PRELIMINARY PROSPECTUS

Initial Public Offering and Secondary Offering May 31, 2013

Information Services Corporation

INFORMATION SERVICES CORPORATION

$ ●

● Class A Limited Voting Shares

This prospectus qualifies the distribution (the "Offering") of ● Class A Limited Voting Shares (the "Class A Shares") of Information Services Corporation ("we", "us", the "Company" or "ISC") at a price of $ ● per Class A Share (the "Offering Price"). The Offering is a secondary offering by Crown Investments Corporation of Saskatchewan (the "Selling Shareholder" or the "Principal Shareholder"). **The Class A Shares are not guaranteed in any manner by the Province of Saskatchewan (the "Province").** See "Principal Shareholder and Selling Shareholder". ISC will not receive any proceeds from the Offering. All of the Class A Shares held after the Offering by the Selling Shareholder will be subject to contractual lock-up agreements with the Underwriters (as defined below). See "Plan of Distribution — Lock-Up Agreements". The Offering is being underwritten by RBC Dominion Securities Inc., CIBC World Markets Inc., BMO Nesbitt Burns Inc., Scotia Capital Inc., TD Securities Inc., GMP Securities L.P., National Bank Financial Inc., Canaccord Genuity Corp., Dundee Securities Ltd., Mackie Research Capital Corporation, Manulife Securities Incorporated, MGI Securities Inc. and PI Financial Corp. (collectively, the "Underwriters"). If the Over-Allotment Option (as defined below) is exercised in full, an aggregate of an additional ● Class A Shares will be offered by the Selling Shareholder.

There is currently no market through which the Class A Shares may be sold and purchasers may not be able to resell the Class A Shares purchased under this prospectus. This may affect the pricing of the Class A Shares in the secondary market, the transparency and availability of trading prices, the liquidity of the Class A Shares, and the extent of issuer regulation. See "Risk Factors". The Company has applied to the Toronto Stock Exchange ("TSX") to have the Class A Shares listed on the TSX. Listing of the Class A Shares on the TSX is subject to approval by the TSX of the Company's listing application and fulfillment by the Company of all initial requirements and conditions of the TSX, including distribution of the Class A Shares to a minimum number of public holders. The TSX has not conditionally approved the listing of the Class A Shares and there is no assurance that the TSX will approve the Company's listing application.

In connection with the Offering, the Underwriters may over-allot or effect transactions to stabilize or maintain the market price of the Class A Shares at levels other than those which otherwise might prevail on the open market. See "Plan of Distribution".

An investment in the Class A Shares is subject to a number of risks that should be considered by a prospective purchaser. Investors should carefully consider the risk factors described under "Risk Factors", beginning at page 102, before purchasing the Class A Shares.

Price: $ ● per Class A Share

	Price to Public(1)	Underwriters' Commission	Net Proceeds to the Selling Shareholder(2)
Per Class A Share	$●	$●	$●
Total Offering(3)	$●	$●	$●

(1) The price of the Class A Shares has been determined by negotiation between the Selling Shareholder and the Underwriters.

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(2) After deducting the Underwriters' Commission payable by the Selling Shareholder but before deducting the expenses of the Offering which are estimated to be approximately $ ● . The expenses of the Offering will be paid by the Selling Shareholder out of proceeds of the Offering, except for expenses incurred by the Company relating to roadshows and marketing activities and certain other fees and disbursements related to the Offering, which shall be paid by the Company and are estimated at approximately $2.3 million.

(3) The Selling Shareholder has granted to the Underwriters an over-allotment option, exercisable, in whole or in part, at the sole discretion of the Underwriters, for a period of 30 days from the closing of the Offering (the "Closing"), to purchase from the Selling Shareholder up to an additional ● Class A Shares at the Offering Price (representing approximately 15% of the Class A Shares offered hereunder) on the same terms as set out above solely to cover over-allotments, if any, and for market stabilization purposes (the "Over-Allotment Option"). The Selling Shareholder will pay the Underwriters' Commission with respect to the Over-Allotment Option (if it is exercised). If the Over-Allotment Option is exercised in full, the total "Price to Public", "Underwriters' Commission" and "Net Proceeds to the Selling Shareholder" will be $ ● , $ ● and $ ● , respectively. This prospectus qualifies the distribution of the Over-Allotment Option and up to ● Class A Shares to be sold by the Selling Shareholder upon exercise of the Over-Allotment Option by the Underwriters. A purchaser who acquires Class A Shares forming part of the Over-Allotment Option acquires those shares under this prospectus, regardless of whether the position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. See "Plan of Distribution" and "Principal Shareholder and Selling Shareholder".

The following table sets out the number of Class A Shares that may be sold by the Selling Shareholder to the Underwriters pursuant to the Over-Allotment Option:

	Number of Class A Shares Available	**Exercise Period**	**Exercise Price**
Over-Allotment Option	●	up to 30 days following Closing	$● per Class A Share

The Underwriters, as principals, conditionally offer the Class A Shares, subject to prior sale, if, as and when issued by the Company and accepted by the Underwriters in accordance with the conditions contained in the Underwriting Agreement dated ● , 2013 (the "Underwriting Agreement") referred to under "Plan of Distribution" and subject to the approval of certain legal matters on behalf of the Company by MacPherson Leslie & Tyerman LLP, on behalf of the Selling Shareholder by Kanuka Thuringer LLP and on behalf of the Underwriters by McDougall Gauley LLP and Stikeman Elliott LLP. See "Plan of Distribution".

RBC Dominion Securities Inc. is an affiliate of a Canadian chartered bank that is the currently contemplated lender to us under the New Credit Facilities (as defined herein) and to which we will be potentially indebted to following Closing of the Offering. It is expected that the New Credit Facilities will be entered into prior to or concurrent with the Closing of the Offering. It is expected that the funds will be drawn on the New Credit Facilities to repay indebtedness of ISC to the Province of Saskatchewan. Accordingly, in connection with the Offering ISC and/or the Selling Shareholder may be considered to be a "connected issuer" of RBC Dominion Securities Inc. for purposes of applicable securities legislation. See "Consolidated Capitalization" for a description of the anticipated terms of the proposed New Credit Facilities and "Relationship Between the Company, Selling Shareholder and Underwriter".

A current director of the Company is a director of MGI Securities Inc. Consequently, although this director is resigning effective immediately upon the completion of the Offering, ISC may be considered to be a "connected issuer" of MGI Securities Inc. for the purposes of applicable securities legislation. See "Directors and Executive Officers" and "Relationship Between the Company, Selling Shareholder and Underwriter".

The Class A Shares may be a "restricted security" within the meaning of National Instrument 41-101 — *General Prospectus Requirements* ("NI 41-101"), as the Company's constating documents contain provisions that: (i) restrict the voting rights of the Class A Shares such that no person or group of associated persons holding more than 15% of the total number of votes attached to the issued and outstanding Class A Shares may exercise voting rights attached to those Class A Shares, and (ii) that provide the Lieutenant Governor in Council of the Province of Saskatchewan the right to appoint that number of members to the board of directors of the Company (the "Board") equal to the Selling Shareholder's *pro rata* share of the issued and outstanding Class A Shares (rounded to the nearest whole number), but always subject to a minimum of two directors. There are also provisions providing for forfeiture of rights to dividends and recovery of dividends paid to shareholders holding more than 15% of the votes attached to the issued and outstanding Class A Shares. See "Description of Securities". We have requested an exemption from certain of the restricted security requirements under Canadian securities legislation as they may relate to this prospectus, including that the Class A Shares be

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referred to in this prospectus using a term or a defined term that includes a "restricted security term". There is no assurance that this relief will necessarily be granted. See "Exemption from National Instrument 41-101".

Subscriptions will be received subject to rejection or allotment in whole or in part and the Underwriters reserve the right to close the subscription books at any time without notice. It is expected that Closing will occur on or about ● , 2013, or such later date as the Company, Selling Shareholder and the Underwriters may agree, but in any event not later than ● , 2013. One or more certificates representing the Class A Shares to be sold in the Offering will be issued in registered form to CDS Clearing and Depository Services Inc., or to its nominee ("CDS"), and deposited with CDS on the Closing date. A purchaser of Class A Shares will receive only a customer confirmation from the registered dealer from or through which the Class A Shares are purchased. See "Plan of Distribution".

An investor in Class A Shares should rely only on the information contained in this prospectus and is not entitled to rely on parts or information contained in this prospectus to the exclusion of other parts of this prospectus. Neither the Company, the Selling Shareholder, nor any of the Underwriters has authorized anyone to provide investors with additional or different information. Neither the Company, the Selling Shareholder, nor any of the Underwriters is offering to sell Class A Shares in any jurisdiction where the offer or sale is not permitted. The information contained in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or any sale of the Class A Shares.

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GENERAL MATTERS

Unless otherwise noted or the context otherwise indicates, "ISC", the "Company", "we", "us" and "our" refer to Information Services Corporation, its subsidiary and its predecessors. Unless otherwise indicated, the disclosure contained in this prospectus assumes that: (i) the transactions referred to under the heading "Privatization" have been completed, and (ii) the Over-Allotment Option has not been exercised.

Certain capitalized terms and phrases used in this prospectus are defined in the "Glossary" beginning on page 118.

Any statements in this prospectus made by or on behalf of management are made in such persons' capacities as officers of the Company and not in their personal capacities.

Unless otherwise indicated, the number of Class A Shares outstanding immediately after the Closing will be ● Class A Shares. The Company has no convertible securities or options outstanding. See "Description of Securities" and "Consolidated Capitalization".

Prospective purchasers should rely only on the information contained in this prospectus. We have not, the Selling Shareholder has not, and the Underwriters have not, authorized any other person to provide prospective purchasers with additional or different information. If anyone provides prospective purchasers with additional or different or inconsistent information, including information or statements in media articles about the Company, prospective purchasers should not rely on it. The Company is not, the Selling Shareholder is not, and the Underwriters are not, making an offer to sell or seeking offers to buy Class A Shares in any jurisdiction where the offer or sale is not permitted. Prospective purchasers should assume that the information appearing in this prospectus is accurate only as at its date, regardless of its time of delivery or of any sale of Class A Shares. The Company's business, financial conditions, results of operations and prospects may have changed since that date.

PRESENTATION OF FINANCIAL INFORMATION AND OTHER INFORMATION

The Company presents its financial statements in Canadian dollars. In this prospectus, all references to "$" or "dollars" are to Canadian dollars and amounts are stated in Canadian dollars unless otherwise indicated.

This prospectus contains financial statements for the financial years ending December 31, 2012, December 31, 2011 and December 31, 2010, prepared in accordance with International Financial Reporting Standards ("IFRS") and unaudited condensed financial statements for the three month periods ending March 31, 2013 and March 31, 2012, prepared in accordance with International Accounting Standard ("IAS") 34, Interim Financial Reporting, using accounting policies that are consistent with IFRS.

FORWARD-LOOKING STATEMENTS

Certain statements in this prospectus about our current and future plans, expectations and intentions, results, levels of activity, performance, goals or achievements or any other future events or developments constitute forward-looking statements. The words "may", "will", "would", "should", "could", "expects", "plans", "intends", "trends", "indications", "anticipates", "believes", "estimates", "predicts", "projects", "targets", "strive", "strategy", "continue", "likely" or "potential" or the negative or other variations of these words or other comparable words or phrases are intended to identify forward-looking statements. By their nature, these statements involve a variety of assumptions, known and unknown risks and uncertainties and other factors, which may cause actual results, levels of activity and achievements to differ materially from those expressed or implied by such statements.

Discussions containing forward-looking statements may be found, among other places, under "Industry Overview", "The Saskatchewan Economy", "Business of the Company", "Risk Factors" and "Management's Discussion and Analysis of Financial Conditions and Results of Operations". Forward-looking statements, including, without limitation, management's expectations, intentions and beliefs concerning the registry services and information products industry and, in particular, the land, personal property and corporate registry sectors thereof, its competitive landscape, the general economy and the real estate market, statements regarding the future financial position or results of ISC, business strategy, proposed acquisitions, growth opportunities, capital and operating budgets, access to financing on satisfactory terms, including completion of the New Credit

Facilities, potential litigation, projected costs and plans and objectives of or involving ISC, are based on estimates and assumptions made by us in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we believe are appropriate and reasonable in the circumstances, but there can be no assurance that such estimates and assumptions will prove to be correct. Certain assumptions made in preparing forward-looking statements and management's expectations include that the Saskatchewan economy and consumer confidence will remain stable in the near term and that unemployment and inflation will remain relatively low. Management has also assumed that interest rates will remain stable in the near term and that conditions within the real estate market will remain consistent with the current climate. Certain assumptions made in respect of claim liabilities, income taxes, our ability to attract and retain skilled staff; employee future benefits, goodwill and intangibles are also material factors in preparing forward-looking statements and management's expectations.

Many factors could cause our actual results, levels of activity, performance or achievements or future events or developments to differ materially from those expressed or implied by the forward-looking statements, including, without limitation, the following factors, which are discussed in greater detail under the "Risk Factors" section of this prospectus:

- the termination of exclusive service arrangements or the expiry of exclusive terms, such as those contained in the Master Service Agreement dated May 30, 2013 between the Company, the Company's wholly owned subsidiary, ISC Saskatchewan Inc. ("ISC Sask"), and the Province of Saskatchewan (the "Master Service Agreement"). See "Agreements with the Province of Saskatchewan";
- potential disagreements with the Province of Saskatchewan;
- ISC's limited ability to set fees;
- legislative changes that impact our business;
- the Saskatchewan and Canadian economies, including conditions within the real estate market, inflation, interest rate levels, unemployment levels and consumer confidence;
- the level of search and registration activity, principally as they relate to the land titles, personal property and corporate registries in the Province of Saskatchewan;
- reliance on key personnel;
- our ability to execute our growth strategy;
- any compromise to the integrity or security of our information assets;
- our reliance on information technology systems or a material disruption in our computer systems;
- the failure to refinance our short term debt on acceptable terms or at all;
- our reliance on third party service providers or other contractors under key contractual arrangements;
- restrictive covenants in our proposed New Credit Facilities (as defined below);
- ISC will face competition for its service offerings (other than its exclusive service offerings to the Province);
- our insurance may not provide adequate coverage;
- litigation and tax matters;
- our liability to the Province under the Master Service Agreement is unlimited, except in certain specified circumstances;
- any adverse changes in labour relations;
- any failure to protect ISC's intellectual property rights;
- our obligation to the Province to use commercially reasonable efforts to obtain certain consents to the sublicense of customized registry software;

- potential for class actions lawsuits by surveyors located in Saskatchewan;
- the Province's rights under the Debenture (as defined below);
- the Province's rights to appoint an administrator over our subsidiary;
- the Province's rights to temporarily suspend services;
- the expiry of licenses to use registry data upon termination or expiry of the term of the Master Service Agreement;
- absence of operating history as a public entity;
- the lack of a prior public market for our securities;
- the potential for a volatile market price for our Class A Shares;
- our ability to pay dividends which is dependent on our ability to generate sufficient income and cash flow;
- the Ownership Restrictions (as defined below) under the ISC Act (as defined below) and director appointment right of the Province under the ISC Act may limit demand for the Class A Shares;
- the Selling Shareholder will hold a material percentage of the Class A Shares following the Closing of the Offering which may have an impact on the trading price of the Class A Shares; and
- the Selling Shareholder may sell its Class A Shares at any time in the future (after the 180 day holding period) and such timing will be beyond our control and may affect the trading price of the Class A Shares.

These factors should be considered carefully.

We caution that the foregoing listings of important assumptions and factors are not exhaustive. Other events or circumstances could cause actual results to differ materially from those estimated or projected and expressed in, or implied by, these forward-looking statements. The purpose of the forward-looking statements is to provide the reader with a description of management's expectations regarding the Company's financial performance and may not be appropriate for other purposes; readers should not place undue reliance on forward-looking statements made herein. Furthermore, unless otherwise stated, the forward-looking statements contained in this prospectus are made as of the date of this prospectus, and we have no intention and undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. The forward-looking statements contained in this prospectus are expressly qualified by this cautionary statement.

NON-IFRS MEASURES

This prospectus makes reference to certain non-IFRS measures. These measures are not recognized measures under IFRS, do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement those IFRS measures by providing further understanding of the Company's results of operations from management's perspective. Accordingly, they should not be considered in isolation nor as a substitute for analysis of our financial information reported under IFRS. We use non-IFRS measures including EBITDA (as defined below), Adjusted EBITDA (as defined below), EBITDA Margin (as defined below) and Adjusted EBITDA Margin (as defined below) to provide investors with supplemental measures of our operating performance and thus highlight trends in our core business that may not otherwise be apparent when relying solely on IFRS financial measures. We also believe that securities analysts, investors and other interested parties frequently use non-IFRS measures in the evaluation of issuers. Our management also uses non-IFRS measures in order to facilitate operating performance comparisons from period to period, prepare annual operating budgets and assess our ability to meet our future capital expenditure and working capital requirements. See "Management's Discussion and Analysis of Financial Condition and Results of Operations."

"EBITDA" is defined as earnings before interest, tax, depreciation and amortization. "Adjusted EBITDA" is defined as EBITDA before fees related to the Offering and including costs associated with being a public company, costs associated with administering the Master Service Agreement and normalization adjustments relating to the transfer of the Province's Vital Statistics Registry (the "Vital Statistics Registry"), the Saskatchewan system for registering births, deaths, stillbirths, marriages and changes of name, to a Government of Saskatchewan ("Government") entity, eHealth Saskatchewan ("eHealth"). It is an alternative to net income and income from operations to measure business performance and cash flow generation because it removes cash flow fluctuations caused by the above adjustments. "EBITDA Margin" is calculated as EBITDA as a percentage of overall revenues. "Adjusted EBITDA Margin" is calculated as Adjusted EBITDA as a percentage of overall revenues.

MARKET AND INDUSTRY DATA

Certain of the information contained in this prospectus regarding the registry services and information products industry, is based upon management's knowledge of that industry and market and its estimates and assumptions relating to that industry and market are based on that knowledge. Management's knowledge of that industry and market has been developed through its experience and lengthy participation in the registry services and information products industry, and in particular the land, personal property and corporate registry sectors thereof. Management believes that its knowledge of the industry and market is accurate and that its estimates and assumptions are reasonable. However, certain of the information contained herein relating to the registry services and information products industry and the land, personal property and corporate sectors thereof cannot be independently verified.

Certain of the industry and market data contained in this prospectus are based on industry publications, market research, government sources and other publicly available information including from Accenture LLP, BC Public Service, Canada Mortgage and Housing Corporation ("CMHC"), The Conference Board of Canada, Gartner, Inc., Government of Saskatchewan, International Data Corporation, PricewaterhouseCoopers LLP ("PwC") and Statistics Canada. While management believes this information to be reliable, such information has not been independently verified.

TRADEMARKS, TRADENAMES AND SERVICE MARKS

The Company has filed trademark applications for ISC, Information Services Corporation and ISC (logo) in Canada. All such ISC trademarks and trademark rights will be owned by the Company on completion of the transactions described under "Privatization", and are protected under applicable intellectual property laws. Our trademarks and tradenames referred to in this prospectus appear without a trademark symbol, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights to these trademarks and tradenames. See "Business of the Company — Intellectual Property". All other trademarks used in this prospectus are the property of their respective owners.

PROSPECTUS SUMMARY

The following is a summary of the business of the Company and principal features of the Offering and should be read together with the more detailed information and financial data and statements contained elsewhere in this prospectus. Certain capitalized terms used but not defined in this summary are defined in the Glossary which begins on page 118 of this prospectus.

INDUSTRY OVERVIEW

Government Information Services in Canada

Governments play an integral role in the collection, maintenance and provision of authenticated and verifiable information relating to Canadian individuals and businesses including property and land ownership, resource claims, incorporation and registration of businesses, personal property registrations, vehicle registrations, birth and death records and other economic and social information.

Information is often maintained in the form of a registry, which is a unique list or set of files and associated information in paper or electronic format (or a combination of both), which may be openly available or searchable by the public. Information services registries are typically used to register changes of ownership interests in land, liens against personal property and business registrations. These types of registries facilitate economic growth, provide security of title to owners and decrease the frequency of ownership disputes. Examples of registries include:

- *Land Title Registries:* Land title registries exist to protect property rights and to facilitate transactions in land. Land registration systems issue titles to land and register transactions affecting titles, including changes of ownership and registration of interests against land. The registry provides people with the ability to search for ownership and interest information in relation to identifiable parcels of land.
- *Land Survey Systems:* Land survey and land title registries together form the foundation for property rights systems in Canada. Land title registry systems are concerned with connecting land parcels, claims to the land parcels and owners of those rights. Land survey systems model the boundaries of the parcels, which are physically marked by survey monuments.
- *Personal Property Registries:* A personal property registry is a notice filing system which registers encumbrances on specific personal property. Personal property is defined as all moveable property apart from land, buildings and fixtures, such as vehicles, recreational vehicles, household and personal items and industrial or farming equipment. Similar to land registries, personal property registries enable lenders or other parties to search for and record interests or liens in personal property. The public's interaction with personal property registries usually occurs when purchasing used personal property, such as a car or a boat.
- *Corporate Registries:* A corporate registry records the incorporation of business entities and non-profit organizations as well as the registration of co-operatives and other types of entities. Corporate registries track registered businesses and assist them in maintaining compliance with applicable corporate laws. All corporations in Canada with an "active" legal status must file an annual return with each relevant province or the Federal Government that details the names of its directors and officers. The maintenance of a registry allows governments to track the various structures of active businesses for purposes of federal taxation, and ensures that the names are not duplicated or confused for other names and trademarks.

Industry Trends

- *Consumers and Businesses are Increasingly Demanding a High Level of Customer Service and Convenience from Government Services.* Consumers and businesses are increasingly demanding convenient, easy-to-access services from their governments and are benchmarking the quality of government service against private sector providers such as banks and retailers who are proficient in offering an integrated, intuitive and well-crafted user experience.

- *Both Governments and Private Sector Organizations are Seeking to Outsource Business Processes and Services*. As governments struggle to provide more extensive and comprehensive services to citizens and businesses on limited budgets, private parties have been contracted to deliver public services. Private sector organizations are also increasingly outsourcing non-core services with over 90% of Fortune 500 companies outsourcing one or more major business processes.
- *Consumers and Businesses are Focused on the Reliability and Security of Personal Information*. As governments seek to integrate services and share information across ministries and departments, concerns around the privacy of information increase. In this environment, third party service providers that can provide authenticated and secure data are best-positioned to succeed.

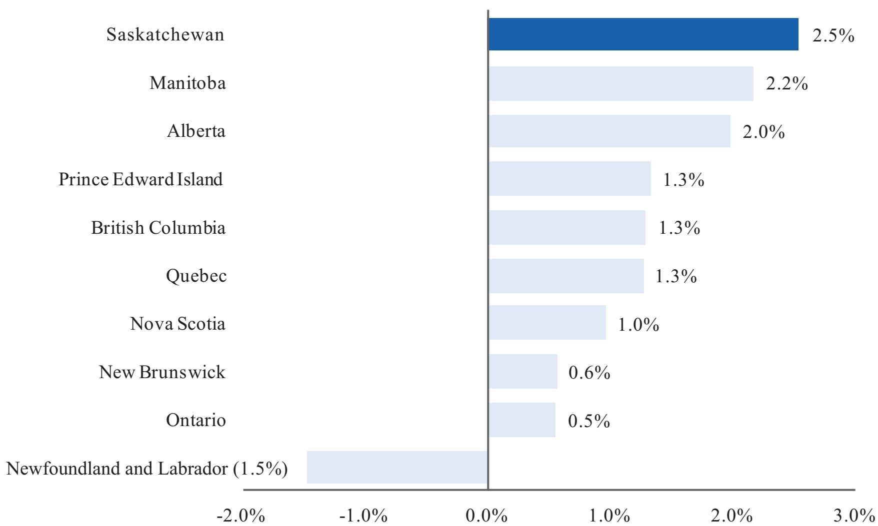
See “Industry Overview”, “Risk Factors” and “Forward-Looking Statements”.

THE SASKATCHEWAN ECONOMY

Economic Activity

In the five year period from 2007 to 2012, Saskatchewan’s economy grew at a compound annual growth rate (“CAGR”) of 2.5%, exceeding the growth of any other province in Canada. In 2012, Saskatchewan ranked first in Canada in terms of growth in the number of housing starts, investment in new housing construction and investment in non-residential building construction. The Province ranked second in terms of growth in the number of new vehicles sold, value of international goods exported and the value of building permits.

Real GDP by Province
5-Year Compound Annual Growth Rate (2007 – 2012)



Source: Statistics Canada

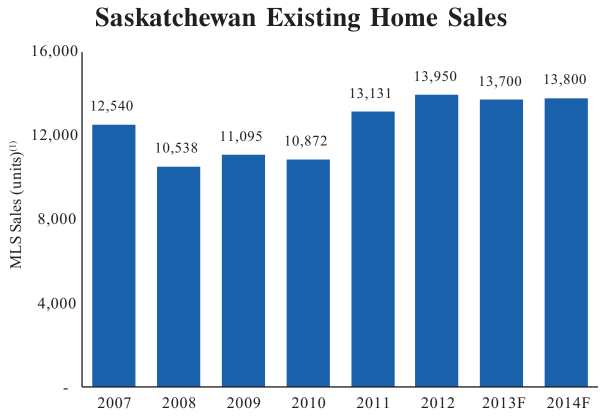
Note:

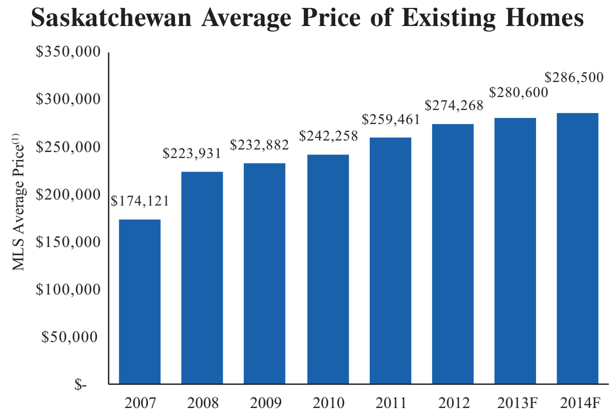
(1) 2012 figures reflect preliminary estimates released by Statistics Canada on April 26, 2013.

According to Statistics Canada, private investment has grown at a 5-year CAGR of 12.3% in Saskatchewan, and together with population and employment growth, is expected to continue to generate a high rate of growth in the Saskatchewan economy in 2013, as compared to the growth in other Canadian provinces. The Province forecasts GDP growth of 2.6% in 2013 exceeding the estimated overall Canadian GDP growth in 2013 of 1.7%.

Real Estate Market Activity

Saskatchewan has experienced an increase in both the volume of real estate transactions and the value of properties. According to CMHC, existing home sales grew by 6.2% to 13,950 units in 2012. In addition, the prices of existing homes have demonstrated consistent increases with the average price rising 5.7% in 2012 to $274,268, in contrast to declining resale prices in Canada as a whole. CMHC expects strong demand in the Province to continue to support increasing average home prices and relatively stable existing home sales.





Source: Canada Mortgage and Housing Corporation

Note:

(1) MLS refers to Multiple Listing Service, which is an aggregation of private databases of homes for sale and is used as a marketing system by Canada's real estate boards.

See "The Saskatchewan Economy", "Risk Factors" and "Forward-Looking Statements".

BUSINESS OF THE COMPANY

We provide registry and information services to the Province of Saskatchewan and are the exclusive provider of the Land Titles Registry (“Land Registry”), Land Surveys Directory (“Land Survey”), Personal Property Registry (“PPR”) and Corporate Registry (“Corporate Registry”) in the Province (collectively, the “Registries”). We provide an essential service to our customers who are individuals and businesses within the Province by supporting economic activity through real property, personal property and corporate registrations. In addition, we are responsible for the technology and activities related to the development, management and distribution of geographic information, which is a fundamental part of land rights administration.

We are distinguished from typical registry software providers by our unique expertise in the end-to-end management and administration of registries. By managing the entire information management and service delivery process, we are capable of providing a “one-stop shop” for governments or private-sector organizations allowing them to fully outsource these functions to us. We manage and administer four integrated end-to-end registries as well as complementary information services. Our suite of products and services is summarized in the table below:

End-to-End Registry Services	Complementary Information Services and Solutions
• Land Titles • Land Survey • Personal Property • Corporate	• Additional registry services • Information services portals • Customized services

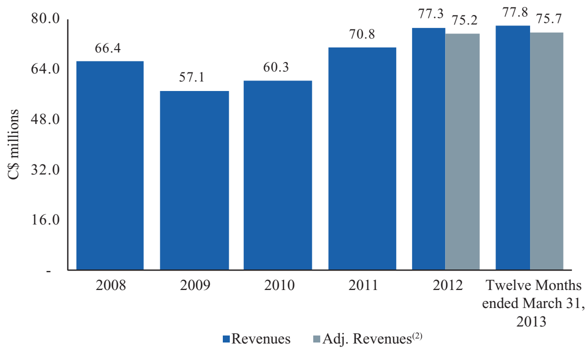
The end users of our products and services include individuals and businesses such as real estate agents, home builders and municipalities, governments, financial institutions, insurance companies, car and equipment dealers, land developers, and resource, utility and pipeline businesses as well as established intermediary customers such as legal, survey and engineering firms.

We generate revenues primarily by earning fees from our end-user customers for registry searches, land, property or corporate registrations and maintenance transactions. The nature of each of these types of services is summarized in the table below:

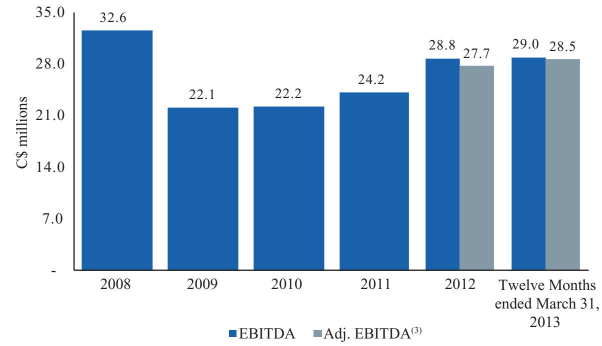
Types of Registry Transactions	Description	Revenue Type
Searches	• Online and staff assisted services that provide access to current and historical information for each registry • Registry searches provide customers with cost-effective self-serve access to information • Information is accessible online or may be requested in person at an ISC customer services centre	• Flat fees for standard searches
Registrations	• Online services that facilitate the submission and registration of interests in land or property, or registrations related to corporations • Customers typically submit registration requests electronically and registrations are completed through both automated and/or manual processes	• Revenues for the Land Registry are earned through value-based and flat fees for registration • Other registry transactions are flat fees
Maintenance and Ancillary Services	• Customized services related to resolving errors and maintaining the accuracy of registry information, resolving issues related to land title, certifying mineral titles and/or creating land parcel pictures	• Flat or negotiated fees for customized services

We are a dynamic corporation with a highly engaged customer-driven culture. We continuously seek opportunities to drive efficiencies and process improvements within our business to help us better serve our customers. As the tables below illustrate, since 2009, we have grown our revenues and EBITDA by a CAGR of 10.6% and 9.2% respectively.

Revenues for Years ended December 31 and Twelve Months ended March 31, 2013(1)(2)



EBITDA for Years ended December 31 and Twelve Months ended March 31, 2013(1)(3)



Notes:

(1) Reductions in revenues and EBITDA in 2009 reflect a return to more typical Land Registry transaction volumes (as compared to prior years, including 2008, which represented unprecedented transaction volumes at that time), coupled with a reduction in fees charged by the Land Registry for certain transactions.

(2) Revenues for fiscal year ended December 31, 2012 and twelve months ended March 31, 2013 have been adjusted to exclude the results of the Vital Statistics Registry.

(3) EBITDA for fiscal year ended December 31, 2012 and twelve months ended March 31, 2013 have been adjusted to exclude one-time costs related to the Offering and the results of the Vital Statistics Registry.

ISC is built on a strong foundation of developing and managing accurate and secure government registries and has significant experience integrating and transforming government information into solutions for the people and businesses of Saskatchewan. This foundation has provided us with many years of solid financial growth, strong customer satisfaction and high employee engagement. We intend to build upon our foundation in registry services and information management to provide additional related information services and solutions for new and existing customers in Saskatchewan as well as outside of the Province.

Competitive Strengths

We believe that the following competitive strengths position us well to succeed and grow in the future:

Long-Term Exclusive Provider of Registry and Related Information Services to the Province of Saskatchewan

- ISC is the exclusive provider of Land Registry, Land Survey, PPR and Corporate Registry systems in the Province of Saskatchewan.
- Under the terms of the Master Service Agreement with the Province, we have an exclusive right to manage and operate the Registries on behalf of the Province until 2033.
- As a result of our exclusive right to use and distribute the data available through the existing registry systems, we are able to provide data through various channels to many end-users and provide additional services in the future.
- Our agreement with the Province creates a significant barrier to entry in our market.

Unique Expertise in Providing End-to-End Registry Services

- By managing the entire set of registry information management and service delivery processes, we are capable of providing a "one-stop shop" for governments or private-sector organizations allowing them to fully outsource these processes to us.
- We have accumulated deep knowledge and expertise in facilitating real property, personal property and corporate transactions and our end users rely on us to deliver quick and efficient processing of these transactions while avoiding unnecessary costs or errors.
- By providing end-to-end service capabilities, we are able to achieve a critical objective of governments and businesses who seek to deliver high quality services to their customers at a lower cost. We have also established efficient infrastructure such as highly trained customer service personnel, key information systems and established processes that we believe can be leveraged to support additional registry and information services.

Extensive Experience and Relationships with Governments

- We have developed and maintain strong working relationships with the Province and its ministries in connection with the development, provision and commercialization of various registry and related information services.
- We understand the demands and service standards sought by governments, as well as the decision making processes implemented by governments in connection with critical information services and the management of personal and business information.
- We have demonstrated the strength of our partnership with the Province by expanding the nature and scope of our exclusive service offerings to the Province, including the addition of the Vital Statistics Registry in 2008, the Corporate Registry in 2010 and the Business Portal (as defined below) in 2011.

Strong Cash Flow Generation

- Our EBITDA, together with our moderate levels of capital expenditures and low levels of indebtedness, has allowed us to generate strong cash flow for investment in new products and services, growth initiatives and dividends to the Selling Shareholder. We currently expect to continue generating predictable and stable cash available for distribution due to the non-discretionary nature of our core registry services. We intend to use a portion of our internally generated cash flow to meet our anticipated dividend payments, as well as to fund capital expenditures and other cash requirements.
- Since 2008, we have made regular quarterly dividend payments to the Selling Shareholder, which were established at 90% of the Company's annual net income. In 2012, 2011 and 2010, our declared dividend to the Selling Shareholder amounted to $19.1, $15.5 and $14.0 million, respectively.

Experienced and Committed Team with a Track Record of Performance and Excellence in Customer Service

- ISC has an experienced and committed management team with a proven track record of successfully acquiring, integrating and modernizing registries and related information services to serve individuals and businesses in the Province.
- Led by Jeff Stusek, our CEO, who has been with ISC for seven years, our senior management team has an average of twenty-five years of business experience across both government and private sector organizations in Canada.

