BELZBERG TECHNOLOGIES INC.

Annual Information Form

(as of December 31, 2008)

March 9, 2009

TABLE OF CONTENTS

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

Caution regarding forward-looking statements: This Annual Information Form contains certain forward-looking statements that reflect Management's expectations, estimates, forecasts and projections about future performance, opportunities for growth and the Corporation's future plans and intentions. Forward-looking statements are typically identified by words such as "believe", "expect", may", "intend" and "plan." Forward-looking statements involve significant risk, uncertainties and assumptions that could cause actual results to differ materially from those contemplated by these forward-looking statements. Some of the factors that could cause such differences include: the regulations governing the securities industry, competition for global trading solutions and intelligent order routing systems, customer dependence, ability to attract and retain key employees, technological changes, uncertainty of the ability to protect proprietary technology and product and service liability. The preceding list is not exhaustive of all possible factors. Other factors could also affect the Corporation's results. For a more detailed discussion of these factors refer to the section titled *"Risk Factors"* in this form. All factors should be considered carefully when making decisions with respect to the Corporation and undue reliance should not be placed on the Corporation's forward-looking statements. The Corporation does not undertake to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.

Unless otherwise indicated, all references to “$” or “dollars” in this Annual Information Form refer to Canadian Dollar.

CORPORATE STRUCTURE

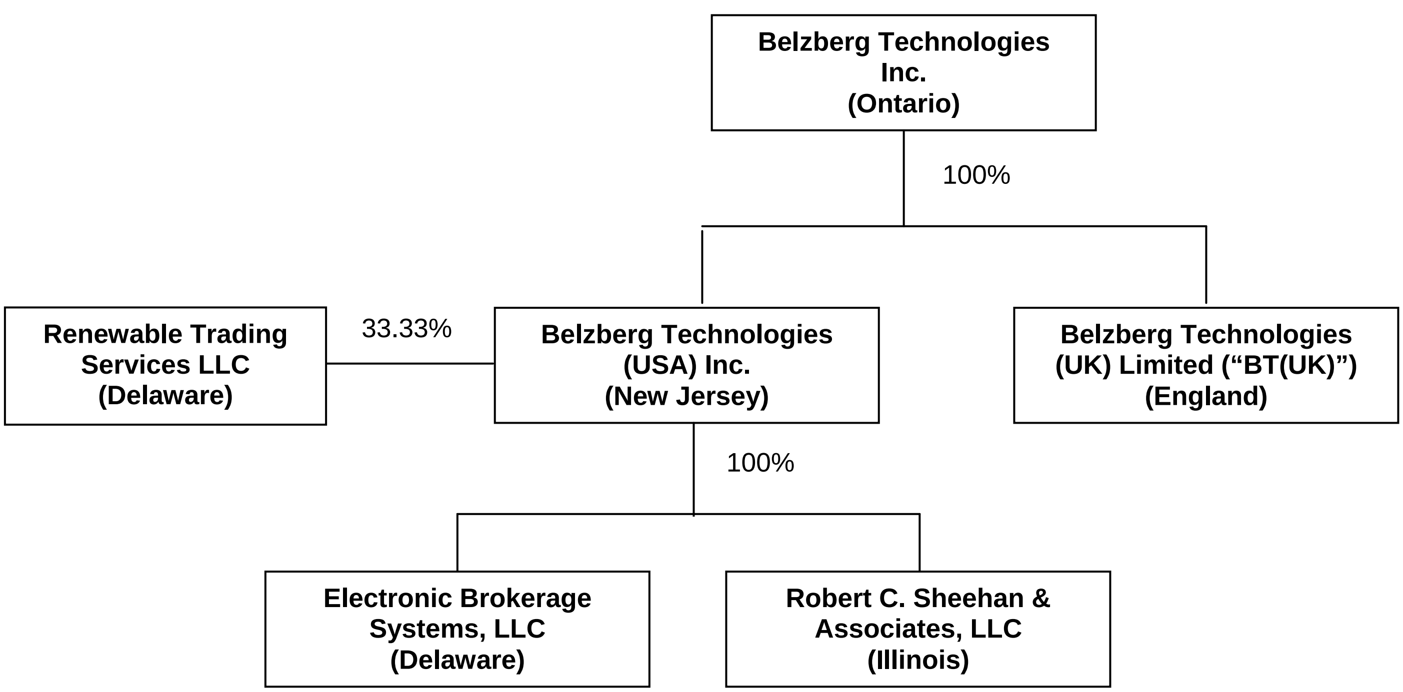
Name and Incorporation

Belzberg Technologies Inc. (the **“Corporation”** or **“Belzberg”**) was incorporated pursuant to the *Business Corporations Act* (Ontario) by certificate and articles of incorporation dated November 30, 1993 under the name Belzberg Financial Markets International Inc. to acquire the shares of Belzberg Financial Market & News Inc., which was incorporated January 18, 1993 under the laws of Ontario. By articles of amendment dated June 13, 1994, the name of the Corporation was changed to Belzberg Financial Markets & News International Inc. By articles of amendment dated July 14, 2000, the Common Shares of the Corporation were subdivided on a five-for-one basis and the name of the Corporation was changed to its present name. Pursuant to articles of amalgamation dated January 1, 2003, the Corporation was amalgamated with its wholly owned subsidiary, Belzberg Financial Markets & News Inc., and continued under its present name.

Belzberg’s executive and principal offices are located at 40 King Street West, Suite 3400, Toronto, Ontario, M5H 3Y2. The registered office of Belzberg is located at 40 King Street West, Suite 3400, Toronto, Ontario, M5H 3Y2.

Intercorporate Relationships

The following diagram illustrates the Corporation’s material subsidiaries and equity interests and their respective governing jurisdictions as at December 31, 2008:



In this form, unless otherwise specified or the context otherwise requires, references to "we", "our", "Belzberg" and the “Corporation” includes a reference to our material subsidiaries as reflected above.

GENERAL DEVELOPMENT OF THE BUSINESS

Recent Events in the Corporation's History

In Fiscal 2006 the Corporation earned $9.2 million (including $1.5 million related to a net income tax recovery and $0.8 million related to the recognition of federal ITC's) on revenues of $37.4 million and generated cash flow from operations of $8.3 million. The most notable growth area was in the options business where volumes executed both electronic and non electronic increased to 65.6 million contracts from 49.7 million contracts in the prior year. Equity order flow volumes in the U.S. increased to 10.4 billion shares executed from 7.0 billion shares in the prior year. Despite the 49% increase in U.S. equity trading volumes executed, revenue from U.S. equity order flow only increased 4 % as most of the additional volume was executed by low commission rate customers. There also continued to be significant pricing pressure in the U.S. equity markets as a result of competition from electronic execution providers and traditional broker-dealers.

On September 29, 2006, the Corporation purchased the business and assets of the Nandra Group, Inc. an independent direct access service provider on the floor of the New York Stock Exchange for a purchase price of US$1.0 million.

On August 9, 2006, the Corporation announced that its Board of Directors had formed a special committee ("Special Committee") of its independent directors with a mandate of pursuing strategic alternatives to maximize the value of the Corporation's common shares, including seeking proposals involving the purchase or other acquisition of all of the Corporation's outstanding common shares.

On August 1, 2006 the Corporation announced that it had extended its marketing agreement with the Chicago Board of Options Exchange for the HyTS ® Terminal for a five year period to 2011.

The Company announced on May 19, 2006 that it had retained Donald E. Stout as a strategic advisor to assist with the protection of the Company's patent rights. The Company submitted the terms of a potential licensing arrangement with a firm that it believes is infringing on its patent. The Company has not to date received a response to the potential licensing arrangement submitted and is currently reviewing with its counsel on how to proceed.

Fiscal 2007 was a year of continued growth in revenues for the Corporation. The Corporation earned $7.3 million (including $0.1 million related to a net income tax recovery and $0.8 million related to the recognition of federal investment tax credits) on revenues of $40.6 million and generated cash flow from operations of $7.3 million. The most notable growth area was again in the options business where volumes executed both electronic and non electronic increased to 67.8 million contracts from 65.6 million contracts in the prior year. Equity order flow volumes in the U.S. decreased to 8.2 billion shares executed from 10.4 billion shares in the prior year mainly as a result of the loss of a high volume customer at the end of 2006.

