

**NOTICE OF SETTLEMENT APPROVAL IN
EASYHOME LTD. SECURITIES LITIGATION**

This notice is to all individuals and entities, wherever they may reside or be domiciled (other than Excluded Persons as defined below), who purchased shares of easyhome Ltd. (“easyhome”) during the period from April 8, 2008 through October 14, 2010 (the “Class Period”).

**READ THIS NOTICE CAREFULLY AS IT MAY AFFECT YOUR LEGAL RIGHTS. YOU
MAY NEED TO TAKE PROMPT ACTION**

IMPORTANT DEADLINES

Opt-Out Deadline (for those who wish to exclude themselves from the Class Action and NOT file a claim for compensation. See page 4 for more details.):

Monday, August 19, 2013

Claims Bar Deadline (to file a claim for compensation from the Net Settlement Fund. See page 2 for more details.):

Tuesday, September 17, 2013

Opt-Out Forms and/or Claim Forms will not be accepted after their respective deadlines. As a result, it is necessary that you act without delay.

COURT APPROVAL OF THE CLASS ACTION SETTLEMENT

In October 2010, the Plaintiff Andrew Sorensen commenced a class proceeding against easyhome and certain of easyhome’s officers and directors (the “Defendants”) in the Ontario Superior Court of Justice (the “Court”). The class action claims arises out of easyhome’s announcement of its discovery of an employee fraud which required the company to restate certain of its financial statements for the period during which the fraud happened. Following this announcement, easyhome’s share price declined significantly. On March 26, 2012, the Court certified this proceeding as a class action on consent. Certification by the Court is not a decision on the merits of the class action.

On February 19, 2013 the parties to the class action executed a Settlement Agreement (the “Settlement”). The Settlement was subject to the approval of the Court. The Settlement provides for the payment of CAD\$2,250,000.00 (the “Settlement Amount”) in consideration for full and final settlement of the claims of Class Members. The Settlement Amount includes all legal fees, disbursements, taxes and administration expenses. In return for the Settlement Amount, the Defendants receive releases and a dismissal of the class action. The Settlement is a compromise of disputed claims and is not an admission of liability, wrongdoing or fault on the part of any of the Defendants, all of whom have denied, and continue to deny, the allegations against them.

A complete copy of the Settlement Agreement is available on the website of Class Counsel: www.classaction.ca.

On June 10, 2013, the Court approved the Settlement and declared that it is fair, reasonable and in the best interests of the Class Members.

The Court also awarded Class Counsel legal fees, expenses and applicable taxes in the amount of \$661,547.94 (“Class Counsel Fees”). As is customary in such cases, Class Counsel conducted the class action on a contingent fee basis. Class Counsel was not paid as the matter proceeded and funded the expenses of conducting the litigation. The amount awarded for Class Counsel Fees includes \$25,922.94 for the reimbursement of amounts spent by Class Counsel in the conduct of the class action. The remainder, net of applicable taxes, will be Class Counsel’s only compensation for conducting the class action. Class Counsel Fees will be deducted from the Settlement Amount before it is distributed to Class Members. Expenses incurred or payable relating to approval, notification, implementation and administration of the Settlement (“Administration Expenses”), will also be paid from the Settlement Amount before it is distributed to Class Members.

ADMINISTRATOR

The Court has appointed NPT RicePoint as the Administrator of the Settlement. The Administrator will, among other things: (i) receive and process the Claim Forms and Opt-Out Forms; (ii) make determinations of each Class Member’s eligibility for compensation pursuant to the Plan of Allocation; (iii) communicate with Class Members regarding their eligibility for compensation; and (iv) manage and distribute the Net Settlement Amount. The Administrator can be contacted at:

Telephone: 1-866-432-5534

Mailing Address: P.O. Box 3355
London, ON N6A 4K3

Website: www.nptricepoint.com

CLASS MEMBERS’ ENTITLEMENT TO COMPENSATION

Class Members will be eligible for compensation pursuant to the Settlement if they sustained a Net Loss on their Class Period transactions and if they timely submit a complete Claim Form, including any supporting documentation with the Administrator. To be eligible for compensation under the Settlement, Class Members must submit their Claim Form postmarked **no later than** Tuesday, September 17, 2013 (the “Claims Bar Deadline”).

“Excluded Persons” are not permitted to participate in the Settlement. Excluded Persons are past or present subsidiaries, officers, directors, partners, affiliates, legal representatives, heirs, predecessors, successors and assigns of easyhome, a predecessor of easyhome, and all family members of the current or former officers and directors of easyhome and any entity in which any Defendant has or had a controlling interest.

The remainder of the Settlement Amount, after deduction of Class Counsel Fees and Administration Expenses (the “Net Settlement Amount”) will be distributed to Class Members in accordance with the Plan of Allocation.