Growth Strategy

Our vision is to be a full-service provider of registry and information services and solutions to governments and private sector organizations. We believe that we can continue to grow our revenues and profitability by executing the following strategies.

Grow our Services in Saskatchewan

We believe that opportunities exist within the Province to grow our revenues by providing additional services on behalf of the Government of Saskatchewan, municipal governments and private enterprises. While our initial focus within Saskatchewan will be on providing additional services on behalf of government, in the future, we believe that opportunities exist to support information services on behalf of private sector organizations. As we execute on our growth strategy, we will seek opportunities to augment our strengths and capabilities through the development of additional in-house capabilities, pursuit of strategic partnerships or complementary acquisitions.

- *Expand the Scope of Services with the Province:* We will seek opportunities to grow the nature and scope of services provided to the Province in areas where (a) the Government of Saskatchewan is providing a service to consumers and businesses with a commercial application, (b) ISC can deliver government service more efficiently and improve the level of customer service, and (c) ISC can demonstrate benefits to the Province that meet its criteria and vision for growth within the Province.

- *Provide Services to Municipal Governments:* Our experience with the Government of Saskatchewan and access to data in relation to land titles and abstracts is expected to assist us in supporting municipal governments in managing registries and information services such as zoning and permitting, municipal addresses, property tax assessments and other municipal services for a fee.

- *Provide Services to Private Enterprises:* Management believes that opportunities exist to support Saskatchewan oil & gas, mining, agricultural and other industries, including users of existing ISC services such as law firms to process and administer large-scale transactions and improve business processes. ISC has developed relationships with many private sector enterprises and service providers, who are existing users of our information services, including, a wide range of Saskatchewan's petroleum and natural gas companies through our Petroleum and Natural Gas Advisory Committee.

Increase Cost Efficiencies

ISC intends to pursue improvement initiatives that generate cost efficiencies, including by leveraging the scale of our platform to support additional services at lower incremental cost. ISC is committed to the implementation of continuous process and technological improvements to reduce costs. For example we implemented an online submission system for land registry transactions ("OLS"), which now represents approximately 70% of all land registration applications. Further, in 2011, we initiated the operations transformation project which focused on optimizing operational capacity to support existing products and services and positioned our operations to effectively and efficiently integrate growth opportunities such as the Corporate Registry. We expect to continue to seek and execute on cost efficient projects in the future.

Grow our Revenues in other Canadian Provinces, Territories and International Jurisdictions

Management believes that opportunities exist in other provinces and territories in Canada to leverage our expertise and our information services platform to grow our business. Our broad expertise with end-to-end service provision, including in particular non-land information services and our experience creating custom solutions for government will be relevant for other Canadian governments in selecting registry and information service providers.

ISC will also selectively seek opportunities to grow nationally and internationally, both by building a network of partners to assist with opportunity identification, selling, implementation and ongoing support and through potential strategic acquisitions of complementary businesses that can augment our existing skills and experience.

See "Business of the Company", "Agreements with the Province of Saskatchewan", "Risk Factors" and "Forward-Looking Statements".

THE OFFERING

Issuer:	Information Services Corporation.
Offering:	● Class A Shares. If the Over-Allotment Option is exercised in full, the Selling Shareholder will sell up to an additional ● Class A Shares. **The Class A Shares are not guaranteed in any manner by the Province of Saskatchewan.** See "Plan of Distribution".
Amount:	$ ● or $ ● if the Over-Allotment Option is exercised in full.
Offering Price:	$ ● per Class A Share.
Class A Shares Outstanding:	Immediately after the completion of the Offering, ● Class A Shares will be issued and outstanding on a non-diluted basis.
Use of Proceeds:	The Company will not receive any of the proceeds from the sale of Class A Shares in the Offering, including pursuant to the Over-Allotment Option, if exercised. The Selling Shareholder is expected to receive net proceeds of $ ● in connection with the Offering (and $ ● if the Over-Allotment Option is exercised in full), after payment of the Underwriters' Commission and expenses payable by the Selling Shareholder in connection with the Offering and Over-Allotment Option. All of the expenses of the Offering, which are estimated to be approximately $ ● , will be paid by the Selling Shareholder except for expenses incurred by the Company relating to roadshows and marketing activities and certain other fees and disbursements related to the Offering, which shall be paid by the Company and are estimated at approximately $2.3 million.
Over-Allotment Option:	The Selling Shareholder has granted the Underwriters an Over-Allotment Option to cover over-allotments, if any, and for market stabilization purposes. The Over-Allotment Option may be exercised by the Underwriters, in whole or in part, at their sole discretion, for a 30 day period following the Closing and entitles the Underwriters to purchase from the Selling Shareholder up to ● Class A Shares at the Offering Price (being approximately 15% of the number of Class A Shares offered hereunder). If the Over-Allotment Option is exercised in full, the total price to the public will be $ ● , the Underwriters' Commission will be $ ● and the net proceeds to the Selling Shareholder will be $ ● . The Company will not receive any proceeds from the exercise of the Over-Allotment Option. See "Plan of Distribution".
Description of Securities:	**The articles of the Company and *The Information Services Corporation Act* (Saskatchewan) (the "ISC Act") contain provisions granting the Province of Saskatchewan the right to appoint directors to the Board and imposing restrictions on ownership of the Company's securities.** In lieu of voting the voting securities of the Company (being Class A Shares) held by the Selling Shareholder on any resolution electing directors to the Board, the Province of Saskatchewan has the right to appoint that number of members to the Board equal to the Selling Shareholder's *pro rata* share of the issued and outstanding voting securities (rounded to the nearest whole number), but always subject to a minimum of two directors. Subject to limited exceptions, there is a restriction against any person or group of persons holding, beneficially owning or controlling, directly or indirectly, voting securities to

which are attached more than 15% of the votes attached to the issued and outstanding voting shares. In order to give effect to the Ownership Restriction, both the Company's articles and the ISC Act and the regulations thereunder contain provisions for enforcement, including provisions for suspension of voting rights, forfeiture of rights to dividends and recovery of dividends paid to shareholders holding more than 15% of the votes attached to the issued and outstanding voting shares. See "Description of the Securities".

Dividend Policy: Upon Closing of the Offering we will establish a policy of paying an annual dividend of $ ● per Class A Share to be payable on a quarterly basis. We anticipate that the first dividend payment after Closing of the Offering which will be a partial dividend for the period from the Closing date to September 30, 2013, will be declared on or about October ● , 2013.

The payment of dividends is not guaranteed, and the amount and timing of any dividends payable by the Company will be at the discretion of the Board and will be established on the basis of our cash available for distribution (as defined below), our financial requirements, the requirements of any future financings any restrictions imposed by our proposed New Credit Facilities and other factors existing at the time. See "Risk Factors" for items that may impact our payment of dividends. See "Dividend Record and Policy".

Principal Shareholders: Currently the Selling Shareholder owns 100% of the Company. Immediately after the completion of the Offering, the Selling Shareholder will own ● Class A Shares, representing ● % of the issued and outstanding shares assuming the Over-Allotment Option has not been exercised and ● Class A Shares, representing approximately ● % of the issued and outstanding shares if the Over-Allotment Option has been exercised in full (in each case on a non-diluted basis). **The Class A Shares are not guaranteed in any manner by the Province of Saskatchewan.** The Selling Shareholder will also own the sole Class B Golden Share (the "Golden Share") following the completion of the Offering. See "Description of Securities".

Risk Factors: An investment in the Class A Shares is speculative and involves a high degree of risk. Prospective purchasers should carefully consider the information set out under "Risk Factors" beginning on page 102 and the other information in this prospectus before purchasing Class A Shares.

Risks related to our business and the Offering include: the termination of exclusive service arrangements or the expiry of exclusive terms, such as those contained in the Master Service Agreement; potential disagreements with the Province of Saskatchewan; ISC's limited ability to set fees; legislative changes that impact our business; the Saskatchewan and Canadian economies, including conditions within the real estate market, inflation, interest rate levels, unemployment levels and consumer confidence; the level of search and registration activity, principally as they relate to the land titles, personal property and corporate registries in the Province of Saskatchewan; reliance on key personnel; our ability to execute our growth strategy; any compromise to the integrity or security of our information assets; our reliance on information technology systems or a material disruption in our computer systems; the failure to refinance our short term debt on acceptable terms or at all; our reliance on third party service providers or other contractors under key contractual arrangements; restrictive covenants in our proposed New Credit Facilities; ISC will face competition for its service offerings (other than its exclusive service offerings to the Province); our insurance may not provide adequate coverage; litigation and tax matters; our liability to the Province under the Master Service Agreement is unlimited, except in certain specified circumstances; any adverse changes in labour relations; any failure to protect ISC's intellectual property rights; our obligation to the Province to use commercially reasonable efforts to obtain certain consents to the sublicense of customized registry software; potential for class actions lawsuits by surveyors located in Saskatchewan; the Province's rights under the Debenture; the Province's rights to appoint an administrator over our subsidiary; the Province's rights to temporarily suspend services; the expiry of licenses to use registry data upon termination or expiry of the term of the Master Service Agreement; absence of operating history as a public entity; the lack of a prior public market for our securities; the potential for a volatile market price for our Class A Shares; our ability to pay dividends which is dependent on our ability to generate sufficient income and cash flow; the Ownership Restrictions under the ISC Act and director appointment right of the Province under the ISC Act may limit demand for the Class A Shares; the Selling Shareholder will hold a material percentage of the Class A Shares following the Closing of the Offering which may have an impact on the trading price of the Class A Shares; and the Selling Shareholder may sell its Class A Shares at any time in the future (after the 180 day holding period) and such timing will be beyond our control and may affect the trading price of the Class A Shares.

Unless otherwise indicated, the number of Class A Shares outstanding immediately after the Closing will be ● Class A Shares. The Company has no convertible securities or options outstanding. See "Description of Securities" and "Consolidated Capitalization".

SUMMARY OF CASH AVAILABLE FOR PAYMENT OF DIVIDENDS

The following summary has been prepared by management on the basis of the information contained in the prospectus, the unaudited condensed financial statements for the twelve months ended March 31, 2013 and the audited financial statements for the twelve months ended December 31, 2012. The information should be read together with the financial statements of the Company and the related notes, "Selected Financial Information of the Company" and the discussion under "Management's Discussion and Analysis of Financial Condition and Results of Operations" included elsewhere in this prospectus. **This analysis is not a forecast or a projection of future results.**

As the Company intends to distribute a significant amount of its Cash Available for the Payment of Dividends on an ongoing basis, and since Adjusted EBITDA is a metric used as an alternative to net income and income from operations to measure business performance and cash flow generation because it removes cash flow fluctuations caused by certain adjustments, it is a useful non-IFRS supplemental measure from which to make adjustments to determine Cash Available for the Payment of Dividends. Adjusted EBITDA is adjusted for fees related to the Offering and including costs associated with being a public company, costs associated with administering the Master Service Agreement and adjustments relating to the transfer of the Province's Vital Statistics Registry. However, there are no standard definitions of Adjusted EBITDA or Cash Available for the Payment of Dividends prescribed by IFRS and other issuers may calculate similarly described measures differently. See "Non-IFRS Measures".

Management's assumptions in preparing this summary are set out in the notes below. Although management does not have firm commitments for all of the adjustments including the adjustments for the estimated Offering expenses and estimated costs related to being a reporting issuer and ongoing costs associated with the Master Service Agreement and the complete financial effects of all these adjustments are not objectively determinable, management believes that the following represents a reasonable estimate of the Cash Available for the Payment of Dividends for the twelve months ended March 31, 2013 and December 31, 2012 on a pro-forma basis, assuming the Offering had been completed at the beginning of the period.

(thousands of CAD dollars, except for per share data)	Twelve Months ended March 31, 2013	Year ended December 31, 2012
EBITDA(1)	$28,963	$28,794
Public company and related costs(2)	(2,448)	(2,448)
Costs to transfer Vital Statistics Registry to eHealth(3)	142	—
Removal of Vital Statistics Registry(4)	1,391	1,312
One-time IPO expenses(5)	469	—
Adjusted EBITDA(1)	28,517	27,658
Management estimates that the following pro-forma amounts would reduce or increase the amount of Cash Available for Payment of Dividends		
Net Interest Expense from New Credit Facility(6)	(79)	(86)
Income Tax(7)	(809)	(760)
Change in Working Capital(8)	403	474
Maintenance Capital Expenditures(9)	(4,741)	(5,027)
Cash Available for Payment of Dividends(1)	$23,291	$22,259
Cash Available for Payment of Dividends for the Shareholders of the Company per Class A Share(10)	•	•

Notes:

(1) EBITDA, Adjusted EBITDA and Cash Available for Payment of Dividends are not recognized as measures under IFRS and do not have a standardized meaning prescribed by IFRS. See "Non-IFRS Measures".

(2) Represents estimated additional general and administrative expenses that the Company will incur on a continuing basis related to requirements of the Company becoming a reporting issuer post-Offering and for ongoing costs associated with the Master Service Agreement. The amount excludes any one-time costs associated with the Offering.

(3) The costs incurred to transfer the Vital Statistics Registry include our portion of the project management, staff and technology services costs.

(4) Represents the net effect of revenues less directly attributable expenses to the operation of the Vital Statistics Registry, which will not be operated post-Offering.

(5) One-time costs associated with the Offering were incurred beginning in 2013.

(6) Interest paid, net of interest received for the twelve months ended March 31, 2013 and December 31, 2012 is derived from the interest paid of $0.1 million and $0.1 million respectively, and net of interest received of $0.2 million and $0.2 million respectively as reported in the Statement of Comprehensive Income for the twelve months ended March 31, 2013 and December 31, 2012 and normalized for $0.3 million and $0.3 million respectively of interest expense expected from the New Credit Facilities (as defined below) with $9,935 million of debt.

(7) Represents estimated income taxes paid on the Net Income before taxes at the current prevailing legislated tax rates and taking into account all available deductions and tax credits, including application of capital cost allowance for intangibles and the Master Service Agreement.

(8) The net change in working capital for the twelve months ended March 31, 2013 and December 31, 2012 is derived from the non-cash working capital adjustments reported in the Statement of Cash Flows for the twelve month period ended March 31, 2013 and December 31, 2012.

(9) Capital expenditure is derived from maintenance additions to property, plant and equipment and additions to intangible assets reported in the Statement of Cash Flows for the twelve months ended March 31, 2013 and December 31, 2012.

(10) Based on the number of Class A Limited Voting Shares issued pursuant to the Offering.

See "Dividend Record and Policy" and "Risk Factors — Risk Related to Our Business and Industry".

SUMMARY FINANCIAL INFORMATION

The following tables set out summary financial information for the periods indicated. The summary financial information set out below as of December 31, 2012, December 31, 2011 and December 31, 2010, and for each of the three fiscal years then ended, has been derived from our audited financial statements and related notes appearing elsewhere in this prospectus. Our audited financial statements appearing elsewhere in this prospectus have been audited by MNP LLP. MNP LLP's report on these financial statements is included elsewhere in this prospectus.

The summary financial information set out below as of March 31, 2013 and for the three months ended March 31, 2013 and March 31, 2012 has been derived from our unaudited condensed financial statements included elsewhere in this prospectus. The unaudited financial information presented has been prepared on a basis consistent with our audited financial statements. In the opinion of management, such unaudited financial data reflects all adjustments necessary for a fair presentation of the results for those periods. The results of operations for the interim periods are not necessarily indicative of the results to be expected for the full year or any future period.

The summary unaudited historical information for the twelve-month period ended March 31, 2013 has been derived by taking the historical audited statement of earnings for the fiscal year ended December 31, 2012, plus the historical unaudited statement of earnings for the three-month period ended March 31, 2013, less the historical unaudited statement of earnings for the three-month period ended March 31, 2012. The summary unaudited historical information for the twelve-month period ended March 31, 2012 has been derived by taking the historical audited statement of earnings for the fiscal year ended December 31, 2011, plus the historical unaudited statement of earnings for the three-month period ended March 31, 2012, less the historical unaudited statement of earnings for the three-month period ended March 31, 2011.

Please read the following information in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations", "Consolidated Capitalization" and our financial statements and the accompanying notes included elsewhere in this prospectus.

	Twelve Months Ended March 31,		Years Ended December 31,			Three Months Ended March 31,	
(thousands of CAD dollars)	**2013**	**2012**	**2012**	**2011**	**2010**	**2013**	**2012**
Earnings Data							
Revenues	$ 77,794	$ 72,638	$ 77,320	$ 70,816	$ 60,323	$17,606	$17,132
Operating, general & administrative expenses	56,248	56,022	56,165	53,319	44,266	14,604	14,520
Operating income	21,546	16,616	21,155	17,497	16,057	3,002	2,612
Net interest expense (income)	(99)	166	(85)	279	458	(30)	(16)
Net income	$ 21,645	$ 16,450	$ 21,240	$ 17,218	$ 15,599	$ 3,032	$ 2,628
Other Financial Data							
EBITDA(1)	$ 28,963	$ 23,473	$ 28,794	$ 24,172	$ 22,227	$ 4,600	$ 4,432
EBITDA margin (EBITDA % of Revenues)	37.2%	32.3%	37.2%	34.1%	36.8%	26.1%	25.9%
Adjusted EBITDA(1)	$ 28,517	$ 22,059	$ 27,658	—	—	$ 4,930	$ 4,094
Adjusted EBITDA margin	36.7%	30.4%	35.8%	—	—	28.0%	23.9%
Capital expenditures	$ 7,253	$ 5,817	$ 7,691	$ 6,875	$ 3,317	$ 992	$ 1,430
Balance Sheet Data							
Cash	$ 17,914	$ 14,309	$ 21,138	$ 18,957	$ 15,120	$17,914	$14,309
Net working capital(2)	(7,687)	(7,284)	(8,591)	(8,117)	(7,116)	(7,687)	(7,284)
Intangible assets	17,614	18,662	18,309	19,121	19,549	17,614	18,662
Total assets	44,509	41,643	48,638	47,435	43,932	44,509	41,643
Total debt	9,935	9,935	9,935	11,081	13,547	9,935	9,935
Total shareholder equity	20,404	18,399	21,941	19,817	18,095	20,404	18,399
Cash flow data							
Net cash provided by (used in):							
Operating activities	$ 29,975	$ 21,006	$ 29,863	$ 24,895	$ 21,605	$ 3,726	$ 3,615
Investing activities	(7,253)	(5,817)	(7,691)	(6.875)	(3,317)	(992)	(1,430)
Financing activities	(19,116)	(16,642)	(19,991)	(14,183)	(17,535)	(5,958)	(6,833)

Notes:

(1) For a reconciliation of Net Income to EBITDA and Adjusted EBITDA, see the table below.

(2) Net working capital is defined as current assets (excluding cash) less current liabilities (excluding dividends payable and short-term debt).

In addition to our results reported in accordance with IFRS, we use certain non-IFRS financial measures as supplemental indicators of our operating performance and financial position and for internal planning purposes. We evaluate our performance on these metrics by comparing our actual results to management budgets, forecasts, and prior period results on a report and constant dollar basis. These non-IFRS financial measures include EBITDA, Adjusted EBITDA and Adjusted EBITDA Margin. As non-IFRS measures, EBITDA, Adjusted EBITDA and Adjusted EBITDA Margin do not have standardized meanings prescribed by IFRS and therefore may not be comparable to similar measures presented by other issuers. See "Non-IFRS Measures".

The following table shows the reconciliation of Net Income to EBITDA, as well as Adjusted EBITDA.

(thousands of CAD dollars)	Twelve Months Ended March 31, 2013	Twelve Months Ended March 31, 2012	Years Ended December 31, 2012	Years Ended December 31, 2011	Years Ended December 31, 2010	Three Months Ended March 31, 2013	Three Months Ended March 31, 2012
Net income	$21,645	$16,450	$21,240	$17,218	$15,599	$3,032	$2,628
Depreciation and amortization	7,417	6,857	7,639	6,675	6,170	1,598	1,820
Net interest expense (income)	(99)	166	(85)	279	458	(30)	(16)
EBITDA	28,963	23,473	28,794	24,172	22,227	4,600	4,432
Adjustments:							
One-time IPO expenses(2)	469	—	—	—	—	469	—
Public company and related costs(3)	(2,448)	(2,448)	(2,448)			(612)	(612)
Costs to transfer Vital Statistics to eHealth(4)	142	—	—	—	—	142	—
Removal of Vital Statistics Registry(5)	1,391	1,034	1,312	—	—	331	274
Adjusted EBITDA(1)	$28,517	$22,059	$27,658	—	—	$4,930	$4,094

Notes:

(1) EBITDA and Adjusted EBITDA are not recognized as measures under IFRS and do not have a standardized meaning prescribed by IFRS. See "Non-IFRS Measures".

(2) One-time costs associated with the Offering were incurred beginning in 2013.

(3) Represents estimated additional general and administrative expenses that we will incur on a continuing basis related to requirements of the Company becoming a reporting issuer post-Offering and for ongoing costs associated with the Master Service Agreement. The amount excludes any one-time costs associated with the Offering.

(4) The costs incurred to transfer the Vital Statistics Registry include our portion of the project management, staff and technology services costs.

(5) Represents the net effect of revenues less directly attributable expenses to the operation of the Vital Statistics Registry, which will not be operated post-Offering.

CORPORATE STRUCTURE

Creation, Continuance and Head Office

The Company was created by Order in Council as Saskatchewan Land Information Services Corporation, a Saskatchewan Provincial Crown Corporation on January 1, 2000, pursuant to *The Crown Corporations Act, 1993* (Saskatchewan). On November 1, 2000 the Company's name was changed by Order in Council to Information Services Corporation of Saskatchewan.

The proclamation of the ISC Act on May 30, 2013, resulted in *The Crown Corporations Act, 1993* (Saskatchewan) ceasing to apply to the Company. The Company was continued under *The Business Corporations Act* (Saskatchewan) on May 30, 2013, as Information Services Corporation, a corporation with share capital, in accordance with, and subject to the ISC Act. See "Privatization".

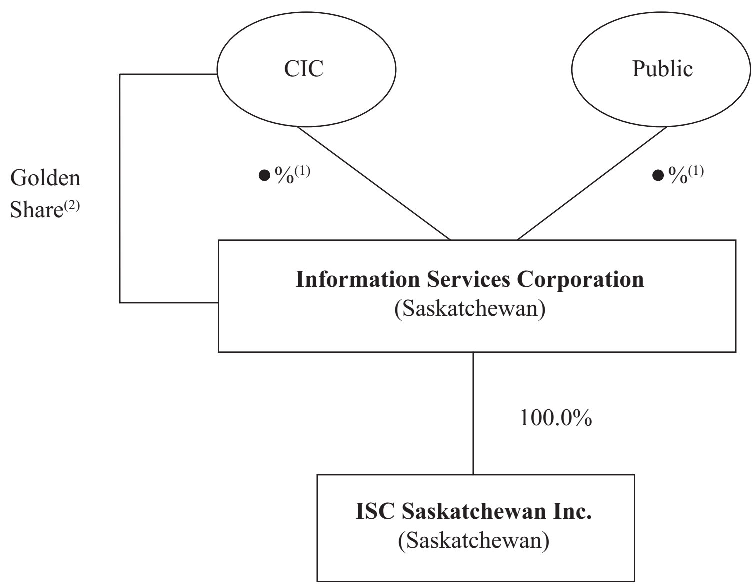
Our head and registered office is located at 300 - 10 Research Drive, Regina, Saskatchewan, S4S 7J7.

Intercorporate Relationships

The Selling Shareholder currently owns 100% of the Class A Shares of the Company and the sole Golden Share. Immediately after the completion of the Offering, the Selling Shareholder will retain the sole Golden Share and (i) ● % of the Class A Shares assuming no exercise of the Over-Allotment Option, or (ii) ● % of the Class A Shares if the Over-Allotment Option is exercised in full. See "Principal Shareholder and Selling Shareholder."

Our wholly-owned subsidiary, ISC Sask, was incorporated on May 30, 2013 under *The Business Corporations Act* (Saskatchewan) to hold certain Dedicated Assets (as defined below) which are dedicated to the operation of the Registries. See "Privatization" and "Agreements with the Province of Saskatchewan".

The organization chart below indicates the intercorporate relationships of ISC and ISC Sask, our wholly-owned operating subsidiary, after giving effect to the completion of the Offering, together with the jurisdiction of incorporation of such entity.



Notes:

(1) In the event that the Over-Allotment Option is exercised in full, the public shareholders (including the employees of ISC that participate in the Offering) and the Selling Shareholder will own ● % and ● %, respectively, of the Class A Shares.

(2) The Selling Shareholder will own the sole Golden Share following the completion of the Offering. See "Description of Securities".

PRIVATIZATION

In the autumn of 2012, the Province announced its intention to privatize Information Services Corporation of Saskatchewan and introduced the ISC Act into the Saskatchewan Legislature on November, 19, 2012. The ISC Act received Royal Assent on May 15, 2013, and was proclaimed on May 30, 2013.

Upon the proclamation of the ISC Act, Information Services Corporation of Saskatchewan was continued pursuant to *The Business Corporations Act* (Saskatchewan) as Information Services Corporation and became subject to that Act, resulting in *The Crown Corporations Act, 1993* (Saskatchewan) ceasing to apply to the Company.

On and after the continuance of ISC, pursuant to the provisions of the ISC Act:

- ISC is deemed to have always owned, to own and to continue to own all the property of Information Services Corporation of Saskatchewan before the continuance and not disposed of before the continuance and all of the property so owned is deemed to have always been the property of the Company in its own right and not as an agent of the Crown in Right of Saskatchewan;
- ISC is deemed for all purposes to have always been bound by and entitled to the benefits of all contracts entered into by it before the continuance and is, and continues to be, bound by and entitled to the benefits of those contracts;
- ISC is deemed for all purposes to have always incurred on its own behalf all obligations, expenditures, costs and liabilities of whatever nature incurred by it before the continuance, and is, and continues to be, responsible and liable for all those obligations, expenditures, costs and liabilities in its own right and not as an agent of the Crown in Right of Saskatchewan;
- any existing cause of action, claim or liability to prosecution with respect to Information Services Corporation of Saskatchewan is not affected by the continuance;
- any civil, criminal or administrative action or proceeding pending by or against Information Services Corporation of Saskatchewan may continue to be prosecuted by or against the Company;
- a conviction against, or ruling, order or judgment in favour of or against, Information Services Corporation of Saskatchewan may be enforced by or against the Company; and
- ISC shall not be an agent of the Crown in Right of Saskatchewan.

The ISC Act authorizes the Selling Shareholder to sell any of its securities of the Company (other than the Golden Share) pursuant to a prospectus offering or otherwise, and to complete any reorganization or other transaction necessary or incidental for the purposes of such sale.

Contemporaneously with the proclamation of the ISC Act, the Province of Saskatchewan proclaimed those sections of: (i) *The Operation of Public Registry Statutes Act* (Saskatchewan) (the "OPRSA") which permit the Province to contract various services for the management and operation of certain public registries on the Province's behalf, and (ii) *The Operation of Public Registry Statutes Consequential Amendments Act, 2013* (Saskatchewan) which makes certain consequential amendments to existing legislation necessary as a result of the proclamation of said sections of the OPRSA.

Pursuant to this legislation, on May 30, 2013, the Company and ISC Sask executed the Master Service Agreement and also entered into separate Registry Operating Agreements (the "Registry Operating Agreements") for each of the Registries with the Province of Saskatchewan and the Company transferred certain assets which are dedicated to the operation of the Registries, consisting primarily of our back-up site, certain microfiche equipment, certain large scale plotters and scanners and imaging equipment (collectively, the "Dedicated Assets") to ISC Sask in exchange for ISC Sask assuming certain of the Company's contractual obligations and issuing common shares of ISC Sask to the Company. Our wholly-owned subsidiary, ISC Sask, was incorporated on May 30, 2013 under *The Business Corporations Act* (Saskatchewan) for such purposes.

The Selling Shareholder currently owns 100% of the Class A Shares of the Company, as well as the Golden Share. Immediately following the Closing, the Selling Shareholder will own approximately ● % of the

Class A Shares of the Company (approximately ● %, assuming full exercise of the Underwriters' over-allotment option), as well as the Golden Share.

As part of the privatization, the Province intends to transfer the Vital Statistics Registry from ISC to a Government of Saskatchewan entity, eHealth. The transfer is to be effected pursuant to *The Vital Statistics Administration Transfer Act* (Saskatchewan), which is to be amended pursuant to certain sections of the OPRSA. The transfer to eHealth of: (i) all assets and liabilities of ISC respecting the operations of the Vital Statistics Registry, and (ii) all contracts and causes of action of ISC respecting the operations of the Vital Statistics Registry is expected to occur on or about June 16, 2013. It is anticipated that a transition agreement will be executed between eHealth and ISC effective on the transfer date to address details relating to the transition of the Vital Statistics Registry from ISC to eHealth. Amongst other things, the transition agreement is expected to require ISC to provide certain transition services to eHealth for a period not to exceed nine months on a cost reimbursement basis. The employees of Vital Statistics will transfer to eHealth pursuant to the terms of such transition agreement.

INDUSTRY OVERVIEW

Government Information Services in Canada

Governments play an integral role in the collection, maintenance and provision of authenticated and verifiable information relating to Canadian individuals and businesses including property and land ownership, resource claims, incorporation and registration of businesses, personal property registrations, vehicle registrations, birth and death records and other economic and social information.

Information is often maintained in the form of a registry, which is a unique list or set of files and associated information in paper or electronic format (or a combination of both), which may be openly available or searchable by the public. Information services registries are typically used to register changes of ownership interests in land, liens against personal property and business registrations. These types of registries facilitate economic growth, provide security of title to owners and decrease the frequency of ownership disputes. For example, with land registries, a reliable registry provides documentary evidence necessary to establish rights in land, allowing the holder to pledge his or her land as security for a loan. The submission and collection of information by governments has evolved from paper-based systems to more sophisticated databases that provide extensive capabilities for governments and organizations to electronically collect, organize and analyze data.

Land Title Registries

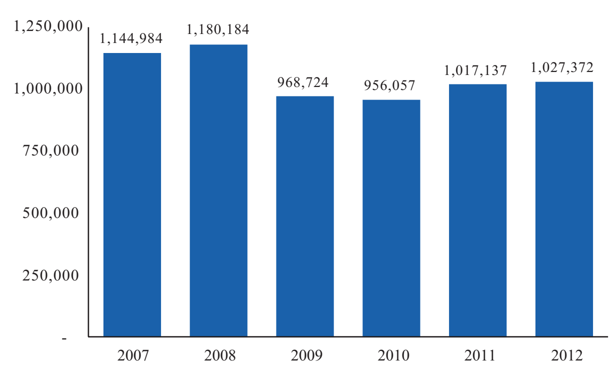
Land title registries exist to protect property rights and to facilitate transactions in land. Land registration systems issue titles to land and register transactions affecting titles, including changes of ownership and registration of interests against land. The registry provides people with the ability to search for ownership and interest information in relation to identifiable parcels of land.

In Canada, land title registration systems are administered by each province and territory. Two systems exist which govern land transactions: land title registration systems known as the Torrens system and document registration systems known as deeds-based systems. Under the Torrens system, a provincial government provides a guarantee and is liable for the validity of land title provided by its land registry. Under a document registration system, relevant land registrations are searchable by the public but no guarantees are made by provincial governments as to their validity. All provinces and territories, including Saskatchewan, have introduced Torrens systems, with the exception of Prince Edward Island, Newfoundland and Labrador and Quebec. The Provinces of Ontario, New Brunswick and Nova Scotia currently support and operate both Torrens and document registration systems.

Most Canadian provincial governments have substantially completed a conversion from paper-based to electronic land titles systems. The Yukon, Northwest Territories and Nunavut still have significant functionality that is reliant on paper-based record collection and management. A portion of Manitoba's systems are also still paper-based; however, the registry is in the process of being converted. Saskatchewan completed the conversion of its registry to an electronic system in 2003.

Saskatchewan, Alberta and the Northwest Territories charge fees on land title transactions based on a percentage of the property value for the title being transferred. In certain other provinces such as British Columbia, Manitoba and Ontario, a set fee is charged along with a land transfer tax levied on the purchase and sale of a property. Additional fees are also charged for search and registration activities.

Saskatchewan Land Registry Transactions



Source: ISC

Land Survey Systems

Together, a land survey and land title registry form the foundation for property rights systems in Canada. Land title registry systems are concerned with connecting land parcels, claims to the land parcels and owners of those rights. Land survey systems model the boundaries of the parcels, which are physically marked by survey monuments.

In British Columbia, Alberta, Saskatchewan, Quebec, New Brunswick, Nova Scotia and the Yukon, the government body responsible for the land title registry is also responsible for the maintenance of the provincial land survey system. In Saskatchewan, the land survey system is integrated with the land titles registry. Manitoba, Newfoundland and Labrador, Nunavut and the Northwest Territories have land survey systems that are managed independently of the land registry systems. Within Ontario, the Ministry of Natural Resources, the Municipal Property Assessment Corporation and Teranet Inc. ("Teranet") established the Ontario Parcel database in 2002. Parcel information related to ownership must be licensed by municipalities through Teranet.

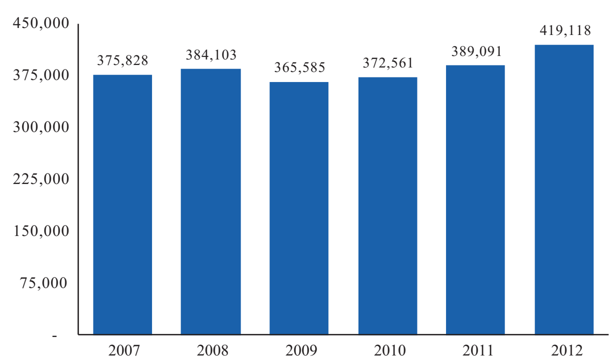
Personal Property Registries

A personal property registry is a notice filing system which registers encumbrances on specific personal property. Personal property is defined as all moveable property apart from land, buildings and fixtures, such as vehicles, recreational vehicles, household and personal items and industrial or farming equipment. Similar to land registries, personal property registries enable lenders or other parties to search for and record interests or liens in personal property. The public's interaction with personal property registries usually occurs when purchasing used personal property, such as a car or a boat. For example, during the purchase of a vehicle, a personal property search is typically conducted to check that lenders, creditors or other parties do not have a registered security interest or active judgments against the vehicle.

The personal property registry also facilitates secured financing by allowing lenders and creditors to register notice of a security interest in personal property, where the property itself is able to be pledged as collateral for the loan. Registration ensures that the lender's interest in the property is recorded. The registration of interests enables financing for commercial assets, such as farming or commercial equipment, as well as new vehicle sales for consumers. Financial instruments and accounts receivables can also be registered through a personal property registry.