The Company announced on September 19, 2007 that it had ended its strategic initiative process. Given its strong balance sheet, current growth and its growth prospects both in terms of revenue and profitability, the Company believed that the current market price of its shares did not properly reflect the Company's value.

The Company announced on June 20, 2007 the release of an options Order Management System. The system provides seamless routing of orders to the Chicago Board of Options Exchange and any other U.S. options exchange or designated broker. The new system also provides straight-through processing with brokers' back office systems.

The Company announced on May 22, 2007 that it would offer full clearing services using ShadoSuite as the back office clearing solution for its broker dealer subsidiary, Electronic Brokerage Systems, LLC.

The Company announced on February 14, 2007 the provision of a Best Canadian Market Gateway to its client base. The product allows Canadian customers to satisfy best market regulatory requirements at no additional cost on front-end systems and FIX connections.

Development of our business in 2008

Fiscal 2008 was a difficult year for the Company as profitability decreased. The Company earned $0.1 million (including a $1.1 million restructuring charge and including $0.9 million related to a net income tax recovery). The Company continued to grow its total revenues in the 2008 year although most of the revenue growth came from low margin US equity execution and the recovery of exchange fee pass-throughs on which the Company makes no margin. In the fourth quarter the impact of the global economic conditions were felt. Many clients reduced their trading desks and rationalized their expenses. Our US equity execution revenues before pass-throughs increased by 13%. US equity exchange fee pass-throughs increased 72% as a result of higher volumes and price increases from the NYSE, however, these fees are recovered from clients on a cost basis resulting in no margin for the company. Our Canadian equity subscription business declined by 4% and the transaction based business experienced a 32% decline in revenues. Several accounts were cancelled, dealer desks were reduced and orderflow was internalized. Revenue from the electronic options business remained relatively flat year over year with increased revenue from our non-HyTS clients being offset by a decrease in revenue from our HyTS clients. Average contracts executed per day increased by 4%. Lower payments from the various option exchanges and from a specialist for certain of the options orderflow, decreased the average price per contract. The floor brokerage options business experienced a 27% decline in revenues mainly due to the loss of customers either in financial difficulty or merging with competitors that provide option execution services.

Total operating expenses increased by 19%. Increased operating costs were reflected in compensation costs related to increased sales and clearing personnel as well as increased telecommunication costs as we have had to significantly increase bandwidth to handle increased messaging, market data especially on the options side, and new connections to markets. Market data costs increased as a result of price increases from various exchanges, feeds from new destinations and additional data products and services installed. In addition, the Company incurred several unusual charges including a trading error of US$0.8 million in our options floor brokerage operation and a restructuring charge of $1.1 million related to the announced management changes.

The Company announced on December 29, 2008 that Judith Robertson replaced Sidney H. Belzberg as President and Chief Executive Officer and that Cam MacDonald, an independent director of the Company, replaced Sidney H. Belzberg as Chairman on an interim basis. Sidney H. Belzberg remains on the Board as a Director. On December 30, the Company appointed Chris Jackson as President, Canadian operations. Additionally, Robert Morrison resigned as a Director of the Company on December 25, 2008.

The Company announced on September 17, 2008 that its wholly owned U.S. broker-dealer, Electronic Brokerage Systems, LLC received final approval from the Financial Industry Regulatory Authority (“FINRA”) to hold customer deposits and positions allowing the company to deliver full clearing services.

On February 7, 2008 the Company announced the introduction of Deep Book™ the first options trading platform that seeks the aggregate volumes of all orders and price levels, for options contracts trading on U.S. options exchanges.

In January 2008, the Company contributed US$50,000 for a one-third interest in Renewable Trading Services LLC (“RTS”), a joint venture formed for the purposes of trading renewable identification numbers (“RINS”). RINS are the mechanism that the U.S. Environmental Protection Agency created to ensure compliance with the renewable fuels standard. The financial impact of the Company’s interest in RTS was nominal in the 2008 year.

NARRATIVE DESCRIPTION OF THE BUSINESS

Overview

Industry. The globalization of markets has created new opportunities for the international flow of capital, electronically and in real-time, to sources of highest liquidity at lowest cost of execution. Institutional investors and brokerages are responding to these trends by using solutions such as ours as a convenient and efficient method of electronic, real-time securities trading. With the capabilities to route trade orders within North America, our suite of products is well suited to provide efficient, low cost, real-time North American trading.

Our Objective. We supply tools and services to professional traders. Our clients use Belzberg for front end execution management, market connectivity and/or execution services in equities and options for all major markets in Canada and the US. Our products are easy to use, effective, flexible and low cost.

Our Services

We have developed and deployed the Belzberg Trading System infrastructure that gives financial institutions direct access to stock exchanges in North America. The Belzberg Trading System permits traders to securely execute and monitor their trading activities in real time.

We provide network connectivity and the software to route and execute orders on stock exchanges, ECNs and through NASDAQ market makers. In addition, our wholly-owned U.S. broker-dealer offers execution services for equities and options. Our customers include both brokerage houses and their institutional clients. Our trading software and our network provide our customers with direct access to the exchanges, allowing them to trade equities, options and futures on those exchanges. Our products enable traders to execute and manage large volumes of transactions with great reliability and security and low cost of execution.

Our software was developed as a standard client-server architecture, using Microsoft Windows as the underlying operating system. Our Transactions Gateway, or server software, is used to handle connections to the stock exchanges and other order execution engines. The front-end tools, or client software, is a collection of software applications used by traders on their PC workstations.

Our network connectivity and Transactions Gateway software allow traders to access every major and regional stock exchange and all options exchanges in Canada and the U.S.. Trade orders generated by institutional clients of brokerage houses may be sent in a protocol that is different than the protocol used by the stock exchange on which the order is to be executed. Our Transactions Gateway automatically translates the order into the appropriate protocol that is used by the stock exchange. Once confirmation is received from the relevant securities exchange by our Transactions Gateway, the confirmation is retranslated into the same protocol used by the originator of the order and then transmitted to the originator. Our Transactions Gateway software is also capable of receiving orders from third party systems, since it supports most of the standard business protocols used in the financial industry, such as FIX, CMS, STAMP, SETS, XML and SWIFT.

We provide traders with a suite of front-end software tools, tailored to let them carry out the functions of any trading situation that they require. For example, institutional traders use the single order entry system to enter their orders, and the Tradelog to manage their current, outstanding trading positions. Basket traders use our basket trading software to send lists of stocks to stock exchanges with a single click of a mouse, and also use the Tradelog to watch their positions and incoming executions. Traders that need to keep track of incoming retail orders have software specific to their needs, as do traders that want to watch spreads or engage in arbitrage trading. Institutions that are customers of participating brokers use our front-end software to execute their orders directly on electronic markets, eliminating phone calls or other delays in their trading.

Our core trading products are augmented by a set of complementary software products that satisfy functions required by traders or other individuals whose jobs are related to trading or managing of stocks or options in a financial institution. Examples of these products are (i) real-time inventory management, (ii) straight-through-processing of trading tickets into the back office accounting system, (iii) software to handle special requirements of cross-border trading, and (iv) order management software that handles a large inbound flow of retail orders from third party systems.

Our Products

The Belzberg Trading System

The Belzberg Trading System consists of our Transactions Gateway and Order Management System, together with various front-end and back-end applications. Our Trading System provides a comprehensive solution to the needs of our customers for a system that can manage an order from its inception to its execution and confirmation.

Our Trading System requires that the customer have a Windows-based server and workstations. A typical installation of our Trading System for a professional trader interested only in our Single Order Entry application involves downloading the application from our Web Site. A typical installation of our Trading System for a financial institution usually involves the on-site installation of front-end applications which may include Single Order Entry, Basket Trader and Autotrader as well as back-end applications that include Tradelog and TicketWriter. In most cases, our Trading System can be installed on a customer's existing local area network, so the installation may take only a matter of days, although obtaining the requisite telecommunications infrastructure may take longer.

We provide the network and software that runs our Trading System. In some cases, we provide the Belzberg proprietary application programming interface to our network and Transactions Gateway. The network connects to stock exchanges, ECNs, NASDAQ market makers, client order entry software and shared network facilities. Third parties provide the hardware, such as computers and routers. The market data provided is a combination of third party market data and data provided by us.

