

**TAX ELECTION INSTRUCTIONS  
FOR THE DISPOSITION OF COMMON SHARES OF  
MINDBEACON HOLDINGS INC.  
("TAX ELECTION INSTRUCTIONS")**

CloudMD Software & Services Inc. ("**CloudMD**" or the  
"**Purchaser**")

Acquisition of the Shares of  
MindBeacon Holdings Inc. ("**MindBeacon**")

**The tax election process is time sensitive. Your immediate attention to the matters contained herein is suggested.**

**The deadline for providing your information to CloudMD is on or before April 14, 2022.**

The information included in these Tax Election Instructions is of a general nature only and is not intended to be, nor should it be construed to be, legal, tax or financial advice or a representation to any Shareholder of MindBeacon who is an "Eligible Holder". Eligible Holders are therefore urged to consult their own tax advisors. CloudMD and MindBeacon or their respective successors, affiliates, advisors, agents, or employees shall not incur any liability in respect of the accuracy of such information. Furthermore, CloudMD and MindBeacon have not provided and will not provide the Eligible Holder with any advice respecting a valid joint tax election with CloudMD pursuant to subsection 85(1) of the *Income Tax Act* (the "**Tax Act**") (or, in the case of an Eligible Holder that is a partnership, pursuant to subsection 85(2) of the Tax Act) (a "**Tax Election**") or the manner of its completion or execution by virtue of the following instructions. None of CloudMD, MindBeacon, or their respective successors, affiliates, advisors, agents, or employees will be responsible or liable for any taxes, interest, penalties, damages, losses or expenses resulting from the failure by anyone to properly complete or file a Tax Election, in the form and manner and within the time prescribed by the relevant tax laws.

All capitalized terms used in these Tax Election Instructions but not otherwise defined herein have the meanings set forth in the Glossary of Terms in Appendix "A" or elsewhere in the management information circular of MindBeacon (the "**Information Circular**") which is dated December 10, 2021 and is available on SEDAR ([www.sedar.com](http://www.sedar.com)) under MindBeacon's issuer profile. **You are encouraged to carefully review the Information Circular in its entirety.**

# **TAX ELECTION INSTRUCTIONS**

## **For Eligible Holders of MindBeacon Shares**

### **Overview**

On January 10, 2022, the shareholders of MindBeacon approved a special resolution thereby approving a statutory plan of arrangement (the “**Arrangement**”) involving MindBeacon and CloudMD pursuant to which CloudMD acquired all of the issued and outstanding common shares of MindBeacon (“**MindBeacon Shares**”). The Arrangement was completed on January 14, 2022. Under the terms of the Arrangement, the Shareholders of MindBeacon will receive, in exchange for each Share, a combination of \$1.22 in cash and 2.285 common shares of CloudMD (the “**Purchaser Shares**”) (collectively, the “**Consideration**”).

Each Shareholder of MindBeacon who is an “Eligible Holder” is encouraged to obtain professional tax advice regarding their own situation and in particular determine whether to make a Tax Election in a timely manner. In general, an Eligible Holder is a beneficial owner of Shares that is (i) a resident of Canada for purposes of the Tax Act and not exempt from tax under Part I of the Tax Act, or (ii) a partnership any member of which is a resident of Canada for the purposes of the Tax Act and not exempt from tax under Part I of the Tax Act.

CloudMD and MindBeacon have assumed for purposes of these Tax Election Instructions that Eligible Holders hold their MindBeacon Shares as capital property for purposes of the Tax Act. Eligible Holders who do not hold their MindBeacon Shares as capital property for purposes of the Tax Act should consult their own tax advisors regarding their particular circumstances.

An Eligible Holder who receives the Consideration under the Arrangement and who files the required Tax Election with the Canada Revenue Agency (the “**CRA**”) (and where applicable, with a provincial or territorial tax authority) may obtain a full or partial Canadian income tax deferral of capital gains that would otherwise be realized on the disposition of the MindBeacon Shares.

**All Eligible Holders who wish to make a Tax Election should give their immediate attention to this matter, and in particular should consult their own tax advisors without delay.**

# **TAX ELECTION INSTRUCTIONS**

## **For Eligible Holders of MindBeacon Shares**

### **Purpose of the Tax Election**

In the absence of a valid Tax Election, for Canadian income tax purposes, an Eligible Holder whose MindBeacon Shares are exchanged for the Consideration pursuant to the Arrangement will be considered to have disposed of those MindBeacon Shares to CloudMD for proceeds of disposition equal to the aggregate of the fair market value (“**FMV**”), as at the time of the exchange, of the Purchaser Shares and the amount of cash received (including cash received in lieu of a fraction of a Purchaser Share) in consideration thereof. As a result, an Eligible Holder will generally realize a capital gain (or capital loss) equal to the amount by which the proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base (“**ACB**”) of the Eligible Holder’s MindBeacon Shares immediately before the exchange.