In Canada, each province and territory is responsible for administering its own personal property registry and certain provinces and territories have joined together to deliver personal property registration services. New Brunswick, Newfoundland and Labrador, the Northwest Territories, Nova Scotia, Nunavut and Prince Edward Island have transitioned their personal property registries to be delivered through Atlantic Canada On-Line. In Alberta, the *Government Organization Act* allows for private registry agents to deliver registry services. In Saskatchewan, 99% of filings are completed electronically on the PPR. The PPR also serves as the entry point for *The Summary Offences Procedure Act, 1990* for the enforcement of parking fines and for the database containing active judgments registered against goods and lands. Ontario's Personal Property Security Registration is provided through ServiceOntario. Quebec's Register of personal and movable real rights, is administered by the Ministry of Justice.

Saskatchewan PPR Transactions



Source: ISC

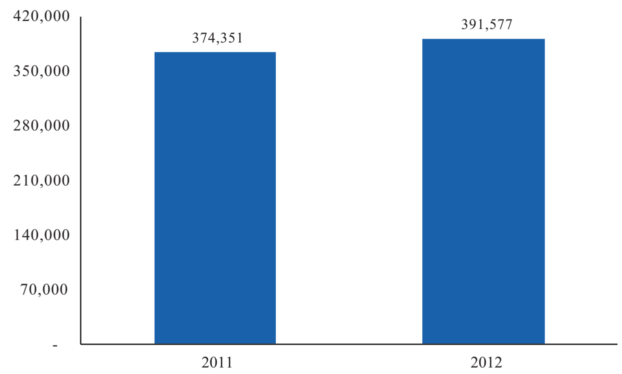
Corporate Registries

A corporate registry records the incorporation of business entities and non-profit organizations as well as the registration of co-operatives and other types of entities. Corporate registries track registered businesses and assist them in maintaining compliance with applicable corporate laws. All corporations in Canada with an "active" legal status must file an annual return with each relevant province or the Federal Government that details the names of its directors and officers. The maintenance of a registry allows governments to track the various structures of active businesses for purposes of federal taxation, and ensures that the names are not duplicated or confused for other names and trademarks.

In a corporate registry, fees are levied for business name searches, registrations, modifications to registrations, filing of annual returns and various retrieval events, such as photocopying of records or providing information through telephone or fax.

In Canada, each province and territory is responsible for administering its own corporate registry. Some provinces have sought to integrate certain aspects of their provincial registries. For instance, under the terms of the New West Partnership Trade Agreement ("New West Partnership"), Saskatchewan, Alberta and British Columbia have eliminated the need for multiple corporate registrations in each of these provinces. At the time of registration new businesses are able, if they so choose, to complete registration in all three provinces at no additional cost, other than name reservation fees. Existing corporations also benefit from streamlined regulations through a simplified process for extra-provincial registration. Furthermore, new and existing corporations are only required to file annual updates in one province, which eliminates the need for corporations to file updates in all three provinces. The New West Partnership will apply to limited partnerships, limited liability partnerships and co-operatives effective as of July 1, 2013.

Saskatchewan Corporate Registry Transactions(1)



Source: ISC

Note:

(1) Administration of Corporate Registry passed to ISC in October 2010 from the Ministry of Justice, previously known as the Corporations Branch, as a result, transaction volumes prior to this time are not presented in the chart above.

Other Directories and Registries in Canada

Numerous other registries exist across Canada that are managed by provincial, territorial, federal and municipal governments. These other registries serve a variety of purposes to support government, business and personal events, such as: land use zoning, specific asset types (e.g. firearms), heritage properties and vital statistics. Non-profit and private sector organizations have also created registries for a range of purposes including membership certification and verifying asset history.

Industry Trends

Consumers and Businesses are Increasingly Demanding a High Level of Customer Service and Convenience from Government Services

Consumers and businesses are increasingly demanding convenient, easy-to-access services from their governments and are benchmarking the quality of government service against private sector providers such as banks and retailers who are proficient in offering an integrated, intuitive and well-crafted user experience. According to Accenture LLP, historically, governments have borne a reputation of long lines, longer response times and cumbersome processes. More recently, government-run service providers such as Service Canada have begun to offer one-stop, multi-program, multi-channel service delivery; however, seamless and integrated service delivery remains incomplete across a full range of government services.

As technology becomes increasingly prevalent in service delivery, consumers are seeking increased access to online services and are reducing their use of traditional channels, such as mail, telephone and in-person. According to the British Columbia Public Service 60% of citizens in British Columbia would have a preference for an online interaction versus telephone or in-person interaction. According to a PwC survey, 20% of respondents would pay to skip the line, and more than half of those willing to pay for expedited service would be prepared to pay twice the base fee.

The on-line self-service model allows consumers and businesses to access information at their convenience and reduces processing times. Governments stand to benefit from the rise in self-service through reduced costs by decreasing the number of interactions and the time required per interaction. While not all interactions are suitable for migration to a model of self-service delivery, the potential savings are significant compared to call centre support, or even e-mail support, as time spent facilitating client interactions is decreased. Self-service also reduces manual processing, decreasing the impact of human error.

Both Governments and Private Sector Organizations are Seeking to Outsource Business Processes and Services

As governments struggle to provide more extensive and comprehensive services to citizens and businesses on limited budgets, private parties have been contracted to deliver public services. For example, in Ontario, Teranet's predecessor company, Teramira Holdings Inc. was created as a public-private partnership to convert the Ontario land registration system from a paper-based system to the current Ontario Electronic Land Registration System. Teranet currently has an exclusive long term agreement to operate Ontario's land registry system. Recently, Manitoba announced that it had entered into a long term licensing agreement for the operation of its property titles, land surveys and personal property registries. Service New Brunswick, which hosts the unified provincial government portal for online services including a land registry, corporate registry and medicare registrations, has engaged CGI Group in delivering aspects of the IT environment.

Private sector organizations are also increasingly outsourcing non-core services. According to International Data Corporation over 90% of Fortune 500 companies outsource one or more major business processes. Outsourcing is used as a means to reduce costs, increase accuracy, improve process standardization and reduce turnaround times in all back-office business processes. In doing so, businesses are better able to analyze business performance (often in real time) and gain more insight over business functions. According to Gartner, Inc., the North American business process outsourcing market is expected to grow from $81.3 billion in 2012 to $111.6 billion in 2017, representing a 5-year CAGR of 6.5%. According to International Data Corporation, the percentage of Canadian organizations that employ outsourcing to deliver information services has grown from 43% in 2011 to an expected 50% in 2013.

Consumers and Businesses are Focused on the Reliability and Security of Personal Information

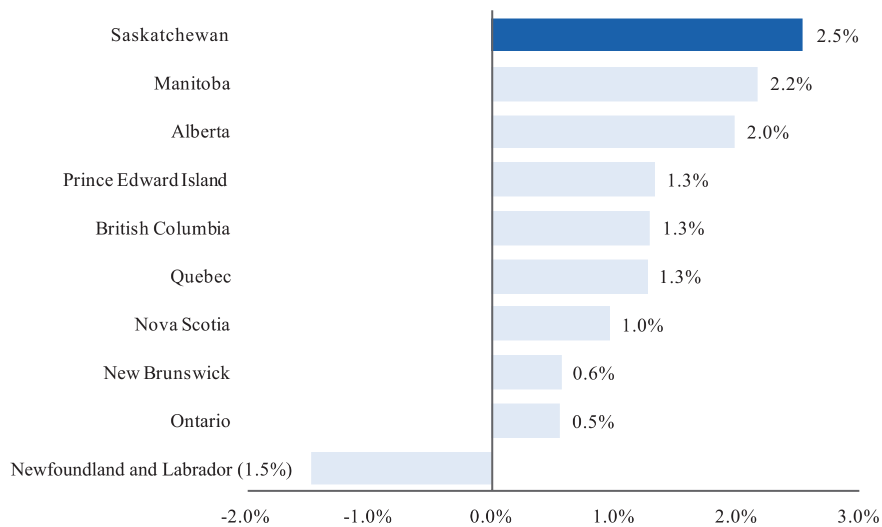
As governments and private companies continue to outsource services to third parties, consumers and businesses are increasingly focused on the reliability and security of their personal information. In particular, as governments seek to integrate services and share information across ministries and departments, concerns around the privacy of information increase. In this environment, third party service providers that can provide authenticated and secure data are best-positioned to succeed. In a PwC survey conducted in 2012, over 50% of Canadians indicated that they are focused on privacy protection as the most important concern with using government e-services when asked what had prevented them from using existing e-services. Federal and provincial governments are focused on managing and maintaining the integrity and security of personal information as consumers expect governments to adhere to the same high standards of accountability to which they hold private institutions such as banks and credit card companies.

THE SASKATCHEWAN ECONOMY

Economic Activity

In the five year period from 2007 to 2012, Saskatchewan's economy grew at a CAGR of 2.5%, exceeding the growth of any other province in Canada. In 2012, Saskatchewan ranked first in Canada in terms of growth in the number of housing starts, investment in new housing construction and investment in non-residential building construction. The Province ranked second in terms of growth in the number of new vehicles sold, value of international goods exported and the value of building permits.

Real GDP by Province
5-Year Compound Annual Growth Rate (2007 – 2012)(1)



Source: Statistics Canada

Note:

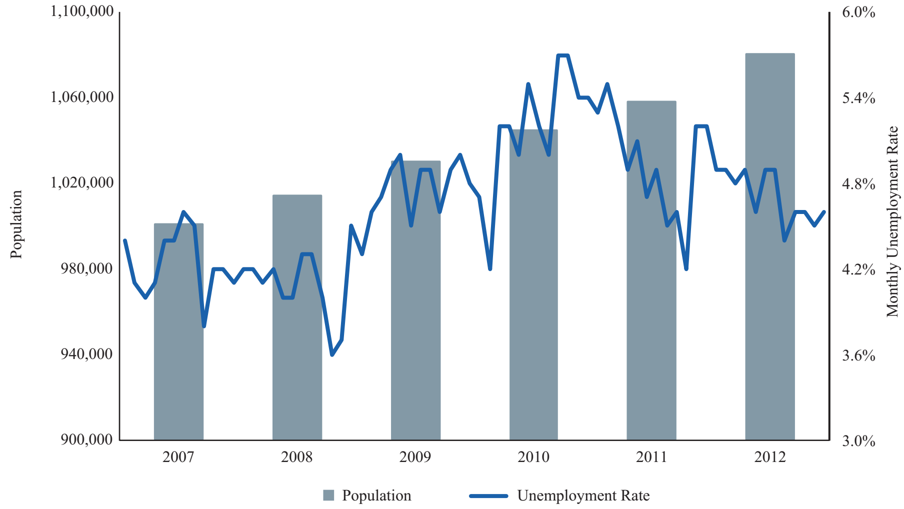
(1) 2012 figures reflect preliminary estimates released by Statistics Canada on April 26, 2013.

Private investment has grown at a 5-year CAGR of 12.3% in Saskatchewan, and together with population and employment growth, is expected to continue to generate a high rate of growth in the Saskatchewan economy in 2013, compared to the growth in other Canadian provinces. The Province forecasts GDP growth of 2.6% in 2013 exceeding the estimated overall Canadian GDP growth rate in 2013 of 1.7%.

Saskatchewan's GDP is driven by a diversified range of agricultural, mining and oil and gas exports with those sectors representing approximately 25% of provincial real GDP in 2012. According to the Government of Saskatchewan, Saskatchewan is the world's largest producer of potash and one of the largest suppliers of uranium, with nearly $6 billion of potash exports in 2012 and over $1 billion of uranium exports in 2011. Saskatchewan is also the second-largest oil and gas producer in Canada producing 460,000 barrels per day. In addition, Saskatchewan supplies approximately 10% of the world's total exported wheat and is the second largest beef-producing province in Canada.

According to Statistics Canada, Saskatchewan had the lowest unemployment rate in Canada in April 2013 at 4.0% (seasonally adjusted), compared to a national unemployment rate of 7.2%. In April 2013, Regina also had the lowest unemployment rate among major Canadian cities at 3.5%, and Saskatoon had the second lowest rate at 3.7%. In 2007, net interprovincial migration into Saskatchewan was positive for the first time since 1984 as the number of migrants exceeded the number of Saskatchewan residents leaving the Province. From 2007 to 2012, Saskatchewan experienced meaningful population increases with more than 80,000 people entering the Province during that period, representing a growth in population of 8%. This compares to an increase in population of 5.6% for Ontario and 5.9% for Canada over the same period. The combination of strong demand for labour and the influx of skilled workers has led to employment growth in Saskatchewan of 6.5% since 2007, higher than the Canadian growth rate of 4.2% and has contributed to the Province's continued low levels of unemployment.

Population and Unemployment Rate in Saskatchewan

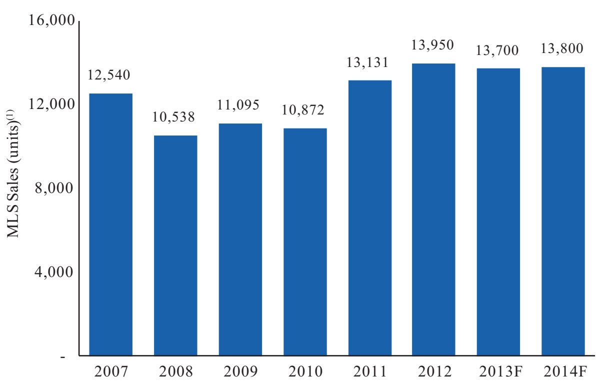


Source: Statistics Canada

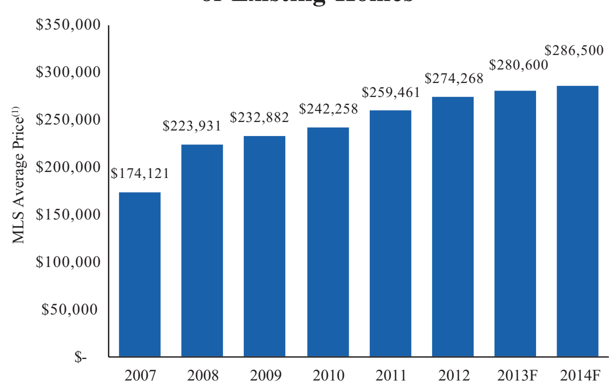
Real Estate Market Activity

Saskatchewan has experienced an increase in both the volume of real estate transactions and the value of properties. According to CMHC, existing home sales grew by 6.2% to 13,950 units in 2012. In addition, the prices of existing homes have demonstrated consistent increases with the average price rising 5.7% in 2012 to $274,268, in contrast to declining resale prices in Canada as a whole. CMHC expects strong demand in the Province to continue to support increasing average home prices and relatively stable existing home sales. In 2013 and 2014, CMHC forecasts the average price of existing homes at $280,600 and $286,500 per annum and existing home sales at 13,700 units and 13,800 units per annum, respectively. In addition, CMHC reports that new housing starts have grown rapidly from 6,007 in 2007 to 9,968 in 2012, representing a CAGR of 10.7%. Provincial and municipal incentives are expected to continue to encourage construction in the Province, particularly in relation to multi-family rental units.

Saskatchewan Existing Home Sales



Saskatchewan Average Price of Existing Homes



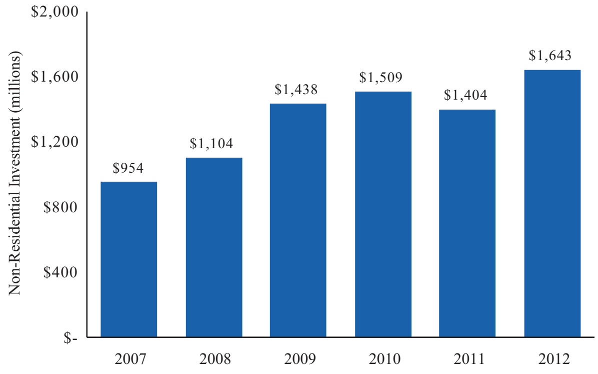
Source: Canada Mortgage and Housing Corporation

Note:

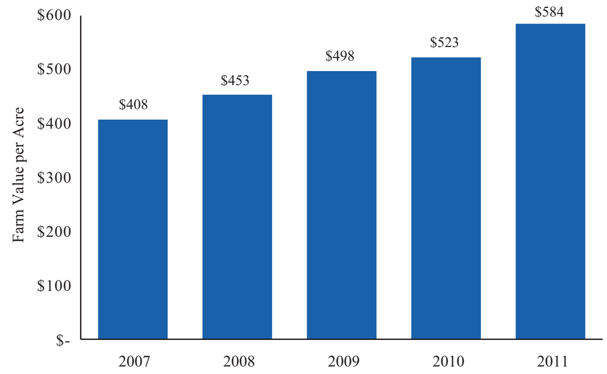
(1) MLS refers to Multiple Listing Service, which is an aggregation of private databases of homes for sale and is used as a marketing system by Canada's real estate boards.

In non-residential construction, the value of building permits issued grew at a CAGR of 10.6% from 2007 to 2012 exceeding the Canadian average of 2.4% over the same period. According to Statistics Canada, investment in non-residential construction in Saskatchewan has similarly outpaced the Canadian average, growing at CAGRs of 11.5% and 2.2%, respectively, from 2007 to 2012. Saskatchewan farmland, which represents over 38.5% of total farmland in Canada, has increased in value per acre, growing at a CAGR of 9.4% from 2007 to 2011.

Non-Residential Investment in Saskatchewan



Value per Acre of Farm Land and Buildings in Saskatchewan



Source: Statistics Canada

BUSINESS OF THE COMPANY

Business Overview

We provide registry and information services to the Province of Saskatchewan and are the exclusive provider of the Land Registry, Land Survey, PPR and Corporate Registry in the Province. We provide essential services to our customers who are individuals and businesses within the Province by supporting economic activity through real property, personal property and corporate registrations. In addition, we are responsible for the technology and activities related to the development, management and distribution of geographic information, which is a fundamental part of land rights administration.

We are distinguished from typical registry software providers by our unique expertise in the end-to-end management and administration of registries. By managing the entire information management and service delivery process, we are capable of providing a "one-stop shop" for governments or private-sector organizations allowing them to fully outsource these functions to us. We manage and administer four integrated end-to-end registries as well as complementary information services and solutions. Our suite of products and services is summarized below:

End-to-End Registry Services	Complementary Information Services and Solutions
• Land Titles	• Additional registry services
• Land Survey	• Information services portals
• Personal Property	• Customized services
• Corporate	

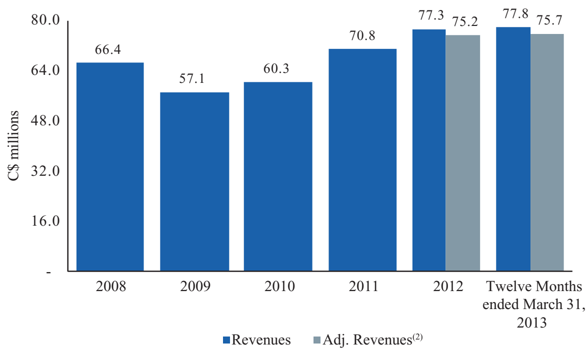
The end users of our products and services include individuals and businesses such as real estate agents, home builders and municipalities, governments, financial institutions, insurance companies, car and equipment dealers, land developers, and resource, utility and pipeline businesses as well as established intermediary customers such as legal, survey and engineering firms.

We generate revenues primarily by earning fees from our end-user customers for registry searches, land, property or corporate registrations and maintenance transactions. The nature of each of these types of services is summarized in the table below:

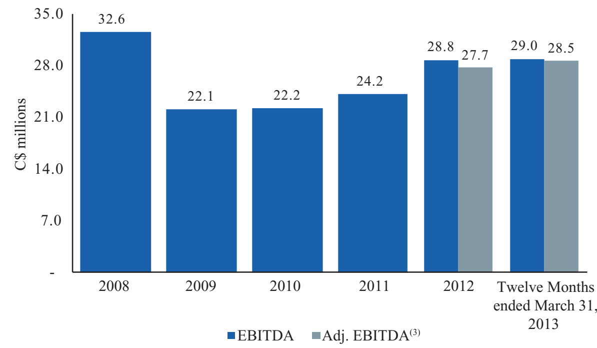
Types of Registry Transactions	Description	Revenue Type
Searches	• Online and staff assisted services that provide access to current and historical information for each registry • Registry searches provide customers with cost-effective self-serve access to information • Information is accessible online or may be requested in person at an ISC customer services centre	• Flat fees for standard searches
Registrations	• Online services that facilitate the submission and registration of interests in land or property, or registrations related to corporations • Customers typically submit registration requests electronically and registrations are completed through both automated and/or manual processes	• Revenues for the Land Registry are earned through value-based and flat fees for registration • Other registry transactions are flat fees
Maintenance and Ancillary Services	• Customized services related to resolving errors and maintaining the accuracy of registry information, resolving issues related to land title, certifying mineral titles and/or creating land parcel pictures	• Flat or negotiated fees for customized services

We are a dynamic corporation with a highly engaged customer-driven culture. We continuously seek opportunities to drive efficiencies and process improvements within our business to help us serve our customers better. As the tables below illustrate, since 2009, we have grown our revenues and EBITDA by a CAGR of 10.6% and 9.2% respectively

Revenues for Years ended December 31 and Twelve Months Ended March 31, 2013(1)(2)



EBITDA for Years ended December 31 and Twelve Months Ended March 31, 2013(1)(3)



Notes:

(1) Reductions in revenues and EBITDA in 2009 reflect a return to more typical Land Registry transaction volumes (as compared to prior years, including 2008, which represented unprecedented transaction volumes at that time), coupled with a reduction in fees charged by the Land Registry for certain transactions.

(2) Revenues for fiscal year ended December 31, 2012 and twelve months ended March 31, 2013 have been adjusted to exclude the results of the Vital Statistics Registry.

(3) EBITDA for fiscal year ended December 31, 2012 and twelve months ended March 31, 2013 have been adjusted to exclude one-time costs related to the Offering and the results of the Vital Statistics Registry.

ISC is built on a strong foundation of developing and managing accurate and secure government registries and has significant experience integrating and transforming government information into solutions for the people and businesses of Saskatchewan. This foundation has provided us with many years of solid financial growth, strong customer satisfaction and high employee engagement. We intend to build upon our foundation in registry services and information management to provide additional related information services and solutions for new and existing customers in Saskatchewan as well as outside of the Province.

History

ISC was established on January 1, 2000, as the Saskatchewan Land Information Services Corporation, to replace the Saskatchewan Land Titles Office as the Crown corporation responsible for the administration of the Land Registry system as well as the Land Survey, the PPR and the Geomatics services group from various provincial government departments. The Company's name was changed to Information Services Corporation of Saskatchewan effective November 1, 2000.

Prior to the creation of ISC, the Province initiated a 5-year project (the "LAND project") to develop an advanced processing system for electronic land title and land survey registrations and searches in the Province. In 2001, the LAND project began to be phased in across Saskatchewan and in 2005, ISC launched an online submission process within the Land Registry for its customers.

ISC initiated the development of a new online personal property registry system from 2002 – 2004. Following its success in modernizing both the Land Registry and PPR, ISC was awarded additional registry management responsibilities including the Vital Statistics Registry in 2008 and the Corporate Registry in 2010. In the past two years, ISC has sought to continue to diversify its service offerings to include ancillary information services to meet the needs of consumers and businesses, such as the Business Portal (the "Business Portal") which includes the Business Registrations Saskatchewan website that enables business owners to access certain of the Corporate Registry functions as well as to register with the Workers' Compensation Board and for

Provincial Sales Tax, and other project-based services, such as the Mineral Administration Registry Saskatchewan ("MARS") for the Ministry of the Economy.

Today, we maintain over 2.5 million electronic land records including approximately 1.4 million surface titles, 450,000 mineral titles and more than 500,000 abstracts for ungranted parcels. For the twelve months ended December 31, 2012, the Land Registry was searched over six million times by our customers and over one million fee triggering transactions were processed. We logged approximately 250,000 customer service interactions in relation to our suite of registry and information services in 2012.

2000	▪ ISC is established as a Crown corporation
2001	▪ Personal Property Registry is transferred from the Ministry of Justice to ISC
2003	▪ ISC completes the conversion of more than 900,000 paper land titles into 2.4 million new digital titles for both surface and mineral parcels
2005	▪ ISC launches an online submission process within the Land Titles Registry for its customers
2008	▪ ISC launches GeoSask, a web-based portal that enables customers to access maps and geographic information related to land ▪ Vital Statistics Registry is transferred to ISC
2010	▪ Corporate Registry is transferred to ISC
2011	▪ ISC launches Business Registrations Saskatchewan as part of the Business Portal, a web-based portal that enables customers to register businesses and establish accounts for payment of workers compensation premiums and remittance of provincial sales tax
2012	▪ ISC develops and implements Mineral Administration Registry Saskatchewan for the Ministry of the Economy

Competitive Strengths

We believe that the following competitive strengths position us well to continue to succeed and grow in the future:

Long-Term Exclusive Provider of Registry and Related Information Services to the Province of Saskatchewan

We are the exclusive provider of Land Registry, Land Survey, PPR and Corporate Registry systems in the Province of Saskatchewan. Under the terms of the Master Service Agreement with the Province, we have an exclusive right to manage and operate the registries on behalf of the Province until 2033 subject to the Province's rights to use registry data for its own purposes and not in competition with us. Our agreement with the Province creates a significant barrier to entry in our market. See "Agreements with the Province of Saskatchewan".

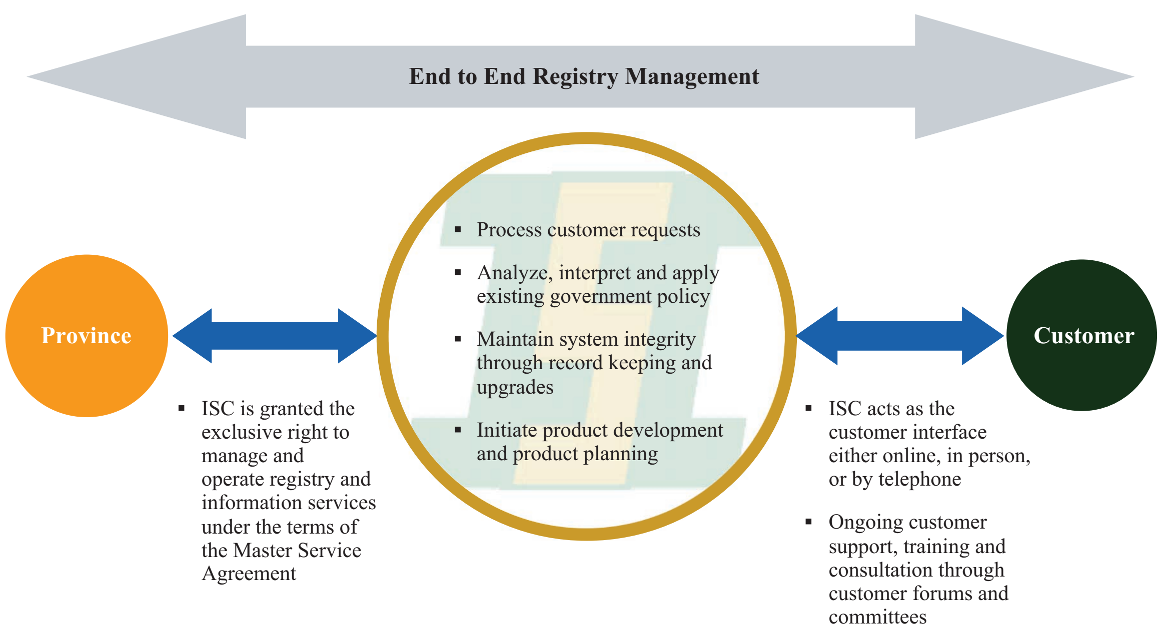
Under the Master Service Agreement, we have the exclusive license to use registry data to offer new services to customers, subject to the consent of the Province. The Province has agreed that it will not decline a request to approve a new service we may develop using registry data unless it determines that the service is or could reasonably be expected to result in a breach of applicable law or any of our privacy obligations under the Master Service Agreement or is otherwise inconsistent with public policy. The Province has agreed in the Master Service Agreement that it will not grant to any other person the right or license to use registry data to provide commercial services in competition with the services we provide or that we would realistically offer to our customers. See "Agreements with the Province of Saskatchewan — Services Provided by ISC".

Although the Master Service Agreement does not afford us any exclusive or preferred right to provide additional services to the Province, we believe that our infrastructure, experience and expertise in administering our existing registries and the exclusive rights to use such data described above combine to give us a significant competitive advantage to allow us to offer and provide additional services to the Province.

Unique Expertise in Providing End-to-End Registry Services

ISC is distinguished from participants in the registry and information services industry by its unique expertise in end-to-end management and administration of registries. By managing the entire set of registry information management and service delivery processes, we are capable of providing a "one-stop shop" for governments or private-sector organizations allowing them to fully outsource these processes to us. We have accumulated deep knowledge and expertise in facilitating real property, personal property and corporate transactions and our end users rely on us to deliver quick and efficient processing of these transactions while avoiding unnecessary costs or errors.

Our end-to-end business model extends across our enterprise from the end-user to our primary customer, the Province of Saskatchewan. We interact directly with end-users through our customer support teams who focus on delivering an excellent customer service experience either in-person, by phone or through electronic interfaces such as our website. We process transactions on behalf of end-users and in doing so, are responsible for interpreting and applying existing government policy. We are also responsible for and have established secure processes and controls to manage and maintain registry and customer information to preserve its authenticity, reliability and integrity. Based on feedback we receive from end-users, we seek to develop new products and services, and may recommend re-alignment of process and government policy in order to continuously improve our end-user's experience. Similarly, we aim to develop new products and services tailored to achieving the Province's objectives. Our end-to-end business model is depicted in the graphic below:



By providing end-to-end service capabilities, we are able to achieve a critical objective of governments and private sector organizations who seek to deliver high quality services to their customers at a lower cost. We have also established efficient infrastructure such as highly trained customer service personnel, key information systems and established processes that we believe can be leveraged to support additional registry and information services. As we develop an understanding of our customers' requirements and their associated complexities, we are able to provide a customized and recurring transactional service for them.

Extensive Experience and Relationships with Governments

ISC has been the exclusive provider of certain registry and information services on behalf of the Province since 2001. We have developed and maintain strong working relationships with the Province and its ministries in connection with the development, provision and commercialization of various registry and related information services. We understand the demands and service standards sought by governments, as well as the decision making processes implemented by governments in connection with critical information services and the management of personal and business information. We have demonstrated the strength of our partnership with the Province by expanding the nature and scope of our exclusive service offerings to the Province, including the addition of the Vital Statistics Registry in 2008, the Corporate Registry in 2010 and the Business Portal in 2011. We believe that this strong relationship, combined with our exclusive license to use registry data provided under the Master Service Agreement, afford us with a competitive advantage to allow us to develop and offer future services to the Province and to be viewed by the Province as a key provider of information services relating to the current registries as well as any new registries that may be created in the future.

We have begun to develop relationships within Saskatchewan with other levels of government including municipalities such as the cities of Regina and Saskatoon in relation to land-related information such as ownership information and land values. Outside the Province, we have a relationship with the Canadian Federal Government through our Business Portal within which ISC facilitates issuance of a Canada Revenue Agency ("CRA") Business Number to newly incorporated companies. We also expect to develop further relationships with other provincial governments as part of the New West Partnership, established in 2011. For example, ISC is a member of a three-province steering committee for the New West Partnership to establish and promote a common and streamlined corporate registration process for businesses operating across British Columbia, Alberta and Saskatchewan.

Strong Cash Flow Generation

Our EBITDA, together with our moderate levels of capital expenditures and low levels of indebtedness, has allowed us to generate strong cash flow for investment in new products and services, growth initiatives and dividends to the Selling Shareholder. We currently expect to continue generating predictable and stable cash available for distribution due to the non-discretionary nature of our core registry services. We intend to use a portion of our internally generated cash flow to meet our anticipated dividend payments, as well as to fund capital expenditures and other cash requirements.

For the twelve months ended March 31, 2013, we generated an Adjusted EBITDA margin of 36.7%, compared to an Adjusted EBITDA margin of 30.4% for the twelve month period ended March 31, 2012.

Our capital expenditure requirements have averaged less than 10.0% of revenues for the past three fiscal years ended December 31, 2012, and in 2013, we anticipate our levels of capital expenditures to be similar to our 2012 capital expenditures (as a percentage of our revenues). Moreover, we believe we have significant capital structure flexibility to support new business or growth initiatives.

Since 2008, we have made regular quarterly dividend payments to the Selling Shareholder, which were established at 90% of the Company's annual net income. In 2012, 2011 and 2010, our declared dividend to the Selling Shareholder amounted to $19.1, $15.5 and $14.0 million, respectively. We were not subject to federal and provincial income taxes at that time, by virtue of being a Crown corporation of the Government of Saskatchewan.

Experienced and Committed Team with a Track Record of Performance and Excellence in Customer Service

ISC has an experienced and committed management team with a proven track record of successfully acquiring, integrating and modernizing registries and related information services to serve individuals and businesses in the Province. Led by Jeff Stusek, our CEO, who has been with ISC for seven years, our senior management team has an average of twenty five years of business experience across both government and private sector organizations in Canada.

Under our CEO's leadership, our team has developed a highly engaged and customer-focused culture. Our employees consistently seek to exceed customer expectations through strong customer service, support and engagement. In addition, our team has successfully completed the integration and automation of several registries, including a conversion of the Land Registry, PPR and Vital Statistics Registry to online systems. These initiatives have significantly improved service levels and turnaround times for our customers as demonstrated by favourable customer surveys, while simultaneously generating cost savings and improved operating efficiencies through streamlined administrative processes. ISC was officially recognized in 2011 with Excellence Canada's Silver Award for Excellence, and is the only Saskatchewan company ever to receive this honour.

Growth Strategy

Our vision is to be a full-service provider of registry and information services and solutions to governments and private sector organizations. We believe that we can continue to grow our revenues and profitability by executing the strategies described below.

Grow our Services in Saskatchewan

Since 2008, we have succeeded in expanding the range and types of information services we offer on behalf of the Province including such additional registries and information systems as the Corporate Registry, MARS, the Business Portal and the Vital Statistics Registry. We have been awarded these mandates by the Province because of our proven expertise and ability to deliver services and to meet the Government's objectives of efficient, reliable and customer-focused service delivery.

As a result of our track record within the Province, we believe that opportunities exist within the Province to grow our revenues by providing additional services on behalf of the Government of Saskatchewan, municipal governments and private enterprises. Under the terms of our Master Service Agreement with the Province, ISC has the exclusive right for 20 years, under license, to use the unique data related to the Land Registry, Land Survey, PPR and Corporate Registry in supporting the provision of new services. While our initial focus within Saskatchewan will be on providing additional services on behalf of government, in the future, we believe that opportunities exist to support information services on behalf of private sector organizations. As we execute on our growth strategy, we will seek opportunities to augment our strengths and capabilities through the development of additional in-house capabilities, pursuit of strategic partnerships or complementary acquisitions.