We can provide market data from third party data vendors in various ways, per the wishes of the customer:

1. If the customer has provided third party vendor market data to its users internally on their network prior to installing our system, our software is capable of accessing this data via the vendor’s access software.

2. If the customer wants to receive market data provided by us, then all that is required is a data connection from the customer to one of our offices, and the market data will be accessed by the software applications. We take direct feeds from the TSX, SIAC (the technology division of the New York Stock Exchange (the **“NYSE”**)) and third party vendors.

The Transactions Gateway

In 1996, we invented, developed and patented a multi-protocol translation gateway for the securities industry. Since then, some of our competitors have developed similar technology. Based on this technology, we developed our Transactions Gateway, a fully-scalable, high-volume, real-time protocol translation and routing engine. Designed to facilitate a wide range of applications, our Transactions Gateway transparently translates the format, or protocol, of incoming transaction messages that can be routed to user-specified destinations. Upon completion of the transaction, messages from the destination are retranslated into the appropriate originating protocol, thus enabling seamless and reliable real-time, bi-directional information exchange. The open and flexible architecture of our Transactions Gateway allows for a high degree of inter-operability between state-of-the-art front-end applications and legacy back-office systems.

Our Transactions Gateway currently supports protocol translation and order routing to the following stock exchanges, ECNs and market makers:

Stock Exchanges	Options Exchanges	ECNs	Futures
New York American Chicago Toronto CNQ CDNX NASDAQ NSX	Chicago (CBOE) Montreal (MX) ISE Boston (BOX) NYSE ARCA NASDAQ	INET NYSE ARCA eVWAP Track BATS DirectEdge CBSX PURE CHI-X OMEGA ATS ALPHA	CFE CME One Chicago Montreal (MX) Futures

The Order Management System

Our Order Management System is a versatile order-processing and management software that works in concert with our Transactions Gateway. Where our Transactions Gateway requires that orders specify a trade destination, the

Order Management System intelligently determines the destination of each order for execution according to predetermined rules. The order flow rules for the Order Management System are customizable.

To facilitate cross-border trading, the Order Management System takes into account the currency in which the order is placed and automatically converts it in real time through a banking network connection to the currency in which the particular stock is traded. The currency conversion feature can be enabled or disabled at the time the order is placed.

Applications For Institutional Investors

Front-End Applications

Belzberg Capture Order Routing and Execution ("BCOR") BCOR extends traditional order management systems. It serves as a real-time manager of both inbound orders and allocations as well as executions of those orders. Connected to our order routing network, the executions can either be direct to exchange, managed by selected sell-side desks, or managed through automated program trading.

Single-Order Entry System. The Single-Order Entry System enables traders to create orders and select from a range of destinations for execution. The Single-Order Entry System shows real-time status of orders and trade confirmation from the destination.

Basket Trader. The Basket Trader program allows traders to instantaneously execute multiple trades stored in a Microsoft Excel(R) spreadsheet via our Transactions Gateway and the Order Management System. The spreadsheets can be customized to provide desired functionality and information.

Tradelog. Tradelog allows traders to view and manage all their trades simultaneously, including single orders, baskets, multiple basket orders. Tradelog is also used by administrators to view and manage multiple traders' orders.

Real-Time Inventory Manager. The Real-Time Inventory Manager integrates into back-office accounting systems. This fully integrated, online inventory assistant/risk management system provides access to traders' real-time inventory and individual account inventories. All positions, average costs, as well as profit/loss and market exposure, are adjusted as trades are received, using real time market data. Users have the ability to set up sophisticated notification targets based on individual accounts or groups of accounts or instruments.

ChatTrader. ChatTrader allows trading from industry standard Instant Messaging (IM) applications such as AIM-AOL. The ChatTrader IM gateway converts all inbound chat messages into FIX-standard messages and these messages are automatically captured to Belzberg's proven and reliable Client Order application. Once captured in this manner, orders can be worked directly, or routed to the market for execution. Client Order complies with all regulatory requirements and all chat messages between client and broker are saved and archived to a database for historical purposes.

Deep Book. Deep Book is the first options trading platform that sweeps the aggregate volumes of all orders and price levels, for all options contracts trading on the US options exchanges. Deep Book™ is the only product on the market today that allows traders to properly handle large orders in the new penny-increment options environment.

Mid-Office Applications

Ticketwriter. Ticketwriter eliminates the need to write manual tickets. With this application, the trader can apply foreign exchange rates, commissions and specific settlement dates as fills are received. Ticketwriter enables full inter-operability with back-office accounting systems used in financial institutions.

TradeGate. Tradegate is Belzberg's configurable rules manager which can be configured to stop client orders from going to an exchange, or block all trades over a certain volume for all or specific traders. TradeGate can also enforce maximum purchases, disable trading for restricted lists of stocks or permit or disable shorts.

FIX Infrastructure. The Belzberg FIX Message Infrastructure allows us to capture and execute orders from all major fix engines and several proprietary engines, with executions returning to the clients in real time.

Broker-Dealer Activities

Our subsidiaries, Electronic Brokerage Systems, LLC and Robert C. Sheehan & Associates, LLC, are broker-dealers registered with the Securities and Exchange Commission (the **"SEC"**). See *"Government Regulations"*.

Electronic Brokerage Systems is a broker-dealer that acts on an agency basis in the electronic routing and execution of orders for other broker-dealers. As a member of the NYSE, CBOE, ISE, American Stock Exchange (**"Amex"**), NASDAQ, Boston Stock Exchange, Chicago Futures Exchange (**"CFE"**), Chicago Stock Exchange (**"CHX"**), National Stock Exchange (**"NSX"**), NYSE Arca and Island/Instinet, Electronic Brokerage Systems gives us extensive connectivity in North American equity and option markets. Electronic Brokerage Systems is also a member of the National Securities Clearing Corporation (**"NSCC"**), Depository Trust Clearing Corporation (**"DTCC"**), Securities and Exchange Commission (**"SEC"**), Financial Industry Regulatory Authority **("FINRA"**), National Futures Association (**"NFA"**) and the Options Clearing Corporation (**"OCC"**). While the primary activities of Electronic Brokerage Systems are the electronic execution of trades on behalf of other broker-dealers, it also employs floor brokers for the execution of trades on the floor of the NYSE.

Before conducting business with a prospective customer, the Company's compliance department reviews the prospective customer's experience in the securities industry, financial condition and personal background, including a background check with a risk reporting agency.

Robert C. Sheehan & Associates is a floor broker with seats on the CBOE. It executes exchange traded equity and index options and futures through the CBOE and other exchanges. Neither Electronic Brokerage Systems nor Robert C. Sheehan & Associates acts as a market-maker with respect to any securities or otherwise acts as a principal in any securities transactions, but only acts on an agency basis.

Neither Electronic Brokerage Systems nor Robert C. Sheehan & Associates carries on business in Ontario or deals with the public in Ontario. Any trades originating in Ontario are originated through a registered dealer in Ontario who uses the services of Electronic Brokerage Systems or Robert C. Sheehan & Associates to complete the trade through a US stock exchange or NASDAQ.

Revenue

We generate revenue from:

- Transaction based fees for providing routing software and services, used for equity and options trading, on a per share/option or per trade basis
- Subscription fees for providing routing software and services, used for equity and options trading, on a flat monthly fee per user, per terminal or other contracted basis
- Commission income for the execution of exchange traded equity and index options from our floor brokerage business
- Development and installation of software for equity and options trading
- Other revenue from the distribution of financial information and other services

Revenue generating customers are brokerage houses and institutional clients of brokerage houses.

We operate in Canada and the U.S. with an increasing portion of our business conducted in the United States. During the past three years, revenue from our United States business has increased substantially. We anticipate that revenue from the United States will continue to increase at a greater rate than revenue from Canada.

Marketing

We sell our products and services using our own dedicated and experienced sales force with contacts in the securities industry. Our sales force is located in New York, Chicago, Toronto and Montreal.

Human Resources

As of March 9, 2009, we employed 110 employees. Of these, 31 were in administration, 8 in sales and marketing, 30 in technical and customer support, 21 floor brokers and traders and 20 in research and development. In addition to our full-time employees, we also employ part-time personnel from time to time in various departments. None of our employees are covered by a collective bargaining agreement.