A Shareholder who is an Eligible Holder may choose to make a Tax Election pursuant to section 85 of the Tax Act (and corresponding provisions of any applicable provincial or territorial legislation) to obtain a full or partial tax deferral of the capital gain that would otherwise be realized on the disposition of the MindBeacon Shares.

Making the Tax Election is at the discretion of each Eligible Holder and it the responsibility of each Eligible Holder to consider whether filing the Tax Election is in their best interests. Eligible Holders are urged to consult their own tax advisors to determine whether they should make the Tax Election.

### **Tax Election Forms**

In order to rely on the provisions in section 85 of the Tax Act to defer all or a portion of any capital gain realized on the disposition of the MindBeacon Shares, the Tax Act requires that a Tax Election be filed by an Eligible Holder (also referred to as the transferor) and CloudMD (also referred to as the transferee) within the time period and in the form prescribed by the Tax Act.

For Eligible Holders that are individuals, trusts, or corporations, the prescribed federal Tax Election form is the T2057 - *Election on Disposition of Property by a Taxpayer to a Taxable Canadian Corporation* (“**T2057**”). For Eligible Holders that are partnerships the prescribed federal Tax Election form is the T2058 - *Election on Disposition of Property by a Partnership to a Taxable Canadian Corporation* (“**T2058**”). Other provincial or territorial tax election forms may be required and will be provided by CloudMD, if applicable, based on the Tax Election Information provided by the Eligible Holder.

The relevant Tax Election form is to be completed in part by the Eligible Holder and in part, by CloudMD. Although CloudMD must be a party to the Tax Election, the determination of the Elected Amount (the amount of the proceeds of disposition at which the disposition of the MindBeacon Shares is deemed to occur for Canadian tax purposes) is the sole responsibility of each Eligible Holder (within the limits provided for under section 85 of the

## **TAX ELECTION INSTRUCTIONS**

### **For Eligible Holders of MindBeacon Shares**

Tax Act or corresponding provisions of any applicable provincial or territorial tax legislation).

To defer a capital gain, subject to the detailed rules under section 85 of the Tax Act (or corresponding provisions of any applicable provincial or territorial tax legislation), the Elected Amount should typically be equal to the Eligible Holder's aggregate ACB of the MindBeacon Shares immediately before the exchange for purposes of the Tax Act (or any applicable provincial or territorial tax legislation) and any reasonable costs of disposition.

**Eligible Holders can access the web-based system provided by CloudMD specifically for this Tax Election process. This web-based system is available for use by Eligible Holders to allow Eligible Holders to provide the necessary Tax Election Information required for CloudMD to complete the applicable Tax Election forms prescribed by the Tax Act (that is, a form T2057 or, for Eligible Holders that are partnerships, a form T2058) and any applicable provincial or territorial forms. The web-based link to that system will be made available at [www.cloudmd.ca](http://www.cloudmd.ca).**

CloudMD will make a Tax Election only with an Eligible Holder, and at the Elected Amount selected by the Eligible Holder, subject to the limitations set out in the Tax Act (and any applicable provincial or territorial tax legislation). Neither CloudMD, nor MindBeacon, nor any successor corporation will be responsible for the proper completion or filing of any Tax Election form and the Eligible Holder will be solely responsible for the payment of any taxes, interest or penalties resulting from the failure of the Eligible Holder to properly complete or file such Tax Election in the form and manner and within the time prescribed by the Tax Act (or any applicable provincial or territorial tax legislation). CloudMD agrees only to execute a Tax Election form containing Tax Election Information provided by the Eligible Holder which complies with the provisions of the Tax Act (and any applicable provincial or territorial tax legislation). **With the exception for the execution of the Tax Election form by CloudMD, compliance with the requirements for a valid Tax Election will be the sole responsibility of the Eligible Holder making the election.** Accordingly, neither CloudMD nor MindBeacon will be responsible or liable for taxes, interest, penalties, damages, losses or expenses resulting from the failure by anyone to provide information necessary for the Tax Election in accordance with the instructions set out in these Tax Election Instructions, to properly complete any Tax Election or to properly file any Tax Election within the time and in the form prescribed under the Tax Act (or any applicable provincial or territorial tax legislation).

In order for the CRA (and, where applicable, the provincial or territorial tax authorities) to accept a Tax Election without a late filing penalty being paid by an Eligible Holder, the Tax Election form must be received by such tax authorities on or before the day that is the earliest of the days on or before which either CloudMD or the Eligible Holder is required to file an income tax return for the taxation year in which the disposition occurs. CloudMD's taxation year is scheduled to end on **December 31, 2022**, but it may end earlier in certain circumstances. CloudMD's income tax return would be required to be filed within six months from the end of its taxation year. Eligible Holders are urged to consult their own tax advisors as soon as possible respecting the deadlines applicable to their own particular circumstances. **However, regardless of such deadlines, the Tax Election Information**

## **TAX ELECTION INSTRUCTIONS**

### **For Eligible Holders of MindBeacon Shares**

**must be received by CloudMD in accordance with the procedures set out below no later than April 14, 2022. At its sole discretion, CloudMD may accept and execute a Tax Election form where Tax Election Information is received after April 14, 2022; however, no assurances can be given that CloudMD will do so. Accordingly, all Eligible Holders who wish to make a Tax Election should give their immediate attention to this matter.**