- *Expand the Scope of Services with the Province:* We will seek opportunities to grow the nature and scope of services provided to the Province in areas where (a) the Government of Saskatchewan is providing a service to consumers and businesses with a commercial application, (b) ISC can deliver government service more efficiently and improve the level of customer service, and (c) ISC can demonstrate benefits to the Province that meet its criteria and vision for growth within the Province.
- *Provide Services to Municipal Governments:* Our experience with the Government of Saskatchewan and access to data in relation to land titles and abstracts is expected to assist us in supporting municipal governments in managing registries and information services such as zoning and permitting, municipal addresses, property tax assessments and other municipal services for a fee.
- *Provide Services to Private Enterprises:* Management believes that opportunities exist to support Saskatchewan oil and gas, mining, agricultural and other industries, including users of existing ISC services such as law firms, to process and administer large-scale transactions and improve business processes. ISC has developed relationships with many private sector enterprises and service providers who are existing users of our information services, including a wide range of Saskatchewan's petroleum and natural gas companies through our Petroleum and Natural Gas Advisory Committee.

Increase Cost Efficiencies

ISC intends to pursue improvement initiatives that generate cost efficiencies, including by leveraging the scale of our platform to support additional services at lower incremental costs.

ISC is committed to the implementation of continuous process and technological improvements to reduce costs. For example, we implemented an online submission system for land registry transactions, which now represents approximately 70% of all land registration applications. OLS significantly enhances the success rate of initial transactions which increases ISC productivity by reducing the number of transactions which require resubmission. OLS allows customers to conveniently submit applications to the Land Registry; this online tool helps reduce errors and time-consuming work, view the status of the application in real-time and know what fees will be incurred. In 2011, we initiated the operations transformation project which focused on optimizing operational capacity to support existing products and services and positioned our operations to effectively and efficiently integrate growth opportunities such as the Corporate Registry. We expect to continue to seek and execute on cost efficient projects in the future.

ISC has identified additional product enhancement initiatives. One example is a project underway to automate the survey plan processing system which provides the opportunity to reduce turnaround times and better meet the needs of customers. This project is expected to be completed in the third quarter of 2013. Looking forward there will be enterprise initiatives including providing a common method for authenticating users, the implementation of a single payment system for all products and services and enabling e-signature capabilities. Implementation of these common services projects will largely be phased in over the next two years.

Grow our Revenues in other Canadian Provinces, Territories and International Jurisdictions

Management believes that opportunities exist in other provinces and territories in Canada to leverage our expertise and our information services platform to grow our business. Our broad expertise with end-to-end service provision, including in particular non-land information services, and our experience creating custom solutions for government will be relevant for other Canadian governments in selecting registry and information service providers.

Our initial focus across Canada will be providing additional services on behalf of government with a focus on services that we believe are repeatable in other provinces or jurisdictions. We believe that opportunities also exist amongst private sector businesses, including existing ISC end users who already operate in multiple provinces.

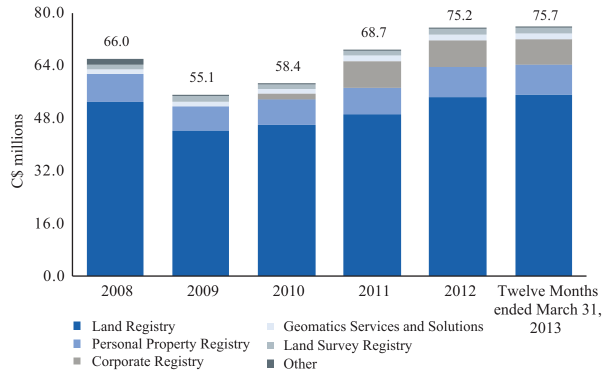
ISC will also selectively seek opportunities to grow nationally and internationally, both by building a network of partners to assist with opportunity identification, selling, implementation and ongoing support and through potential strategic acquisitions of complementary businesses that can augment our existing skills and experience.

Products and Services

We offer an end-to-end solution for our customers by managing the entire information management and service delivery process. ISC currently generates the majority of its revenues from search and registration fees related to the Land Registry which includes Land Titles, Land Survey and Geomatics revenues, followed by the

PPR and the Corporate Registry. The following charts outline ISC's revenues by line of business for the year ended December 31, 2012 and the twelve months ended March 31, 2013:

Historical Revenues by Line of Business for Years Ended December 31 and Twelve Months Ended March 31, 2013(1)(2)(3)



Notes:

(1) Administration of Corporate Registry passed to ISC in October 2010 from the Ministry of Justice, previously known as the Corporations Branch, therefore information prior to the fourth quarter of 2010 was obtained from the Ministry of Justice.

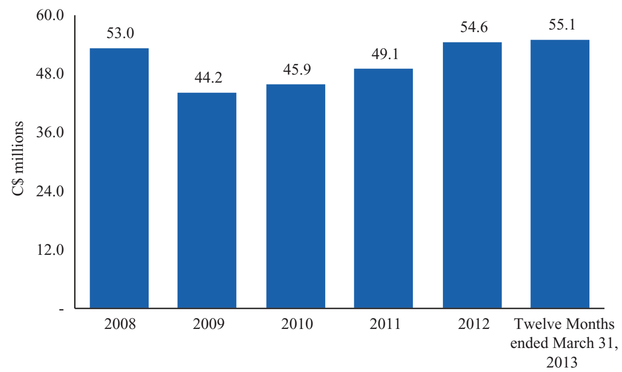
(2) Reductions in revenues in 2009 reflect a return to more typical Land Registry transaction volumes (as compared to prior years, including 2008, which represented unprecedented transaction volumes at that time), coupled with a reduction in fees charged by the Land Registry for certain transactions.

(3) Excludes the revenues of the Vital Statistics Registry for both the last twelve months and historical periods.

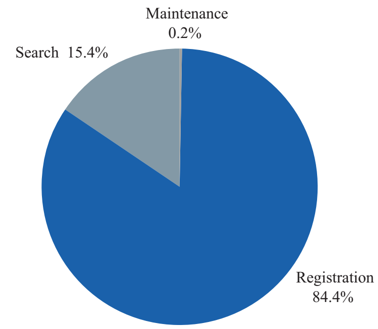
Land Registry

The Land Registry issues titles to land and registers transactions affecting titles, including changes of ownership and the registration of interests in land. In doing so, the Land Registry supports economic growth and activity in the Province of Saskatchewan by providing access to timely and reliable land ownership information. Transactions are generally expressed in terms of the number of packets processed. A packet is a unit of work, containing one or more requests or documents for registration in the Land Registry. The Land Registry is a public registry that is accessible to anyone. Revenues for the Land Registry are earned through registration, search and maintenance fees. Registration represented over 84% of Land Registry revenues for the twelve months ended December 31, 2012 and are calculated with either a flat fee or value-based fees as a percentage of the value of the land and/or property being registered. We typically charge a flat fee per transaction for search and maintenance transactions, however, in certain instances, we may charge a custom fee for a customized search or maintenance transaction such as certain mineral certification, parcel picture on demand, or bulk data requests.

Land Registry Revenue for Years ended December 31 and Twelve Months Ended March 31, 2013[(1)]



Land Registry Revenue by Type for Year Ended December 31, 2012



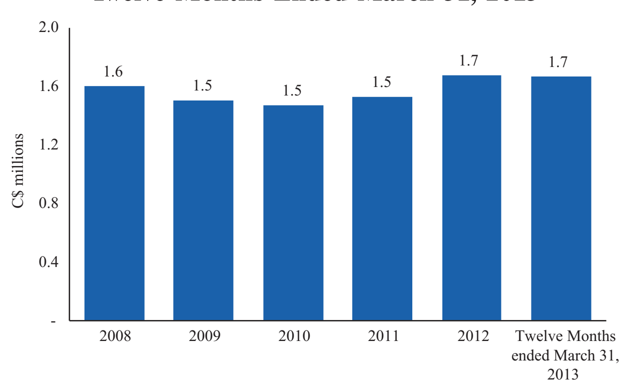
Note:

(1) Reductions in revenues in 2009 reflect a return to more typical Land Registry transaction volumes (as compared to prior years, including 2008 which represented unprecedented transaction volumes at that time), coupled with a reduction in fees charged by the Land Registry for certain transactions.

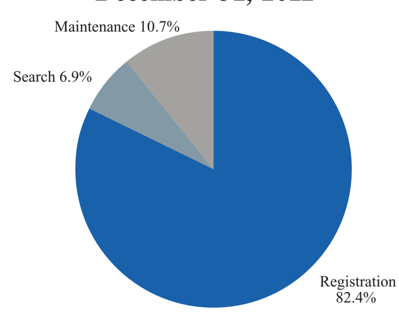
Land Survey Directory

The Land Survey registers land survey plans and creates a representation of Saskatchewan land parcels in the cadastral parcel mapping system. Land survey plans define the geographic boundaries of land parcels throughout Saskatchewan, while the cadastral parcel mapping system depicts the land survey system with surface and mineral ownership parcel boundaries. The Land Survey is a public registry. Services provided under the Land Survey include registrations, searches and related survey services, and revenues in relation to all services are earned as a flat fee per transaction. For the twelve months ended December 31, 2012, the Land Survey generated approximately $1.7 million in revenues, 82% of which were related to registrations.

Land Survey Revenue for Years ended December 31 and Twelve Months Ended March 31, 2013



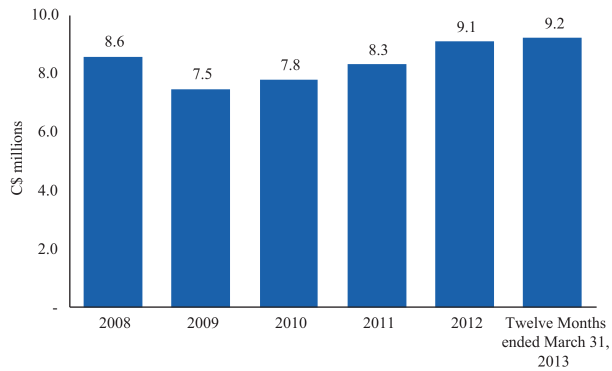
Land Survey Revenue by Type for Year Ended December 31, 2012



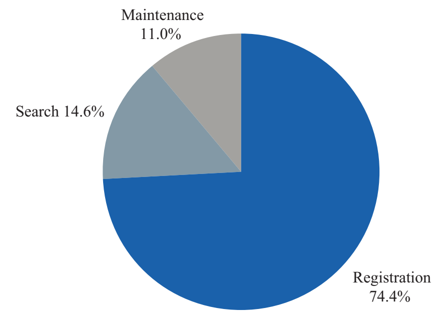
Personal Property Registry

The PPR is a public registry in which interests in movable types of personal property may be registered. The PPR enables lenders as well as buyers of personal property to search for information such as security interests registered against an individual, business or personal property used as collateral (i.e. motor vehicles). Buyers and lenders search the PPR to ensure there are no outstanding notices of third party interests in personal property. Services provided by ISC under the PPR include information services pertaining to active judgments (the "Judgment Registry", previously known as the Saskatchewan Writ Registry). Under the PPR, we charge customers flat fees per transaction. For the fiscal year ended December 31, 2012, 74% of our revenues related to the PPR were registrations. PPR's highly automated web-based systems allow for real-time completion of search and registration services and minimize operational effort to deliver services. Over 99% of searches in the PPR are completed online. The high online usage is stable, with minimal numbers of end-use consumers requiring staff assistance to complete their transactions.

PPR Revenue for Years ended December 31 and Twelve Months Ended March 31, 2013



PPR Revenue by Type for Year Ended December 31, 2012

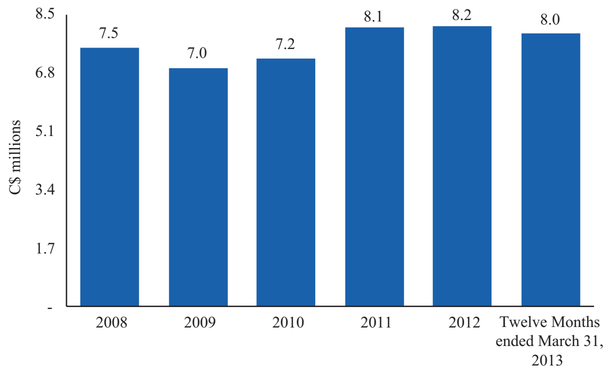


Corporate Registry

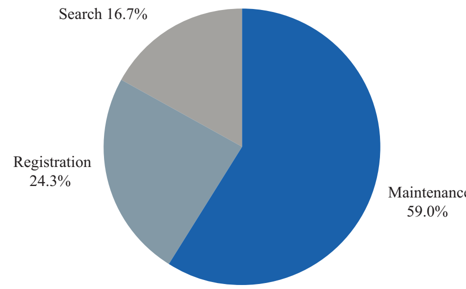
The Corporate Registry is a province-wide system for registering business corporations, non-profit corporations, co-operatives, sole proprietorships, joint ventures and business partnerships. Every corporation must be registered in the Corporate Registry to maintain its legal status and carry on business within Saskatchewan. Records on all Saskatchewan businesses are maintained and made available to the public through the Corporate Registry. Services are billed as flat fees for each transaction. Unlike other registries, we earn the majority of our fees in relation to maintenance services provided to entities who file annual returns or wish to make changes to their structure or business profile. Maintenance services represented approximately 59% of Corporate Registry revenues for the twelve month period ended December 31, 2012. Online submission of the

Corporate Registry's highest volume transaction types were approximately 76% in 2012, which is consistent with our strategy to migrate customers to an on-line experience.

Corporate Registry Revenue for Years ended December 31 and Twelve Months Ended March 31, 2013(1)



Corporate Registry Revenue by Type for Year Ended December 31, 2012



Note:

(1) Administration of Corporate Registry passed to ISC in October 2010 from the Ministry of Justice, previously known as the Corporations Branch, therefore information prior to the fourth quarter of 2010 was obtained from the Ministry of Justice.

Complementary Information Services and Solutions

Additional Information Services

We provide additional information services such as Geomatics services which manage geographic data in relation to the cadastral parcel mapping system that is integrated with Land Registry and Land Survey. Geomatics data is searchable by the public and provides the cadastral and derived data used to produce the Saskatchewan provincial base map for all land-related activities within the Province. The services we provide vary considerably, from providing provincial base map maintenance, hosting and maintenance for SaskBiz (a website that provides comprehensive information on communities and regions in Saskatchewan), and the discovery and distribution of Geomatics data, to providing Geomatics services and solutions for land related data and applications. Fees for Geomatics services are typically negotiated per transaction based on the type and nature of services required.

Information Services Portals

We have developed and launched two customer service web-based portals: the Business Portal and the GeoSask portal. The Business Portal, which includes the Business Registrations Saskatchewan website (https://business.isc.ca) was launched in 2011 as part of a new initiative designed to deliver a suite of government and information services to Saskatchewan business owners within a single window. This portal represents a significant expansion of our product and service portfolio beyond registry-based products and services. The Business Portal enables new businesses to complete three initial steps to register a corporation in one online environment by permitting business owners to access the Corporate Registry, register as an employer with Workers' Compensation Board and register for Provincial Sales Tax with the Ministry of Finance. In doing so, we make it easier to do business in Saskatchewan, to streamline processes across government and to ultimately reduce costs for businesses and government. We do not currently charge any additional fees for business owners who register corporations through the Business Portal. Pursuant to the Master Service Agreement we have agreed to continue to provide, and have been appointed as the exclusive provider of services relating to, the Business Portal for a period (the "Initial Business Portal Term") ending on November 30, 2015. During the Initial Business Portal Term, we are entitled to develop and charge fees for additional services or add-ons to the Business Portal. Should we wish to continue the provision of the Business Portal after the Initial Business Portal Term, we will negotiate with the Province the terms, including any fees that we may charge, of such continuance.

We have also developed the GeoSask portal (www.geosask.ca) to provide free online public access to Saskatchewan geospatial data in partnership with a group of Government ministries and agencies. Geospatial data combines an image of specific land based attributes in conjunction with its geographical location. ISC operates the portal, distributes data to end users and has the rights under license to use the geospatial data within the GeoSask portal to support ancillary product and services offerings. We receive an annual fee from such Government ministries and agencies for operating the GeoSask portal, but do not receive any transaction based fees related to use of the portal.

Customized Information Services

ISC has expertise in developing supplementary information services for other Government ministries, such as MARS which was developed to provide an online system for issuing and administering Crown mineral dispositions throughout Saskatchewan and eliminates the necessity to physically stake Crown mineral claims. We led the development of the MARS system under a services agreement with the Ministry of the Economy. Under the terms of such services agreement, ISC billed its development efforts to the Ministry of the Economy and now expects to enter into an agreement with the Ministry pursuant to which it will receive an annual fee for continuing to host and support MARS. The Ministry of the Economy receives the fees for any transactions made pursuant to MARS.

In a similar service, we are leading the development of the Saskatchewan Civic Address Registry (“CAR Project”), under contract with the Ministry of Government Relations to create a Province wide civic address registry and an online maintenance system. We expect that we will enter into a service agreement with the Ministry of Government Relations to host and support the CAR Project in exchange for a service fee.

Customers

We have several distinct types of customers. Under the Master Service Agreement with the Province of Saskatchewan, we have been appointed, on an exclusive basis to provide certain registry and information services on behalf of the Province to individuals and businesses. While the Province is a significant customer of ISC under this long-term contract, the main source of our revenue is derived from individual and business users of our registries. These end-users represent a broad and diverse group of individuals and businesses throughout Canada and elsewhere. We consider all users of our products and services to be customers, regardless of whether a user directly pays for our services. We segment our customers into two primary categories:

- *End Use Customers:* Individuals or businesses who directly benefit from ISC’s products and services. Examples of end use customers are real estate agents, home builders and municipalities, governments, financial institutions, insurance companies, car and equipment dealers, land developers, and resource, utility and pipeline businesses.
- *Channel Customers:* Intermediaries who manage a relationship with an end-use customer but are not typically the beneficiary of a service. Examples of channel customers include law, survey and engineering firms.

As the majority of ISC’s revenues are generated through the Land Registry, our largest customers by revenue are law firms, financial institutions and oil and gas exploration companies, who seek services in relation to mineral titles and geographic information, as well as third party registration providers. For the fiscal year ended December 31, 2012, our top 20 Land Registry customers represented approximately 40% of our revenues and our top 100 Land Registry customers represented approximately 74% of revenues. No single customer accounted for more than 5% of Land Registry revenues in the same period.

Customer Service and Engagement

We focus on delivering services to meet our end users’ needs including integrity and accuracy, predictability and timeliness of turnaround time, availability and ease of use, customer support, value for service, security, privacy and service specialization. We set targets for transaction turnaround times based on customer-driven feedback, and on that basis we currently target a turnaround time of 2.5 days for standard land transactions. As part of our end-to-end service delivery model, we’ve implemented several channels for communicating with our end users and channel customers including face-to-face, call centre, paper based and online. We utilize in-person transactional customer service and support through our Regina office and our seven regional customer service centres. In addition, we employ Customer Relationship Managers who liaise with our largest customers, whether they are channel or not, such as law firms, financial institutions, municipalities, oil and gas companies, and associations such as the Saskatchewan Association of Rural Municipalities.

Under the Master Service Agreement and the Registry Operating Agreements we are required to deliver services to end-users in accordance with specifically mandated service levels and general service standards which we believe are consistent with, and will ensure our continued dedication to, excellence in customer service. See "Agreements with the Province of Saskatchewan — Services Provided by ISC".

Over the past few years, a notable shift has been underway at ISC. Principles of organizational excellence and a focus on customer service now permeate our culture at every level. In 2012, over 60% of our customers rated ISC as "excellent" meaning they scored our service as a 9 out of 10 or higher. In addition to the day-to-day service we provide to our end users and channel customers through our customer support personnel and Customer Relationship Managers, we focus on several key programs to maintain and support strong customer service levels across our organization. Included amongst these programs are the following:

- *Customer Engagement and Feedback:* We have established customer advisory committees and customer user forums with representatives from key customer sectors that meet regularly to discuss any concerns, issues and opportunities for improvement. Those committees and forums include:
  - Business Portal Customer User Forum
  - LAND Customer Advisory Committee
  - Legal Advisory Committee
  - Legal Assistant Customer Advisory Committee
  - Petroleum and Natural Gas Customer Advisory Committee
- *Customer Feedback Surveys:* Customer engagement through satisfaction scores and surveys provides a basis of continuous improvement for our business. Included amongst the key questions posed to our customers is a comparison of our service levels to select customer service-oriented organizations. We also have continuous feedback initiatives in place which include methods such as comment cards and online messaging. For example, in response to such customer feedback, we have engaged with customers in order to increase OLS usage, are creating automated submission and corrections for survey plan processing and provide an online ordering capability.

Employees

ISC encourages employees through employee recognition programs and regularly solicit feedback through employee engagement surveys. In our most recent employee survey, employee satisfaction increased by five percent in 2011 with 68% of employees reporting high satisfaction rates as compared to 2010.

We employ approximately 325 full time and 2 part time employees. Approximately 71% of our employees are unionized under Saskatchewan Government and General Employee's Union local 2214 ("SGEU").

ISC signed a new collective bargaining agreement (the "New Collective Bargaining Agreement") with the SGEU with respect to its in-scope employees on April 12, 2013. The New Collective Bargaining Agreement covers a three-year term that commenced on October 1, 2012 and ends on September 30, 2015 and provides for a 2% increase in salaries effective October 1, 2012, with subsequent increases of 1.5% effective October 1, 2013 and 2% effective October 1, 2014. The Agreement also formalized a joint union/management employee relations committee, a healthy workplace committee and diversity equity working group with representation from a cross-section of ISC employees. The changes introduced by the New Collective Bargaining Agreement include detailed provisions relating to the temporary assignment of higher duties and relating to a return to work and the duty to accommodate employees with disabilities.

ISC has not experienced any labour disruptions or work stoppages since its creation and believes its relations with its employees and SGEU are good.

Awards and Recognitions

In 2010, we became the first company in Saskatchewan to be recognized by Excellence Canada with a Silver Canada Award for Excellence, the highest possible honour at Level 3 in the Progressive Excellence Program, Integrated Criteria. Excellence Canada is an independent not-for profit organization that is committed to advancing organizational excellence across Canada.

EXCELLENCE•CANADA
improving performance, recognizing excellence

ISC has also received numerous awards recognizing customer service and diversity. Over the last 3 years, these awards have included:

- Saskatchewan's Top Employers for 2011, 2012, 2013
- Canada's Best Diversity Employers for 2011, 2012, 2013
- Canada's Greenest Employers for 2012 and 2013
- Canada's Top Employers for Young People for 2012

2013 Saskatchewan's Top Employers

2013 Canada's Best Diversity Employers
PRESENTED BY BMO Financial Group

2013 Canada's Greenest Employers

CANADA'S TOP EMPLOYERS FOR YOUNG PEOPLE 2012
PRESENTED BY KPMG

Facilities

The Company operates from its headquarters at 10 Research Drive in Regina, Saskatchewan and from its seven additional regional offices as outlined in the table below:

Location	Purpose	Square Footage	Owned / Leased	Lease Expiry Date
10 Research Drive, Regina	Head office and customer support team	42,961	Leased	December 31, 2013
1301 1st Avenue, Regina	Production facility, customer service centre and alternate data centre	48,000	Leased	September 30, 2020
1031 & 1033 Park Street, Regina	Storage	6,534	Leased	May 31, 2013
1301 1st Avenue, Regina	Parking Lot Lease	N/A	Leased	August 31, 2015
728 Toronto Street, Regina	Satellite document storage facility	6,000	Leased	August 31, 2015
Moose Jaw	Customer service centre	1,682	Leased	January 31, 2017
Swift Current	Customer service centre	1,800	Leased	August 31, 2017
North Battleford	Customer service centre	2,125	Leased	March 13, 2017
Prince Albert	Customer service centre	1,970	Leased	May 22, 2022
Humboldt	Customer service centre	1,904	Leased	March 31, 2018
Saskatoon	Customer service centre	2,522	Leased	November 30, 2016
Yorkton	Customer service centre	1,854	Leased	April 14, 2017

Information Technology

Information is core to our business. As such, we invest appropriately in technology, people and partnerships to support and make the most of this strategic resource. Over the past three years ISC has invested an average of 13.5% of overall revenues in our information technology services, the people, processes and technology that support our information systems. This encompasses the people who provide direct support to external customers and internal users as well as the costs for data center, network, server hardware and overall management.

Our IT platforms have been developed in partnership with Hewlett-Packard Company ("HP") and ISM Information Systems Management Canada Corporation ("ISM"), with whom we maintain multi-year strategic partnerships under contract. Our mix of custom developed systems and commercially available solutions allow us to transform paper-intensive processes through automation and process improvements to achieve ongoing efficiencies. As part of our continuous improvement activity, we perform technology refreshes to ensure information systems continue to be reliable, available and effective. Recent activities include a refresh of the external web environment and moving to new virtualized services, which enables us to adapt to change more effectively and reduce our fixed costs.

The information we hold is protected and secured with industry best practices and tools. We protect the privacy of the information with role based security to ensure access to data is appropriate and through regular audits we ensure our processes and tools are effective. In addition, our information assets and supporting technologies are secured with a tested and effective disaster recovery plan. All production data is mirrored between our primary data center and our alternate data center. In the event of a failure of part or our entire primary data center, the failed system or systems will be accessible to us through our alternate data center. We consider the alternate data center to be a "warm" site ready to carry on critical production operations. The technology within the alternate data center is maintained and refreshed on a three year life cycle, and kept in alignment with our primary data center.

We believe our technology and information systems are robust and capable of supporting our existing needs and the infrastructure and architecture is scalable to support our future service offerings. Through the use of localized virtual private servers, we are able to increase capacity and grow based upon demand. We intend to continue to invest in our technology and information systems to ensure we are able to continue to meet our evolving business needs. Future plans include the modernization of the Corporate Registry, automation within survey plan processing and extension of enterprise common services.

Intellectual Property

We have developed and own the core software modules used in conjunction with the operation of both the Land Registry and PPR. We operate the Land Survey, Corporate Registry and business portals through a combination of both proprietary and licensed software. As a measure of protecting our intellectual property, including our proprietary software, we enter into confidentiality agreements with our consultants and suppliers as appropriate that stipulate that we own all rights and protections relating to our intellectual property, including our proprietary software.

We also own the following unregistered marks: ISC, Information Services Corporation and ISC (logo).

Under the Master Service Agreement, the Province has agreed that all such intellectual property and all other intellectual property owned by us prior to the effective date of the Master Service Agreement, as well as all future modifications, improvements and changes to that intellectual property, will continue to be owned by us. Except for the exclusive license rights provided under the Master Service Agreement to use the registry data, we do not own the intellectual property rights in or to the registry data, all of which intellectual property is owned by the Province. See "Agreements with the Province of Saskatchewan — Ownership of Registry Data".

Competition

Under the terms of the Master Service Agreement, ISC has an exclusive right to manage and operate the Land Registry, Land Survey, PPR and Corporate Registry for 20 years within the Province, subject to the Province's reserved rights to use registry data for its own purposes or to provide services that are not in direct competition with the registry services to residents of Saskatchewan or others at no charge. Under the Master Service Agreement, we have an exclusive license to use registry data to offer new services to customers, subject to the consent of the Province. The Province has agreed in the Master Service Agreement that it will not grant to any other person the right or license to use registry data to provide commercial services in competition with the services we provide or that we would realistically offer to our customers. See "Agreements with the Province of Saskatchewan — Services Provided by ISC".

Outside of the Province of Saskatchewan, we expect to compete against information services companies, registry software providers, and other such information based companies. However, to our knowledge, no competitor currently has experience in providing end-to-end registry and information services offerings, across a range of registry types similar to ISC that would enable them to demonstrate a proven long-term capability similar to us.

We expect to compete with Teranet who provides electronic property search and registration in the Province of Ontario and was recently awarded a long-term license to operate the personal property and land title registries on behalf of the Province of Manitoba. Other sources of competition could include registry software companies and information technology companies who develop and provide software platforms to manage registry and related information services. These types of companies could compete with us to the extent they are capable of acting as, or partnering with businesses who can provide other required processes such as customer service and delivery in conjunction with software platforms in order to provide end-to-end solutions.

Seasonality

Our business experiences moderate seasonality, primarily in relation to our Land Registry revenues which fluctuate in line with real estate transaction activity in the Province. Typically, our second and third quarters generate slightly higher revenues during the fiscal year when real estate activity is highest. As a result, quarterly margins can fluctuate as our expenses are relatively consistent, except for salaries and wages which are typically higher in the first quarter due to incentive payments and the impact of a bi-weekly payroll, as well as project costs which can fluctuate depending on the projects underway. However the impact of seasonality has not typically been material to our overall results.

Capital Expenditures

We make expenditures to support and maintain our infrastructure, modernize our technology and facilities, address mandatory requirements resulting from legislative changes and for strategic initiatives. Capital expenditures over the past three years have included leasehold improvements, initiating a renewal of our survey plan processing system, development efforts required under the New West Partnership, the initiation of our identity and access management project, map search (a tool for showing and querying our GIS map over the web), CRA Business Number integration within the Business Portal, Document Submission Library, the Business Registrations Saskatchewan website, the MARS project, enhanced mineral cadastral, enforcement of money judgments and GIS cadastral system transition.

The table below summarizes our maintenance and growth-related capital expenditures over the prior three fiscal year periods:

(millions of CAD dollars)	Years Ended December 31, 2012	2011	2010
Maintenance capital expenditures	$5.0	$4.8	$2.6
Growth capital expenditures	2.7	2.1	0.7
Total capital expenditures	**$7.7**	**$6.9**	**$3.3**

In 2013, we expect our capital expenditures to be similar to our 2012 capital expenditures (as a percentage of our revenues) and to consist of ongoing renewals of systems, the final phase of our leasehold improvements in our regional service centres, the modernization of our Corporate Registry system, the completion of the renewal of the survey plan processing system, continued development efforts required under the New West Partnership coupled with investments for strategic initiatives such as a new services framework for the Business Portal and enterprise solutions such as identity and access management, payment services and e-signature functionality.

See "Management's Discussion and Analysis of Financial Condition and Results of Operations — Capital Expenditures".

Regulatory Matters

The OPRSA creates the regulatory framework which permits ISC to manage and operate the Land Registry, Land Survey, PPR and Corporate Registry. The OPRSA allows for service agreements between the Province and ISC that identify the division of powers and responsibilities over such registries. The following are designated as Acts with respect to which service agreements may be entered into:

- *The Business Corporations Act;*
- *The Business Names Registration Act;*
- *The Business Statutes Administration Transfer Act;*
- *The Companies Act;*
- *The Condominium Property Act, 1993;*
- *The Co-operatives Act, 1996;*
- *The Enforcement of Money Judgments Act;*
- *The Land Information Services Facilitation Act;*
- *The Land Surveys Act, 2000;*
- *The Land Titles Act, 2000;*
- *The Libel and Slander Act;*
- *The Names of Homes Act;*
- *The New Generation Co-operatives Act;*
- *The Non-profit Corporations Act, 1995;*
- *The Partnership Act*; and
- *The Personal Property Security Act, 1993.*

ISC and the Province have entered into the Master Service Agreement respecting management and operation of the Land Registry, Land Survey, PPR and Corporate Registry pursuant to the foregoing Acts. See "Agreements with the Province of Saskatchewan".

The OPRSA provides the Province with broad oversight rights respecting the operation and management of the public registries. In particular, The OPRSA provides that the Lieutenant Governor in Council may appoint an administrator for a term specified by the Lieutenant Governor in Council to discharge the powers, duties and functions of the board of directors of a contractor (such as ISC) with respect to the management and operation of a registry or the provision of registry services. The Province has agreed in the Master Service Agreement that it will not exercise the right under the OPRSA to appoint an administrator for ISC and will limit its rights to appoint an administrator under such Act or a receiver or receiver-manager under the Debenture (as defined below) to ISC Sask (our wholly owned subsidiary). See "Agreements with the Province of Saskatchewan" and "Risk Factors".

AGREEMENTS WITH THE PROVINCE OF SASKATCHEWAN

This section contains a summary of the principal provisions contained in the Master Service Agreement and the Registry Operating Agreements. This summary does not purport to be complete and is subject to and qualified in its entirety by all of the express terms and conditions of the Master Service Agreement and the Registry Operating Agreements. Certain capitalized terms used but not defined in this summary are defined in the Glossary which begins on page 118 of this prospectus.

Introduction

Pursuant to a Master Service Agreement with the Province of Saskatchewan dated May 30, 2013 we were appointed on an exclusive basis to manage and operate the Land Registry, Land Survey, PPR and Corporate Registry on behalf of the Province for a twenty year term expiring on May 30, 2033. The Master Service Agreement also grants us the exclusive license to use registry data to offer new services to customers, subject to the terms more particularly described below.

Concurrent with the execution of the Master Service Agreement, we have also entered into Registry Operating Agreements with the Province for each of the Registries. Each Registry Operating Agreement contains registry-specific terms and conditions respecting the operation of the applicable Registry, including but not limited to the fees ("Registry Fees") we may charge for our services applicable to each Registry and the allowable increases to those Registry Fees, minimum service levels applicable to each Registry and specific allocation of risk and liability associated with the operation of each Registry. The Registry Operating Agreements operate in combination with the Master Service Agreement and terminate upon the expiration or termination of the Master Service Agreement.

Collectively, the Master Service Agreement and the Registry Operating Agreements set out the framework pursuant to which ISC provides services to the Province and users of the Registries. Where used in this prospectus, the term "Master Service Agreement" includes the terms and conditions of the Registry Operating Agreements as applicable.

Services Provided by ISC

Registry Management and Operation Services

Under the Master Service Agreement we are responsible for the management and operation of each of the Registries. This responsibility includes, among other things, the provision of all those services which were provided by ISC to the public immediately prior to the proclamation of the ISC Act ("Core Registry Services") except for those existing services which are specifically excluded from Core Registry Services, all services customarily provided by ISC to the Province relating to the Registries prior to the effective time of the Master Service Agreement, and any powers, duties or functions respecting the Registries delegated to us by a Registry Officer.

In this regard, the Province granted us an exclusive, royalty-free, non-transferable license to maintain, use and store registry data and the registry databases for purposes of maintaining and operating the Registries.

However, the Province reserves the right to use the registry data and the registry databases for its own internal purposes or to provide free services that are not in direct competition with our Core Registry Services.

Ancillary Services

In addition, the Master Service Agreement grants us the right and license during the twenty year term to use the registry data for the purposes of developing, implementing and providing to the public certain Ancillary Services. The Province has agreed it will not decline a request for approval in respect of a new Ancillary Service unless it determines that such Ancillary Service is or could reasonably be expected to be contrary to any applicable laws, the policies and procedures governing the operation of the Registries, certain privacy obligations set out in the Master Service Agreement, or otherwise inconsistent with public policy.

The Province has agreed that during the term of the Master Service Agreement it will not grant to any other Person the right or license to use registry data to provide commercial services in competition with those Ancillary Services offered by ISC, and those services that could be realistically offered as Ancillary Services in the future.

Service Levels

All of our services must be provided to a standard and level of performance that is consistent with the standard and level of performance provided by ISC prior to the privatization as well as good industry practices and generally competitive with similar services provided by or in other Canadian provinces. In addition to the general service levels under the Master Service Agreement, ISC is obligated to meet specific service levels established for each Registry set out in the Registry Operating Agreements. For those services in respect of which no specific service level has been assigned, ISC shall perform to the general standard and level of performance. We have agreed we will make all necessary capital investments to ensure our continued ability to perform our obligations to manage and operate the Registries at or above the agreed-upon levels of performance.