Research and Development Activities

A staff of 20 employees was engaged in research and development activities in our Toronto office as of March 9, 2009. The staff is dedicated to maintaining our current products and developing new products to complement our existing product suite and maintain our competitive advantage.

Customers

We currently have in excess of 200 customers in the financial services industry. We do not have long-term contracts with any of our customers. The top five of our customers accounted for approximately 27% of our total revenue during the year ended December 31, 2008.

Government Regulation

Through Electronic Brokerage Systems and Robert C. Sheehan & Associates we are members of the NYSE, CBOE, Amex, NASDAQ, NYSE ARCA Options Exchange, the Boston Exchange, the CHX, the ISE, the NFA, the CFE, the NSCC, the DTCC, the OCC and FINRA.

The U.S. securities industry is subject to extensive regulation under both federal and state laws. The SEC, FINRA and other self regulated organizations (**"SROs"**), such as the various stock exchanges, and other regulatory bodies, such as state securities commissions, require strict compliance with their rules and regulations. The SEC is the federal agency responsible for the administration of the federal securities laws. Regulation of broker-dealers has been primarily delegated to SROs, principally the FINRA and securities exchanges. The FINRA has been designated by the SEC as the SRO responsible for broker-dealers. The SROs conduct periodic examinations of member broker-dealers in accordance with rules they have adopted and amended from time to time, subject to approval by the SEC. Securities firms are also subject to regulation by state securities administrators in those states in which they conduct business.

As a matter of public policy, regulatory bodies are charged with safeguarding the integrity of the securities and other financial markets and with protecting the interests of investors participating in those markets, not protecting creditors or stockholders of broker-dealers. Companies that operate in the securities industry are subject to regulation concerning many aspects of their business, including trade practices, capital structure, record retention and the conduct of directors, officers and employees. Failure to comply with any of these laws, rules or regulations could result in censure, fine, the issuance of cease-and-desist orders or the suspension or disqualification of our directors, officers or employees. Neither we nor any of our directors, officers or employees are currently subject to any cease-and-desist orders, suspensions or disqualifications under the rules of any of these regulatory organizations. An adverse ruling in the future against us or our directors, officers or employees, including censure or suspension, could result in us, our directors, officers and other employees being required to pay a substantial fine or settlement, and could result in their suspension or expulsion.

As registered broker-dealers, Electronic Brokerage Systems and Robert C. Sheehan & Associates are subject to the SEC's uniform net capital rule. The net capital rule is designed to measure the general integrity and liquidity of a broker-dealer and requires that at least a minimum part of its assets be kept in a relatively liquid form. Under this rule, Electronic Brokerage Systems is required to maintain net capital equal to the greater of US$500,000 or 2% of aggregate debit balances arising from customer transactions, as defined, and Robert C. Sheehan & Associates is required to maintain net capital equal to the greater of US$100,000 or 6-2/3% of aggregate indebtedness, as defined. As at December 31, 2008, Electronic Brokerage Systems and Robert C. Sheehan & Associates had net capital of US$9,713,459 and US$1,686,871 and a net capital requirement of US$500,000 and US$100,000, respectively.

Electronic Brokerage Systems is currently required by the Options Clearing Corporation ("OCC") to maintain a margin deposit of approximately US$1.8 million. At March 9, 2009, Electronic Brokerage Systems was in compliance with this requirement.

Competition

The market for our products and services is becoming increasingly competitive. The widespread adoption of open standards may make it easier for new market entrants and existing competitors to introduce products that compete against ours. We believe that we will compete primarily on the basis of the quality, functionality, ease of integration of our products and the price of our services. As a provider of a comprehensive trading solution to financial institutions, we assess potential competitors based primarily on their management, functionality and range of services, the security and scalability of their architecture, and their client base, geographic focus and capitalization.

Our current and potential competitors include:

- Software Vendors Focused on Financial Institutions: Our competitors include ITG, Inc., NYFIX, Inc., IRESS, Penson Financial Services, Jefferies & Company, Reuters Group Plc, Fidessa Corporation and Bloomberg LLC. In addition, various companies active in the brokerage business with a primary focus on back-end processing, middleware or front-end personal computer platforms are potential competitors.
- Financial Institutions with In-house Solutions: Financial institutions that develop their own in-house solutions with internal expertise and outsourced service providers and products are a primary source of competition.

Many of our current and potential competitors have longer operating histories, significantly greater financial, technical, product development and marketing resources, greater name recognition and larger customer bases than we do. Our present or future competitors may be able to develop products comparable or superior to those we offer, adapt more quickly than we do to new technologies, evolving industry trends or customer requirements, or devote greater resources to the development, promotion and sale of their products than we do. Accordingly, we may not be able to compete effectively in our markets and competition may intensify and harm our business and operating results. If we are not successful in developing enhancements to existing products and new products in a timely manner, achieving customer acceptance or generating higher average selling prices, our gross margins may decline, and our business and operating results may suffer.

Intellectual Property

We protect our proprietary technology through a combination of contractual confidentiality provisions, trade secrets and patent, copyright and trademark laws.

In January 1999, we were granted United States Patent Number 5,864,827 for a System and Method for Providing a Protocol Transaction Gateway. The patent protects our Transactions Gateway, a system that translates the protocol of incoming transaction messages from customers into the appropriate protocol used by various exchanges and market makers. The technology facilitates electronic stock trading by allowing customers to execute trades on any market they choose from a single screen.

In October 2000, we were granted United States Patent Number 6,134,535 for a Computerized Stock Exchange Trading System Automatically Formatting Orders from a Spreadsheet to an Order Entry System. The patent relates to an improvement in computer automated stock exchange trading whereby a graphic user interface with a mouse and display is used to select parameters such as share symbol, price selection, order size and transaction type, as well as other indicators to launch a trading order to the order entry system of a stock exchange computer. It includes a programmed interface by which data on a group of shares may be read from a spreadsheet formulated into an order and launched automatically or in response to a signal from an operator so as to trade an index or basket of shares substantially simultaneously.

In August 2004, we were granted European Patent Number 0992014 for a System and Method for Providing an Information Gateway. The patent protects our Transactions Gateway, a system that translates the protocol of incoming transaction messages from customers into the appropriate protocol used by various exchanges and market makers. The technology facilitates electronic stock trading by allowing customers to execute trades on any market they choose from a single screen. An Opposition to the European Patent was filed by Deutsche Bourse AG of Frankfurt, Germany ("DB") with the European Patent Office ("EPO") on May 18, 2005. This was a non-monetary claim. At an oral hearing held on June 27, 2007, the EPO granted DB's opposition and revoked the aforementioned patent. On September 1, 2008 the Company appealed this decision. The appeal is currently pending.

As part of our confidentiality procedures, we generally require our employees, clients and potential business partners to enter into confidentiality and nondisclosure agreements before we will disclose any sensitive aspects of our products, technology or business plans. In addition, we require employees to agree to surrender to us any proprietary information, inventions or other intellectual property they generate or come to possess while employed by us. These efforts afford only limited protection.

There has been a substantial amount of litigation in the software industry regarding intellectual property rights. It is possible that in the future, third parties may claim that we, or our current or potential future products, infringe on their intellectual property. We expect that software product developers will increasingly be subject to infringement claims as the number of products and competitors in our industry grows and the functionality of products in different industries increasingly overlaps.

Facilities

The following sets forth information concerning our facilities, all of which are leased:

Location	Principal Use	Expiration Date of Lease	Approximate Number of Square Feet
40 King Street West Toronto, Ontario	Technical, administrative and executive offices	September 30, 2011	15,000
55 Broad Street New York, New York	Marketing, service and support offices	January 31, 2013	9,468
360 St. Jacques West Montreal, Quebec	Marketing, service and support offices	September 15, 2012	1,400
141 West Jackson Blvd. Chicago, Illinois	Marketing, service and support offices	March 31, 2013	4,857
88 Wood Street London, England	Marketing, service and support offices	March 31, 2009	200

Risk Factors

An investment in the securities of the Corporation will involve a number of potential risks. The following risk factors should be carefully considered.

Lack of Profitable Operations. Fiscal 2008 was a challenging year for the Corporation as margins declined and costs increased. While current management is confident of the Company's long-term profit potential, as at December 31, 2008 there is no assurance that the Corporation will be profitable in the future.

