which the Company sold or revenue shared its PoolSafe units. Senior staff deferred salary during the December 2020 quarter to preserve cash. Spending was reduced to care and maintenance items only. Advertising reflects a return of fees paid in a previous period to attend a trade show. The government grant reflects an accounting adjustment related to the CEBA loan. Public company fees reflect an adjustment related to the placement earlier in 2020.

Stock-based compensation was lower as there were no grants in 2021 or 2020. Higher interest costs and financing costs to extend the convertible notes reflects increased debt.

Years ended December 31, 2021 and December 31, 2020

The net loss for the year ended December 31, 2021 was $618,862 (December 31, 2020 - $631,581). Sales in 2021 decreased slightly as compared to 2020. With COVID-19 related industry wide slowdowns, per unit revenue share revenues were decreased in 2021 as compared to 2020. Prior to the pandemic, the Company had experienced an increased interest from a number of potential customers for revenue share units for the 2020 year. This interest in the Company's units returned in the second half of 2021.

The pandemic-related business closures and subsequent ramp up of openings has resulted in slower than planned revenue growth which has hampered efforts to reach self-sustaining cash flows from operations.

Pool Safe continues to see greater interest from the hotel, resort and waterpark customers although all parties need to see a clear path to a more open economy before committing to further spending. The Company expects to grow its sales force through establishing additional distribution relationships within the hospitality industry when the industry reopens, and conditions return to a more normal situation. This will likely enable the Company to more effectively penetrate the global marketplace.

Expenses in 2021 were reduced from 2020. However, many expense lines increased as business has started to return to more normal levels. The following table sets forth a summary of the Company's operating expenses by category for the years:

	Year Ended Dec. 31, 2021	Year Ended Dec. 31, 2020
Selling, general and administrative	$ 240,817	$ 144,222
Stock-based compensation	-	2,854
Professional fees	51,140	30,472
Regulatory fees	30,044	20,690
Advertising and promotion	21,413	23,105
Depreciation	37,693	38,925
Foreign exchange	(772)	9,881
Government grant - CEWS/CERS	(154,402)	(13,182)
Impairment of patents and designs	-	187,623
Interest on loans payable	223,075	209,890
	$ 449,008	$ 654,480

Operating expenses were $449,008 for the year ended December 31, 2021 (December 31, 2020 - $654,480). Significant differences in 2021 as compared to 2020 include:

- The non-cash, asset impairment charge of $187,623 in 2020 for patents and design costs in 2020.
- Senior management deferred salaries in 2020 in order to preserve cash and took reduced salaries as of April 2021.
- Advertising was significantly reduced in both periods as compared to non-COVID levels as the entire industry went to a care and maintenance mode in 2020. Sales opportunities were limited, and advertising would not be prudent in such an environment.
- The Government grant reflects any wages, rent and general subsidies paid to the Company via governments. This balance was substantially higher in 2021 than in 2020.
- Interest expense includes non-cash accretion expense of $89,646 (2020 - $44,169) related mostly to the convertible debenture obligations and CERB loans. Cash interest relates to the coupon on the various loans.

Liquidity and Capital Resources

Cash and Working Capital

The following table sets forth a summary of the Company's working capital position as of the dates presented:

	As at December 31, 2021 $	**As at December 31, 2020 $**
Cash	28,906	34,742
Working capital	(1,036,977)	(766,985)

The Company's principal source of liquidity as of December 31, 2021 was cash of $28,906 (December 31, 2020 - $34,742) and prepaids and receivables of $31,058 (December 31, 2020 - $31,102). The negative working capital at December 31, 2021 was mostly created by the debts, which mature within the next twelve months. Management will need to raise cash through a combination of equity, debenture financings, and financing arrangement for future product sales, to leave the Company with sufficient funds to meet its obligations and short-term working capital requirements, and to accomplish its short-term plans. The Company plans to continue to monitor closely its use of its available cash.

The Company will require substantial additional capital to fund additional growth in the business.

Going concern

The consolidated financial statements have been prepared with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company's ability to continue in the normal course of operations is dependent on its ability to raise equity or debt financing or through the sale of its products at a profit. Since inception the Company has incurred losses which as of December 31, 2021 totaled $5,005,266. In addition, the Company had a working capital deficit in the amount of $1,036,977 at December 31, 2021. There are no assurances that the Company will be successful in achieving these goals. These circumstances cast significant doubt on the Company's ability to continue as going concern and ultimately on the appropriateness of the use of the accounting principles applicable to a going concern. The consolidated financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations. These adjustments could be material.