Services to be Provided Through ISC Sask

The Master Service Agreement contains a number of provisions intended to ensure continuity of the operation of the Registries including terms which require:

- The transfer by ISC to ISC Sask of all the necessary rights and the Dedicated Assets required to manage and operate the Registries independently, such that in the event the Province appoints an administrator of ISC Sask, the Province will be able to continue the operation of the Registries;
- A Shared Resources License and Support Agreement between ISC, ISC Sask and the Province pursuant to which a right to access and use ISC resources and intellectual property used in the operation of the Registries are granted to ISC Sask and the Province (the "Shared Resources License Agreement");
- ISC has agreed to obtain consents to sub-license certain customized licensed intellectual property to ISC Sask and will use commercially reasonable efforts to obtain a sub-license of such intellectual property to the Province; and
- A debenture granted by ISC Sask creating a first-ranking charge over all real and personal property of ISC Sask to secure performance of the ISC's obligations under the Master Service Agreement and Registry Operating Agreements (the "Debenture"). The collateral under the Debenture consists primarily of the Dedicated Assets and the interests of ISC Sask under the Shared Resources License Agreement.

Disaster Recovery Plan

The purpose of the disaster recovery plan is to provide for the continued operation of the Registries in the event of any disruption in such services including those caused by events of force majeure. The disaster recovery plan and any amendments to it must be approved by the Province. We are responsible for the ongoing testing of the disaster recovery plan, and for implementing it if disruption occurs. We are also required to update the disaster recovery plan from time to time.

Transition Plan upon Termination or Expiration

ISC is obligated to deliver a transition plan within one year of the effective date of the Master Service Agreement. The transition plan will be subject to input by the Province and will be prepared at the Province's expense. The objective of the transition plan is to provide for an orderly transfer and transition to a successor to be designated by the Province upon the expiration of the Master Service Agreement, court-ordered transfer of the Registries to the Province, or other termination of the Master Service Agreement as a result of a default or by operation of applicable law.

ISC must provide assistance in the implementation of the transition plan during the transition period including making key management, executives and technical personnel available to assist in transition.

The transition period will be a minimum of 18 months, with an option for the Province to extend for a maximum of three further successive periods of up to 180 days each if the Master Service Agreement has expired, and up to a maximum of seven further successive periods of up to 180 days each if the Master Service Agreement was terminated prior to the expiration of its term. During the transition period we are obligated to continue to operate the Registries and provide assistance to transfer operation to the new provider or Province. The Province has the right to purchase certain assets and licenses back from ISC upon the termination or expiration of the Master Service Agreement.

Compensation Payable to ISC

Fees

ISC is entitled to collect and retain Registry Fees from customers using the Core Registry Services. The amount of the Registry Fees which we are authorized to charge for the Core Registry Services is capped at specified maximums, which caps can be adjusted annually, as discussed below. In addition, in certain circumstances, due to the actions of the Province or increases to historical volumes of certain included services provided to the Province, there may be changes to the maximum Registry Fees we can charge, to be determined by agreement or through a dispute resolution process if there is no agreement. Except with respect to the Registry Fees, the Master Service Agreement provides that ISC will not otherwise charge to the Province any fees for services required to manage and operate the Registries. The Master Service Agreement does not contain any restrictions on the fees we may charge for Ancillary Services.

Adjustment to Registry Fees — Consumer Price Index Increases

Each Registry Operating Agreement contains a schedule of the maximum Registry Fees allowed to be charged to the public for particular Core Registry Services. The maximum fees are adjustable on a yearly basis and are based on a formula tied to inflation as measured by the Saskatchewan Consumer Price Index published by Statistics Canada. Any disputes in the calculation of revised maximum Registry Fees are to be resolved through a dispute resolution process. These adjustment provisions do not apply to any value-based fees.

Adjustment to Registry Fees — Scope Changes

The Master Service Agreement contemplates ongoing changes to the way in which the Registries are operated and to the services ISC provides. These may be initiated by the Province, a Registry Officer, or in some cases, ISC. Changes to the services that we request can be implemented through agreement (change request), while changes required by the Province can be made through voluntary agreement with us or may be mandatory. In any of these cases, the changes may lead to a change to the maximum Registry Fees that we may charge.

The Master Service Agreement contains a process for annually reviewing all applicable changes to ISC's services and adjusting the schedule of maximum Registry Fees either up or down depending on the cumulative impact of all such changes during the year. The intention of this process is to ensure that we remain in the same approximate financial position after taking into account all increases and decreases to our revenue and costs associated with the changes. In the absence of an agreement regarding the adjustment to be made to the schedule of maximum Registry Fees or the compensation payable to us, the matter is to be resolved through a dispute resolution process.

Amounts Payable to the Province

Under the terms of the Master Service Agreement ISC is required to pay to the Province an annual fee of Five Hundred Thousand ($500,000) dollars on or before March 1 of each year, commencing with an initial payment due on March 1, 2014. The Master Service Agreement provides that the commencement of our obligation to make this lump sum payment will constitute a change that is subject to the change order process described above. As a result, we expect that the long-term impact of this payment will be revenue-neutral.

Ownership of Registry Data

The data and information that have been and will be collected in the provision of the Core Registry Services, as well as the databases, depositories and other records containing such data and information or required for the operation of the Registries, make up the registry data. At all times registry data remains the property of the Province. ISC is a custodian of the registry data with defined rights of use. The Province and the Registry Officers will have full access to the registry data at all times.

As custodian, ISC is responsible for using, maintaining, storing and disclosing the registry data and the registry databases in compliance with the governing legislation, all applicable laws, registry policies and procedures, privacy obligations and confidentiality obligations imposed by third parties. Subject to applicable laws, we are entitled to develop, acquire and own intellectual property rights created or acquired by us through the provision of services under the Master Service Agreement, except in certain limited situations where intellectual property rights are to be for the benefit of the Province.

Renewal

On or before May 30, 2030, the Province will inform ISC if the Province wishes to enter into negotiations with us to renew or extend the term beyond 2033. If the Province indicates it wishes to enter negotiations, we have agreed to negotiate with a view to reaching agreement on the terms of such renewal or extension. Neither party will be obligated in respect of such a renewal or extension.

Termination of Agreements and Remedies for Default

Termination

Upon the occurrence of ISC Material Breach (defined below) that is not cured during the applicable cure period, the Province has the right to terminate the Master Service Agreement. Subject to certain limitations, we have the right to dispute the Province's right to terminate the Master Service Agreement on grounds which include that termination of the Master Service Agreement would, on an objective basis, be an unreasonable remedy considering all of the circumstances of the ISC Material Breach.

In the Master Service Agreement, each of the following events is considered to be a ISC Material Breach: certain bankruptcy or insolvency-related events affecting ISC or ISC Sask; non-permitted material assignment or attempted assignment of the Master Service Agreement; certain unapproved or non-permitted corporate reorganizations; certain criminal offences or material non-compliance with applicable law; certain material performance failures or non-compliance with the statutes governing the Registries; failure to make any required payment to the Province when due, or default in the performance of any material obligations contained in our agreements with the Province of Saskatchewan; if any representation or warranty we have made in our agreements with the Province is found to be false or inaccurate in any material respect and such breach has a material adverse effect on the operation of the Registries; and if the Province acting reasonably concludes in good faith that we have repudiated our material future obligations under the Master Service Agreement, have evidenced an intention by clear acts, declarations or omissions that we will not continue to operate any or all of the Registries or we have ceased or threatened to cease to carry on business.

The Master Service Agreement provides for a 60 day period during which we are permitted an opportunity to cure certain ISC Material Breaches. The cure period may be extended by an additional 60 days in prescribed circumstances.

Service Level Performance Failure and Administrative Compensation Payment

Under the terms of the Registry Operating Agreements, if certain defined service level performance failures are not adequately remedied within a prescribed period of time in accordance with the remedial plan requirements set out in the Registry Operating Agreements, an administrative compensation payment of $10,000 per day will be imposed on ISC. If the performance failure is not remedied within a further prescribed period of time, the administrative compensation payment increases to $50,000 per day.

Other Remedies

In addition to the possible right to terminate the Master Service Agreement and the Registry Operating Agreements, the Province is afforded certain additional rights on the occurrence of an ISC Material Breach including the right to: (i) claim an indemnity, (ii) claim administrative compensation payments under the Registry Operating Agreements, (iii) seek injunctive relief, (iv) appoint an administrator for ISC Sask under the OPRSA, (v) enforce its security over the assets of ISC Sask, and (vi) seek other common law remedies.

Responsibility for Third Party Claims

Statutory Compensation Claims Indemnity

Under the public registry statutes governing the Registries, the Province is primarily liable to make payment to persons relying on the Land Registry for all assurance claims under *The Land Titles Act*, 2000 (Saskatchewan) as well as compensation claims in connection with the PPR and the Corporate Registry ("Statutory Compensation Claims"). Further, the Province is responsible for all Statutory Compensation Claims arising prior to the coming into force of the OPRSA. For Statutory Compensation Claims arising after the coming into force of the OPRSA, the Province and ISC have agreed to a "no-fault" allocation of risk which is given effect to under the Registry Operating Agreements, but limits the maximum liability of ISC for claims in each year ($750,000 in respect of the Land Registry, $50,000 in respect of the PPR and $50,000 in respect of the Corporate Registry). The indemnity limits under each of the Registry Operating Agreements are adjustable on an annual basis based on a Consumer Price Index-based formula.

Third Party Claims

To the extent not extinguished by the statutory immunity provisions, those third party claims inherent to the operation of the registry systems as they were at the date of transfer are borne by the Province. The Province has also agreed to indemnify us against any damages and expenses we incur in respect of any claim with respect to any period of time prior to the effective time of the Master Service Agreement that is based upon a judgment or order of a court that the intellectual property of ISC in existence at such time or any confidential information provided by the Province in operating the Registries infringes or breaches any intellectual property rights of a third party.

Pursuant to the Master Service Agreement the Province has agreed to indemnify us in respect of all claims made by third parties against us which are primarily based on any of or a combination of (i) claims based on breaches by the Province of its obligations under the Master Service Agreement, (ii) claims for which the Province is liable under the OPRSA, and (iii) actions in tort or statutory actions (including actions based on the provisions of the *Copyright Act* (Canada) and the *Patent Act* (Canada)) for recovery of damages by third parties based on our acts or omissions taken or made in compliance with applicable laws and the terms of the Master Service Agreement and instruments delegating powers or responsibilities to us under the acts governing the Registries. The Master Service Agreement further provides that we will indemnify the Province in respect of all claims made by third parties against the Province which are primarily based on any of or a combination of (i) claims based on breaches by us or our obligations under the Master Service Agreement, (ii) claims for which we are liable under the ISC Act, and (iii) actions in tort or statutory actions (including actions based on the provisions of the *Copyright Act* (Canada) and the *Patent Act* (Canada)) for recovery of damages by third parties based on our acts or omissions taken or made in violation of applicable laws.

The *OPRSA* entitles the Province to indemnification from ISC for any liability that is incurred as a result of the actions of ISC, its employees or agents if those actions occur on or after the coming into force of the OPRSA. The ISC Act provides that ISC continues to be liable for all obligations, expenditures, costs and liabilities incurred by it in its own right and not as agent of the Crown in right of Saskatchewan. Generally, these costs would include things such as payroll commitments, amounts owing under or in respect of contracts with third parties, liabilities for tax withholdings and other operational liabilities and expenses incurred by ISC prior to the coming into force of the ISC Act, but not liabilities arising under the statutes governing the Registries.

In addition, we have also agreed to indemnify the Province against any damages and expenses in respect of any claim with respect to any period of time after the effective time of the Master Service Agreement that is based upon a judgment or order of a court that intellectual property owned or used by us arising after such time or any confidential information provided by us in operating the Registries infringes or breaches any intellectual property rights of a third party.

Indemnity Limits

Our total liability to the Province for indemnity claims (i) made under the intellectual property indemnity, (ii) which relate to our failure to implement the transition plan and provide transition assistance as required by the Master Service Agreement, and (iii) made in respect of direct default costs, is limited to a maximum $40,000,000 per year. This limit does not apply to Statutory Compensation Claims and administrative compensation payments arising under the Registry Operating Agreements.

Resolution of Disputes

The Master Service Agreement provides for a dispute resolution process that ultimately leads to arbitration for many specified disputes, including but not limited to disputes over the calculation of fee changes as a result of the change order process and disputes over the occurrence of an ISC Material Breach. Disputes under the Master Service Agreement that are not specifically referred to as being subject to the dispute resolution process are subject to determination by a Saskatchewan court.

USE OF PROCEEDS

The Company will not receive any of the proceeds from the Offering or the Over-Allotment Option, if exercised. The Selling Shareholder is expected to receive net proceeds of $ ● in connection with the Offering ($ ● if the Over-Allotment Option is exercised in full), after payment of the Underwriters' Commission and expenses. All of the expenses of the Offering will be paid by the Selling Shareholder except for expenses incurred by the Company relating to roadshows and marketing activities and the fees and disbursements of the Company's legal counsel, which shall be paid by the Company.

NEW CREDIT FACILITIES

Prior to or concurrent with the Closing, ISC intends to enter into a credit agreement that is currently being negotiated with a Canadian chartered bank for senior credit facilities in the aggregate amount of approximately $20 million (the "New Credit Facilities"). We currently contemplate (i) a $10 million three year term loan to be used primarily to repay and replace the existing short term indebtedness of ISC to the General Revenue Fund of Saskatchewan, and (ii) a $10 million revolving credit facility to be used for general corporate purposes.

We expect the interest rate under the $10 million three year term loan to be fixed. Further we expect that all the indebtedness under the New Credit Facilities will be secured by a security interest in all of the assets of ISC, a pledge of all shares of ISC Sask, a guarantee of all ISC's obligations to the lender from ISC Sask, and a security interest in all the assets of ISC Sask. Such New Credit Facilities, including interest rates thereunder, will be subject to further negotiation between ISC and the lender and the entering into of definitive agreements, including an intercreditor agreement among ISC, ISC Sask, the lender and the Province. Completion of the New Credit Facilities will be subject to customary closing conditions. See "Risk Factors — Risks Related to Our Business and Industry" and "Relationship Between the Company, Selling Shareholder and Underwriter".

SUMMARY OF CASH AVAILABLE FOR PAYMENT OF DIVIDENDS

The following summary has been prepared by management on the basis of the information contained in the prospectus, the unaudited condensed financial statements for the twelve months ended March 31, 2013 and the audited financial statements for the twelve months ended December 31, 2012. The information should be read together with the financial statements of the Company and the related notes, "Selected Financial Information of the Company" and the discussion under "Management's Discussion and Analysis of Financial Condition and Results of Operations" included elsewhere in this prospectus. **This analysis is not a forecast or a projection of future results.**

As the Company intends to distribute a significant amount of its Cash Available for the Payment of Dividends on an ongoing basis, and since Adjusted EBITDA is a metric used as an alternative to net income and income from operations to measure business performance and cash flow generation because it removes cash flow fluctuations caused by certain adjustments, it is a useful non-IFRS supplemental measure from which to make adjustments to determine Cash Available for the Payment of Dividends. Adjusted EBITDA is adjusted for fees related to the Offering and including costs associated with being a public company, costs associated with administering the Master Service Agreement and adjustments relating to the transfer of the Province's Vital Statistics Registry. However, there are no standard definitions of Adjusted EBITDA or Cash Available for the Payment of Dividends prescribed by IFRS and other issuers may calculate similarly described measures differently. See "Non-IFRS Measures".

Management's assumptions in preparing this summary are set out in the notes below. Although management does not have firm commitments for all of the adjustments, including the adjustments for the estimated Offering expenses and estimated costs related to the requirements of being a reporting issuer and ongoing costs associated with the Master Service Agreement, and the complete financial effects of all these adjustments are not objectively determinable, management believes that the following represents a reasonable estimate of the Cash Available for the Payment of Dividends for the twelve months ended March 31, 2013 and

December 31, 2012 on a pro-forma basis assuming the Offering had been completed at the beginning of the period.

(thousands of CAD dollars, except for per share data)	Twelve Months ended March 31, 2013	Year ended December 31, 2012
EBITDA[1]	$28,963	$28,794
Public company and related costs[2]	(2,448)	(2,448)
Costs to transfer Vital Statistics Registry to eHealth[3]	142	—
Removal of Vital Statistics Registry[4]	1,391	1,312
One-time IPO expenses[5]	469	—
Adjusted EBITDA[1]	28,517	27,658
Management estimates that the following pro-forma amounts would reduce or increase the amount of Cash Available for Payment of Dividends		
Net Interest Expense from New Credit Facility[6]	(79)	(86)
Income Tax[7]	(809)	(760)
Change in Working Capital[8]	403	474
Maintenance Capital Expenditures[9]	(4,741)	(5,027)
Cash Available for Payment of Dividends[1]	$23,291	$22,259
Cash Available for Payment of Dividends for the Shareholders of the Company per Class A Share[10]	●	●

Notes:

(1) EBITDA, Adjusted EBITDA and Cash Available for Payment of Dividends are not recognized as measures under IFRS and do not have a standardized meaning prescribed by IFRS. See "Non-IFRS Measures".

(2) Represents estimated additional general and administrative expenses that the Company will incur on a continuing basis related to requirements of the Company becoming a reporting issuer post-Offering and for ongoing costs associated with the Master Service Agreement. The amount excludes any one-time costs associated with the Offering.

(3) The costs incurred to transfer the Vital Statistics Registry include our portion of the project management, staff and technology services costs.

(4) Represents the net effect of revenues less directly attributable expenses to the operation of the Vital Statistics Registry, which will not be operated post-Offering.

(5) One-time costs associated with the Offering were incurred beginning in 2013.

(6) Interest paid, net of interest received for the twelve months ended March 31, 2013 and December 31, 2012 is derived from the interest paid of $0.1 million and $0.1 million respectively, and net of interest received of $0.2 million and $0.2 million respectively as reported in the Statement of Comprehensive Income for the twelve months ended March 31, 2013 and December 31, 2012 and normalized for $0.3 million and $0.3 million respectively of interest expense expected from the New Credit Facilities (as defined below) with $9.935 million of debt.

(7) Represents estimated income taxes paid on the Net Income before taxes at the current prevailing legislated tax rates and taking into account all available deductions and tax credits, including application of capital cost allowance for intangibles and the Master Service Agreement.

(8) The net change in working capital for the twelve months ended March 31, 2013 and December 31, 2012 is derived from the non-cash working capital adjustments reported in the Statement of Cash Flows for the twelve month period ended March 31, 2013 and December 31, 2012.

(9) Capital expenditure is derived from maintenance additions to property, plant and equipment and additions to intangible assets reported in the Statement of Cash Flows for the twelve months ended March 31, 2013 and December 31, 2012.

(10) Based on the number of Class A Limited Voting Shares issued pursuant to the Offering.

See "Dividend Record and Policy" and "Risk Factors — Risks Related to Our Business and Industry".

SELECTED FINANCIAL INFORMATION

The following tables set out selected financial information for the periods indicated. The selected financial information set out below as of December 31, 2012, December 31, 2011 and December 31, 2010, and for each of the three fiscal years then ended, has been derived from our audited financial statements and related notes appearing elsewhere in this prospectus. Our audited financial statements appearing elsewhere in this prospectus have been audited by MNP LLP. MNP LLP's report on these financial statements is included elsewhere in this prospectus.

The selected financial information set out below as of March 31, 2013 and for the three months ended March 31, 2013 and March 31, 2012 has been derived from our unaudited condensed financial statements included elsewhere in this prospectus. The unaudited financial information presented has been prepared on a basis consistent with our audited financial statements. In the opinion of management, such unaudited financial data reflects all adjustments necessary for a fair presentation of the results for those periods. The results of operations for the interim periods are not necessarily indicative of the results to be expected for the full year or any future period.

The summary unaudited historical information for the twelve-month period ended March 31, 2013 has been derived by taking the historical audited statement of earnings for the fiscal year ended December 31, 2012, plus the historical unaudited statement of earnings for the three-month period ended March 31, 2013, less the historical unaudited statement of earnings for the three-month period ended March 31, 2012. The summary unaudited historical information for the twelve-month period ended March 31, 2012 has been derived by taking the historical audited statement of earnings for the fiscal year ended December 31, 2011, plus the historical unaudited statement of earnings for the three-month period ended March 31, 2012, less the historical unaudited statement of earnings for the three-month period ended March 31, 2011.

Please read the following information in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations", "Consolidated Capitalization" and our financial statements and the accompanying notes included elsewhere in this prospectus.

	Twelve Months Ended March 31,		Years Ended December 31,			Three Months Ended March 31,	
(thousands of CAD dollars)	**2013**	**2012**	**2012**	**2011**	**2010**	**2013**	**2012**
Earnings Data							
Revenues	$ 77,794	$ 72,638	$ 77,320	$ 70,816	$ 60,323	$17,606	$17,132
Operating, general & administrative expenses	56,248	56,022	56,165	53,319	44,266	14,604	14,520
Operating income	21,546	16,616	21,155	17,497	16,057	3,002	2,612
Net interest expense (income)	(99)	166	(85)	279	458	(30)	(16)
Net income	$ 21,645	$ 16,450	$ 21,240	$ 17,218	$ 15,599	$ 3,032	$ 2,628
Other Financial Data							
EBITDA	$ 28,963	$ 23,473	$ 28,794	$ 24,172	$ 22,227	$ 4,600	$ 4,432
EBITDA margin (EBITDA % of Revenues)	37.2%	32.3%	37.2%	34.1%	36.8%	26.1%	25.9%
Adjusted EBITDA(1)	$ 28,517	$ 22,059	$ 27,658	—	—	$ 4,930	$ 4,094
Adjusted EBITDA margin	36.7%	30.4%	35.8%	—	—	28.0%	23.9%
Capital Expenditures	$ 7,253	$ 5,817	$ 7,691	$ 6,875	$ 3,317	$ 992	$ 1,430
Balance Sheet Data							
Cash	$ 17,914	$ 14,309	$ 21,138	$ 18,957	$ 15,120	$17,914	$14,309
Net working capital(2)	(7,687)	(7,284)	(8,591)	(8,117)	(7,116)	(7,687)	(7,284)
Intangible assets	17,614	18,662	18,309	19,121	19,549	17,614	18,662
Total assets	44,509	41,643	48,638	47,435	43,932	44,509	41,643
Total debt	9,935	9,935	9,935	11,081	13,547	9,935	9,935
Total shareholder equity	20,404	18,399	21,941	19,817	18,095	20,404	18,399
Cash flow data							
Net cash provided by (used in):							
Operating activities	$ 29,975	$ 21,006	$ 29,863	$ 24,895	$ 21,605	$ 3,726	$ 3,615
Investing activities	(7,253)	(5,817)	(7,691)	(6.875)	(3,317)	(992)	(1,430)
Financing activities	(19,116)	(16,642)	(19,991)	(14,183)	(17,535)	(5,958)	(6,833)

Notes:

(1) For a reconciliation of Net Comprehensive Income to EBITDA and Adjusted EBITDA, see the table below.

(2) Net working capital is defined as current assets (excluding cash) less current liabilities (excluding dividends payable and short-term debt).

In addition to our results reported in accordance with IFRS, we use certain unaudited non-IFRS financial measures as supplemental indicators of our operating performance and financial position and for internal planning purposes. We evaluate our performance on these metrics by comparing our actual results to management budgets, forecasts, and prior period results on a report and constant dollar basis. These non-IFRS financial measures include EBITDA, Adjusted EBITDA and Adjusted EBITDA Margin. As non-IFRS measures, EBITDA, Adjusted EBITDA and Adjusted EBITDA Margin do not have standardized meanings prescribed by IFRS and therefore may not be comparable to similar measures presented by other issuers. See "Non-IFRS Measures".

The following table shows the reconciliation of Net Income to EBITDA, as well as Adjusted EBITDA.

(thousands of CAD dollars)	Twelve Months Ended March 31, 2013	Twelve Months Ended March 31, 2012	Years Ended December 31, 2012	Years Ended December 31, 2011	Years Ended December 31, 2010	Three Months Ended March 31, 2013	Three Months Ended March 31, 2012
Net income	$21,645	$16,450	$21,240	$17,218	$15,599	$3,032	$2,628
Depreciation and amortization	7,417	6,857	7,639	6,675	6,170	1,598	1,820
Net interest expense (income)	(99)	166	(85)	279	458	(30)	(16)
EBITDA(1)	28,963	23,473	28,794	24,172	22,227	4,600	4,432
Adjustments:							
One-time IPO expenses(2)	469	—	—	—	—	469	—
Public company and related costs(3)	(2,448)	(2,448)	(2,448)			(612)	(612)
Costs to transfer Vital Statistics to eHealth(4)	142	—	—	—	—	142	—
Removal of Vital Statistics(5)	1,391	1,034	1,312	—	—	331	274
Adjusted EBITDA(1)	$28,517	$22,059	$27,658	—	—	$4,930	$4,094

Notes:

(1) EBITDA and Adjusted EBITDA are not recognized as measures under IFRS and do not have a standardized meaning prescribed by IFRS. See "Non-IFRS Measures".

(2) One-time costs associated with the Offering were incurred beginning in 2013.

(3) Represents estimated additional general and administrative expenses that we will incur on a continuing basis related to requirements of the Company becoming a reporting issuer post-Offering and for ongoing costs associated with the Master Service Agreement. The amount excludes any one-time costs associated with the Offering.

(4) The costs incurred to transfer the Vital Statistics Registry include our portion of the project management, staff and technology services costs.

(5) Represents the net effect of revenues less directly attributable expenses to the operation of the Vital Statistics Registry, which will not be operated post-Offering.

DIVIDEND RECORD AND POLICY

Prior to 2006, we had not paid any dividends. In 2007, we began to make dividend payments to the Selling Shareholder. Since January 1, 2008, we have made regular quarterly dividend payments in accordance with the Selling Shareholder's dividend policy for subsidiary Crown corporations, which, based on our cash flow, reinvestment needs and capital structure targets has annually been established at 90% of our annual net income. Dividends have been paid on the last day of March, June, September and December in respect of the previous quarter's earnings. Dividends due to the Selling Shareholder in respect of estimated 2013 second quarter earnings in the amount of $ ● will be declared prior to the Closing of the Offering.

Upon Closing of the Offering we will establish a policy of paying an annual dividend of $ ● per Class A Share to be payable on a quarterly basis. The payment of dividends is not guaranteed, and the amount and timing of any dividends payable by the Company will be at the discretion of the Board and will be established on the basis of our cash available for distribution, our financial requirements, any restrictions imposed by our proposed New Credit Facilities, the requirements of any future financings and other factors existing at the time. We anticipate that the first dividend payment after Closing of the Offering, which will be a partial dividend for the period from the Closing date to September 30, 2013, will be declared on or about October ● , 2013 and that future dividends will be paid on or about the ● day of January, April, July and October. Any dividends we pay will be declared and paid in Canadian dollars. See "Risk Factors" for items that may impact our payment of dividends.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis should be read in conjunction with "Selected Financial Information", and our audited and unaudited historical financial statements, including the related notes, included elsewhere in this prospectus. Some of the information contained in this discussion and analysis contains forward-looking statements that involve risks and uncertainties. See "Forward-Looking Statements", "Market and Industry Data" and "Risk Factors" for a discussion of the uncertainties, risks and assumptions associated with those statements. Our actual results may differ materially from those discussions in the forward-looking statements as a result of various factors, including those described in "Risk Factors" and elsewhere in this prospectus.

Overview

We are the exclusive provider of the Land Registry, Land Survey, PPR and Corporate Registry in the Province of Saskatchewan. We provide an essential service to our customers who are individuals and businesses within the Province by supporting economic activity through real property, personal property and corporate registrations. In addition, we are responsible for the technology and activities related to the development, management and distribution of geographic information, which is a fundamental part of land rights administration.

Our core business is registry and information services. ISC is built on a strong foundation of developing and managing accurate and secure government registries and has significant experience integrating and transforming government information into solutions for the people and businesses of Saskatchewan. This foundation has provided us with many years of solid financial growth, strong customer satisfaction and high employee engagement. We intend to build upon our foundation in the registry and information management sectors to provide additional related information services and solutions for new and existing customers in Saskatchewan as well as outside of the Province.

In the autumn of 2012, the Province announced its intention to privatize Information Services Corporation of Saskatchewan. As part of the privatization, the Province also announced its intention to transfer the Vital Statistics Registry, which is currently administered by ISC, to a Government of Saskatchewan entity, eHealth. See "Privatization". The overall results of operations presented below include the Vital Statistics Registry line of business, but is commented on separately under "Vital Statistics Registry" below.

2012 Highlights

- We recorded a 9.2% increase in revenue, reaching $77.3 million, compared to $70.8 million in 2011;
- Net income was $21.2 million, an increase of 23.4%, or $4.0 million, from 2011;
- We integrated our Corporate Registry with the CRA to issue a CRA Business Number with all new Saskatchewan incorporations;
- We renovated five of seven of our regional customer service centres;
- We streamlined business registration and reporting requirements under the New West Partnership;
- Working closely with the Ministry of the Economy, we developed MARS, a new online system for issuing mineral permits, claims and leases; and
- We launched a new online service that gives end-users the ability to order birth, marriage and death certificates online, 24/7.

2011 Highlights

- Revenue increased 17.4%, reaching $70.8 million, compared to $60.3 million in 2010;
- Net income increased 10.4%, to $17.2 million, compared to $15.6 million in 2010;
- Our service delivery model was examined and a title processing team was created to focus on land title processing, which is expected to result in efficiencies;

- The Business Portal, including the Business Registrations Saskatchewan website was launched in May providing a web-based, easy-to-use online process to register a business, to register with the Workers' Compensation Board and for Provincial Sales Tax;
- The Corporate Registry was fully integrated into ISC in March; and
- Modernization of the Vital Statistics Registry started with the conversion of 3.6 million paper records into electronic records and the implementation of a new software system.

2010 Highlights

- We recorded a 5.6% increase in revenue, totalling $60.3 million, compared to $57.1 million in 2009;
- Net income totalled $15.6 million, an increase of 3.6%, or $0.5 million, from 2009; and
- The Corporate Registry transferred to ISC in October.

Basis of Presentation

Our audited financial statements contained elsewhere in this prospectus were prepared in accordance with IFRS and are presented in our functional currency of Canadian dollars. We transitioned to IFRS January 1, 2011 and as such 2010 comparative figures have been restated to conform to IFRS.

Effective October 1, 2010, ISC assumed the administration of the Corporate Registry, a province-wide system for registering business corporations, non-profit corporations, co-operatives, sole proprietorships, joint ventures, business partnerships and business names. As a result, ISC's financial results for 2010 only include the results of the Corporate Registry for the fourth quarter of 2010.

Effective October 12, 2008, ISC assumed the administration of the Vital Statistics Registry, a province-wide system for registering births, deaths, marriages, stillbirths and changes of name. However, as part of the privatization of ISC, the Government of Saskatchewan indicated its intention to transfer the Vital Statistics Registry to a Government of Saskatchewan entity, eHealth. The transfer will occur on or about June 16, 2013. See "Privatization". As a result, except where indicated, historical financial results include the results of the Vital Statistics Registry.

IFRS does not include specific measurement guidance for transfers of businesses or subsidiaries between entities under common control. However based on accounting pronouncements and the IFRS framework, the Company has elected to use book value (carry-over basis) accounting of the assets and liabilities transferred through for such transactions.

Accounting Periods

This management's discussion and analysis is based on the audited financial statements and accompanying notes thereto for the years ended December 31, 2012, December, 31, 2011, December, 31, 2010 and the unaudited financial statements and accompanying notes thereto for the three months ended March 31, 2013 and March 31, 2012.

Financial Measures and Key Performance Indicators

Key performance indicators which we use to manage our business and evaluate our financial results and operating performance include: revenues, operating, general and administrative expenses, and net income.

In addition to our results reported in accordance with IFRS, we use certain non-IFRS financial measures as supplemental indicators of our operating performance and financial position and for internal planning purposes. We evaluate our performance on these metrics by comparing our actual results to management budgets, forecasts, and prior period results on a report and constant dollar basis. These non-IFRS financial measures include EBITDA, Adjusted EBITDA and Adjusted EBITDA Margin. As non-IFRS measures, EBITDA, Adjusted EBITDA and Adjusted EBITDA Margin do not have standardized meanings prescribed by IFRS and therefore may not be comparable to similar measures presented by other issuers. See "Non-IFRS Measures".

We use Adjusted EBITDA as a supplemental measure to evaluate the overall operating performance and cash flow of the Company, and we currently anticipate that Adjusted EBITDA will be part of our presentation to investors and analysts after becoming a public company. For a reconciliation of Adjusted EBITDA to net income see "Selected Financial Information".

Factors Affecting our Performance

Revenues

We generate revenues from the provision of registry services, the sale of digital and hard copy maps and photo imagery and other miscellaneous services. Revenues come from our four major lines of business: (i) Land Registry, Land Survey and Geomatics, (ii) the PPR, (iii) the Corporate Registry, and (iv) the Vital Statistics Registry. Our sales are transacted through both online and paper submission, as well as in-person submissions and service requests at our customer service counter in Regina or one of our seven regional service centres located throughout Saskatchewan.

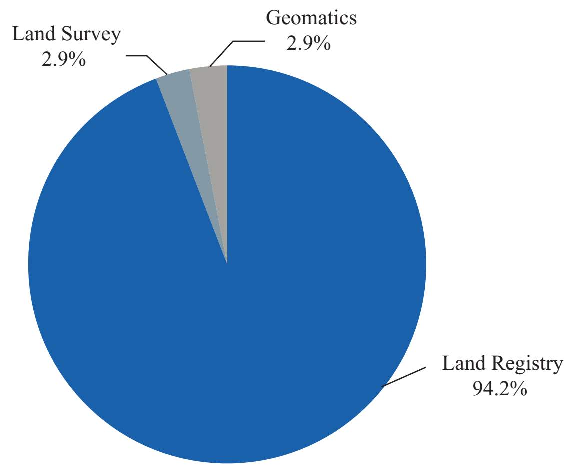
(i) Land Registry, Land Survey and Geomatics

Revenues for the Land Registry are earned through value-based and flat fees for registrations, flat fees for searches and flat fees for maintenance transactions. Certain basic functionality, such as limited searches, are provided without charge. Revenue comes primarily from three fee triggers: change of ownership registrations, mortgage interest setups/registrations, and title detail searches.

In the Land Survey, revenue is earned through flat fees for registrations, searches and survey services. Over 80% of Land Survey revenue comes from surveys related to subdivisions and condominium plans.

Geomatics revenue is earned through the sale of digital and hard copy maps and photo imagery and other miscellaneous services. Geomatics revenue also includes the recognition of grants for specialized projects, such as MARS. The MARS grant was provided to recover the cost for the project and as the project will be capitalized over a three year period, deferred revenue will be recognized at the same rate as the amortization of the project.