Uncertainty of the Ability to Protect Proprietary Technology. The Corporation's success will depend, in part, on its ability to protect its patents and trade secrets and operate without infringing the exclusive rights of third parties. There is no proof that any patent that is granted to the Corporation will make the product more competitive, that its patent protection will not be contested by third parties or that the patents of others will not be detrimental to the Corporation's commercial activities. It cannot be assured that other companies will not independently develop products similar to the Corporation's products, that they will not imitate any of its products or that its competitors will not manufacture products designed to circumvent the exclusive patent rights granted to the Corporation. The Corporation may also be required to obtain licenses under patents or other exclusive rights from third parties. There is no guarantee that any license required under these patents or other exclusive rights will be offered upon conditions acceptable to the Corporation.

Proprietary Rights. We may be unable to adequately protect our proprietary rights. Our failure to protect these rights may significantly impair our competitive position.

Our success depends to a significant extent on our ability to protect our proprietary software and our other proprietary rights from copying, infringement or use by unauthorized parties. To protect our proprietary rights we rely primarily on a combination of patent, copyright, trade secret and trademark laws, confidentiality agreements with employees and third parties, and protective contractual provisions such as those contained in agreements with consultants, vendors and customers, although we have not signed these types of agreements in every case. Despite our efforts to protect our proprietary rights, unauthorized parties may copy aspects of our products and obtain and use information that we regard as proprietary. Other parties may breach confidentiality agreements and other protective contracts we have entered into. We may not become aware of, or have adequate remedies in the event of, these types of breaches or unauthorized activities.

In addition, any claims relating to the infringement of third-party proprietary rights, even if not successful or meritorious, could result in costly litigation, divert resources and management's attention or require us to enter into royalty or license agreements which are not advantageous to us. Although the Corporation endeavors to enter into licensing and service agreements with each of its customers in respect of their use of our Trading System, it has presently, and may have in the future, customers for whom the Corporation provides services and products and with whom it has not entered into written agreements.

Product and Service Liability. We may be exposed to product and service liability in the event that use of our Trading System results, or is alleged to have resulted, in adverse effects. To manage this risk, we endeavor to enter into contracts with our customers which include exculpatory clauses. However, we have presently, and may have in the future, customers for whom we provide services and products and with whom we have not entered into written agreements.

Our Foreign Exchange Calculator allows traders to track their positions in real time in order to notify traders how much they need to hedge their current positions. While to date there have been no errors, it is possible that in the future the system may not work effectively, which could result in a loss to a trader. If such an error were to occur, it is possible that the Corporation may be held liable for any such loss.

Our clearing and brokerage operations could expose us to legal liability for errors in performing clearing and brokerage functions and improper activities of our customers. These errors could result in the Company holding securities. Our normal procedures in such circumstances require the immediate liquidation of the securities, however, there is no certainty that the securities could be liquidated in a timely manner or that such liquidation could be effected without incurring a loss.

Ability to Respond to Markets. Rapidly changing technology and new product introductions characterize the markets for our products. Accordingly, we believe that our future success will depend on our ability to enhance existing products and to develop and introduce in a timely fashion new products that achieve market acceptance. We cannot assure that we will be able to identify, develop, assemble and market or support our products successfully or that we will be able to respond effectively to technological changes or product announcements of our competitors.

Competition. The market for global trading solutions, intelligent order routing systems and integration solutions is intensely competitive, fragmented and rapidly changing. Many of the Corporation's competitors have longer operating histories, significantly greater financial, technical, product development and marketing resources, greater name recognition and larger customer bases than the Corporation. It is therefore impossible to guarantee that the products developed by other companies will not cause the Corporation's products and technologies to become uncompetitive. We face competition from ITG, Inc., NYFIX, Inc., IRESS, Pension Financial Services, Fidessa Corporation, Jefferies & Company, Reuters Group Plc, Bloomberg LLC and other competitors.

The key barriers to entry into the Corporation's markets include the extensive technical requirements and regulatory requirements necessary for connectivity to various exchanges and other markets to effectively serve a time-sensitive, regulated clientele.

The Corporation believes that it has the technical know-how, various exchange and clearing memberships, network infrastructure and products with user-friendly interfaces that facilitate easy execution of real time cross-border trading to ensure that it remains a key competitor.

The Corporation must continue to overcome significant and increasing competition in order to continue its growth and productivity.

Dependence on Key Personnel. The Corporation's success depends to a significant degree upon the continued contributions of members of its senior management. The loss of any of these individuals could have a material adverse effect on the Corporation's business, financial condition and operating results. The future success of the Corporation also depends on its ability to continue to attract, retain and motivate qualified technical and management personnel, for whom competition is intense. There can be no assurance that the Corporation will be successful in attracting and retaining the personnel it requires to be successful in the future.

The competition for qualified personnel in the computer software and brokerage industries is intense and we may be unable to attract or retain highly qualified personnel in the future. In addition, due to intense competition for qualified employees, it may be necessary for us to increase the level of compensation paid to existing and new employees to the degree that our operating expenses could be materially increased.

Customer Dependence. The Corporation is dependent on a limited number of customers for a substantial amount of its revenue. The loss of a significant customer would have a material adverse effect on revenue and results of operations. For the year ended December 31, 2008**,** five customers accounted for approximately 27% of total revenue (December 31, 2007 – five customers for approximately 28%). The Corporation is attempting to mitigate this risk by aggressively seeking new customers. Our dependence on a limited number of customers for a substantial amount of our revenue could lead to fluctuations in our operating results.

Any of our customers could stop using our products in the future. As a result, a customer that generates substantial revenue for us in one period may not be a source of revenue in subsequent periods. The loss of a significant customer would have a material and adverse effect on our revenue and results of operations.

Our revenue depends on arrangements with our customers, all of which expire within the next two years. If we are unable to renew these arrangements, our future operating results may suffer.

Credit Risk. The Corporation is subject to risk of non-payment of accounts receivable. At December 31, 2008, amounts due from two customers accounted for approximately 22% of total accounts receivable (December 31, 2007 – two customers for approximately 19%). The Corporation mitigates this risk by monitoring the credit worthiness of its customers and the actual collection of accounts receivable from customers on a continual basis.

Although Electronic Brokerage Systems is registered as a broker-dealer, we generally do not perform traditional broker-dealer services. We do not act as a market-maker with respect to any securities or otherwise act as a principal in any securities transactions, but only act on an agency basis. Therefore, we do not have exposure to credit risks in the way that traditional broker-dealers have such exposure. The relatively low credit risk of our businesses is reflected in the minimal net capital requirements imposed on Electronic Brokerage Systems as a broker-dealer. The Company announced on September 17, 2008 that its wholly owned U.S. broker-dealer, Electronic Brokerage Systems, LLC received final approval from the Financial Industry Regulatory Authority ("FINRA") to hold customer deposits and positions allowing the company to deliver full clearing services. Our business plan projects that the type of clearing business we will offer will be limited in nature. Our proposed clients, by the nature of their trading business, will generally not hold positions overnight, but may on an exception basis. Credit risk will arise through intraday trading exposure. A default on the part of a client could result in the Company holding securities. Our normal procedures in such circumstances require the immediate liquidation of the securities, however, there is no certainty that the securities could be liquidated in a timely manner or without incurring a loss.

Foreign Exchange. In 2008, the Corporation generated approximately 76% (2007 – approximately 73%) of its revenue in the United States and incurred approximately 64% (2007 – approximately 70%) of its operating expenses in the United States. Trade receivables due from customers in the United States at December 31, 2008 accounted for approximately 89% (December 31, 2007 – approximately 79%) of total outstanding trade receivables.

The Corporation does not, at present, hedge 100% of the risks associated with fluctuations in exchange rates between the United States dollar and the Canadian dollar and may be exposed in the future to adverse fluctuations between these exchange rates on the unhedged portion of its net asset position denominated in US dollars.

Dependency on Securities Trading Activities. Our revenue could decrease if there is a decline in securities trading activity.

Because most of our current customers are financial institutions or securities brokerage firms, and because we intend to rely more heavily on transaction-based billing in our license agreements, our revenue will be sensitive to changes in the amount of securities trading activity.

A decline in securities trading activity may result from:

- loss of confidence in the reliability or security of online systems;
- changes in government regulation of the securities industry or online trading activities; or
- a downturn in the stock market.

The market for our product and services may not grow as quickly as we anticipate, which would cause our revenue to fall below expectations.