#### **Instructions for completing the Tax Election using the Tax Election Assistant**

These instructions are of a general nature only and are not intended to be, nor should they be construed to be, legal, tax or financial advice to any particular Eligible Holder. Furthermore, CloudMD and MindBeacon have not provided, and will not provide, Eligible Holders with any legal, tax or financial advice respecting the Tax Election or the manner of its completion, execution or filing by virtue of the following instructions. Accordingly, Eligible Holders are urged to consult with their own legal, tax and financial advisors to obtain advice whether to make the Tax Election and if so to consider the proper completion, execution and filing of the required Tax Election, having regard to their own particular circumstances. Eligible Holders are also urged to consult their own tax advisors with respect to the requirements of any applicable provisions of any provincial or territorial tax legislation analogous to section 85 of the Tax Act.

CloudMD and MindBeacon strongly recommend that each Eligible Holder carefully review the **Information Circular** and without limitation, the description of *Certain Canadian Federal Income Tax Considerations* on pages 78 to 84 of the **Information Circular**. For further information, Eligible Holders may wish to review Archived Information Circular 7619R3, *Transfer of Property to a Corporation Under Section 85* and Archived Interpretation Bulletin IT-291R3, *Transfer of Property to a Corporation under Subsection 85(1)*, previously issued by the CRA and available on their website. In addition, if applicable to the Eligible Holder, for information about the Tax Election under the *Taxation Act* (Québec), Eligible Holders may also wish to review Revenu Québec Interpretation Bulletin IMP.520. 1-1/R1, *Disposition of Property to a Taxable Canadian Corporation: Due Date for Filing the Prescribed Form and Penalties*, and IMP.521.2-1/R1, *Disposition of Property to a Taxable Canadian Corporation: General Rules Concerning Tax-Deferred Transfers*.

Each Eligible Holder who chooses to make a Tax Election is solely responsible for ensuring that the Tax Election form (and prescribed provincial or territorial Tax Election forms, as required), are completed and filed on a timely basis. With the exception of the execution of the Tax Election form by CloudMD, compliance with the requirements for a valid Tax Election will be the sole responsibility of the Eligible Holder making the Tax Election. Neither CloudMD nor MindBeacon will be responsible for any loss, damages, expenses or taxes resulting from the failure by anyone to properly complete the Tax Election form or to properly file it within the time and in the form prescribed under the Tax Act (and any applicable provincial or territorial tax legislation).

# **TAX ELECTION INSTRUCTIONS**

## **For Eligible Holders of MindBeacon Shares**

### **Key steps to using the Tax Election Assistant**

The following are the key steps with respect to using the Tax Election Assistant in making the Tax Election.

#### **Step 1: Preparing the Tax Election form**

Each Eligible Holder wishing to defer all or a portion of its capital gains realized on the disposition of the MindBeacon Shares should complete the Tax Election by using the Tax Election Assistant.

*Click on Tax Election Assistant*

Eligible Holders can go to the secure website set up specifically for this election process at [www.cloudmd.ca](http://www.cloudmd.ca) and click on a link referred to as the “Tax Election Information”. This link will be available from January 14, 2022 to April 14, 2022.

#### **Tax Election Assistant Walk-Through**

The following section illustrates the information required to be provided by an Eligible Holder when completing the Tax Election form using the Tax Election Assistant.

##### *1. Overview, Purpose of tax election and the tax election filing deadline - time sensitive*

Read the information contained in these sections and click “Next” at the bottom of the page to proceed to the next page.

##### *2. Terms & Conditions of Use*

Eligible Holders must accept the Terms and Conditions of Use at the bottom of the page in order to access the next page of the Tax Election Assistant.

##### *3. Introduction*

Eligible Holders should read the Introduction and ensure that they have all the information for the Tax Election prior to proceeding to the Preliminary Information section.

##### *4. Preliminary Information*

- a. Owner and taxation year:* Indicate whether the MindBeacon Shares are owned by the Shareholder personally or through a partnership, corporation or trust and the taxation year of the Eligible Holder if the MindBeacon Shares are not held individually. Any Eligible Holders who are not individuals should consult their own tax advisors regarding the applicable taxation year in their particular circumstances.