2012 Land Registry, Land Survey and Geomatics Revenues



(ii) PPR

Revenues for PPR are earned on a flat, per transaction basis for search, registration and maintenance services, mostly from the financial sector and other businesses involved in buying and selling automobiles and equipment. The largest components of revenue are generated from lifetime security registrations, searches and registration renewals. Less than 5% of revenues is related to other sources such as amendments to existing registrations and registrations made pursuant to the Judgment Registry.

(iii) Corporate Registry

Revenues in the Corporate Registry are earned on a flat per transaction basis for business name searches, reservations, registrations (incorporations) and maintenance services. Typically, a substantial portion of Corporate Registry revenue is related to the filing of annual returns (maintenance), new incorporations and name reservations.

Beginning in 2012, revenues were adversely impacted by the implementation of the first phase of the New West Partnership, an agreement between the governments of Saskatchewan, Alberta and British Columbia that requires the three jurisdictions to reconcile registration and reporting requirements for business enterprises. Fees for extra-provincial registration are waived between the participating provinces and businesses are only required to file corporate annual returns in their home jurisdiction. The New West Partnership impact for registrations and filing of annual returns has been approximately $45 thousand per month, or 6.5% of Corporate Registry revenue, since the first phase was implemented in July 2012. The final phase, which will extend the New West Partnership to limited partnerships, limited liability partnerships and co-operatives on July 1, 2013 is expected to further adversely impact revenues, however, to a lesser degree as these transactions represent less than 1% of Corporate Registry transactions.

Operating, General and Administrative Expenses

Our operating, general and administrative expenses consist of the following:

- Wages and salaries is our largest expense and consists of employee salaries with related benefits for both unionized and non-unionized employees, as well as pension plan contributions, economic adjustments, performance increases, training and professional dues and recruitment.
- Information technology services consist of annual service charges, contract services with third party service providers, annual services agreements, repairs and maintenance, system support and consulting, network charges, and operational releases.
- Depreciation and amortization represents the proration of costs for tangible and intangible assets.
- Occupancy expenses are made up of rent, parking, utilities, storage, janitorial supplies and services, facility repairs and maintenance, general office supplies, printed forms, mail, courier and telephone charges.
- Operational projects costs include costs that are not eligible to be capitalized as part of the development of the asset and therefore must be expensed in the current year. Such costs include training, marketing, travel, selling, administration and general overhead costs related to the project.
- Other includes costs such as financial services, professional services, travel and business costs, advertising and promotion, insurance and assurance and other corporate expenses.

Over the last several years, our wages and salaries have increased as we assumed the end-to-end administration of the Corporate Registry in 2010 and the Vital Statistics Registry in 2008. As a result, we assumed all staff within those Province of Saskatchewan Ministry functions. In addition, our information technology services costs also increased, particularly as we modernized the Vital Statistics Registry over this period.

Interest Expense

ISC has borrowed funds from the General Revenue Fund of Saskatchewan from time to time. As at March 31, 2013, we had approximately $9.9 million of short term indebtedness outstanding, bearing interest at 1.16% per annum and which is due November 1, 2013.

Prior to or concurrent with the Closing of the Offering, ISC expects to enter into the New Credit Facilities with a Canadian chartered bank providing for senior credit facilities in the aggregate amount of approximately $20,000,000, the completion of which will be subject to further negotiation and the entering into of definitive agreements. See “New Credit Facilities”, “Risk Factors — Risks Related to Our Business and Industry”, and “Relationship Between the Company, Selling Shareholder and Underwriter”.

Provision for Income Tax

To date, by virtue of being a Crown corporation of the Government of Saskatchewan we have been exempt from federal and provincial income taxes under the Income Tax Act (Canada), as amended (the “Tax Act”). Following completion of the Offering, our status will change, and we will be subject to federal and provincial income taxes at a combined rate of 27% on income that we earn in Saskatchewan. Upon the loss of our tax exempt status, a new taxation year will commence and our properties will be deemed to have been disposed of at fair market value before that time and reacquired at that time for a deemed cost of the same amount. Thereafter, ISC can amortize and deduct the cost of depreciable tangible and intangible properties in computing its income for tax purposes in accordance with the rules in the Tax Act, which is expected to result in reduced cash taxes payable for the first few years of operation as a public company.

Seasonality

Our business experiences moderate seasonality, primarily in relation to our Land Registry revenues which fluctuate in line with real estate transaction activity in the Province. Typically, our second and third quarters generate slightly higher revenues during the fiscal year when real estate activity is highest. As a result, quarterly margins can fluctuate as our expenses are relatively consistent, except for salaries and wages which are typically higher in the first quarter due to incentive payments and the impact of a bi-weekly payroll, as well as project costs which can fluctuate depending on the projects underway. However the impact of seasonality has not typically been material to our overall results.

Results of Operations

	For the Three Months Ended March 31			
(thousands of CAD dollars)	**2013**	**% of Revenues**	**2012**	**% of Revenues**
Revenues				
Land Registry, Land Survey and Geomatics	$12,753	72.5%	$12,186	71.1%
Personal Property Registry	2,114	12.0%	1,988	11.6%
Corporate Registry	2,207	12.5%	2,407	14.1%
Vital Statistics Registry	529	3.0%	532	3.1%
Other	3	0.0%	19	0.1%
	17,606	100.0%	17,132	100.0%
Operating, general and administrative expenses:				
Wages and salaries	7,063	40.1%	6,919	40.4%
Information technology services	2,591	14.7%	2,474	14.4%
Depreciation and amortization	1,598	9.1%	1,820	10.6%
Occupancy costs	1,111	6.3%	1,192	7.0%
Operational projects	1,408	8.0%	1,107	6.5%
Other	833	4.7%	1,008	5.9%
	14,604	82.9%	14,520	84.8%
Net finance expense (income)	(30)	(0.1)%	(16)	(0.1)%
Net Income	$ 3,032	17.2%	$ 2,628	15.3%
Adjusted EBITDA[(1)]	$ 4,930	28.0%	$ 4,094	23.9%

Note:

(1) For a reconciliation of Net Income to EBITDA and Adjusted EBITDA, see “Selected Financial Information”.

Three Months ended March 31, 2013 compared to Three Months ended March 31, 2012

The overall results of operations presented below include the Vital Statistics Registry line of business, but is commented on separately under "Vital Statistics Registry" below.

Revenues

Revenues were $17.6 million for the three month period ended March 31, 2013, an increase of $0.5 million, or 2.8%, compared to the three month period ended March 31, 2012. The growth in revenue was driven by increased value-based fees for land transfers, driven by higher housing prices, and increased personal property registry transaction volumes. The increase in revenues was partially offset by a decrease in Corporate Registry revenue due to a reduction in annual return revenue as a result of the New West Partnership.

(i) Land Registry, Land Survey and Geomatics

Revenues were $12.8 million for the three month period ended March 31, 2013, an increase of $0.6 million, or 4.7% compared to the three month period ended March 31, 2012. Revenue grew due to an increase in the value-based land transfer fees received, as the average selling price for homes in Saskatchewan rose approximately 9.0% from the first quarter of 2012 to the first quarter of 2013. This increase more than offset the reduction in the number of land transfer transactions.

Unusually colder weather patterns in February and March may have negatively impacted the number of home sales in the Province. In addition, the tightening of mortgage rules implemented by the Government of Canada last summer continues to impact potential home buyers across the country especially first time buyers.

(ii) Personal Property Registry

Revenue for three month period ended March 31, 2013 totaled $2.1 million, up 6.3% from $2.0 million in the three month period ended March 31, 2012. Most of the increase in revenue was realized early in the quarter, with strong increases in transaction volumes and associated revenue during that time. Search volumes increased 2.1%, with 99.9% completed electronically, while registration volumes decreased 0.9% in the first quarter, with 99.6% completed electronically.

(iii) Corporate Registry

Revenues for the three month period ended March 31, 2013 were $2.2 million, an 8.3% decline from revenues for the three month period ended March 31, 2012 of $2.4 million, primarily as a result of the continued impact of the New West Partnership on annual return fees.

Operating, General and Administrative Expenses

Operating, general and administrative expenses were $14.6 million in the three month period ended March 31, 2013 as compared to $14.5 million in the three month period ended March 31, 2012, an increase of less than 1.0%.

Wages and salaries increased by 2.1% over the same period in 2012 to $7.1 million. A significant factor in the increase was the 2.0% increase in wages for unionized employees effective October 1, 2012 under the New Collective Bargaining Agreement. There were also fewer salaries capitalized in 2013 as part of capital projects.

Information technology services to March 31, 2013 increased by 4.7% over the same period in 2012 to $2.6 million, as more third party consulting services were applied to operational initiatives as opposed to capital projects.

Depreciation and amortization decreased by 12.2% to March 31, 2013 over the same period in 2012 to $1.6 million, as a result of delays in completion of certain capital projects.

Occupancy costs for our facilities decreased by 6.8% over the first quarter in 2012, to $1.1 million, a result of decreases in general office supplies, mail, courier and freight, reference materials, ordinary course moving expenses and storage costs.

Operational project costs increased by 27.2% over the first quarter of 2012 to $1.4 million, as a result of increases in project operational costs for new initiatives in 2013 as compared to 2012, including the completion of renovations in our customer service centres, the continuation of New West Partnership requirements, Business Portal and a planned renewal of the survey plan processing system.

Other costs decreased by 17.4% to March 31, 2013 versus that same period in 2012 to $0.8 million, as a result of decreases in professional services and travel and business costs partially offset by increases in advertising expenses.

Adjusted EBITDA

Adjusted EBITDA totaled $4.9 million for the three month period ended March 31, 2013, an increase of $0.8 million, or 20.5% over the same period in 2012.

Net Finance Expense (Income)

Net finance income for the three month period ended March 31, 2013 represented less than 0.1% of revenue increasing marginally compared to the same period in the previous year due to more cash on hand generating interest income and lower interest rates on our short-term debt in 2013.

Net Income

Net income for the three month period ended March 31, 2013 increased $0.4 million, or 15.4%, over the same period in 2012.

	For the Year Ended December 31					
(thousands of CAD dollars)	**2012**	**% of Revenues**	**2011**	**% of Revenues**	**2010**	**% of Revenues**
Revenues						
Land Registry, Land Survey and Geomatics	$57,920	74.9%	$52,187	73.7%	$48,857	81.0%
Personal Property Registry	9,083	11.8%	8,307	11.7%	7,796	12.9%
Corporate Registry	8,157	10.5%	8,135	11.5%	1,745	2.9%
Vital Statistics Registry	2,104	2.7%	2,146	3.0%	1,909	3.2%
Other	56	0.1%	41	0.1%	16	0.0%
	77,320	100.0%	70,816	100.0%	60,323	100.0%
Operating, general and administrative expenses:						
Wages and salaries	24,788	32.0%	23,624	33.4%	20,066	33.3%
Information technology services	10,279	13.3%	9,300	13.1%	8,449	14.0%
Depreciation and amortization	7,639	9.9%	6,675	9.4%	6,170	10.2%
Occupancy costs	4,799	6.2%	4,664	6.6%	3,417	5.7%
Operational projects	3,557	4.6%	4,710	6.7%	2,904	4.8%
Other	5,103	6.6%	4,346	6.1%	3,260	5.4%
	56,165	72.6%	53,319	75.3%	44,266	73.4%
Net finance expense (income)	(85)	(0.1)%	279	0.4%	458	0.7%
Net Income[(1)]	$21,240	27.5%	$17,218	24.3%	$15,599	25.9%
Adjusted EBITDA[(2)]	$27,658	35.8%	–	–	–	–

Notes:

(1) Basic earnings (loss) on per share basis have not been provided as, prior to the continuance, ISC was a Saskatchewan provincial Crown corporation without share capital.

(2) For a reconciliation of Net Income to EBITDA and Adjusted EBITDA, see "Selected Financial Information".

Year ended December 31, 2012 compared to Year ended December 31, 2011

The overall results of operations presented below include the Vital Statistics Registry line of business, but is commented on separately under "Vital Statistics Registry" below.

Revenues

Revenues were $77.3 million for 2012, an increase of $6.5 million, or 9.2%, compared to 2011. Revenues increased as a result of the continued strength of the Saskatchewan economy which drove home values and transaction volumes in the Land Registry and continued increases in consumer purchases and financing of vehicles and equipment for the PPR.

(i) Land Registry, Land Survey and Geomatics

In 2012, Land, Survey and Geomatics revenues reported an overall increase of 11.0% when compared to 2011, to $57.9 million.

Land Registry revenues experienced an 11.2% increase in 2012 compared to 2011, as housing resale and the average prices of homes in Saskatchewan (as listed on the Multiple Listing Services) remained strong and increased the value-based fees received from land transfers. The Government of Canada policy changes to mortgage lending rules implemented in July 2012 is believed to have had a dampening effect on the number of resale transactions in the Province in the latter half of the year. Total fee triggering transactions exhibited an overall increase of 1.0% in volume compared to 2011.

Land Surveys reported a 9.5% increase in revenue in 2012 compared to 2011, partially a result of an approximately 5.0% increase in volumes in condominium, right of way and subdivision plans, as well as an increased number of plan images requested by customers.

Geomatics revenues reported a 6.6% increase in 2012 compared to 2011 due to provisioning of information solution services for the CAR Project, application hosting and map services for SaskBiz (a website that provides comprehensive information on communities and regions in Saskatchewan) and map maintenance services for the Saskatchewan 911 service.

(ii) Personal Property Registry

Revenues increased in 2012 by 9.3% over 2011, to $9.1 million, with lifetime security registrations and search volumes increasing 8.4% and 4.9%, respectively, in 2012 compared to 2011.

(iii) Corporate Registry

Revenues were $8.2 million, flat when compared to the previous year's revenues of $8.1 million. Expected increases in revenue from the continuing strong Saskatchewan economy were impacted as expected in the second half of the year with the implementation of the first phase of requirements under New West Partnership. A revenue increase of 10.5% in the first six months of the year was offset by the New West Partnership triggered decline in annual return fees in the remaining six months of the year.

Operating, General and Administrative Expenses

Operating, general and administrative expenses totaled $56.2 million in 2012 as compared to $53.3 million in 2011, an increase of 5.3%.

Wages and salaries increased by 4.9% over 2011 to $24.8 million, as a result of an increase in the number of employees to support the Business Portal business area, additional positions to support expansion of our service offerings, and a wage increase for our unionized employees under our collective bargaining agreement.

Information technology services increased by 10.5% over 2011 to $10.3 million, as a result of additional support for the Corporate Registry system, which is expected to continue to increase until the legacy software application is modernized (expected to continue through to 2014) offset by reductions in land technology costs due to reduced information storage costs.

Depreciation and amortization increased by 14.4% over 2011 to $7.6 million, as a result of increases in tangible and intangible assets related to completed projects such as Business Portal phase I and II, Vital Statistics Modernization Prerequisites, Document Submission Library and corporate accommodation improvement leasehold improvements.

Occupancy costs increased by 2.9% over 2011 to $4.8 million as a result of inflationary increases in the variable components of our facility leases and additional swing space costs to accommodate the renovations of our customer service centres.

Operational project costs decreased by 24.5% over 2011 to $3.6 million, as a result of decreases in costs for new corporate initiatives in 2012. In 2012, ongoing capitalized development from projects continued from 2011, such as the New West Partnership and the Corporate Registry modernization, meant that less time was allocated to new initiatives. New initiatives started in 2012 included identity and access management and payment services.

Other costs increased by 17.4% over 2011 to $5.1 million, primarily as a result of continuing increases in credit card fees which is a direct cost that varies with revenues.

Adjusted EBITDA

Adjusted EBITDA totaled $27.7 million for 2012.

Net Finance Expense (Income)

Net finance income for 2012 was $0.09 million compared to a net finance expense of $0.28 million for 2011, based on a repayment of $1.1 million of the indebtedness, a reduction in the interest rate on the remaining indebtedness and an increase in the interest earned on cash balances.

Net Income

Net income for 2012 increased $4.0 million over 2011, or 23.4%, to $21.2 million.

Year ended December 31, 2011 compared to Year ended December 31, 2010

The overall results of operations presented below include the Vital Statistics Registry line of business, but is commented on separately under "Vital Statistics Registry" below.

Revenues

Revenues reached $70.8 million for 2011, an increase of $10.5 million, or 17.4%, compared to 2010. Revenues increased as a result of the continued strength of the Saskatchewan economy which drove home values and transaction volumes in the Land Registry and continued increases in consumer purchases and financing of vehicles and equipment for the PPR.

(i) Land Registry, Land Survey and Geomatics

In 2011, Land, Surveys and Geomatics revenues reported an overall increase of 6.8% compared to 2010, to a total of $52.2 million, as land development and housing markets in Saskatchewan were strong in 2011.

The Land Registry reported a 6.9% increase in revenue in 2011 when compared to 2010. Total fee-triggering transactions increased 6.0% over 2010.

Land Surveys generated a 3.8% increase in revenue in 2011 compared to 2010, partially a result of increased volumes in the third and fourth quarters. Year over year, there were also more parcels per plan registered.

Geomatics reported a 5.7% increase in revenues in 2011 compared to 2010, increasing to $1.6 million as a result of increased sales and service volumes over 2010.

(ii) Personal Property Registry

Revenues increased by 6.6% over 2010, to $8.3 million, with search volumes and lifetime security registrations volumes increasing 5.0% and 6.1%, respectively, in 2011 compared to 2010.

(iii) Corporate Registry

Revenues reached $8.1 million in 2011, compared to $1.7 million in 2010. This is principally as a result of the full year impact of the inclusion of the Corporate Registry within ISC as compared to only the fourth quarter of 2010.

Operating, General and Administrative Expenses

Operating, general and administrative expenses were $53.3 million in 2011 compared to $44.3 million in 2010.

Wages and salaries increased by 17.7% over 2010 to $23.6 million, as a result of increases in staffing due to the integration of the Corporate Registry, the establishment of the Judgment Registry, increases in customer support and advertising undertaken to raise end-user awareness of the value of PPR search activities. Wages and salaries also included an increase of 3.25% for our unionized employees effective October 1, 2011 under ISC's collective bargaining agreement covering the three year term from October 1, 2009 to September 30, 2012.

Information technology services increased by 10.1% over 2010 to $9.3 million, as a result of the addition of servers for the new Corporate Registry system, and new servers required to maintain services and to establish a title processing team in 2011, with the goal to provide more effective and efficient services.

Depreciation and amortization increased by 8.2% over 2011 to $6.7 million, as a result of increases in tangible and intangible assets related to completed projects.

Occupancy costs increased by 36.5% from $3.4 million in 2010 to $4.7 million in 2011, as a result of increased facility space and the inclusion of a full year of operating costs for the Corporate Registry.

Operational project costs increased by 62.2% from $2.9 million in 2010 to $4.7 million in 2011, a result of initiatives such as development of the first phase of the New West Partnership, the start of the modernization of Vital Statistics and Corporate Registries.

Other costs increased by 33.3% from $3.3 million in 2010 to $4.3 million in 2011, partially as a result of increases in credit card fees (that are directly related to increases in revenues) and professional services.

Net Finance Expense (Income)

Net finance expense for 2011 decreased $0.2 million over 2010 due to the repayment of certain long-term debt during the year and the conversion of the remaining long-term debt to short-term debt, which resulted in a lower interest rate.

Net Income

Net income for 2011 increased $1.6 million, or 10.4%, to $17.2 million from $15.6 million in 2010.

Vital Statistics Registry

The Vital Statistics Registry transferred to ISC from the Ministry of Health on October 12, 2008 with a mandate to modernize the registry. This modernization activity was completed in 2012. However, as part of the privatization of ISC, the Government of Saskatchewan indicated their intention to transfer the Vital Statistics Registry to a Government of Saskatchewan entity, eHealth. The assets of Vital Statistics (except for cash) will be transferred at their net book value through a dividend-in-kind to the Selling Shareholder prior to Closing. As part of the transfer, 21 employees related to the Vital Statistics line of business will also transfer to eHealth.

As a result, we have summarized the net effect of the transfer of the Vital Statistics to our business through an adjustment reflected in our Adjusted EBITDA. A description of the results for the Vital Statistic Registry for the three months ended March 31, 2013 and March 31, 2012 and the years ended December 31, 2012, December, 31, 2011, December, 31, 2010 are presented below.

Three Months ended March 31, 2013 compared to Three Months ended March 31, 2012

Revenues

Revenues are derived from vital event certificate sales, with the majority from birth certificates sales. Revenues were up noticeably early in the quarter, tied to continuing strong birth rates in Saskatchewan, but declined in the last half of the quarter due to a slowing of fulfillment of birth certificate orders in response to a temporary certificate stock supply issue. As such, revenues in the period ending March 31, 2013 were flat at $0.5 million, compared to the same period of 2012.

Operating, General and Administrative Expenses

Expenses rose to $0.5 million in the three month period ended March 31, 2013 compared to $0.4 million in the three month period in 2012 mainly due to incremental support to reduce the turnaround times, licensing for the new VitalWare software, and financial services (credit card merchant fees) related to sales of Vital Statistics certificates.

Year ended December 31, 2012 compared to Year ended December 31, 2011 compared to Year ended December 31, 2010

Revenues

Revenues for 2012 were flat at $2.1 million compared to 2011. Revenues for 2011 represented a 12.4% increase over 2010 revenues of $1.9 million. Revenues are heavily dependent on the number of vital event certificate requests.

Operating, General and Administrative Expenses

Operating, general and administration expenses for Vital Statistics were up in 2012, particularly in the first quarter, as we adopted the new Vital Statistics software and operating processes. Technology support costs represented a substantial amount of the increase attributable to additional costs to support the new software and additional image storage. Operating costs also included project operational costs for the implementation of the online certificate ordering application and online order status check application.

In 2011, customer service costs more than doubled over 2010, as we managed various changes to the Vital Statistics Registry. Operating costs also include a considerable increase in project operational costs, as two major components of the modernization activity proceeded. A new software system was implemented in November of 2010, and all paper registrations were digitized.

Outlook

ISC is built on a strong foundation of developing and managing accurate and secure government registries that record and authenticate important personal, business and property information. Our objective is to continue to grow our revenues by supplementing our existing service offering with additional products and services. We will also seek to increase our margins on existing products and services through the effective and efficient delivery of those products and services.

The majority of our revenues, including those related to the Land Registry, the PPR and the Corporate Registry, are tied to economic conditions, and as such our revenues are expected to remain stable in 2013. Prevailing economic conditions in Saskatchewan are generally expected to continue in 2013 driving positive growth in GDP. Key drivers of favorable macro-economic conditions in the Province that in turn support the growth of our revenues also include the continuation of a low interest rate environment, which encourages new home purchases and resale transactions, strong consumption patterns and high levels of private capital investment.

Momentum in the real estate market across the Province is expected to continue in 2013 albeit at a slightly lower rate than in 2012. CMHC currently forecasts a slight decrease in existing home sales volumes in Saskatchewan for 2013, however, average home sales prices are expected to increase marginally. Saskatchewan farm land experienced strong price increases for 2011 and 2012, averaging roughly 10 per cent for each year. In January 2013, farm land values demonstrated an increase of 9.7% over the same period in 2012. Saskatchewan land values may see moderate increases as farm commodity prices could decline slightly but remain at historical highs. Besides commodity prices, another key driver supporting land values is the low interest rates that are likely to remain favourable in 2013.

Patterns of retail trade and new vehicle sales provide a useful metric for expected revenues in the PPR. In January 2013, retail trade in Saskatchewan grew 9.0% over the same period in 2012. New vehicle sales exhibited an increase of 4% in January 2013 over the same period in 2012. According to RBC Economics Research, retail sales (including new motor vehicle sales) in Saskatchewan are expected to grow 5.4% in 2013 and 4.9% in 2014.

The key drivers of our expenses will continue to be wages and salaries, information technology and operational project costs as we continue to focus on efficiency and effectiveness, leveraging investment in systems and processes with new corporate strategic initiatives and maintaining a high level of customer service as a result of our new service delivery strategy. We expect our operating, general and administrative expenses to modestly increase based on inflation and in connection with becoming a public company and as we expand our business.

In addition to our estimated share of the Offering costs of approximately $2.3 million, we estimate we will incur approximately $1.3 million per year in incremental administrative expenses such as increased audit fees, board, transfer agent, media, monitoring and wire service fees, interim and annual reports, executive travel, listing fees, investor relation functions, and additional insurance costs as a public company. In addition, we estimate we will incur approximately $0.8 million to $1.3 million per year in incremental reporting and contract management costs to comply with the terms of our Master Service Agreement with the Province of Saskatchewan. See “Material Contracts — Master Service Agreement”.

To support our services, we anticipate incremental capital expenditures in 2013 to include investments for the modernization of our Corporate Registry system, the completion of renovations of our customer service centres, the renewal of our survey plan processing system, Business Portal, New West Partnership initiatives and other initiatives such as identity and access management, payment services and e-signature.

Summary of Quarterly Results

(thousands of CAD dollars)	Q1 2013	Q4 2012	Q3 2012	Q2 2012	Q1 2012	Q4 2011	Q3 2011	Q2 2011
Revenues	$ 17,606	$ 18,860	$ 19,505	$ 21,823	$ 17,132	$ 17,908	$ 18,555	$ 19,042
Expenses	14,574	13,832	13,812	13,932	14,504	14,944	12,379	14,359
Net Income	$ 3,032	$ 5,028	$ 5,693	$ 7,891	$ 2,628	$ 2,964	$ 6,176	$ 4,683

Our business experiences moderate seasonality, primarily in relation to our Land Registry revenues which fluctuate in line with real estate transaction activity in the Province. Typically, our second and third quarters generate slightly higher revenues during the fiscal year when real estate activity is highest; as shown in the table above. Transactions in our PPR follow similar moderate seasonality trends, while our Corporate Registry results are earned more evenly throughout the year, with some seasonality in the first and fourth quarters as a result of calendar year-end filings.

Liquidity & Capital Resources

Cash Flows

Our primary source of operating cash flow is generated from revenues related to the Land, PPR and Corporate Registries and primary uses of funds are operational expenses, maintenance and growth capital expenditures, dividends, and principal payments on outstanding indebtedness. Historically, ISC has financed its operations and met its capital and finance expenditure requirements primarily through cash flows provided from operations. At this time, we do not expect any presently known trend or uncertainty to affect our ability to access sources of liquidity.

We believe that internally generated cash flow, supplemented by additional borrowings that are expected to be available under the proposed New Credit Facilities if necessary, will be sufficient to meet our anticipated dividend payments, capital expenditures and other cash requirements. We also believe that we will have the ability to generate sufficient amounts of cash and cash equivalents in the long-term to meet planned growth targets and fund strategic transactions.

Liquidity risk is managed based on financial forecasts and anticipated cash flows. As of March 31, 2013, we held cash of $17.9 million and had existing short term borrowings from the Province of approximately $9.9 million which provides flexibility to meet any unanticipated cash requirement due to changes in working capital commitments or liquidity risk associated with financial instruments. Such changes may arise from among other things, general economic conditions and the failure of one or more customers to pay their obligations (see "Credit Risk" further below).

It is expected that upon Closing the funds will be drawn on the proposed New Credit Facilities to repay indebtedness of ISC to the Province of Saskatchewan. See "New Credit Facilities".

The following tables summarizes the Company's sources and uses of funds for the three months ended March 31, 2013 and 2012 and the years ended December 31, 2012, 2011 and 2010:

	Three Months Ended March 31,		Years Ended December 31,		
(thousands of CAD dollars)	2013	2012	2012	2011	2010
Net cash flows from operating activities	$ 3,726	$ 3,615	$ 29,863	$ 24,895	$ 21,605
Net cash flows from investing activities	(992)	(1,430)	(7,691)	(6.875)	(3,317)
Net cash flows from financing activities[(1)]	(5,958)	(6,833)	(19,991)	(14,183)	(17,535)
Increase/(decrease) in cash	(3,224)	(4,648)	2,181	3,837	753
Beginning cash	21,138	18,957	18,957	15,120	14,367
Ending cash	**$ 17,914**	**$ 14,309**	**$ 21,138**	**$ 18,957**	**$ 15,120**

Note:

(1) In the three month periods ending March 31, 2013 and 2012 the portion of such amounts paid to the Selling Shareholder as dividends were $6.0 and $5.7 million, respectively. In the years ended December 31, 2012, 2011 and 2010 the portion of such amounts paid to the Selling Shareholder as dividends were $18.8, $11.7 and $17.5 million, respectively.

Net Cash Provided by Operating Activities

Net cash flows provided by operating activities for the three month period ended March 31, 2013 were $3.7 million, an increase of $0.1 million compared to the three month period ended March 31, 2012 due to higher net income and lower amortization.

Net cash flows provided by operating activities for 2012 were $29.9 million, an increase of $5.0 million compared to 2011, due to higher net income and a lower net change in non-cash working capital.

Net cash flows provided by operating activities for 2011 were $24.9 million, an increase of $3.3 million compared to 2010, due to higher net income and net change in non-cash working capital.

Net Cash Used in Investing Activities

Net cash flows used in investing activities for the three month period ended March 31, 2013 were $1.0 million; a decrease of $0.4 million compared to the three month period ended March 31, 2012 as fewer funds were invested in the development of intangible assets.

Net cash used in investing activities during 2012 was $7.7 million compared to $6.9 million in 2011, as more funds were invested in property, plant and equipment and intangible assets in 2012, primarily related to leasehold improvements, the continuation of initiatives started in 2011 outlined below, and new initiatives around identity and access management, the renewal of the survey plan processing system, the Vital Statistics system renewal and the CRA Business Number integration with the Business Portal.

Net cash used in investing activities during 2011 was $6.9 million compared to $3.3 million in 2010 as more funds were invested in property, plant and equipment and intangible assets in 2011 versus 2010, primarily related to leasehold improvements in the regional customer service centres, the Business Portal including the Business Registrations Saskatchewan website, the Vital Statistics system renewal and documents conversion, the MARS project, map search, the Enforcement of Money Judgments and Document Submission Library and New West Partnership requirements.

Net Cash Used in Financing Activities

Net cash flows used in financing activities for the three month period ended March 31, 2013 were $6.0 million; a decrease of $0.9 million compared to the three month period ended March 31, 2012 attributable to an increase in the dividend payment in 2013 because of a higher net income and to the repayment of long-term debt in 2012.

During 2012, net cash flows used in financing activities were $20.0 million compared to $14.2 million for 2011, primarily from the repayment of long-term debt of $1.1 million and the payment of a higher dividend based on higher net income.

Net cash flows used in financing activities for 2011 were $14.2 million compared to $17.5 million for 2010, primarily due to a net repayment of debt of $2.5 million offset by a lower dividend payment in 2011 as compared to 2010. The dividend payment in 2010 was unusually high based on an increased dividend commitment from 2009 earnings which was actually paid in 2010.

Capital Expenditures

Historically, our capital expenditures have been primarily for sustaining infrastructure, modernizing technology and facilities, mandatory requirements resulting from legislative changes and for strategic initiatives. In 2013, we have anticipated investments for ongoing renewals of systems and property, plant and equipment such as computers and related equipment and leasehold improvements, the modernization of our Corporate Registry system coupled with investments for strategic initiatives such as Business Portal, identity and access management, payment services and e-signature functionality.

Capital expenditures for the three months ended March 31, 2013 was $1.0 million compared to $1.4 million for the three months ended March 31, 2012. Expenditures included leasehold improvements, costs for a new services framework for the Business Portal, costs related to the renewal of the survey plan processing system, continuing development efforts required under the New West Partnership and the initiation of our identity and access management project.

Capital expenditures for 2012 were $7.7 million, primarily related to the renewal of the survey plan processing system, identity and access management and continuation of 2011 and 2010 projects.

Capital expenditures for 2011 were $6.9 million primarily related to leasehold improvements specific to the regional customer service centres and general assets, New West Partnership, map search, CRA Business Number integration with the Business Portal, project portfolio management system, Document Submission Library and the continuation of our 2010 projects.

Capital expenditures for 2010 were $3.3 million and related to leasehold improvements and general assets, the Business Registrations Saskatchewan website, the Vital Statistics data and document conversion and system changes to support legislative changes, the MARS project, enhanced mineral cadastral project, enforcement of money judgments, financial, payroll and CRM systems upgrades and GIS cadastral system transition. ISC received grants for certain projects, such as MARS and the enhanced mineral cadastral project that will be recognized in revenue as the costs of the project are amortized.

Ongoing commitments for capital expenditures include projects that are currently underway, such as the Corporate Registry renewal, the renewal of the survey plan processing system, leasehold improvements, an ongoing technology refresh, e-signature, identity and access management, business process improvement and revenue forecast modeling.

Contractual Obligations

The following table summarizes our obligations under firm contractual arrangements as of December 31, 2012:

	Years Ended December 31,				
(thousands of CAD dollars)	**2013**	**2014**	**2015**	**2016**	**Thereafter**
Lease financing					
Operating lease obligations(1)	$ 1,300	$1,206	$1,182	$ 612	$1,840
Short-term debt(2)	9,935	●	●	●	●
Vendor commitments					
IT Service Agreements(3)(4)	9,549	2,896	—	—	—
Total commitments	$20,784	$ ●	$ ●	$ ●	$ ●

Notes:

(1) ISC leases all of our office space through operating leases. Operating leases related to office space include lease terms of between five to ten years, with various options to extend. ISC does not have an option to purchase the leased assets at the expiry of the lease period.

(2) ISC expects to use part of the proceeds of a $10 million term loan provided under the proposed New Credit Facilities to replace the existing short term indebtedness of ISC to the General Revenue Fund of Saskatchewan. See “New Credit Facilities”.

(3) HP provides application development, maintenance and support services related to the operation of the Land Registry, PPR, and GIS pursuant to an agreement for information technology services. This agreement is scheduled to terminate on April 30, 2014.

(4) ISM provides hardware management services and support services for software and hardware infrastructure pursuant to a services agreement. This agreement is scheduled to terminate on April 30, 2014.

Off Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements.

Quantitative and Qualitative Disclosures about Market and Other Financial Risks

ISC does not use any form of derivative financial instruments to manage its exposure to credit risk, interest rate risk or market risk.

Credit Risk

Credit risk is the risk that one party to a transaction will fail to discharge an obligation and cause the other party to incur a financial loss. We extend credit to our customers in the normal course of business and are exposed to credit risk in the event of non-performance by customers, but do not anticipate any such non-performance which would be material. We monitor the credit risk and credit rating of customers on a regular basis. We have significant concentration of credit risk among government sectors, these customers are predominantly provincial, federal and municipal government ministries and agencies and our private sector customers are diverse.

Interest Rate Risk

The interest rate risk is low to ISC because of our low levels of indebtedness and because we expect the interest rate under the proposed New Credit Facility, which will be used to refinance approximately $9.9 million of short term indebtedness, to be fixed for three years.

Market Risk

We are exposed to market risk primarily in terms of revenue generation. The revenues are driven by property volumes and prices which have increased with the growth and strength of the Saskatchewan economy. We monitor the market conditions in an effort to capture fluctuations that may affect the ongoing revenue.

Liquidity Risk

Liquidity risk is the risk that we will not be able to meet our financial obligations as they fall due. Our cash resources are managed based on financial forecasts and anticipated cash flows. Contractual maturities such as debt, trade and other payables, accrued liabilities and dividend payable are exposed to liquidity risk.