The Plan of Allocation uses the following definitions, in addition to those contained in the Settlement:

- (a) **“Claimant”** means a Class Member who submits a properly completed Claim Form and all required supporting documentation to the Administrator, on or before the Claims Bar Deadline;
- (b) **“Deemed Inflation”** means the percentage difference between CAD\$11.40 [being the closing price of EH common shares on the TSX on October 14, 2010] and CAD\$9.14

[being the 10 trading day volume weighted average trading price of EH common shares on the TSX from October 15, 2010 to October 28, 2010, inclusive], specifically, 19.8%;

- (c) “**FIFO**” means the principle of first-in, first-out, wherein Securities are deemed to be sold in the same order that they were purchased (i.e. the first Securities purchased are deemed to be the first sold); and which requires, in the case of a Claimant who held Securities of EH at the commencement of the Class Period, that those Securities be deemed to have been sold completely before Eligible Securities are sold or deemed sold;
- (d) “**Net Settlement Amount**” means the Settlement Amount remaining in the Escrow Account after payment of Administration Expenses and Class Counsel Fees; and
- (e) “**Nominal Entitlement**” means a Claimant’s nominal damages as calculated pursuant to the formula set forth herein, and which forms the basis upon which each Claimant’s *pro rata* share of the Net Settlement Amount is determined.

The Administrator will apply FIFO to distinguish the sale of easyhome Securities held at the beginning of the Class Period from the sale of Eligible Securities, and will continue to apply FIFO to determine the purchase transactions which correspond to the sale of Eligible Securities. The Administrator will use this data in the calculation of an Authorized Claimant’s Nominal Entitlement according to the formulas listed below.

The date of a purchase, sale or deemed disposition shall be the trade date, as opposed to the settlement date, of the transaction.

A Claimant’s Nominal Entitlement will be calculated as follows:

- I. No Nominal Entitlement shall be attributed to any Eligible Securities disposed of prior to the alleged corrective disclosure, namely, on or before October 14, 2010.**
- II. For Eligible Securities held on October 15, 2010, the Nominal Entitlement shall be:**
 - A. an amount equal to the number of Eligible Securities held on October 15, 2010, multiplied by the volume weighted average price paid for those Eligible Securities (including any commissions paid in respect thereof) multiplied by the Deemed Inflation.

Each Claimant’s actual compensation shall be the portion of the Net Settlement Amount equivalent to the ratio of his, her or its Nominal Entitlement to the total Nominal Entitlements of all Authorized Claimants multiplied by the Net Settlement Amount, as calculated by the Administrator.

If funds are available, the Administrator will increase Entitlements of less than \$5.00 to \$5.00. **ENTITLEMENTS OF LESS THAN \$5.00 WILL NOT BE PAID.**

If, one hundred eighty (180) days from the date on which the Administrator distributes the Net Settlement Amount to Claimants, the Escrow Account remains in a positive balance, such balance will be donated to a charitable recipient to be determined by the Court.

REQUESTING EXCLUSION FROM THE CLASS (“OPTING OUT”)

All persons and entities that fall within the definition of the Class will automatically be considered Class Members unless and until they exclude themselves from the Class (“opt out”). This means that Class Members who do not validly opt out will receive compensation from the Net Settlement amount, but will

not be able to bring or maintain any other claim or legal proceeding against the Defendants, or any other person released by the Settlement in relation to the matters alleged in the class action.

If you do not want to be bound by the Settlement you must opt out. Please note, however, that by opting out you will also be barred from making a claim and receiving compensation from the Settlement Amount.

If you wish to opt out, you may do so by completing the "Opt-Out Form" enclosed with this notice. In order to successfully opt out, you must include all of the information and documentation requested by the Opt-Out Form.

If you wish to opt out, you must submit your Opt-Out Form and the required supporting documentation to the Administrator at the above-noted address, **no later than** Monday, August 19, 2013.

IMPORTANT DEADLINES

Opt-Out Deadline: Monday, August 19, 2013

Claims Bar Deadline: Tuesday, September 17, 2013

Opt-Out Forms and/or Claim Forms will not be accepted after their respective deadlines. As a result, it is necessary that you act without delay.

CLASS COUNSEL

The law firm of Siskinds LLP is appointed by the Court as counsel to the Class in the class proceeding.

Telephone: 1-800-461-6166 ext. 2380

Fax: 519-660-6065

Mailing Address: easyhome Ltd. et al Securities Litigation
Siskinds LLP
Nicole Young
680 Waterloo Street
London, ON N6A 3V8

Website: www.classaction.ca

INTERPRETATION

If there is a conflict between the provisions of this notice and the Settlement, the terms of the Settlement will prevail.

PLEASE DO NOT DIRECT INQUIRIES ABOUT THIS NOTICE TO THE COURT. All inquiries should be directed to the Administrator or Siskinds LLP.

DISTRIBUTION OF THIS NOTICE HAS BEEN AUTHORIZED BY
THE ONTARIO SUPERIOR COURT OF JUSTICE