## **TAX ELECTION INSTRUCTIONS**

### **For Eligible Holders of MindBeacon Shares**

- b. Are you an Eligible Holder as defined in the Information Circular?* Indicate whether you are an Eligible Holder as defined in the Information Circular.
- c. Are you a resident of Canada for Canadian tax purposes?* Indicate whether the Eligible Holder is a resident of Canada for Canadian tax purposes. A Non-Resident Holder will generally not be subject to Canadian tax under the Tax Act on the disposition of the MindBeacon Shares unless the MindBeacon Shares constitute “taxable Canadian property” of the Non-Resident Holder for the purposes of the Tax Act and the Non-Resident Holder is not entitled to relief under an applicable income tax treaty or convention.
- d. Do you hold the MindBeacon Shares as a capital property or inventory?* Indicate whether the MindBeacon Shares were held as capital property or inventory. Whether the MindBeacon Shares were held as capital property for purposes of the Tax Act by a particular Eligible Holder is a question of fact and law that must be determined by each Eligible Holder based on a consideration of all the relevant facts and circumstances. Please refer to the discussion on pages 78 to 84 of the **Information Circular** in section “*Certain Canadian Federal Income Tax Considerations*” for more information. Eligible Holders are solely responsible for determining whether their MindBeacon Shares were held as capital property for purposes of the Tax Act and are urged to consult with their own tax advisors to determine whether their MindBeacon Shares qualify as capital property in their particular circumstances.
- e. Are you a resident of Quebec or you are required to file a Quebec provincial income tax return?* Indicate whether the Eligible Holder is a resident of Quebec or required to file a Quebec provincial income tax return for the taxation year that includes the exchange date for the MindBeacon Shares, that is, January 14, 2022.

#### *5. Transaction Details*

- a. Number of MindBeacon Shares:* Enter the number of MindBeacon Shares that the Eligible Holder exchanged pursuant to the Arrangement for which the Eligible Holder would like to file a Tax Election.
- b. ACB of MindBeacon Shares:* Enter the aggregate ACB of the MindBeacon Shares immediately before the exchange of those shares pursuant to the Arrangement. Eligible Holders should consult their tax advisors with respect to the amount of the ACB of their MindBeacon Shares. Neither CloudMD nor MindBeacon will provide assistance in determining a specific Eligible Holder’s ACB or any other relevant amount to be entered in this section outside of the general information already provided through the Tax Election Assistant.
- c. Number of Purchaser Shares received:* Enter the number of Purchaser Shares received by the Eligible Holder in exchange for the MindBeacon Shares pursuant to the Arrangement, rounded down to the nearest whole number of shares.

## TAX ELECTION INSTRUCTIONS

### For Eligible Holders of MindBeacon Shares

- d. *FMV of Purchaser Shares:* The FMV of Purchaser Shares received by an Eligible Holder must be determined on a reasonable basis. There is no specific method prescribed by the CRA for determining the FMV of a share, nor is there any clear published guidance in this respect.

Management of CloudMD recommends using an FMV of \$0.9939 for each Purchaser Share received in exchange for the MindBeacon Shares. The FMV of each Purchaser Share is based on a 5-day volume-weighted average price of the Purchaser Shares on the TSXV starting on the 5<sup>th</sup> trading day before the Effective Date. Under the terms of the Arrangement, CloudMD will not issue a fractional interest in a Purchaser Share in connection with the exchange of the MindBeacon Shares. In lieu of such fractional interest in a Purchaser Share, the Eligible Holder will be entitled to receive a cash payment equal to such fractional interest multiplied by the Purchaser Share Reference Price of \$1.123, rounding down to the nearest whole cent.

- e. *Cash consideration received:* Enter the amount of cash received by the Eligible Holder (including cash received in lieu of a fraction of a Purchaser Share) from CloudMD pursuant to the Arrangement. Please refer to “**Example: Calculation of Considerations**” after section f as an example.
- f. *FMV of MindBeacon Shares:* Enter the FMV of the MindBeacon Shares. The FMV of MindBeacon Shares should be equal to the aggregate of the FMV of Purchaser Shares and cash received (including cash received in lieu of a fraction of a share) by the Eligible Holder in exchange for MindBeacon Shares. Please refer to “**Example: Calculation of Considerations**” after section f as an example.

#### Example: Calculation of the FMV of MindBeacon Shares

<b>Consideration per MindBeacon Shares</b>		
	Number of Purchaser Shares	2.285 <i>as set out in the Arrangement</i>
	Cash	\$1.22 <i>as set out in the Arrangement</i>
<i>section a</i>	<b>Number of MindBeacon Shares</b>	50 <i>For illustrative purposes</i>
<i>section b</i>	<b>ACB of MindBeacon Shares</b>	\$152.50 <i>For illustrative purposes</i>
<b>Number of Purchaser Shares</b>		
	Number of Purchaser Shares pre-round down	114.25 = 50 * 2.285
<i>section c</i>	Number of Purchaser Shares post-round down	114 <i>rounded down to the nearest whole number of shares</i>
	Fractional share	0.25 = 114.25 - 114
	<b>FMV of one Purchaser Share</b>	\$0.9939 <i>as recommended by Management of CloudMD</i>