Regulations. The securities brokerage industry is subject to extensive government regulation under both federal and state laws in the United States of America. If either Electronic Brokerage Systems or Robert C. Sheehan & Associates (both USA subsidiaries of the Corporation) fails to comply with these regulations, it may be subject to disciplinary or other action by regulatory organizations.

Electronic Brokerage Systems and Robert C. Sheehan & Associates must comply with rules of the SEC and FINRA state securities commissions and other regulatory bodies charged with safeguarding the integrity of the securities markets and other financial markets and protecting the interests of investors participating in these markets. As registered broker-dealers, Electronic Brokerage Systems and Robert C. Sheehan & Associates are subject to numerous regulations covering the securities business, including marketing practices, securities lending, handling funds and securities held by us on behalf of customers, capital structure, including net capital requirements, record keeping and conduct of directors, officers and employees.

Any failure to comply with these regulations could subject either Electronic Brokerage Systems or Robert C. Sheehan & Associates to censure, fines, the issuance of cease-and-desist orders or the suspension, and/or disqualification of its officers, directors or employees. The Corporation constantly monitors the above noted securities regulations and believes that it is in compliance with these regulations.

Maintenance of Capital Levels by Regulators and Clearing Organizations. The SEC, NYSE, FINRA, OCC and various other regulatory agencies and clearing organizations have stringent rules with respect to the maintenance of specific levels of net capital by broker-dealers.

Net capital is the net worth of a broker-dealer (assets minus liabilities), less deductions for certain types of assets. Failure to maintain the required net capital could result in suspension or revocation of registration by the SEC and suspension or expulsion by one or more of the NYSE, FINRA and OCC, and could ultimately lead to the Corporation's liquidation. If such net capital rules are changed or expanded, the Corporation's ability to withdraw capital from brokerage subsidiaries could be restricted, which could limit the Corporation's ability to fund its working capital requirements or capital asset expenditures required**.**

Execution and Clearing Risk. The Company's execution and clearing activities require that the Company execute transactions in accordance with customer instructions and accurately record and process the resulting transactions. Any failure, error or delay in executing, recording and processing transactions, whether due to human error or failure of the Company's information or communication systems could cause substantial losses for the Company if it has to purchase or sell securities at a loss to cover any of the above instances.

Clearing activities include settling each transaction with both the contra broker, the customer, or the customer's clearing firm. The Company monitors daily its clearing breaks and necessary action is taken to reduce the Company's risk. Credit risk that could result from contra brokers defaulting is minimized since much of the settlement risk for transactions with brokers is essentially transferred to the National Securities Clearing Corporation or the Options Clearing Corporation. The Credit risk for the customer's clearing firm is minimized since these clearing firms have been qualified by the Depository Trust Company ("DTC").

Reliance on Third Party Software and Systems. We have contracted with Shadow Financial Systems to provide a major portion of the software and systems necessary for our clearing operations. Any major interruption in our ability to process our transactions through the Shadow system would harm our relationships with our clients and impact our growth. We also license many additional, generally available or custom software packages. Failures in any of these applications could harm our business operations.

Encryption Technology. Our product contains encryption technology whose export is restricted by law, which may slow our growth or result in significant costs.

The United States and Canadian governments generally limit the export of encryption technology, which our product incorporates. A variety of cryptographic products generally require export approvals from certain United States government agencies in the case of exports from the U.S.A. and from Canadian government agencies in the case of exports from Canada, although there are currently no restrictions on exports of these products from Canada into the United States.

If any export approval that we receive is revoked or modified, if our software is unlawfully exported or if the United States or the Canadian government adopts new legislation or regulations restricting export of software and encryption technology, we may not be able to distribute our products to potential customers, which will cause a decline in our sales. We may need to incur significant costs and divert resources to develop replacement technologies or may need to adopt inferior substitute technologies to satisfy these export restrictions. These replacement or substitute technologies may not be the preferred security technologies of our customers, in which case, our business may not grow. In addition, we may suffer similar consequences if the laws of any other country limit the ability of third parties to sell encryption technologies to us.

New Technology. The market for our products and services is relatively new and evolving. We earn a substantial portion of our revenue from service fees associated with our Transactions Gateway, Order Management System and front-end software. We expect to earn a significant portion of our revenue in the foreseeable future from fees relating to these products and services. Our future financial performance will depend in part on continued growth in the number of organizations demanding software and services for protocol translation and order management services. Many of our potential customers have made significant investments in internally developed systems and would incur significant costs in switching to third-party products, which may substantially inhibit the growth of the market for enterprise infrastructure software. If this market fails to grow, or grows more slowly than we expect, our sales will be adversely affected.

Description of Capital Structure

The authorized share capital of the Corporation consists of an unlimited number of Common Shares. As at March 9, 2009, there were 14,835,139 Common Shares issued and outstanding.

The holders of Common Shares are entitled to such dividends, as and when declared by the board of directors of the Corporation, to one vote per share at meetings of shareholders and, upon liquidation, to receive such assets of the Corporation as are distributable to holders of Common Shares.

Dividend Policy

To date, we have not paid a dividend. The declaration, amount and date of distribution of any dividends in the future will be decided by the Board of Directors from time to time based upon and subject to our earnings, financial requirements and other conditions prevailing at the time.

We have not declared or paid, and have no present intention to declare or pay in the foreseeable future, any cash dividends on the Common Shares.

MARKET FOR SECURITIES

The Common Shares are listed on the Toronto Stock Exchange under the symbol “BLZ”.

The following table sets out the price range and volume traded for the Common Shares for each month of the most recently completed financial year:

Month	High	Low	Volume Traded
January	$6.24	$4.75	124,962
February	5.10	4.65	168,297
March	5.23	4.25	554,475
April	4.99	4.41	177,730
May	4.95	4.41	101,135
June	4.93	4.47	224,136
July	4.60	3.56	251,392
August	4.40	3.43	319,171
September	3.87	3.00	112,760
October	3.25	1.75	201,350
November	2.39	1.86	542,036
December	2.33	1.75	458,560

TRANSFER AGENTS AND REGISTRARS

The Corporation’s registrar and transfer agent is Computershare Investor Services Inc., Toronto, Canada.

DIRECTORS AND OFFICERS

The following table sets out the name and municipality of residence of each director and executive officer of the Corporation, their respective positions and offices held with the Corporation, their respective principal occupations and the respective years from which they served as a director of the Corporation, if applicable:

Name & Municipality of Residence	Position with Corporation	Principal Occupation	Director Since
Sidney H. Belzberg Toronto, Ontario	Director	President and CEO of Infinigon LLC	1993
Alicia Belzberg Toronto, Ontario	Director	President and CEO of 960 Capital LLC	1993
Dr. William Gnam(2) Toronto, Ontario	Director	Economist, University of Toronto	1994
Stephen Sadler(1) Toronto, Ontario	Director	Chairman and CEO of Enghouse Systems Limited	1997
Robert E. Forbes(2) Toronto, Ontario	Director	Senior Partner, McCarthy Tétrault, Toronto	2004
Justin Hughes(1) San Francisco, California	Director	Partner, Philadelphia Financial, San Francisco, CA.	2008
Cameron MacDonald(2) Toronto, Ontario	Director	President and Chief Executive Officer of Goodwood Inc.	2008
James G. Reddy(1) Toronto, Ontario	Director	Chartered Accountant	2004
Judith Robertson Toronto, Ontario	President and Chief Executive Officer and Director	Officer of the Corporation	2009
Chris Jackson Oakville, Ontario	President, Canadian Operations	Officer of the Corporation	N/A
Donald W. Wilson Toronto, Ontario	Chief Operating Officer	Officer of the Corporation	N/A
Richard Maisel Toronto, Ontario	Chief Financial Officer	Officer of the Corporation	N/A

(1) Member of the Audit Committee.

(2) Member of the Compensation Committee.

Under the by-laws of the Corporation, directors of the Corporation are elected annually. Each director holds office until the next annual meeting or until the successor of such director is duly elected or appointed, unless such office is vacated earlier in accordance with the by-laws.

Except as disclosed below under *"Management"*, during the last five years, the directors and officers of the Corporation noted above have held the occupation or have been associated with the companies or firms listed opposite their respective names.