Other Assets (net)

	As at December 31, 2021 $	**As at December 31, 2020 $**
Equipment	209,778	264,100
Revenue share assets	407,008	208,352
	616,786	472,452

During the 2020 year the Company wrote off the value of the Patent and design costs. The Covid-19 pandemic has had a serious impact on many industries with the travel and leisure industry, in which the Company operates, being one of the hardest hit. Management felt that given this environment that its long-term intangible assets were impaired and as such recorded a write down in the amount of $187,623 against these assets.

The Company increased the number of revenue share asset in service, mostly late in 2021, by 313 units. Growth continues in 2022 with a further 68 units placed into service as of the date of this MDA. New Revenue Share Agreements for an additional 115 units were also executed as of the date of this MDA.

Management is hopeful that with the advent of widespread vaccinations the industry will have recovered by the first half of the upcoming fiscal year and no further write downs of long-term assets will be required.

Equipment represents manufacturing equipment and moulds. Revenue share assets are PoolSafe units placed into service on a revenue sharing basis.

Liabilities

	As at December 31, 2021 $	As at December 31, 2020 $
Trade payables and other	202,301	136,273
Current portion of lease liability	36,355	39,215
Promissory notes	20,000	67,000
Current portion of loans	1,035,071	267,585
Current portion of convertible debt	-	454,588
	1,293,727	964,661
Lease liability	77,687	102,210
Loan payable	-	131,971
	1,371,414	1,198,842

In the year ended December 31, 2021, trade payables and accruals increased as product demand increased late in the year. Capital lease obligations were reduced as the term of the lease progressed. Debt increased with draws against the revolver credit facility and new loans. At this time, all loans are due in the next twelve months. Interest expense in 2021 reflects accretion of the equity portion of the debenture and of warrants issued as a cost of debt, which reports as interest expense.

In 2021, the Company issued 3,162,000 common shares at an ascribed value of $63,240, to extend the term to maturity of the convertible debentures and promissory notes by 25 months. The Company issued 11,500,000 common shares in payment of $460,000 of convertible debt, 1,675,000 common shares in payment of $67,000 of promissory notes, and 871,510 common shares in payment of $34,860 of accrued interest. Concurrently, the $68,647 equity value of the conversion feature of the convertible debt was transferred to common shares.

In 2020, liabilities increased mostly due to additional debt and recognition of the full debt values of some items through accretion. While loan repayments in the amount of $113,253 and lease payments of $32,408 were made in the 2020 year, the Company also received cash of $300,500 from the issue of units via a private placement, $120,000 from loans and made a draw against the credit facility for $184,785.

During 2020, the Company recognized $22,500 of shares issued to extend the convertible debenture one year and $57,476 of interest accretion from warrants and conversion components of the issuances. A further $2,359 of interest accretion was recorded against the CEBA loans. Interest accretion of $17,491 was recorded against warrants issued with the operating line.

Common Shares	As at December 31, 2021 $	As at December 31, 2020 $
Common shares	4,033,337	3,339,590

In 2020, 6,320,000 units were issued in a private placement for proceeds of $300,500, which was allocated as

$242,441 to common shares and $58,059 to warrants. Also, 450,000 commons shares were issued for ascribed value of $22,500 to extend the term of the convertible debt by one year.

Outstanding Share Data

Shares existing at the date of this MD&A and comparative shares at December 31, 2020 and December 31, 2019, are as follows:

	April 26, 2022	December 31, 2021	December 31, 2020
Shares Outstanding	89,229,749	89,229,749	72,021,239
Warrants	4,600,000	10,920,000	9,620,000
Shares reserved for issuance on conversion of Convertible debentures and related warrants	-	-	7,000,000
Options	5,100,000	5,100,000	5,100,000
Total	98,929,749	105,249,749	93,741,239

The Company has also entered into an amending agreement with Intrexa pursuant to which the parties have agreed to extend the termination date of the credit agreement and the bonus warrants issued in consideration for Intrexa entering into the credit agreement by one year, to March 31, 2023.