## TAX ELECTION INSTRUCTIONS

### For Eligible Holders of MindBeacon Shares

<i>section d</i>	<b>FMV of Purchaser Share</b>	\$113.30	= 114 * \$0.9939
<i>section e</i>	<b>Cash consideration received</b>		
	\$1.22 cash received per MindBeacon Share	\$61.00	= 50 * \$1.22
	Cash received in lieu of a fraction of a Purchaser Share pre-round down	\$0.28075	= 0.25 fractional shares * \$1.123 (Purchase Share Reference Price)
	Cash received in lieu of a fraction of a Purchaser Share post-round down	\$0.28	rounded down to the nearest whole cent
	Total cash consideration	\$61.28	= \$61.00 + \$0.28
<i>section f</i>	<b>FMV of MindBeacon Shares</b>	<b>\$174.58</b>	= \$113.30 (FMV of Purchaser Shares) + \$61.28 (total cash consideration)

#### 6. Deferral Options

- a. *Enter the Elected Amount.* In general, subject to the detailed rules in section 85 of the Tax Act, an Eligible Holder who wishes to defer all of the capital gain realized on a disposition of MindBeacon Shares pursuant to the Arrangement would enter an Elected Amount equal to the sum of the ACB of the MindBeacon Shares immediately before the exchange and any reasonable costs of disposition. However, **Eligible Holders are strongly encouraged to consult their own tax advisors regarding the determination of the Elected Amount in respect of their MindBeacon Shares having regard to their particular circumstances.**

#### 7. Shareholder Identification

- a. Enter the Eligible Holder's identification information. A link to the CRA website showing the listing of Tax Service Offices located in Canada is provided.

#### 8. Review

- a. The Eligible Holder should review the summary of the information and make any revisions. Once the Eligible Holder is satisfied with the information, click "Submit". Once the Eligible Holder clicks the "Submit" box, no further changes to the Tax Election form can be made. The Eligible Holder may also print or pdf the response they submitted before closing the page for their records.

#### 9. Other Relevant Information

- a. *Transaction ID:* After submitting the requested information, a unique "Transaction ID" will be provided that will be necessary if an Eligible Holder needs to contact the Help Line. **Please note that the Tax Election Assistant does not save information that is partially complete and cannot be retrieved by an Eligible Holder at a later time (i.e., Eligible Holders making the Tax**

## **TAX ELECTION INSTRUCTIONS**

### **For Eligible Holders of MindBeacon Shares**

**Election cannot enter part of the information into the Tax Election Assistant, save a draft version thereof, and come back to it later).**

- b. Help Line:* A contact number for the Help is 1-833-681-0652 . The Help Line will be in operation from 8:00 AM to 5:00 PM (Pacific Standard Time) Monday to Friday until April 14, 2022, other than statutory holidays. A voice mail box will be available to leave messages during busy times and when calling outside of the hours noted above. In order to access the Help Line, Eligible Holders will require a Transaction ID and will need to have signed off on the Terms & Conditions of Use.
  
- c. Completion of Tax Election Form T2058 and/or any Applicable Provincial or Territorial Tax Election Forms:* Eligible Holders completing Tax Election form T2058 and/or any applicable provincial or territorial Tax Election forms (such as TP 518V or TP 529V for Quebec tax purposes) may refer to the instructions set out above, although the order of presentation of the information on the other Tax Election forms may differ from that of form T2057 and some of the required information may be different.

#### **Step 2: Execution of the Tax Election Form(s) by CloudMD and Delivery of the Tax Election Form to Eligible Holders**

After receiving the Tax Election Information from the Eligible Holder (i.e., after the Eligible Holder has completed Step 1), CloudMD will prepare a Tax Election form and any applicable provincial or territorial Tax Election form using the Tax Election Assistant. CloudMD will, within ninety (90) days of the receipt of valid Tax Election Information, execute the Tax Election form(s) and transmit a pdf copy as an attachment to an email to the Eligible Holder for filing with the CRA (and where applicable, the appropriate provincial or territorial tax authorities).

If the Tax Election Information received is not in compliance with the Tax Act (or any applicable provincial or territorial tax legislation) or the Shareholder is not eligible to file the Tax Election, CloudMD will not be responsible for preparing the Tax Election. **CloudMD will notify those Shareholders via an email.**

#### **Step 3: Filing of the Tax Election Form(s) by the Eligible Holder with the CRA (and any Applicable Provincial or Territorial Tax Authority)**

CloudMD will assume that any representative that signs the Tax Election on behalf of a corporation, trust or estate has been duly authorized to do so and will not take any action to verify the validity of any such authorization. Eligible Holders that are corporations, trusts or estates should consult their own legal advisors in determining whether such authorization has been properly given.