Transactions with Related Parties

Included in the financial statements are transactions with various Saskatchewan Crown corporations, ministries, agencies, boards and commissions related to the Company by virtue of common control by the Government of Saskatchewan and non-Crown corporations and enterprises subject to joint control and significant influence by the Government of Saskatchewan (collectively referred to as "related parties"). ISC has elected to take an exemption under IAS 24 — *Related Party Disclosures* which allows government related entities to limit the extent of disclosures about related party transactions with government or other government related entities.

Routine operating transactions with related parties are settled at agreed upon exchange amounts under normal trade terms. ISC has obtained debt financing through the Minister of Finance from the General Revenue Fund of the Government of Saskatchewan, which debt is expected to be replaced with the term debt under the New Credit Facilities on or prior to Closing of the Offering.

Critical Accounting Policies and Estimates

In preparing our financial statements, management is required to make estimates, assumptions and judgement as to the outcome of future events that might affect reported assets, liabilities, revenues and expense and the disclosure of contingent assets and liabilities. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Significant items subject to estimates and assumptions include: the carrying amounts of property, plant and equipment, intangible assets and their recoverability; the underlying estimations of useful life of depreciable assets; capitalization of interest; and disposal of property, plant and equipment; and the accounting for the fair value of financial instruments.

Revenue Recognition

Revenues from the Land, Survey and Geomatics, the PPR, the Corporate Registry, the Vital Statistics Registry and other sources are recognized in the accounts when services are rendered. Amounts received in advance of Geomatics services being performed are reflected as deferred revenue and are recorded as revenue when services are rendered. Amounts received from customers in advance are reflected as advances from customers and are recorded as services are rendered.

Accounts Receivable

ISC carries its accounts receivable at invoiced amounts. Aging receivables are for the most part 30 days or less due to the collection of cash advances that are required to do business with ISC.

Property, plant and equipment

Property, plant and equipment are recorded at cost less accumulated depreciation and any provisions for impairment. Cost includes expenditures that are directly attributable to the acquisition of the asset.

Intangible assets

i. Intangible assets acquired separately

   Finite intangible assets acquired separately are carried at cost less accumulated amortization and any accumulated impairment losses. Amortization on externally acquired system enhancements, including software are recorded on the straight-line basis over the estimated productive life.

ii. Internally generated intangible assets

   Research expenditures are expensed and development expenditures are recognized only if they meet the recognition criteria for internally generated intangible assets as provided under IFRS. If no internally generated intangible asset can be recognized, development expenditures are charged to operations in the period in which they are incurred. Internally generated intangible assets include: land titles automated network delivery ("LAND"), geographic information system ("GIS"), system enhancements, and assets under development.

Impairment of tangible and intangible assets

At each statement of financial position date, ISC reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, we estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Changes in accounting policies

The Company has adopted the following new and revised standards, along with any consequential amendments, effective January 1, 2013. These changes were made in accordance with the applicable transitional provisions. The adoption of these changes did not require any adjustments.

Proposed standard	Description
IAS 1 — Presentation of Items of Other Comprehensive Income	Provides guidance on the presentation of items contained in other comprehensive income
IFRS 7 — Financial Instrument Disclosures (offsetting assets and liabilities)	Amends certain criteria for grouping assets and liabilities into classes and certain disclosure requirements.
IFRS 13 — Fair Value Measurement	Sets out a single framework for measuring fair value and disclosure requirements surrounding the inputs and assumptions used in determining fair value.
IAS 19 — Employee Benefits	Significant changes in accounting for defined benefit pension plans.

In addition, the Company has evaluated the following new and revised standards, along with any consequential amendments, effective January 1, 2013 and determined that they do not apply. IFRS 12 will apply to ISC in future periods because of the incorporation of its subsidiary, ISC Sask on May 30, 2013.

Proposed standard	Description
IFRS 10 — Consolidated Financial Statements	Builds on the existing principles of control and elaborates on the definition of control when determining whether an entity should be consolidated or not.
IFRS 11 — Joint Arrangements	Focuses on the rights and obligations of an arrangement rather than its legal form and requires a single method to account for interests in jointly controlled entities.
IFRS 12 — Disclosure of Interests in Other Entities	Consolidated disclosure standard requiring a wide range of disclosures about an entity's interests in subsidiaries, joint arrangements, associates and unconsolidated structured entities.
IAS 27 — Separate Financial Statements	Outlines when an entity must consolidate another entity, how to account for a change in ownership interest, how to prepare separate financial statements, and related disclosures.
IAS 28 — Investments in Associates and Joint Ventures	Prescribes the accounting for investments in associates and to set out the requirements for the application of the equity method when accounting for investments in associates and joint ventures

Recent Accounting Pronouncements

The IASB and International Financial Reporting Interpretations Committee ("IFRIC") have issued the following new standards and amendments to standards and interpretations, which become effective for annual periods beginning on or after January 1, 2014 are currently being assessed by the Company to determine the impact and have not been applied in preparing these financial statements.

Proposed standard	Description	Effective Date
IAS 32 — Financial Instruments: Presentation	Prescribes the recognition, measurement, presentation and disclosure requirement of financial instruments	January 1, 2014
IFRS 7 — Financial Instrument Disclosures (transition)	Amends certain criteria for grouping assets and liabilities into classes and certain disclosure requirements.	January 1, 2015
IFRS 9 — Financial Instruments	Addresses the classification and measurement of financial assets and financial liabilities.	January 1, 2015

DESCRIPTION OF SECURITIES

Immediately following the Closing, the Company's authorized share capital will consist of an unlimited number of Class A Shares, one Class B Golden Share (the "Golden Share") and an unlimited number of Preferred Shares, issuable in series (the "Preferred Shares"). Immediately following the Closing, there will be ● Class A Shares issued and outstanding, one Golden Share issued and outstanding and no Preferred Shares will be issued and outstanding. The rights, privileges restrictions and conditions attaching to these securities are described below. In addition, the articles of the Company and the ISC Act contain provisions granting the Province of Saskatchewan the right to appoint directors to the Board and imposing restrictions on ownership of the Company's securities. See "Appointment of Directors by the Province of Saskatchewan" and "Restrictions on Ownership" below.

Class A Shares

Subject to the restrictions described below, the holders of the Class A Shares are entitled to one vote per Class A Share on all matters to be voted on by the shareholders at any meetings of shareholders, other than at meetings at which only the holders of another class or series of shares are entitled to vote separately as a class or series. The holders of the Class A Shares are entitled to receive any dividends declared by the Company in respect of the Class A Shares, subject to the rights of the holders of other classes of shares. The holders of the Class A Shares will be entitled to receive, subject to the rights of the holders of other classes of shares, the remaining property and assets of the Company available for distribution, after payment of liabilities, upon the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary.

The Golden Share

As the holder of the Golden Share, the Selling Shareholder, an agent of the Crown in Right of Saskatchewan and a wholly-owned provincial Crown corporation, is entitled to receive notice of and to attend all meetings of shareholders including meetings of any class or series thereof, but does not have the right to vote at any such meeting other than a meeting of the holder of the Golden Share as a class. The holder of the Golden Share does not have the right to vote separately as a class, except: (i) to veto a transfer of the Company's registered office outside of Saskatchewan; (ii) to veto a transfer of all or any part of the Company's head office operations, or all or any part of the functions constituting the Company's head office operations, outside of Saskatchewan; (iii) to veto the sale, lease or exchange of all or substantially all of the Company's property; (iv) on any proposal to apply for a continuance in a jurisdiction outside of Saskatchewan; (v) on any proposal to amend the Company's articles; or (vi) as otherwise provided by law. The holder of the Golden Share does not have the right to receive any dividends declared by the Company or to participate in the distribution of the remaining property and assets of the Company available for distribution, after payment of liabilities, upon the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary. The holder of the Golden Share has no pre-emptive, redemption, purchase or conversion rights in respect of such share. The Golden Share may be transferred to a Crown corporation existing under *The Crown Corporations Act, 1993* (Saskatchewan), a department, ministry or agency of the Government of Saskatchewan or any other agent of the Crown in Right of the Province, but is otherwise non-transferrable.

Preferred Shares

The Preferred Shares will be issuable at any time from time to time in one or more series. The Board will be authorized to fix before issue the number of, the consideration per share of, the designation of, and the provisions attaching to, the Preferred Shares of each series, which may include voting rights and other provisions attaching to the Preferred Shares or shares of the series. Notwithstanding the forgoing, no series of Preferred Shares shall provide for the right to vote in connection with any election of directors of the Company. The Preferred Shares of each series will rank on parity with the Preferred Shares of every other series and will be entitled to preference over the Class A Shares, the Golden Share and any other share ranking junior to the Preferred Shares with respect to the distribution of any property or assets in the event of the Company's liquidation, dissolution or winding-up, whether voluntary or involuntary.

Appointment of Directors by Province of Saskatchewan

Both the Company's articles and the ISC Act provide that, in lieu of voting the Class A Shares held by the Selling Shareholder on any resolution electing directors to the Board, the Lieutenant Governor in Council of the Province of Saskatchewan has the right to appoint that number of members to the Board equal to the Selling Shareholder's *pro rata* share of the issued and outstanding Class A Shares (rounded to the nearest whole number), but always subject to a minimum of two directors.

Restrictions on Ownership

Limit on Amount of Holdings

Both the Company's articles and the ISC Act contain provisions imposing limits on ownership, including joint ownership, of the Class A Shares and any other voting securities which might subsequently be issued. Specifically, except the Province of Saskatchewan or an agent of the Province of Saskatchewan, no person, alone or together with associates (associates being determined according to specific rules in the ISC Act), may hold, beneficially own or control, directly or indirectly, other than by way of security only or for purposes of distribution by an underwriter, voting securities to which are attached more than 15% of the votes attached to the issued and outstanding voting shares (the "Ownership Restriction"). Preferred Shares, if any, will not qualify as voting shares for the purposes of the ISC Act by virtue of not being entitled to vote in connection with the election of directors of the Company.

The Information Services Corporation Regulations (Saskatchewan) (the "ISC Regulations") contain exceptions to the limit on voting security ownership. Specifically, such limit is not applicable, for a period of time set by the Board, to persons or groups of associated persons who acquire voting securities: (i) in connection with a merger, amalgamation, or reorganization of the Company or any subsidiary of the Company; (ii) in the course of an acquisition made by the Company or any subsidiary of the Company; (iii) as part of a financing arrangement in connection with an acquisition by the Company or any subsidiary of the Company; or (iv) through inadvertence or error of a technical nature, as determined by the opinion of the Company. Additionally, the ISC Regulations provide that the limit on voting security ownership is not applicable where a person has submitted a statutory declaration to the Company, containing information prescribed by the ISC Regulations, which attests to the beneficial ownership of voting securities of the Company by another person.

Enforcement

In order to give effect to the Ownership Restriction, both the Company's articles and the ISC Act and the ISC Regulations thereunder contain provisions for the enforcement of the Ownership Restriction, including provisions for suspension of voting rights, forfeiture of rights to dividends and recovery of dividends paid to shareholders holding more than 15% of the votes attached to the issued and outstanding voting shares.

The provisions allow ISC to require shareholders to furnish shareholder declarations as to ownership of voting securities and certain other matters relative to the enforcement of the limitation on holdings. The ISC Regulations prescribe the particular information which can be sought by ISC. Specifically, such information includes: (i) a shareholder's beneficial ownership of any voting shares of ISC; (ii) the identity of the beneficial owner of any or all voting shares of the Company which are held by a particular shareholder; (iii) whether a particular shareholder is associated with any other person; and (iv) any other matter that ISC considers relevant for the purposes of determining whether there is a contravention of the ISC Act.

The ISC Regulations provide that declarations are to be submitted to ISC upon its written request. In the event that the request is not complied with in the time period set by ISC (not to be less than 60 days), ISC is empowered, from and after the expiration of the particular time period, to suspend payment of dividends to the particular shareholder, to recover any dividends paid to the particular shareholder, and to suspend the voting rights of all securities held by the particular shareholder, until the request has been complied with. Additionally, if ISC has made a written request for a statutory declaration to a particular shareholder, ISC will not register any transfer of voting securities of ISC to the particular shareholder until the statutory declaration has been received and reviewed by ISC.

Other Restrictions

The Company's articles and the ISC Act place certain other restrictions on ISC, including a prohibition against transferring head office operations, or all or any part of the functions constituting its head office operations (generally all executive, corporate planning, senior administrative and general management functions of ISC and ISC Sask) outside of Saskatchewan and a prohibition against the Company's articles or by-laws containing provisions inconsistent with the provisions included in the ISC Act. Further, the offices at which substantially all of our executive officers (and in any event the offices for our chief executive officer, chief operating officer, chief financial officer and president) and senior officers are based must remain in the Province.

Interpretation

For the purposes of the Restrictions on Ownership:

"voting share" means a share of ISC that, apart from the ISC Act, carries the right under all circumstances to vote at any meeting of shareholders, other than meetings at which only shareholders of a particular class are entitled to vote;

"person" includes a trust and any government or agent of a government.

A person is an associate of another person if:

(i) one of them is a corporation of which the other is an officer or director;

(ii) both are partners in the same partnership;

(iii) one of them is a corporation that is controlled by the other person;

(iv) both are corporations that are controlled by the same person;

(v) both are parties to a voting trust that relates to voting shares;

(vi) one of them is a government and the other is an agent of that government;

(vii) both are agents of the same government;

(viii) both are holders of the same voting shares whether as shareholders or as beneficial owners; or

(ix) both are associated within the meaning of any of clauses (i) to (viii) with the same person.

Provided that:

(x) two corporations are deemed not to be associated with each other by virtue of clause (ix) above by reason only that each is associated with the same person pursuant to (i) above; and

(xi) two or more persons are associated for the purposes of the Ownership Restrictions if the Board is satisfied that:

   (a) those persons are parties to an agreement or arrangement under which they act in concert with respect to their interests in ISC; or

   (b) those persons have been acting and are continuing to act in concert with respect to their interests in ISC.

"hold", with respect to a share, means to hold as a shareholder, as a beneficial owner or partly as a shareholder and partly as a beneficial owner;

"shareholder" means a person who, according to the securities register of ISC, is the holder of a voting share;

"control" means control in any manner that results in control in fact, whether directly through ownership of securities or indirectly through a trust, an agreement, the ownership of any body corporate or otherwise;

A person is deemed to beneficially own voting shares if:

(i) the voting shares are beneficially owned by a corporation controlled by that person or by an affiliate of that corporation; or

(ii) the voting shares are beneficially owned by that person through a trustee, legal representative, agent or other intermediary;

A corporation is deemed to beneficially own voting shares if those voting shares are beneficially owned by its affiliates. A corporation is affiliated with another corporation if:

(i) one is the subsidiary of the other; or

(ii) both of them are controlled by the same person.

CONSOLIDATED CAPITALIZATION

The following table sets forth the consolidated capitalization of the Company as at the date indicated, both on an actual basis (as of March 31, 2013) and an as adjusted basis to give effect to the privatization and continuance of ISC under *The Business Corporations Act* (Saskatchewan), the initial issuance of Class A Shares to the Selling Shareholder, ISC's New Credit Facilities and the Offering.

This table is presented and should be read in conjunction with our financial statements and the related notes included elsewhere in this prospectus and with the information under "Selected Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations."

(in thousands of dollars)	March 31, 2013	March 31, 2013, after giving effect to the transactions described above
Cash(1)	$17,914	$ ●
Debt		
Short-term debt(2)(3)	$ 9,935	—
Long-term debt(3)	—	●
	9,935	●
Shareholders' equity		
Class A Shares(4)	—	●
Golden Share(4)	—	●
Loans to employees(5)	—	●
Retained earnings	20,404	●
	20,404	●
Total capitalization	$30,339	$ ●

Notes:

(1) Dividends due to the Selling Shareholder in respect of estimated 2013 second quarter earnings in the amount of $ ● will be declared prior to the Closing of the Offering.

(2) The existing short-term debt consists of a loan from the General Revenue Fund of the Province of Saskatchewan which is due November 1, 2013.

(3) Prior to or concurrent with the Closing of the Offering, ISC expects to enter into the New Credit Facilities and expects to use part of the proceeds of a $10 million three year term loan provided under such New Credit Facilities to replace the existing loan from the General Revenue Fund of Saskatchewan. The completion of such New Credit Facilities will be subject to further negotiation and the entering into of definitive agreements. See "New Credit Facilities" and "Risk Factors".

(4) ● Class A Shares were issued to the Selling Shareholder on ● , 2013 for no consideration following the continuance of ISC under *The Business Corporations Act* (Saskatchewan). See "Privatization". The authorized capital of ISC includes a sole Golden Share issued to the Selling Shareholder for no consideration. See "Description of Securities."

(5) Any ISC employee at Closing opting to purchase Class A Shares under the Employee Ownership Incentive Program will be able to finance the purchase through an interest-free loan from ISC. The maximum amount of such loans, assuming full participation by all employees of ISC in such loan program would be approximately $ ● . See "Plan of Distribution".

PRIOR SALES

On ● , 2013, the Company issued ● Class A Shares and one Golden Share to the Selling Shareholder for no consideration upon being continued pursuant to *The Business Corporations Act* (Saskatchewan) in accordance with the ISC Act. See "Privatization". Prior to the continuance, the Company was a Saskatchewan provincial Crown corporation without share capital, created by Order in Council as a subsidiary of the Selling Shareholder pursuant to *The Crown Corporation Act, 1993* (Saskatchewan).

PRINCIPAL SHAREHOLDER AND SELLING SHAREHOLDER

The following table shows the names of the persons or companies who, as at the date of the Closing, will own of record, or who, to our knowledge, will own beneficially, directly or indirectly, more than 10% of any class or series of our securities.

Name	Class or Series of Securities	Number of Securities Owned before the Offering(2)	Number of Securities Distributed(3)	Number of Securities Owned after the Offering(3)	Percentage of Outstanding Securities after the Offering(3)
Crown Investments Corporation of Saskatchewan(1)	Class A Shares	●	●	●	● %
	Golden Share	1	Nil	1	100%

Notes:

(1) The Selling Shareholder is an agent of the Crown in Right of Saskatchewan and is a wholly-owned provincial Crown corporation. It is the agency utilized for making and administering, on behalf of the Government of Saskatchewan, the investments authorized by *The Crown Corporations Act, 1993* (Saskatchewan) and acts as a holding company for a number of wholly-owned Crown corporations and certain other entities in which the Crown in Right of Saskatchewan has an interest. **The Class A Shares are not guaranteed in any manner by the Province of Saskatchewan.**

(2) On ● , 2013 in connection with the privatization and continuation, the Company issued ● Class A Shares and one Golden Share to the Selling Shareholder as registered and beneficial owner for no consideration. See "Prior Sales".

(3) If the Over-Allotment Option is exercised in full, such holder will, as the Selling Shareholder, distribute ● Class A Shares and will own ● Class A Shares, representing approximately ● % of the issued and outstanding Class A Shares.

DIRECTORS AND EXECUTIVE OFFICERS

Name, Occupation and Security Holding

The name, municipality of residence, position to be held with ISC and principal occupation are set forth below for each of the persons who have agreed to serve as directors of ISC and are expected to be appointed by the Selling Shareholder immediately prior to the completion of the Offering (collectively, the "Proposed Directors"):

Name and Municipality of Residence	Position(s)/Title	Since(1)	Principal Occupation
JESS HUAN CHUA(2) . . . . Calgary, Alberta	Director	—	Professor, University of Calgary
TOM CHRISTIANSEN(3) . . . . Swift Current, Saskatchewan	Director	2009	Owner, Décor Complete Ltd.
DOUG EMSLEY(4) . . . . Regina, Saskatchewan	Director	—	President and Chief Executive Officer of Assiniboia Capital Corp.
ANTHONY ROBERT GUGLIELMIN(2) . . . . . Vancouver, British Columbia	Director	—	Vice-President and Chief Financial Officer of Ballard Power Systems Inc.
WILLIAM (SCOTT) MUSGRAVE(2) . . . . . . Lloydminster, Saskatchewan	Director	2010	Manager, Executive Officer and Partner, Musgrave Associated Group of Companies
MICHELLE OUELLETTE, Q.C.(4) . . . . Saskatoon, Saskatchewan	Director	—	Partner, McKercher LLP
BRAD SYLVESTER(3)(4) . . . . Saskatoon, Saskatchewan	Director	2008	National Account Manager, Sofina Foods Inc.
DION E. TCHORZEWSKI(3) . . . . Regina, Saskatchewan	Director	—	Partner, McDougall Gauley LLP
JOEL DOUGLAS TEAL . . . . Saskatoon, Saskatchewan	Board Chair Director	—	Retired

Notes:

(1) This column reflects the date of appointment of such individual as a director of ISC, and as of the date of this prospectus, only Mr. Christiansen, Mr. Musgrave and Mr. Sylvester have been appointed as directors of the Company.

(2) Expected to be appointed to the Audit Committee (as defined below) upon Closing.

(3) Expected to be appointed to the Governance Committee & Nominating Committee (as defined below) upon Closing.

(4) Expected to be appointed to the Compensation Committee (as defined below) upon Closing.

The above individuals, other than Mr. Christiansen, Mr. Musgrave and Mr. Sylvester, will not be directors of ISC at the date of this prospectus and ISC does not believe that these individuals will have any statutory liability for the disclosure contained in this prospectus. The current members of the Board of Directors of ISC are Tom Christiansen, Larry Hiles, William (Scott) Musgrave, Ray Sass, Brad Sylvester and Jeret Bode. Larry Hiles, Ray Sass and Jeret Bode will resign from the Board of ISC effective immediately upon the completion of the Offering.

The name, municipality of residence, position held with ISC for each of the executive officers of ISC are set forth below:

Name and Municipality of Residence	Position with ISC
JEFF STUSEK Regina, Saskatchewan	President and Chief Executive Officer
SHAWN B. PETERS Emerald Park, Saskatchewan	Vice-President, Finance & Technology and Chief Financial Officer
KENNETH W. BUDZAK Regina, Saskatchewan	Vice-President, Operations & Customer Experience
KATHY HILLMAN-WEIR White City, Saskatchewan	Vice-President, Corporate Affairs and General Counsel and Chief Privacy Officer
BRYAN BURNETT Regina, Saskatchewan	Vice-President, Business Development

The directors (including the Proposed Directors) and executive officers of ISC as a group do not presently beneficially own, directly or indirectly, or have control or direction over any voting shares of ISC.

Directors

Jess Huan Chua, Director

Dr. Jess Chua is a Professor of Finance at the Haskayne School of Business at the University of Calgary, where he has been since 1979. Currently, Dr. Chua lectures in new venture finance at the undergraduate and graduate levels and in introductory financial management at the graduate level. He has authored several publications, including three books, two monographs, and nearly one hundred papers in academic and professional journals. Outside of his academic work, Dr. Chua has provided consulting services on a range of topics and served as a director for junior oil and gas, oil and gas service, and technology companies. Dr. Chua was an editor of *Entrepreneurship Theory & Practice*, one of the two top academic journals devoted to entrepreneurship and family business research. He is listed in *Who's Who in Canada* and *Who's Who in Canadian Business*. His research has received awards from the Family Firm Institute, the Administrative Science Association of Canada, and the Financial Management Association. For his contribution to management practice through his teaching, research, and consulting, he received the 1999 *National Post* Leaders in Management Education Award. In 2002, he received the MBA Society Award for Excellence in Teaching and Learning. Dr. Chua received his PhD in Finance from the University of Michigan, his Master of Science in chemical engineering from Syracuse University, and his Bachelor of Science in chemical engineering from the University of San Carlos, Philippines.

Tom Christiansen, Director

Tom Christiansen has owned and operated Decor Complete Ltd, a retail flooring business in Swift Current, Saskatchewan for the past 30 years. Mr. Christiansen has been a director of ISC since 2009 and has previously served as Board Chair. Mr. Christiansen is a founding member and current President of the Colts Football Alumni and Booster Club, a founding member of the Swift Current Minor Football Association and has served on the boards of the Swift Current Curling Club and the Southwest Centre for Entrepreneurial Development. Mr. Christiansen was also named as one of Saskatchewan's "Men of Influence" by *SaskBusiness* magazine in 2012. Mr. Christiansen obtained the Chartered Director (C.Dir.) designation from The Directors College (a joint venture of McMaster University and The Conference Board of Canada) in 2012.

Doug Emsley, Director

Mr. Emsley is the President, Chief Executive Officer and Chairman of Assiniboia Capital Corp., which currently manages a $150 million portfolio of Saskatchewan farmland on behalf of the investors in Assiniboia Farmland Limited Partnership, which owns and rents approximately 115,000 acres of Saskatchewan farmland to farmers. Mr. Emsley has a wide array of business and professional experience. He is also the President of Emsley & Associates (2002) Inc., which operates an executive business centre in downtown Regina, Chairman and CEO of Security Resource Group Inc. (an IT and physical security firm), and Sabre West Oil & Gas Ltd. (an oil & gas company). Mr. Emsley previously built Vision Security & Investigations Inc. into the largest security firm in western Canada, before selling the company to Securitas Canada Limited. Mr. Emsley is a Director of the Bank of Canada, Greenfield Carbon Offsetters Inc., a start-up involved in the creation of carbon credits, the Public Policy Forum, and of the Saskatchewan Roughrider Football Club. He was previously a trustee of Royal Utilities Income Fund (RU.UN-T), then a TSX-listed income trust involved in the mining of thermal coal in western Canada, where he also served as Chair of the audit committee. Mr. Emsley has an MBA from York University in Toronto.

Anthony Robert Guglielmin, Director

Tony Guglielmin currently serves as Chief Financial Officer and Vice-President of Ballard Power Systems Inc., a position he has held since 2010. Previously, Mr. Guglielmin served as Senior Vice-President and Chief Financial Officer of the public-private partnership Canada Line Rapid Transit Inc., a rapid transit project connecting the Vancouver International Airport, the City of Richmond and downtown Vancouver. Prior to joining Canada Line Rapid Transit Inc., Mr. Guglielmin held senior management roles in treasury, investor relations, corporate development and strategic planning at Finning International Inc. in Vancouver; was Corporate Treasurer of British Columbia Hydro; and held various management positions with The Bank of Nova Scotia in Toronto. Mr. Guglielmin holds a BA in Economics and Political Science and an MBA from McGill University. He also holds the Chartered Financial Analyst designation and belongs to a number of professional organizations including the Financial Executives Institute. He serves on the board of a number of private companies. He has also served on the board of the VGH & UBC Hospital Foundation since 2006 and will complete his final term in June 2013.

Brad Sylvester, Director

Brad Sylvester has 33 years of business experience in the private sector in various sales and management roles, all based out of Saskatchewan in the consumer packaged goods industry. His current role as National Account Manager, Sofina Foods Inc. includes Saskatchewan, western region and national operational responsibilities along with managing the business relationship with Saskatoon and Western Canadian-based key accounts. Prior to joining Sofina Foods Inc. in 2012, Mr. Sylvester was a District Manager for Kruger Products. Mr. Sylvester was awarded the Saskatchewan Centennial Medal for community service in 2005 and was a Tourism Leadership Recipient for 2011, presented by Tourism Saskatoon. In 2012, he was awarded the Queen Elizabeth II Diamond Jubilee Medal for community involvement. He is currently Chair of Optimist Canada Day in Saskatoon at Diefenbaker Park, and has served as Chair since 2002. He also serves as Vice-Chair of the District Planning Commission, Saskatoon/RM Corman Park, as well as a member of both the Optimist Club of Saskatoon and ACT/UCT service clubs. He is currently a member of the Board of Directors of the Sandra Schmirler Foundation, and is Vice-Chair of the Parkinson's Saskatchewan Board of Directors. Brad is a member of the planning team for the 2013 Memorial Cup of the Canadian Hockey League.

William (Scott) Musgrave, Director

Scott Musgrave is an executive and shareholder within the Musgrave group of companies, primarily a real estate and development company. In addition to this core business, the Musgrave group of companies has ownership and provides managerial involvement for a diversified group of businesses ranging from the hotel and hospitality industry to the oil field. Scott Musgrave holds a Master of Business Administration degree from the University of Saskatchewan, a Bachelor of Management degree and a Bachelor of Education degree, both from the University of Lethbridge, and an accounting diploma from Lakeland College. Mr. Musgrave is a former board member of the Saskatchewan Real Estate Commission.

Michelle Ouellette Q.C., Director

Ms. Ouellette is a partner with McKercher LLP. She practices in the area of civil litigation with a special interest in health law and aboriginal law. Prior to joining McKercher LLP in 1993 she practiced as a prosecutor with the Dauphin County District Attorney's Office in Harrisburg, Pennsylvania. Ms. Ouellette received her Queen's Counsel designation in 2007. Ms. Ouellette teaches at the University of Saskatchewan, College of Law and has taught in both the School of Physical Therapy and the College of Veterinarian Medicine. She has been active at both the provincial and national levels of the Canadian Bar Association including many years on the Branch Executive and a term as Branch President. She also volunteers with a number of community organizations and sits as a member of the Board of Directors of The United Way of Saskatoon and Area, The Foundation for Legal Research, Pro Bono Law Saskatchewan Inc. and The St. Thomas More Lawyers Guild of Saskatoon. She is a long-term member and past Chair of the City of Saskatoon's Access Transit Appeal Board and Mortgage Appeal Board. Ms. Ouellette obtained her Bachelor of Laws from the University of Manitoba. Prior to beginning her legal career she earned a Bachelor of Medical Rehabilitation in Physical Therapy from the University of Manitoba and practiced as a pediatric physical therapist.

Dion E. Tchorzewski, Director

Dion Tchorzewski has practiced law in Saskatchewan and internationally for over 20 years. Mr. Tchorzewski is a partner in the Regina office of McDougall Gauley LLP and joined that firm in 2011. Mr. Tchorzewski's practise includes working with local, national and international businesses in the areas of corporate governance, real estate, secured lending and information technology. Mr. Tchorzewski has experience providing legal services to several of Saskatchewan's Crown corporations including the Saskatchewan Gaming Corporation. Mr. Tchorzewski's international experience includes private practice with the firm ASAR during which he advised local and international business clients operating in the State of Kuwait. Prior to joining McDougall Gauley LLP, Mr. Tchorzewski practiced law with the firm of Olive Waller Zinkhan & Waller LLP in Regina, Saskatchewan. Previously, he acted as general counsel to the Kuwaiti based international retailer, Alshaya, for which he oversaw legal matters covering all of Alshaya's Middle Eastern operations. Mr. Tchorzewski served as a commissioner on the Saskatchewan Liquor and Gaming Licensing Commission from 2006 to 2008. Mr. Tchorzewski holds a Bachelor of Arts from the University of Regina and a Bachelor of Laws from the University of Saskatchewan. He is a member of the Law Society of Saskatchewan and the Canadian Bar Association.

Joel Douglas Teal, Director

Joel Teal recently retired as president of Dundee Developments/Homes by Dundee, where he worked since 1996. Dundee has operations located in Calgary, Edmonton, High River, Regina and the Saskatoon head office. Prior to this, Mr. Teal was the president and CEO of Preston Developments. Mr. Teal is currently the Board Chair for SaskPower and a board member of the Saskatchewan Roughrider Football Club. Mr. Teal has been an active member of his community. On two separate occasions he served a total of eight years as a Director of Canada Mortgage and Housing Corporation. He is also a past Director of the Saskatchewan Chamber of Commerce and the Saskatoon Region Economic Development Authority. He was the Vice-President, Sponsorship, for the Labatt Brier 2000 and a Director and Chair of the Long Range Planning Committee of Riverside Country Club for several years. He served 12 years as a board member with the Saskatchewan Blue Cross including two years as Board Chair. Mr. Teal has been awarded the Saskatchewan Centennial Medal for Volunteerism and the Canada Medal of Bravery. He was also recognized as Canadian Home Builder Member of the Year by the Canadian Home Builders Association, and, in 2008, Mr. Teal was named one of Saskatchewan's 10 "Men of Influence" by *SaskBusiness* magazine. In 2009 he was a finalist for the Saskatchewan Chamber of Commerce Business Leader of the Year Award.

Executive Officers

Jeff Stusek, President and Chief Executive Officer

Jeff Stusek is the President and Chief Executive Officer of ISC and has held this position since 2008. Prior to being appointed to this role, Mr. Stusek held the position of Chief Operating Officer. Mr. Stusek has been with ISC since 2006. Prior to joining ISC, Mr. Stusek spent 13 years at the City of Regina, serving in various leadership capacities including three years as Director of Transit. Under Jeff's leadership, ISC has received national recognition by being named as one of Saskatchewan's Top 20 Employers by Mediacorp, Canada's Best Diversity Employers, Canada's Greenest Employers and Canada's Top Employers for Young People. In addition, ISC has achieved Excellence Canada's Progressive Excellence Program Level 3 and received the Silver Canada Award for Excellence. Mr. Stusek was elected to the Saskatchewan Roughriders Board of Directors in June 2010 and is a former Cabinet Director for United Way Regina Mr. Stusek holds a Bachelor of Administration degree and a Master of Business Administration degree from the University of Regina.

Shawn B. Peters, Vice-President, Finance & Technology and Chief Financial Officer

Shawn Peters joined ISC in 2012 and is the Vice-President, Finance and Technology and Chief Financial Officer. Mr. Peters is responsible for all financial operations and oversight, including accounting, corporate administration, financial planning and analysis, financial reporting, internal controls, treasury and taxation. Mr. Peters is also responsible for all technology systems and internal audit functions of the Company. As an experienced senior level financial executive, Mr. Peters spent the last several years with Group Medical Services, where he served as Senior Vice-President and Chief Financial Officer. Prior to that, he held the position of Manager, Project Financing at Crown Investments Corporation of Saskatchewan and Manager, Audit & Entrepreneurial Services with Ernst and Young Chartered Accountants. Mr. Peters holds a Bachelor of Commerce from the University of Saskatchewan and a Chartered Accountant designation.

Kenneth W. Budzak, Vice-President, Operations & Customer Experience

Ken Budzak is the Vice-President, Operations and Customer Experience of ISC. Mr. Budzak is responsible for the strategic leadership of ISC's customer focused product strategy, policy, transactional service delivery functions and enterprise support services within each of ISC's lines of business. Prior to his appointment to this role in 2012, Mr. Budzak held the position of Vice-President, Operations since 2008 as well as various senior leadership positions across the Company since he joined in 2001. Mr. Budzak also serves as Executive Sponsor of ISC's nationally recognized Excellence Canada Initiative and Diversity and Equity Working Group. Prior to joining ISC, Mr. Budzak had a fifteen year career with the Saskatchewan Wheat Pool (a predecessor of Viterra Inc. and a publicly traded company), where he held increasingly more senior positions across a diverse portfolio of business units. Mr. Budzak serves on the Saskatchewan Science Centre Board of Directors and is a member of The Board of Governors with Excellence Canada. Mr. Budzak holds a Bachelor of Science degree in Agricultural Economics from the University of Saskatchewan.