Related Party Transactions

The following is a summary of the Company's related party transactions during the years ended December 31, 2021 and December 31, 2020, and outstanding as of those dates:

Key Management Compensation

Key management personnel are persons responsible for planning, directing and controlling activities of an entity, and include executive and non-executive directors. Compensation provided to key management is as follows:

	December 31, 2021	December 31, 2020
Short-term employee benefits, including salaries and fees	$ 105,230	$ 67,308
Stock-based compensation	-	2,799
Sub-contractors	-	-
	$ 105,230	$ 70,107

Of the total of $460,000 of convertible debentures issued, $150,000 was issued to executive officers and directors of the Company. These debentures, plus interest outstanding, were converted to 998,058 common shares in 2021.

Balances of $35,663 (2020 - $21,900) were due to related parties at December 31, 2021.

Critical Accounting Policies and Estimates

The Company's significant accounting policies are disclosed in Note 3 to the financial statements for the year ended December 31, 2021. Certain of these policies require the use of estimates or assumptions that in some cases may relate to matters that are inherently uncertain. The Company did not adopt any new significant accounting policies or estimates during this quarter.

Financial Instruments and Other Instruments

The Company's financial instruments consist of cash and cash equivalents and accounts payable and accrued liabilities. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments and that the fair value of these financial instruments approximates their carrying values.

Dependence on Key Employees

The Company's business and operations are dependent on retaining the services of a small number of key employees. The success of the Company is, and will continue to be, to a significant extent, dependent on the expertise and experience of these employees. The loss of one or more of these employees could have a materially adverse effect on the Company. The Company does not maintain insurance on any of its key employees.

Capital Management

The Company considers its capital to consist of shareholders' equity. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the manufacture, distribution, and sale of the "PoolSafe". The Board does not establish quantitative return on capital criteria for Management, but rather relies on the expertise of the Company's Management to sustain future development of the business. Management will need to raise additional cash through a combination of equity and debt, to finance current and future operations, as the Company is not yet self-sustaining.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no significant changes in the Company's approach to capital management in the period ended December 31, 2021. The Company is not currently subject to externally imposed capital requirements.

Off-Balance Sheet Arrangements

To the best of management's knowledge, there are no off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company.

Risk Management

The Company has risk management processes in place to monitor, evaluate and manage the principal risks it assumes in conducting its business activities. These risks include credit, liquidity, interest rate, and various sources of operational risk. The Company's approach to the management of risk has not changed.

Outlook and Economic Conditions

The Company's principal objective is a continuation of managed growth developing quality new business opportunities while maintaining high development standards. The Company is well positioned to capitalize on market opportunities and to meet increased competition through its experienced management and staff, coupled with its substantial capital and borrowing capacity. We continue to look for opportunities to introduce new product development.

The Company's operations could be significantly adversely affected by the effects of a widespread global outbreak of a contagious disease, including the recent outbreak of respiratory illness caused by COVID-19. The Company cannot accurately predict the impact COVID-19 will have on its operations and the ability of others to meet their obligations with the Company, including uncertainties relating to the ultimate geographic spread of the virus, the severity of the disease, the duration of the outbreak, and the length of travel and quarantine restrictions imposed by governments of affected countries. In addition, a significant outbreak of contagious diseases in the human population could result in a widespread health crisis that could adversely affect the economies and financial markets of many countries, resulting in an economic downturn that could further affect the Company's operations and ability to finance its operations.

Cautionary Note Regarding Forward-Looking Statements

This MD&A contains certain "forward-looking information" as defined in applicable securities laws (collectively referred to herein as "**forward-looking statements**"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "budgeted", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or statements that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. The forward-looking statements in this MD&A speak only as of the date of this MD&A or the date specified in such statements.

Forward-looking statements are based upon certain assumptions and other important factors regarding present and future business strategies and the environment in which the Company will operate in the future, which could prove to be significantly incorrect. Forward-looking statements are inherently subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company and/or its subsidiary to be materially different from those expressed or implied by such forward-looking statements.

Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary note. Accordingly, readers should not place undue reliance on forward looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

This MD&A contains forward-looking statements with respect to Pool Safe under the headings "Business Update", "Liquidity", and "Outlook". These forward-looking statements, by their nature, involve risks and uncertainties that could cause actual results to differ materially from those contemplated by such statements, in particular, present financial market uncertainty. The Company has assumed that financing alternatives remain available, albeit with terms that are not as attractive as was the case prior to the current worldwide financial market uncertainty. The Company considers the assumptions on which these forward-looking statements are based to be reasonable at the time that they were prepared but cautions the reader that these assumptions regarding future events, many of which are beyond the control of management, may ultimately prove to be incorrect. Except as required by law, the Company does not intend, and assumes no obligation, to update the forward-looking statements contained herein.