## **TAX ELECTION INSTRUCTIONS**

### **For Eligible Holders of MindBeacon Shares**

**The Eligible Holder will be solely responsible and liable for any loss, damages, expenses or Taxes resulting from the failure by the Eligible Holder to properly complete or file a Tax Election form in the form and manner and within the time prescribed by the Tax Act (and any applicable provincial or territorial tax legislation). Although CloudMD is assisting the Eligible Holder in completing the Tax Election form, the responsibility for correctly completing the Tax Election form and filing with the CRA (and any applicable provincial or territorial tax authority) rests solely with the Eligible Holder and the Eligible Holder should review the Tax Election form in its entirety to ensure the Eligible Holder agrees with all information and calculations on the Tax Election form.**

In order for the CRA (and where applicable the provincial or territorial tax authorities) to accept a Tax Election without a late filing penalty being paid by an Eligible Holder, the Tax Election form must be received by such tax authorities on or before the day that is the earliest of the days on or before which either CloudMD or the Eligible Holder is required to file an income tax return for the taxation year in which the disposition occurs. CloudMD's taxation year is scheduled to end on **December 31, 2022**, but it may end earlier in certain circumstances. CloudMD's income tax return would be required to be filed within six months from the end of its taxation year. In such circumstances, the Tax Election generally must, in the case of an Eligible Holder who is an individual (other than a trust), be received by the CRA by April 30, 2023 (being generally the deadline when such individuals are required to file tax returns for the 2022 taxation year). Eligible Holders are urged to consult their own tax advisors as soon as possible respecting the deadlines applicable to their own particular circumstances.

*Where to file the Tax Election Form with the CRA (and any applicable provincial or territorial tax authorities)*

The federal Tax Election should be filed with the Eligible Holder's CRA Tax Centre. The Tax Services Offices and the associated Tax Centres are listed on the CRA website: <https://www.canada.ca/en/revenue-agency/corporate/contact-information/tax-services-offices-tax-centres.html> For greater certainty, federal Tax Elections should be filed by an Eligible Holder with their Tax Centre and **NOT** with their Tax Services Office.

- For trusts, the applicable Tax Centre is based on the location of the Trustee;
- For a corporation or an individual, the CRA has designated specific Tax Centres for all corporations and individuals depending on where they are located. The Tax Centres and the areas they serve are listed on the CRA website referred to above;
- Where the Tax Election is made by a partnership or an Eligible Holder that owns the MindBeacon Shares together with a co-owner or co-owners, the applicable Tax Centre is that of CloudMD, the Prince Edward Island Tax Centre.

The Québec Tax Election form, together with a copy of the federal Tax Election form, should be filed with Revenu Quebec at the following address:

# **TAX ELECTION INSTRUCTIONS**

## **For Eligible Holders of MindBeacon Shares**

Revenu Québec  
C.P. 3000, succursale Place-Desjardins  
Montréal, Québec H5B 1A4

Electing Eligible Holders filing in Québec should note that corporations established in Québec are required to file the French version of the Québec Tax Election; however, the copy of the federal Tax Election can be the English version.

*Deadline for filing Tax Election Form with the CRA (and any applicable provincial or territorial tax authorities)*

To avoid late filing penalties, an Eligible Holder who makes a Tax Election must ensure that the Eligible Holder's Tax Election form is received by the CRA (and any applicable provincial or territorial tax authorities) on or before the day that is the earliest of the days on which either CloudMD or the Eligible Holder is required to file an income tax return for the taxation year in which the disposition of the MindBeacon Shares occurred.

**Individuals** will generally have to file the Tax Election Form on or before their regular filing deadline of April 30, 2023.

**Trusts** will generally have to file within 90 days of the end of their taxation year. The timing of the end of a trust's taxation year depends on the nature of the trust.

CloudMD's applicable taxation year is scheduled to end on December 31, 2022, although CloudMD's taxation year may end earlier in certain circumstances, and its corporate income tax return is required to be filed within six months from the end of that taxation year. **Eligible Holders are urged to consult their own tax advisors as soon as possible respecting the applicable deadline under the Tax Act and any applicable provincial or territorial tax legislation for filing the Tax Elections in their own particular circumstances.**

# TAX ELECTION INSTRUCTIONS

## For Eligible Holders of MindBeacon Shares

### An illustration of a completed form T2057

The following is provided for illustrative purposes only. The following section illustrates, by way of an example, the information that would appear in a pdf copy (emailed by CloudMD to an Eligible Holder) of the federal Form T2057 based on the information entered by the Eligible Holder in *Step 1: Preparing the Tax Election*. This illustration assumes that the Eligible Holder:

- is an individual resident in Canada;
- at the Effective Date held 50 MindBeacon Shares as capital property with an aggregate ACB of \$152.50 immediately before the exchange; and
- has chosen to make a Tax Election in order to defer all of the capital gain that would otherwise be realized on the disposition of the MindBeacon Shares.

#### Page 1 of Form T2057

This section will provide the information relating to the Eligible Holder making the election:

Taxpayer's name (transferor)				Social Insurance or Business Number			
Paul Smith							
Address				Postal Code			
ABC				A1B 2C3			
Taxation year of taxpayer from	Year	Month	Day	to	Year	Month	Day
	2022	01	01		2022	12	31
				Tax Services Office			
				Vancouver			

The taxation year for individuals is generally January 1 to December 31. Any Eligible Holder, who is not an individual, should consult their own tax advisors regarding the applicable taxation year in their particular circumstances.

The Tax Services Office is determined by the geographical area in which the Eligible Holder resides. The federal Tax Election should be filed with your CRA Tax Centre. Tax Services Offices and the associated Tax Centres are listed on the CRA website: <https://www.canada.ca/en/revenue-agency/corporate/contact-information/tax-services-offices-tax-centres.html> For greater certainty, Federal Tax Elections should be filed by an Eligible Holder with their Tax Centre and **NOT** with their Tax Services Office.