The directors and executive officers of the Corporation, as a group, beneficially own, directly or indirectly, or exercise control or direction over, a total of 6,980,759 Common Shares representing approximately 47% of the total outstanding Common Shares as of March 9, 2009.

Management

Belzberg's management team and board of directors consists of the following:

Judith Robertson has been the President and Chief Executive Officer of the Corporation since December 2008. Prior to joining the Corporation Ms Robertson was an Executive Vice President of Perimeter Financial Corp. from January 2006 to October 2007 and the President and CEO of Markets Inc., a predecessor company to Perimeter Financial Corp., starting in January 2004. Prior to 2003 Ms. Robertson was a Managing Director with Barclays Global Investors. Ms. Robertson has a Bachelor of Arts (International Relations) from the University of Toronto and an MBA from the Richard Ivey School of Business at the University of Western Ontario. Ms. Robertson holds the CFA designation.

Chris Jackson has been the President, Canadian Operations of the Corporation since December 2008. Prior to joining the Corporation from January 2007 to October 2008 Mr. Jackson was the Managing Director of Perimeter Markets Inc., where he was responsible for the sales and marketing for all of Perimeter's alternative marketplaces. Prior to January 2007 Mr. Jackson was President and CEO for IA Sciences, Perimeter's business process outsourcing service for discretionary managed account/wrap programs. Mr. Jackson has a Bachelor of Mathematics degree from the University of Waterloo.

Donald W. Wilson has served as Chief Operating Officer of the Corporation since June, 1994. From 1991 to 1994, Mr. Wilson was employed at Gordon Capital Corporation, in Toronto, Canada, where he was Manager of Information Systems. Mr. Wilson holds a Masters degree in Music from the University of Toronto.

Richard Maisel has been Chief Financial Officer of the Corporation since February 7, 2005. From December 2001 to February 2005, he was the Corporate Controller of the Corporation. Prior to joining Belzberg Technologies Inc., he worked in various private and publicly traded software companies in Canada in various senior financial roles. He is a Chartered Accountant and holds a Bachelor of Business Science (Finance) degree from the University of Cape Town, South Africa.

Cameron MacDonald has been the interim Chairman since December 29, 2008 and a Director of the Corporation since May 15, 2008. Since September 2000, Mr. MacDonald has been the President and CEO of Goodwood Inc. Prior to Goodwood Inc., Mr. MacDonald was a Director, member of the Research and Executive Committee, and shareholder of Connor Clark Private Trust (1990-1999). In April 1999, The Royal Bank of Canada purchased 100% of Connor Clark Private Trust. From 1983 through 1990 he held various positions at Wood Gundy(CIBC)-- Credit, Operations, and thereafter as an Account Executive (Vice President). Mr. MacDonald holds a Bachelor of Arts in Economics (BA) from Wilfrid Laurier University and is a Chartered Financial Analyst (CFA).

Sidney H. Belzberg co-founded Belzberg Technologies Inc. in 1993 and served as the Corporation's Chairman and Chief Executive Officer until December 29, 2008. Mr. Belzberg has been a Director of Belzberg Technologies since 1993. Since March 2009, Mr. Belzberg has been the President & CEO of Infinigon LLC, a company specializing in online commerce. From 1987 to 1992, Mr. Belzberg was President of Eastern Datacom Systems Ltd. Mr. Belzberg is married to Alicia Belzberg. Mr. Belzberg holds a Bachelor of Science degree from the University of Alberta.

Alicia Belzberg co-founded Belzberg Technologies Inc. in 1993 and served as the Corporation's Executive Vice President until December 31, 2008. Ms Belzberg has been a Director of Belzberg Technologies since 1993. Since January 2009 Ms. Belzberg has been the President & CEO of 960 Capital LLC, a firm specializing in acquisition of technology companies. From 1989 to 1992, Ms. Belzberg was General Manager of Eastern Datacom Systems Ltd. Ms Belzberg is married to Sid Belzberg. Ms. Belzberg holds a Bachelor of Arts degree from Concordia University.

Stephen Sadler has been a Director of the Corporation since October 28, 1997. Since April 2000, Mr. Sadler has been the Chairman and CEO of Enghouse Systems Limited, a world leading software engineering company that develops Geographic Information Systems based solutions for Telecommunications and Utility companies and develops live agent and self service systems for a variety of companies. He is also Chairman of Helix Investments Corporation, a venture capital firm, a position which he has held since 1999. Mr. Sadler served as President and CEO of Geac Computer Corporation from 1990 to 1996, as Vice Chairman from 1996 to 1998, and as Senior Advisor in 1999. Mr. Sadler is currently a director of several high-tech private and public companies, including Open Text Corporation. Mr. Sadler has a Master of Business Administration degree from York University, Chartered Accountant's designation, and Honours Bachelor's degree in Applied Science and Engineering from the University of Toronto.

Dr. William H. Gnam has been a Director of the Corporation since June 13, 1994. Dr. Gnam is a Harvard-trained economist and a researcher at the University of Toronto. He has a Master of Science degree from Oxford University, England, where he was a Rhodes scholar, and a Medical Doctor degree from the University of Calgary

Robert E. Forbes has been a Director of the Corporation since June 2, 2004. Mr. Forbes is a Senior Partner at McCarthy Tétrault, a Canadian national law firm. From July 2001 to July 2003, Mr. Forbes was Professor of Corporate and Securities Law at Murdoch University, Perth, Australia. Mr. Forbes has a Bachelor of Arts (Economics) and Bachelor of Laws degrees from the University of Western Ontario and a Master of Laws degree from the London School of Economics, University of London.

James G. Reddy has been a Director of the Corporation since July 26, 2004. Mr. Reddy was a business consultant from July 2002 to February 2003. From March 1999 to June 2002, he was Director and Chief Financial Officer of First Associates Investments Inc., an investment dealer. From July 1998 to February 1999 he was chief financial officer and a consultant to GemStar Communications, from May 1997 to February 1999 he was a business consultant and from October 1989 to May 1997 he was chief financial officer/trading officer of DFI Securities (Deutsche Morgan Grenfell Canada Limited), an investment dealer.

Justin Hughes has been a Director of the Corporation since May 15, 2008. Mr. Hughes is a Managing Member of Philadelphia Financial of San Francisco ("Philadelphia Financial") and Co-Portfolio Manager of the firm's four funds. Mr. Hughes has thirteen years of professional investment experience covering financial services both as a sell-side research analyst and as a buy-side hedge fund analyst. Prior to co-founding Philadelphia Financial, Mr. Hughes was an Investment Analyst covering Financial Services/Brokerage for Hovde Capital, a Washington D.C. based hedge fund specialized in financial services. From 1996 to 2003, Mr. Hughes was a sell-side research analyst, at Jefferies & Co., Robertson Stephens, and Putnam Lovell. Mr. Hughes graduated from the University of California at Irvine, in 1994 with a B.A. degree in Economics and has been a Chartered Financial Analyst since 1998.

AUDIT COMMITTEE

Composition of Audit Committee

The members of our Audit Committee are Stephen Sadler (Chair), James G. Reddy and Justin Hughes. The Board has determined that all of the members of the Audit Committee are independent as well as financially literate.

Relevant Education and Experience

Mr. Sadler is Chairman and CEO of Enghouse Systems Inc. He has a Master of Business Administration degree from York University, Chartered Accountant designation and Honours Bachelor Degree in Applied Science and Engineering from the University of Toronto. He has experience as Chief Executive Officer and Chief Financial Officer of both public and private companies. See *"Management"*.

Mr. Reddy is a Chartered Accountant. From July 2002 to February 2003 he was a business consultant and from March 1999 to June 2002, he was director and chief financial officer of First Associates Investments Inc., an investment dealer. See *"Management"*.

Mr. Hughes is a Managing Member of Philadelphia Financial of San Francisco ("Philadelphia Financial") and Co-Portfolio Manager of the firm's four funds. Mr. Hughes has thirteen years of professional investment experience covering financial services both as a sell-side research analyst and as a buy-side hedge fund analyst. Mr. Hughes graduated from the University of California at Irvine, in 1994 with a B.A. degree in Economics and has been a Chartered Financial Analyst since 1998.

Audit Committee Charter

A copy of the charter of the Audit Committee is attached to this annual information form as Appendix A.

Principal Accountant Fees and Services

KPMG LLP has been the auditor of our company since October 2002.