If the MindBeacon Shares are held in co-ownership, this box will have co-owner(s) information; otherwise the box should say "N/A"

Name of Co-Owner(s), if any, (if more than one, attach schedule giving similar details)		Social Insurance Number	
N/A			
Address		Postal Code	Tax Services Office

# TAX ELECTION INSTRUCTIONS

## For Eligible Holders of MindBeacon Shares

CloudMD will complete the next section as follows:

Name of corporation (transferee) CloudMD Software & Services Inc.				Business Number 847137577 RC0001			
Address 2200 HSBC Building, 885 West Georgia Street, Vancouver BC						Postal Code V6C 3E8	
Taxation Year of the Corporation from		Year Month Day 2022-01-01		to Year Month Day 2022-12-31		Tax Services Office Vancouver	

The section below will include the name and telephone number of the Eligible Holder as the contact person. Please note that CloudMD or MindBeacon will not act as the contact person for any Eligible Holder.

Name of Persons to contact for additional information Paul Smith	Area Code 604	Telephone Number 111-1234
---	------------------	------------------------------

The last section of page 1 of Form T2057 (*Penalty for late-filed and amended elections*) relates to late filed elections and applies to Eligible Holders whose elections will be filed late.

### Page 2 of Form T2057 – Information required

CloudMD will complete the answers to the first five questions as follows:

- 1 – Is there a written agreement relating to this transfer? .....  Yes  No
- 2 – Does a price adjustment clause apply to any of the properties? (See the Income Tax Folio S4 F3 C1 for details)  
.....  Yes  No
- 3 – Do any persons other than the taxpayer own or control directly or indirectly any shares of any class of the transferee? .....  Yes  No
- 4 – Does a non-arm’s length rollover exist between 2 or more corporations? .....  Yes  No
- a) Have all or substantially all (90% or more) of all the properties of the corporation(s) been transferred to the transferee corporation? .....  Yes N/A  No

The answer to question 5 will be based on the particular circumstances that apply to an Eligible Holder:

- 5 – Is the taxpayer a non-resident of Canada? .....  Yes  No

In general, a response to question 6 is “yes”, except if the Eligible Holder held the MindBeacon Shares in the course of carrying on a business. If the response to this question is “No”, the Eligible Holder should consult with their tax advisor to determine whether they are eligible to file the Tax Election.

## TAX ELECTION INSTRUCTIONS For Eligible Holders of MindBeacon Shares

Also, any Eligible Holder who held their MindBeacon Shares as capital property and acquired their MindBeacon Shares in an arm's length transaction for purposes of the Tax Act after December 31, 1971 should have "No" as the response to question 6(a) and 6(b). Whether the MindBeacon Shares were acquired in a non-arm's length transaction is a question of fact and law. In case of doubt, please consult your tax advisor.

6 – Are any of the properties transferred capital properties? .....  Yes  No

If Yes,

(a) have they been owned continuously since Valuation Day (V-Day – Dec 31, 1971)? .....  Yes  No

(b) have they been acquired after V-Day in a transaction considered not to be at arm's length? .....  Yes  No

(c) since VDay, has the taxpayer or any person from whom shares were acquired in a non--arm's length transaction received any subsection 83(1) dividends with respect to the shares transferred? (if- yes, provide details of amounts and dates received and attach as a schedule).....  Yes  No

If a response to question 6 is “No”, the response to question 7 should be “No” as well.

7 - Is the agreed amount of any of the properties transferred based on an estimate of the fair market value on V-Day? .....  Yes  No

a) If yes, does a formal documented V-Day value report exist?.....  Yes N/A  No

If a response to question 6 is “No”, the response to question 8 should be “No” as well.

8 - Has an election under subsection 26(7) of the Income Tax Act Application Rules (form T2076) been filed by or on behalf of the taxpayer? .....  Yes  No

The next section is not applicable and therefore CloudMD will complete the next section as follows:

Where shares of the capital stock of a private corporation are included in the property disposed of, provide the following:		
Name of Corporation (print)	Business Number	Paid-up capital of shares transferred under the ITA
N/A	N/A	N/A

This section will indicate the number of Purchaser Shares received by the Eligible Holder in exchange for their MindBeacon Shares. CloudMD will complete the **highlighted** sections as noted below.

Number of shares transfer received	Class of Shares	Redemption value per share	Paid-up capital under the ITA	Voting or Non-Voting	Are Shares Retractable?
114	common shares	N/A	Per subsection 85(2.1)	Voting	Yes <input checked="" type="checkbox"/> No

# TAX ELECTION INSTRUCTIONS

## For Eligible Holders of MindBeacon Shares

Page 3 of Form T2057

CloudMD will complete this section as follows:

Date of sale or transfer of all properties listed below:	Year	Month	Day
	2022	01	14

CloudMD will complete the information in this section according to the information provided and in a manner that is consistent with the more detailed instructions below.

Property Disposed of			Elected Amount Limits		Agreed Amount (cannot be less than zero) B	Amount to be reported B-A if greater than 0	Consideration Received		Fair Value of Total consideration
							Non-share	Share	
Description (Brief Legal)	Fair Value	Market A				Description	Number and Class		
(1)	\$ (2)	\$ (3)	\$ (4)	\$ (5)	(6)	(7)	(8)		
Capital Property Excluding Depreciable Property	50 Common shares of MindBeacon Holdings Inc.	\$174.58	\$152.50	\$152.50	\$0.00	Cash	114 common shares	\$174.58	

- (1) This box will report the number of MindBeacon Shares exchanged pursuant to the Arrangement
- (2) The FMV of the MindBeacon Shares should be equal to the aggregate of the FMV of the Purchaser Shares and cash received (including cash received in lieu of a fraction of a Purchaser Share) by the Eligible Holder.

**Please see page 8 of this Tax Election Instructions for a discussion on the measurement of the FMV of the MindBeacon Shares and the Purchaser Shares under the heading “FMV of MindBeacon Shares” and “FMV of Purchaser Shares”.**

- (3) If the MindBeacon Shares qualify as capital property to the Eligible Holder, for purposes of the Tax Act, this box will report the ACB of the MindBeacon Shares immediately before the exchange of the MindBeacon Shares pursuant to the Arrangement. Eligible Holders who did not hold their MindBeacon Shares as capital property should consult with their own tax advisors how best to complete this form. Eligible Holders should also consult their tax advisors with respect to the ACB of their MindBeacon Shares and any other questions they may have regarding this aspect of the Tax Election. Neither CloudMD nor MindBeacon will provide assistance in determining a specific Eligible Holder’s ACB or any other relevant amount to be entered in this section aside from the general information already provided through the Tax Election Assistant.
- (4) In general, subject to the detailed rules in section 85 of the Tax Act, Eligible Holders who wish to defer the recognition of the entire capital gain will ordinarily elect at an Elected Amount equal to the aggregate ACB of the MindBeacon Shares

## **TAX ELECTION INSTRUCTIONS**

### **For Eligible Holders of MindBeacon Shares**

immediately before the exchange and any reasonable costs of disposition. However, **Eligible Holders are strongly encouraged to consult their own tax advisors regarding the determination of the Elected Amount in respect of their MindBeacon Shares having regard to their particular circumstances.**

- (5) The Tax Election Assistant will calculate and insert the amount to be reported based on the information provided by the Eligible Holder.
- (6) The amount reported in this box should equal the aggregate cash consideration received by an Eligible Holder. The aggregate cash consideration received by an Eligible Holder will be \$1.22 per share received plus additional cash received in lieu of a fractional interest in a Purchaser Share.
- (7) The number of Purchaser Shares reported in this box should equal the number of Purchaser Shares received by the Eligible Holder in exchange for the MindBeacon Shares (as per the **Information Circular**). No fractional Purchaser Shares shall be issued to an Eligible Holder. The total number of Purchaser Shares to be issued to the Eligible Holder will be rounded down to the nearest whole number. In lieu of such fractional Purchaser Shares, each Eligible Holder will be entitled to receive a cash payment equal to such fractional interest multiplied by the Purchaser Share Reference Price, rounding down to the nearest whole cent.
- (8) The FMV in this box should equal the FMV reported in Box 2. That is, the FMV of the MindBeacon Shares should equal the aggregate of the FMV of the Purchaser Shares and cash received (including cash received in lieu of a fraction of a Purchaser Share) by the Eligible Holder.

**Please see page 8 of this Tax Elections Instructions for a discussion on the measurement of the FMV of the MindBeacon Shares and the Purchaser Shares under the heading “*FMV of MindBeacon Shares*” and “*FMV of Purchaser Shares*”.**

Although CloudMD will not review the contents of the federal, provincial or territorial Tax Election for accuracy, where CloudMD receives a federal, provincial or territorial Tax Election form and the Elected Amounts do not appear to comply with the limitations set forth in section 85 of the Tax Act (or corresponding provisions of any applicable provincial or territorial tax legislation), the federal, provincial or territorial Tax Election form may be returned to the Eligible Holder without being executed.

The Eligible Holder or the Authorized Person must sign the form as a “Transferor” prior to submitting the Form T2057 to the CRA. An authorized officer of CloudMD will sign and insert the appropriate date at the time of execution.

# **TAX ELECTION INSTRUCTIONS**

## **For Eligible Holders of MindBeacon Shares**

**ELECTION AND CERTIFICATION**

The taxpayer and the corporation hereby jointly elect under subsection 85(1) in respect of the property specified, and certify that the information given in this election, and in any attached documents, is correct and complete.

\_\_\_\_\_  
Signature of Transferor, Authorized  
Officer or Authorized Person

\_\_\_\_\_  
Signature of Authorized Officer of  
Transferee

\_\_\_\_\_  
Date