Fees payable to KPMG LLP for the years ended December 31, 2008 and 2007 were as follows:

Fees	2008	2007
Audit Fees	**$144,000**	**$125,000**
Audit-Related Fees	**nil**	**9,375**
Tax Fees	**68,000**	**42,000**
All Other Fees	**nil**	**nil**
Total	**$212,000**	**$176,375**

Audit Fees

These audit fees were for professional services rendered for the audits of our annual consolidated financial statements.

Audit-Related Fees

These audit-related fees were for assurance and related services that are reasonably related to the performance of the audit of our financial statements and are not reported under the "audit fees" category above. These services included accounting assistance provided during the Corporation's first, second and third quarter interim financial statements.

Tax Fees

These tax fees were for assistance provided in connection with documentation of the Company's transfer pricing policies, the preparation and filing of Canadian and U.S. tax returns and for services rendered in connection with Canadian Scientific Research and Experimental Development tax program.

All Other Fees

Fees disclosed in the table above under the item "all other fees" were for services other than the audit fees, audit-related fees and tax fees described above.

Pre-Approval Policies and Procedures

The Corporation has in place a pre-approval policy which provides for the Audit Committee's approval of any non-audit services to be rendered by the outside auditors. The Audit Committee is required to consider whether the provision of non-audit services is compatible with maintaining the outside auditors' independence, including, but not limited to, the nature and scope of the specific non-audit services to be performed and whether the audit process would require the outside auditors to review any advice rendered by the outside auditors in connection with the provision of non-audit services.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR at www.sedar.com. Copies of the Corporation's financial statements may be obtained by contacting Belzberg Technologies Inc., 40 King Street West, Suite 3400, Toronto, Ontario M5H 3Y2, Attention: Judith Robertson.

Additional information including directors' and officers' remuneration and indebtedness, principal holders of the Corporation's securities and principal holders of options to purchase securities and interests of insiders in material transactions, if applicable, is contained in the Corporation's information circular in respect of the Corporation's most recent annual meeting of shareholders that involved the election of directors. Additional financial information is provided in the Corporation's financial statements and Management Discussion and Analysis for the most recently completed financial year.

The Corporation's internet address is: www.belzberg.com

APPENDIX A
BELZBERG TECHNOLOGIES INC.
AUDIT COMMITTEE CHARTER

I. PURPOSE

The Audit Committee is a committee of the Board of Directors of Belzberg Technologies Inc. (the **"Corporation"**) established to assist the Board of Directors in fulfilling its oversight responsibilities by carrying out the activities described in this Charter in the manner detailed by this Charter.

II. COMMITTEE MEMBERSHIP

(a) The Board of Directors, immediately upon their election by the shareholders of the Corporation, shall appoint an Audit Committee to serve for the forthcoming year. Each member of the Audit Committee shall serve at the pleasure of the Board of Directors until the member resigns, is removed or ceases to be a Director of the Corporation.

(b) The Board of Directors shall designate a member of the Audit Committee to serve as Chairperson.

(c) The Audit Committee shall consist of a minimum of three members, all of whom must be independent.

(d) Each member of the Audit Committee shall:

(i) be a member of the Board of Directors of the Corporation;

(ii) be independent according to the definition of independence applicable to members of audit committees under Multilateral Instrument 52-110 entitled "Audit Committees" (**"MI 52-110"**) of the Canadian Securities Administrators (excluding British Columbia), unless otherwise approved by the Board of Directors in accordance with MI 52-110; and

(iii) have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements, unless otherwise approved by the Board of Directors in accordance with MI 52-110.

III. MEETINGS

(a) Meetings of the Audit Committee shall be held at least four times a year. The meetings will be scheduled to permit timely review of the Corporation's interim and annual financial statements.

(b) Additional meetings of the Audit Committee may be called by the Chairperson, any member of the Committee or the external auditors of the Corporation.

IV. REPORTING

(a) The Chairperson will arrange for the preparation of minutes of the meetings of the Audit Committee in sufficient detail to convey the substance of all discussions held. Upon approval of the minutes by the Audit Committee, the minutes shall be circulated to the members of the Board of Directors.

(b) The Chairperson may report orally to the Board on any matter in his/her view requiring the immediate attention of the Board.

V. RESPONSIBILITIES

In fulfilling its responsibilities, the Audit Committee shall:

(a) review the Corporation's annual financial statements, interim financial statements, Management's Discussion and Analysis of Operations and Changes in Financial Condition (for both annual and interim) prior to public disclosure of such information by the Corporation;

(b) review the annual and interim earnings press releases (for both annual and interim); and any other press releases containing financial information related to earnings, prior to public disclosure of such information by the Corporation;

(c) satisfy itself, on behalf of the Board of Directors, that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements (other than the public disclosure referred to in (a) above) and periodically assess the adequacy of such procedures;

(d) satisfy itself, on behalf of the Board of Directors, that the Corporation's annual financial statements are fairly presented in accordance with generally accepted accounting principles and otherwise, and recommend to the Board whether the annual financial statements should be approved;

(e) satisfy itself, on behalf of the Board of Directors, that the Corporation's interim financial statements are fairly presented in accordance with generally accepted accounting principles and otherwise, and recommend to the Board whether the interim financial statements should be approved;

(f) satisfy itself, on behalf of the Board of Directors, that the information contained in the Corporation's Annual Report to Shareholders and other financial publications such as Management's Discussion and Analysis of Financial Condition and Results of Operations, the Annual Information Form and the information contained therein is fairly presented in all material respects;

(g) satisfy itself, on behalf of the Board of Directors, that the Corporation has implemented appropriate systems to identify, assess and mitigate significant business risks;

(h) satisfy itself, on behalf of the Board of Directors, that the Corporation has implemented appropriate systems of internal control over financial reporting (including an internal audit function) and that these are operating effectively;

(i) satisfy itself, on behalf of the Board of Directors, that the Corporation has implemented appropriate systems of internal control to ensure compliance with legal, regulatory and ethical requirements;

(j) establish procedures, for the receipt retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls and auditing matters;

(k) establish procedures for the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters;

(l) satisfy itself, on behalf of the Board of Directors, that the external audit function has been effectively carried out and that any matter which the independent auditors wish to bring to the attention of the Board has been addressed; and

(m) at least once per year, meet with the external auditors and management in separate sessions to discuss any matters that the Committee or these groups believe should be discussed with the Audit Committee.

VI. RELATIONSHIP WITH AUDITORS

(a) The Audit Committee shall recommend to the Board of Directors the external auditor to be nominated for appointment at the Corporation's annual meeting for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation.

(b) The Audit Committee shall satisfy itself, on behalf of the Board of Directors, that the external auditor is "independent" in accordance with applicable laws and requirements.

(c) The Audit Committee shall recommend to the Board of Directors the compensation of the external auditor.

(d) The external auditor is required to report directly to the Audit Committee and the Audit Committee has the authority to communicate directly with the external auditor.

(e) The Audit Committee shall be directly responsible for overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation, including the resolution of disagreements between management and the external auditor regarding financial reporting.

(f) The Audit Committee shall review and approve the Corporation's hiring policies regarding current and former partners and employees of the current and former external auditor of the Corporation.

VI. PRE-APPROVAL OF NON-AUDIT SERVICES

(a) The Audit Committee shall pre-approve all services to be provided to the Corporation or its subsidiaries by the external auditor, other than the professional services rendered by the external auditor for the audit and review of the Corporation's financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements.

(b) In addition to approval by the Audit Committee as a whole, the pre-approval requirement is also satisfied where:

   (i) the Audit Committee delegates authority to pre-approve non-audit services to one or more members, which pre-approval must be presented by the member(s) to the full Audit Committee at its next scheduled meeting; or

   (ii) the Audit Committee adopts specific policies and procedures for the engagement of non-audit services provided that: (i) the pre-approval policies and procedures are detailed as to the particular service, (ii) the Audit Committee is informed of each non-audit service, and (iii) the procedures do not include delegation of the Audit Committee's responsibilities to management.

VII. AUTHORITY TO ENGAGE EXTERNAL ADVISORS

The Audit Committee has the authority to engage independent counsel and other advisors as it determines necessary to carry out its duties and to set and pay the compensation for such advisors.

VIII. CURRENCY OF CHARTER

This Charter was last revised on December 7, 2005.