Kathy Hillman-Weir, Vice-President, Corporate Affairs and General Counsel and Chief Privacy Officer

Kathy Hillman-Weir is the Vice-President, Corporate Affairs, General Counsel and Chief Privacy Officer of ISC. Ms. Hillman-Weir is responsible for leading the Company's strategy and stakeholder relations, human resources, communications, information governance and legal functions. Prior to her appointment to this role in 2011, Ms. Hillman-Weir held the position of General Manager, Corporate Affairs and General Counsel. Ms. Hillman-Weir has been with ISC since its creation in January 2000. Ms. Hillman-Weir initially joined ISC as Master of Titles under the former Land Titles system and then became Registrar of Titles and Director of the new Land Registry. Ms. Hillman-Weir has extensive knowledge and background in ISC's core business areas combined with several years of senior and executive leadership experience. Prior to joining ISC, she held positions in the Saskatchewan Ministry of Justice as Master of Titles, Legislative Crown Counsel, and Executive Assistant to the Deputy Minister of Justice and Deputy Attorney General. Ms. Hillman-Weir holds a Bachelor of Laws degree from the University of Saskatchewan following undergraduate studies in the Faculty of Business Administration at the University of Regina.

Bryan Burnett, Vice-President, Business Development

Bryan Burnett is the Vice-President, Business Development of ISC and has held this position since 2012. Mr. Burnett is responsible for leading the Company's Business Development, Customer Relations and Business Support Services. Mr. Burnett has been an executive with ISC since 2008. His previous role was Vice-President, Marketing and Business Development. Prior to joining ISC, Mr. Burnett served in various sales and marketing leadership roles over 27 years in the information services and technology industries. Mr. Burnett was a Client Manager with IBM Canada Ltd. immediately prior to joining ISC. Mr. Burnett is a member of the Government of Saskatchewan's Geomatics Council and currently serves on the Board of Directors of the United Way Regina. Mr. Burnett holds a Bachelor of Commerce degree from the University of Saskatchewan.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

None of the Company's directors (including Proposed Directors) or executive officers:

(a) is, as at the date of this prospectus, or has been, within 10 years before the date of this prospectus, a director, CEO or CFO of any company (including the Company) that:

  (i) was subject to an order that was issued while the director or executive officer was acting in the capacity as director, CEO or CFO; or

  (ii) was subject to an order that was issued after the director or executive officer ceased to be a director, CEO or CFO and which resulted from an event that occurred while that person was acting in the capacity as a director, CEO or CFO,

(b) and no shareholder holding a sufficient number of securities to affect materially the control of the Company is, as at the date of this prospectus, or has been within 10 years before the date of this prospectus, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(c) and no shareholder holding a sufficient number of securities to affect materially the control of the Company has, within the 10 years before the date of this prospectus, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

For the purposes of the paragraphs above, "order" means: (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) an order that denied the relevant company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days.

No director (including Proposed Directors) or executive officer of the Company or shareholder holding sufficient securities of the Company to affect materially the control of the Company has:

(a) been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(b) been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

Conflicts of Interest

To the best of our knowledge there are no known existing or potential conflicts of interest among us and our directors, officers or other members of management as a result of their outside business interests except that certain of our directors and officers serve as directors and officers of other companies, and therefore it is possible that a conflict may arise between their duties to us and their duties as a director or officer of such other companies. See "Directors and Executive Officers".

Indemnification and Insurance

Prior to closing of the Offering, Company intends to implement a director and officer insurance program in a range of $20 to 25 million. In addition, the Company has entered or will enter into indemnification agreements with each of its directors and officers and the officers of its subsidiaries. The indemnification agreements will generally require that the Company indemnify and hold the indemnitees harmless to the greatest extent permitted by law for liabilities arising out of the indemnitees' service to the Company or its subsidiaries as directors and officers, provided that the indemnitees acted honestly and in good faith and in a manner the indemnitees reasonably believed to be in or not opposed to the Company's best interests and, with respect to criminal and administrative actions or proceedings that are enforced by monetary penalty, the indemnitees had no reasonable grounds to believe that his or her conduct was unlawful. The indemnification agreements also provide for the advancement of defence expenses to the indemnitees by the Company.

EXECUTIVE COMPENSATION

Introduction

The following discussion describes the significant elements of our executive compensation program, with particular emphasis on the process for determining compensation payable to the CEO and the CFO and, other than the CEO and the CFO, each of the three most highly compensated executive officers (collectively, the "Named Executive Officers" or "NEOs"). The NEOs for the Company are:

- **Jeff Stusek**, President and Chief Executive Officer;
- **Shawn B. Peters**, Vice-President, Finance & Technology and Chief Financial Officer;
- **Kenneth W. Budzak**, Vice-President, Operations & Customer Experience;
- **Kathy Hillman-Weir**, Vice-President, Corporate Affairs and General Counsel and Chief Privacy Officer; and
- **Bryan Burnett**, Vice-President, Business Development.

Overview

As a former Saskatchewan provincial Crown corporation, the compensation paid to our NEOs, and the decision making process relating to such compensation, has been governed by the Province's Crown Sector Executive Compensation Framework. Upon completion of the Offering, our Board, based on recommendations made by the Company's newly formed Compensation Committee (the "Compensation Committee"), will make decisions regarding all forms of compensation (including salaries, annual bonuses and any equity incentive compensation plans the Company may implement post-Closing) for our executive officers, and approve corporate goals and objectives relevant to the compensation of the CEO and our other executive officers. The Board will oversee our incentive compensation plans with the assistance of the Compensation Committee.

Our Compensation Objectives

Our compensation program is designed to retain, motivate and reward our executive officers for their performance and contribution to our success, through the short and long term. We also seek to reward the achievement of corporate and individual performance objectives, and to align executive officers' incentives with shareholder value creation. The Board seeks to set Company performance goals that reach across all business areas. We currently combine base salary and a cash-based annual incentive plan to achieve these objectives. Executive officers are also entitled to receive pension benefits in accordance with Company policies.

Upon completion of the Offering, the Board will consider adopting medium and long term cash and equity incentive programs commensurate with other comparable public companies. Additionally, as part of our transition to a private sector company, our compensation philosophy will shift to focus on providing market-competitive total target compensation. The Company will not target total direct compensation at a specific market percentile of a select group of comparable companies. Rather, we intend to take into consideration compensation practices and pay levels of publicly-traded, peer-company market data from surveys in which the Company participates, with consideration given to the specific characteristics of ISC. The Company does not publicly disclose the specific corporate objectives set under the current plans because disclosure of such information, which reflect our confidential business plans, could result in competitive harm.

Elements of Our Compensation Program

The following sections describe the different compensation components, which together define the executive compensation program. Our compensation currently consists of two elements: base salary and an annual bonus.

Base Salary

A primary element of the Company's compensation program is base salary. Our view is that a competitive base salary is a necessary element for attracting and retaining qualified executive officers. The amount payable to a NEO is determined based on the scope of their responsibilities and prior experience, while taking into account competitive market compensation paid by other companies in our industry for similar positions and overall market demand for such executives at the time of hire.

It is expected that base salaries for our NEOs will be set for a one year period commencing upon the later of July 1, 2013 or the Closing, except for our CEO, whose salary will be set for the next two years. Following the expiration of the agreements with our NEOs expected to be signed at or before Closing, we anticipate that base salaries will be reviewed within six months of Closing, and thereafter annually, and increased for merit reasons, based on the executive's success in meeting or exceeding Company and individual objectives. Additionally, base salaries can be adjusted as warranted throughout the year to reflect promotions or other changes in scope or breadth of an executive's role or responsibilities, as well as for market competitiveness. Annual budgets will allocate for salary increases based on the average of our peer group's budgeted increases.

Short Term Incentive Plan ("STI Plan")

Our compensation program includes eligibility for an annual incentive cash bonus. The STI Plan ties individual performance to achievement of corporate objectives. Awards are merit-based and depend on meeting or exceeding Company targets that are equally weighted in achieving financial, people and customer based corporate goals. The amount of cash bonus depends primarily on the level of achievement of the Company-wide performance goals, with a target bonus set as a percentage of base salary. A threshold level of performance must be met before any amounts are paid out under the STI Plan. All NEOs participate in the STI Plan.

The STI Plan is an annual plan beginning with the first day of the fiscal year January 1 and ending on the last day of the fiscal year December 31. Calculations under the STI Plan include a weighting for both corporate and individual performance. Individual and corporate results are weighted differently for each executive position. The Board will assess the level of executive officer's achievement meeting Company goals as well as that executive officer's contribution towards our Company-wide goals. Our Board will solicit input from our CEO regarding the performance of the Company's other executive officers. In addition to the collection of empirical and objective data, there is an element of subjectivity and discretion on behalf of the Board in determining whether the final level of performance is rated as meeting or exceeding target. Under the agreements with our NEOs to be signed at or before closing, 75% of the bonus under the STI Plan for 2013 is payable to the NEOs within 30 days of completion of the Offering.

See also "Executive Compensation — Intended Material Changes to Executive Compensation".

Market Positioning and Benchmarking

Following the Closing, the Compensation Committee, in conjunction with the Board, will establish an appropriate peer group for purposes of setting future compensation of the NEOs. A review of the peer group will be conducted to ensure that our compensation practices and packages are competitive with the market, which will help ensure stability in our executive leadership and achievement of Company goals and strategic objectives.

Compensation Risk

Following the completion of the Offering, our Board, with the assistance of the Compensation Committee, will consider the implications of the risks associated with the compensation practices and packages developed and implemented by the Company.

Hedging/Anti-Hedging Policy

The NEOs and the directors are, under the terms of our Securities Trading and Insider Reporting Policy, prohibited from purchasing financial instruments designed to hedge or offset a decrease in the market value of shares, including shares held directly or indirectly by a NEO or a director.

Compensation Consultants

The Conference Board of Canada was engaged in 2013 to prepare a study of directors' compensation in publicly traded corporations comparable to ISC in terms of size (number of employees), revenues, assets and area of business, and provide recommendations for director compensation levels and best practices. The analysis and recommendations provided by the Conference Board of Canada will be used by the Board following the Offering to establish the Company's compensation philosophy and desired competitive position respecting directors. It is our intention to model industry best practices and provide competitive and appropriate compensation to our directors.

In 2013 Towers Watson was engaged to assist with the development of an executive compensation framework for ISC in connection with the Company becoming a public entity. Towers Watson provided consultation services, including a review of our current executive compensation, as well as recommendations respecting peer group development, best practices analysis and a potential executive compensation framework to be implemented post-Closing. The analysis and recommendations provided by the Towers Watson report will be used by the Board following the Offering to establish the Company's compensation philosophy and desired competitive position respecting our executive officers. It is our intention to model industry best practices and provide competitive and appropriate compensation to our executives, with the overall objectives of retaining, motivating and rewarding our executive officers for their performance and contribution to our success, and aligning executive officers' incentives with shareholder value creation.

The aggregate fees billed by these consultants to date during the 2013 financial year for services relating to determining compensation for any of the Company's directors and officers, and for all of the services, are set out below:

	Executive Compensation-Related Fees	All Other Fees
The Conference Board of Canada (2013)	$18,635	Nil
Towers Watson (2013)	$35,335	Nil

Summary Compensation Table

Summary Compensation Table Expected for Fiscal Year Ended December 31, 2013

The following table sets out our information concerning the expected compensation to be paid by the Company to the NEOs in the fiscal year ending December 31, 2013, effective as of Closing:

					Non-equity Incentive Plan Compensation				
Name and Principal Position	**Year**	**Salary[1] ($)**	**Share-Based Awards ($)**	**Option-Based Awards ($)**	**Annual Incentive Plan[4] ($)**	**Long-term Incentive Plan ($)**	**Compensatory Pension[5] ($)**	**All Other Compensation[6] ($)**	**Total Compensation[7] ($)**
Jeff Stusek . . . . President and Chief Executive Officer	2013	275,000[2]	N/A	N/A	55,000	N/A	21,891	N/A	351,891
Shawn Peters . . . . Vice-President, Finance & Technology and Chief Financial Officer	2013	210,000[3]	N/A	N/A	42,000	N/A	20,463	N/A	272,463
Kenneth Budzak . . . . Vice-President, Operations & Customer Experience	2013	190,000[3]	N/A	N/A	38,000	N/A	20,425	N/A	248,425
Kathy Hillman-Weir . . . . Vice-President, Corporate Affairs and General Counsel and Chief Privacy Officer	2013	190,000[3]	N/A	N/A	38,000	N/A	20,425	N/A	248,425
Bryan Burnett . . . . Vice-President, Business Development	2013	180,000[3]	N/A	N/A	36,000	N/A	19,350	N/A	235,350

Notes:

(1) Represents the annualized base salary expected to be in effect as of the Closing. Actual salary paid for 2013 will be less than this amount and will vary based on the date of Closing.

(2) Concurrently with Closing, the Company expects enter into an employment agreement effective the later of July 1, 2013 or the date of Closing with Mr. Stusek for a term ending June 30, 2015. Pursuant to this agreement, Mr. Stusek will receive a salary of $275,000 in the first year of the term and $300,000 in the second year of the term.

(3) Concurrently with Closing, the Company expects enter into employment agreements effective the later of July 1, 2013 or the date of Closing with Mr. Peters, Mr. Budzak, Ms. Hillman-Weir and Mr. Burnett for a term ending June 30, 2014 and paying a salary of $210,000, $190,000, $190,000 and $180,000 respectively.

(4) Under the agreements with our NEOs to be signed at or before Closing 75% of the bonus under the STI Plan is payable to the NEOs within 30 days of completion of the Offering.

(5) Represents contribution based on annualized base salary to be in effect as of Closing. Actual contributions for 2013 may be less than this amount and could vary based on the date of Closing.

(6) None of the NEOs are entitled to perquisites or other personal benefits which, in the aggregate, are worth over $50,000 or over 10% of their base salary and accordingly are not recorded on this table.

(7) Does not include expected amounts attributable in connection with the Employee Ownership Incentive Program (as defined below). See "Plan of Distribution". Each employee of ISC, including the NEOs, is entitled to purchase up to 100 shares at a 10% discount to the Offering Price.

Pension Plan Benefits

Defined Contribution Plan Table

We have a Pension Plan that is compulsory and automatic for all of our executive officers, including the NEOs. The Pension Plan is a defined contribution plan. NEOs have a compulsory contribution amount of 2% of their base salary, except for the CEO, whose contribution is 1.25% of base salary. The Company contributes 10.75% of the NEOs' base salary, except with respect to the CEO, in which case we contribute 11.5% of the CEO's base salary. NEOs have the option to add voluntary contributions through payroll deductions. ISC does not match voluntary contributions. All contributions are subject to the limits in the Tax Act and Regulations. Executive members and the Company are required to contribute to the pension plan until annual maximum limits are reached. Members of the Pension Plan are vested after one year of membership or 2 years of employment with ISC. The plan is governed by the Public Employees Pension Board, which also oversees the administration of the pension fund. Contributions purchase units in one of several asset allocation funds. Upon retirement, a NEO is eligible to convert his or her account balance to retirement income. Retirement income options include a transfer to purchase annuity, variable pension benefit, or prescribed registered retirement income fund, or a combination of any of the forgoing.

Employee Agreements, Termination and Change of Control Benefits

Except as describe below, ISC has not entered into any contract, agreement, plan or arrangement that provides for payments to an NEO at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change of control of ISC or a change in an NEO's responsibilities.

At or prior to Closing, the Company is expected to enter an employment agreement with each NEO that will become effective upon the latter of July 1, 2013 and the date of Closing that describes termination benefits. In the event of voluntary termination, termination for cause and involuntary termination, the following will apply:

Voluntary Termination

In the event of voluntary termination, no severance is paid and remuneration of the NEO will remain unchanged during the resignation period. In the event that an NEO elects to resign during the year, the NEO's entitlement to a bonus under the STI Plan will be determined at the date last actively worked, and if awarded will be paid on a pro-rated basis to the date last actively worked. However, the NEO is required to provide ISC with six months notice prior to resigning, failing which the NEO forfeits any entitlement to a bonus.

Termination for Cause

If an NEO's employment is terminated by the Company for just cause, no severance will be paid, and any outstanding base salary and benefits will be paid through to the date of termination only. The NEO's entitlement to a bonus under the STI Plan will be determined at the date last worked, and if awarded will be paid on a pro-rated basis to the date last worked.

Involuntary Termination

In the event of involuntary termination of the NEO, the Company will provide 8 months written notice, plus one additional month per each completed year of service calculated from the effective date of the employment contract (to a maximum of 18 months) or base salary in lieu of notice (or a combination of thereof as decided by the Company).

No NEO is entitled to payments as a result of a change in control of the Company. The following table sets out the estimated amounts that would be payable to each NEO under the employment agreements expected to be entered if his or her employment was terminated without cause:

Name and Principal Position	Severance ($)
Jeff Stusek President and Chief Executive Officer	238,333
Shawn Peters Vice-President, Finance & Technology and Chief Financial Officer	182,000
Kenneth Budzak Vice-President, Operations & Customer Experience	164,667
Kathy Hillman-Weir Vice-President, Corporate Affairs and General Counsel and Chief Privacy Officer	164,667
Bryan Burnett Vice-President, Business Development	156,000

Note:

(1) Amount represents payment based on such NEO's base salary (the annualized base to be in effect as of the Closing) and entitlement to bonus under the STI Plan, if any (based on target amount for 2013). Table assumes a fiscal 2013 year-end termination.

Each executive employment agreement will provide for other benefits in accordance with plans available to the Company's executives, including car allowance, vacation time and insurance. Each executive employment agreement will also provide for customary contractual provisions, including non-solicitation, non-competition and confidentiality covenants in favour of the Company.

Director Compensation

Our director compensation program is designed to attract and retain qualified individuals to serve on the Board. Our objective regarding director compensation is to follow best practices when it comes to retainers, the format and weighting of the cash and equity components of such retainers (assuming the Company adopts any equity incentive compensation plans post-Closing as intended) and share ownership guidelines. We believe the selected approach will help attract and retain strong members of the Board who will be able to fulfill their fiduciary responsibilities without competing interest. Following best practice, the Company will not offer a meeting fee for Board members, except for committee work. The total retainer is deemed to be full payment for the role of director. The exception to this approach would be in the event of special circumstances that require more meetings than are typically required, in which case a "special" fee may be granted.

The fee schedule for ISC's directors upon completion of the Offering is as follows:

			Compensation
Board Retainer	Cash Retainer		$25,000
Additional Compensation for Board of Directors Service			
Board Chair (Non-Executive)	Cash Retainer		$25,000
Committee Compensation	Cash Retainers	Audit Chair	$10,000
		Compensation Chair	$ 8,000
		Governance Chair	$ 5,000
		Member Meeting Fee	$1,000/meeting

Total Board of Directors Compensation (based on expected committee schedule)	
Board Member	$25,000
Board Chair (Non-Executive)	$50,000
Audit Committee Chair (four meetings)	$39,000
Audit Committee Member (four meetings)	$29,000
Compensation Committee Chair (four meetings)	$37,000
Compensation Committee Member (four meetings)	$29,000
Governance Committee Chair (two meetings)	$32,000
Governance Committee Member (two meetings)	$27,000

Intended Material Changes to Executive Compensation

After completion of the Offering, we intend to adopt medium and long term cash and equity incentive programs commensurate with other comparable public companies. Additionally, as part of our transition to a private sector company, our compensation philosophy will shift to focus on providing market-competitive total target compensation. The Company does not target total direct compensation at a specific market percentile of a select group of comparable companies. Rather, we take into consideration compensation practices and pay levels of publicly-traded, peer-company market data from surveys in which the Company participates, with consideration given to the specific characteristics of ISC.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the directors (including the Proposed Directors) or executive officers of ISC, or associates or affiliates of the foregoing persons, is indebted to ISC.

CORPORATE GOVERNANCE

In preparing for the Offering, the Board has reviewed its charters and the charters of its committees, has modified such charters and has adopted new charters, position descriptions and corporate governance principles and practices that are intended to meet the governance standards and guidelines set out in National Instrument 52-110 — *Audit & Finance Committees* ("NI 52-110"), and National Policy 58-201 — *Corporate Governance Guidelines and National Instrument 58-101 — Disclosure of Corporate Governance Practices.*

Board of Directors

Immediately prior to the Closing of the Offering, ISC will have a total of 9 directors, of which ISC considers all to be independent.

Upon Closing the Board is expected to appoint Mr. Teal as the Board Chair. The Board Chair will be an independent director. The Board Chair's general role is to: (i) provide independent, effective leadership to the Board so as to facilitate the functioning of the Board independently of management, and (ii) set the tone for the Board and its members in order to foster responsible decision making, appropriate oversight of management, and best practices in corporate governance. One of the proposed directors of ISC, Mr. Doug Emsley, is a director of Assiniboia Farmland GP 3 Corp., the General Partner of Assiniboia Farmland Limited Partnership, a reporting issuer in certain provinces and territories of Canada.

Board Mandate

The Board is responsible for the stewardship and oversight of the affairs, business and effective management of the Company. The Board discharges this responsibility directly and indirectly through the delegation of specific responsibilities to committees of the Board pursuant to the Charter for the Board of Directors. The Charter for the Board of Directors provides that the primary responsibilities of the Board include to: (i) approve the strategic plan of the Company and monitor management's implementation and execution of the strategic plan, (ii) approve the recruitment and appointment of the CEO and ensure that succession plans are in place for the CEO and other executive officers, (iii) oversee and monitor the Company's risk management systems, internal controls and management information systems, and (iv) ensure appropriate corporate governance policies are in place and monitor compliance with those policies.

Position Descriptions

The Board has written position descriptions for the Board Chair, the Chair of each of the Company's Audit Committee (the "Audit Committee"), the Company's Governance & Nominating Committee (the "Governance & Nominating Committee") and the Compensation Committee and the CEO.

Orientation and Continuing Education

The orientation and continuing education of the directors will be the responsibility of the Governance & Nominating Committee. The Governance & Nominating Committee will be responsible to: (i) ensure that appropriate orientation, training and continuing education opportunities are in place for the Board, (ii) review and consider modifications to the board orientation, training and continuing education policy, and (iii) approve continuing education for individual directors.

All new directors will receive a comprehensive orientation so that each director fully understands the role of the Board and the Board Committees as well as the contribution that the directors are expected to make and the nature and operation of the Company's business. Further, all directors will be provided with continuing education so that they can maintain and enhance their skills and abilities as directors and to ensure that their knowledge and understanding of the Company's business remains current.

Ethical Business Conduct

The Board has a written code of conduct (the "Code of Conduct") that is applicable to the directors, officers and all employees of the Company. The Code of Conduct addresses expected business conduct, use of corporate information and property, expected work environment, conflict of interest and whistleblowing. The

Code of Conduct will be filed on the website maintained by the Canadian Securities Administrators at http://www.sedar.com.

The Board will be responsible for approving the Code of Conduct and taking reasonable steps to monitor compliance with the Code of Conduct. The Governance & Nominating Committee will be responsible for monitoring compliance with the Code of Conduct.

As part of the Company's Code of Conduct, any person subject to the Code Conduct is required to avoid or fully disclose any circumstances that may be an actual, potential or perceived conflict of interest.

Nominating and Appointment of Directors

Subject to the ISC Act (which is discussed below), the responsibility for identifying and proposing new nominees for the Board falls within the mandate of the Governance & Nominating Committee, which will be composed entirely of independent directors. In consultation with the Board and the CEO and, on an ongoing basis, the Governance & Nominating Committee is responsible for identifying individuals qualified to become new directors. The Governance & Nominating Committee will recommend to the Board for approval the proposed candidates for nomination to the Board having regard to: (i) the competencies and skills that the Board considers to be necessary for the Board, as a whole, to possess, (ii) the competencies and skills that the Board considers each existing director to possess, (iii) the competencies and skills that each new nominee will bring to the boardroom, and (iv) the ability of each new nominee to devote sufficient time and resources to his or her duties as a Board member.

The ISC Act provides that in lieu of voting the Class A Shares held by the Selling Shareholder on any resolution electing directors to the Board, the Lieutenant Governor in Council of the Province of Saskatchewan has the right to appoint that number of members to the Board equal to the Selling Shareholder's *pro rata* share of the issued and outstanding Class A Shares (rounded to the nearest whole number), but always subject to a minimum of two directors.

Other responsibilities, powers and operations of the Governance & Nominating Committee are described in this prospectus under the heading called "Board Committees".

Compensation — Directors, CEO and other Executive Officers

After completion of the Offering, the Compensation Committee, which will be composed entirely of independent directors, will be responsible on an annual basis for: (i) recommending to the Board for approval a compensation package for the directors, (ii) recommending to the Board for approval the CEO's total compensation based on the Compensation Committee's evaluation of the CEO's performance and such other factors that such Committee considers to be appropriate, and (iii) on the recommendation of the CEO, approving the other executive officer's total compensation.

Assessment

The Governance & Nominating Committee will be responsible for establishing criteria for and annually implementing an evaluation process for the Board, the Board Chair, each Board Committee, the Board Committee Chairs and individual directors in order to assess the effectiveness of the Board as a whole, each Board Committee, the Board and Committee Chair and the contribution of individual directors. The Governance & Nominating Committee will report the results of such evaluations to the Board.

Board Committees

Upon closing of the Offering, the Board will establish the Audit Committee, the Governance & Nominating Committee, and the Compensation Committee.

Audit Committee

Upon closing of the Offering, the Audit Committee will be composed of the following members: Tony Guglielmin (Chair), Jess Chua and Scott Musgrave. See "Directors and Officers — Biographies" for a brief summary of the education and experience of each Audit Committee member that is relevant to his performance as a member of the Audit Committee.

Every member of the Audit Committee will be independent and every member of the Audit Committee will be "financially literate" for the purposes of NI 52-110.

The specific responsibilities of the Audit Committee are set out in the Charter for the Audit Committee, a copy of which is attached to this prospectus as Appendix "A". The Audit Committee's primary role is to assist the Board in fulfilling its oversight responsibilities regarding the Company's financial and corporate performance, financial disclosure and accounting practices, risk management and internal controls and internal and external audit processes.

The Audit Committee is directly responsible for overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditors' report or performing other audit, review or attest services, including the resolution of disagreements between the external auditor and management. The external auditor will report directly to the Audit Committee. The Audit Committee is also responsible for overseeing the internal audit process. The Audit Committee is also responsible for reviewing and approving the Company's hiring policies regarding current and former partners and employees of the external auditor. In addition, the Audit Committee will pre-approve all non-audit services undertaken by the external auditor, delegate such authority to one or more Audit Committee members or adopt specific policies for engagement of non-audit services.

The Audit Committee is responsible for establishing and maintaining satisfactory procedures for the receipt, retention and treatment of complaints and for the confidential, anonymous submission by employees of the Company regarding any questionable accounting or auditing matters. The Audit Committee is accountable to the Board and will provide a report to the Board at each regularly scheduled Board meeting outlining the results of the Audit Committee's activities and any reviews it has undertaken.

Governance & Nominating Committee

The Board has approved the Charter for the Governance & Nominating Committee and will appoint members thereto. Every member of the Governance & Nominating Committee will be independent. The specific responsibilities of the Governance & Nominating Committee are set out in such Charter. The Governance & Nominating Committee primary responsibilities will include: (i) developing and recommending corporate governance practices applicable to the Board and Board Committees; (ii) identifying and recommending to the Board candidates for election to the Board and Board Committees; and (iii) advising the Board on issues relating to ethics and potential conflicts of interest. See "Nominating and Appointment of Directors".

Compensation Committee

The Board has approved the Charter for the Compensation Committee and will appoint members thereto. Every member of the Compensation Committee will be independent. The specific responsibilities of the Compensation Committee are set out in the Charter for the Compensation Committee.

In addition to the responsibilities described above under the heading "Compensation — Directors, CEO and other Executive Officers", the Compensation Committee will also responsible for: (i) recommending for approval by the Board the position description for the CEO; (ii) recommending for approval by the Board the recruitment, appointment and, if necessary, the replacement of the CEO and monitor the appointment of the other executive officers; (iii) evaluating the performance of the CEO; (iv) recommending for approval by the Board equity-based and incentive compensation for the CEO and other executive officers; and (v) recommending to the Board for approval the succession plan for the CEO and monitor the succession plan for the other executive officers.

PLAN OF DISTRIBUTION

General

Pursuant to the Underwriting Agreement dated ● between the Company, the Selling Shareholder and the Underwriters, the Selling Shareholder has agreed to sell and the Underwriters have agreed to severally purchase on ● (or such later date as the Company, the Selling Shareholder and the Underwriters agree, but not later than ●) ● Class A Shares at a price of $ ● per Class A Share, for aggregate gross consideration of $ ● payable in cash to the Selling Shareholder against delivery of the Class A Shares. **The Class A Shares are not guaranteed in any manner by the Province of Saskatchewan.** The Offering Price of the Class A Shares has been determined by negotiation between the Selling Shareholder and the Underwriters.

Pursuant to the Underwriting Agreement, the Selling Shareholder has granted the Underwriters an Over-Allotment Option to cover over-allotments, if any, and for market stabilization purposes. The Over-Allotment Option may be exercised by the Underwriters, in whole or in part, for a 30 day period following the Closing and it entitles the Underwriters to purchase from the Selling Shareholder up to ● Class A Shares at the Offering Price (being approximately 15% of the aggregate number of Class A Shares offered hereunder). If the Over-Allotment Option is exercised in full, the total price to the public will be $ ● , the Underwriters' Commission will be $ ● and the Net Proceeds to the Selling Shareholder will be $ ● .

The Class A Shares will be offered in each of the provinces and territories of Canada through those Underwriters or their affiliates who are registered to offer the Class A Shares for sale in such provinces and territories and such other registered dealers as may be designated by the Underwriters. The Underwriters have agreed to reserve up to 45% of the Offering for residents of Saskatchewan and up to an additional 5% reserved for our employees, subject to market demand. Subject to applicable law and the provisions of the Underwriting Agreement, the Underwriters may offer the Class A Shares outside of Canada.

The Class A Shares offered hereby have not been, and will not be, registered under the U.S. Securities Act or any state securities laws, and may not be offered or sold within the United States absent registration or pursuant to an applicable exemption from the registration requirements of the U.S. Securities Act, and applicable state securities laws. Accordingly, except to the extent permitted by the Underwriting Agreement, the Class A Shares may not be offered or sold within the United States. Each Underwriter has agreed that it will not offer or sell Class A Shares within the United States, except in transactions exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws. The Underwriting Agreement provides that the Underwriters may re-offer and re-sell the Class A Shares that they have acquired pursuant to the Underwriting Agreement to qualified institutional buyers in the United States in accordance with Rule 144A under the U.S. Securities Act. The Underwriting Agreement also provides that the Underwriters will offer and sell the Class A Shares outside the United States in accordance with Regulation S under the U.S. Securities Act. In addition, until 40 days after the commencement of the Offering, an offer or sale of the Class A Shares within the United States by any dealer (whether or not participating in the Offering) may violate the registration requirements of the U.S. Securities Act, unless such offer is made pursuant to an exemption from registration under the U.S. Securities Act.

In connection with the Offering, certain of the Underwriters or securities dealers may distribute the prospectus electronically.

Upon completion of the Offering, assuming no exercise of the Over-Allotment Option, the Company expects to have a total of ● outstanding Class A Shares, which includes the ● Class A Shares sold in the Offering.

The obligations of the Underwriters under the Underwriting Agreement are several (and not joint or joint and several), are subject to certain Closing conditions and may be terminated at their discretion on the basis of their assessment of the state of the financial markets and upon the occurrence of certain stated events. The Underwriters are, however, obligated to take up and pay for all of the Class A Shares if any Class A Shares are purchased under the Underwriting Agreement. In consideration for their services in connection with the Offering, the Selling Shareholder has agreed to pay the Underwriters a fee equal to $ ● per Class A Share with respect to the Offering and if exercised, the Over-Allotment Option. The Underwriters are entitled under the Underwriting Agreement to indemnification by, among others, the Company and the Selling Shareholder against certain liabilities and expenses.

Employee Ownership Incentive Program

Contemporaneously with the Offering, all permanent ISC employees (being approximately 327 employees) are being offered the opportunity to acquire an equity interest in ISC pursuant to an employee ownership incentive program (the "Employee Ownership Incentive Program"). Pursuant to the Employee Ownership Incentive Program, each ISC employee at the time of Closing will be entitled to purchase from the Selling Shareholder up to 100 Class A Shares at a 10% discount to the Offering Price. The Class A Shares acquired under the Employee Ownership Incentive Program will be issued at Closing and are qualified as part of the Offering. The Class A Shares acquired by ISC employees for 90% of the Offering Price may not be resold for 180 days after purchase, and will be held by a trustee during this escrow period. Employees will be entitled to vote and receive any dividends paid on the Class A Shares held for such employee. The Employee Ownership Incentive Program will cease upon completion of the Offering.

Any ISC employee at Closing opting to purchase Class A Shares under the Employee Ownership Incentive Program will be able to finance the purchase through a financing plan. Pursuant to this plan, the employee may borrow up to the entire purchase price through an interest-free loan from ISC. Each such loan will be repayable through payroll deduction over a period of 12 months by equal bi-weekly payments.

ISC employees who acquire Class A Shares under the Employee Ownership Incentive Program may be considered to have received a taxable benefit for the purposes of the Tax Act. Such employees should consult their own tax advisors with respect to the tax consequences of acquiring Class A Shares pursuant to the Employee Ownership Incentive Program.

Determination of Price

Prior to the Offering, there was no public market for the Class A Shares. The Offering Price has been negotiated between the Selling Shareholder and the Underwriters. Among the factors considered in determining the Offering Price of the Class A Shares were the following:

- prevailing market conditions;
- historical performance and capital structure of the Company;
- estimates of the business potential and earnings prospects of the Company;
- terms of the Services Agreement and other legislation pertaining to ISC including the ISC Act and OPRSA;
- availability of comparable investments;
- an overall assessment of the Company's management; and
- the consideration of these factors in relation to market valuation of companies and related businesses.

Price Stabilization

In connection with the Offering, the Underwriters may over-allocate or effect transactions which stabilize or maintain the market price of the Class A Shares at levels other than those which otherwise might prevail on the open market, including:

- stabilizing transactions;
- short sales;
- purchases to cover positions created by short sales;
- imposition of penalty bids; and
- syndicate covering transactions.

Stabilizing transactions consist of bids or purchases made for the purpose of preventing or retarding a decline in the market price of the Class A Shares while the Offering is in progress. These transactions may also include making short sales of the Class A Shares, which involve the sale by the Underwriters of a greater number of Class A Shares than they are required to purchase in the Offering. Short sales may be "covered short sales", which are short positions in an amount not greater than the Over-Allotment Option, or may be "naked short sales", which are short positions in excess of that amount.

The Underwriters may close out any covered short position either by exercising the Over-Allotment Option, in whole or in part, or by purchasing Class A Shares in the open market. In making this determination, the Underwriters will consider, among other things, the price of Class A Shares available for purchase in the open market compared with the price at which they may purchase Class A Shares through the Over-Allotment Option.

The Underwriters must close out any naked short position by purchasing Class A Shares in the open market. A naked short position is more likely to be created if the Underwriters are concerned that there may be downward pressure on the price of the Class A Shares in the open market that could adversely affect investors who purchase in the Offering.

In addition, in accordance with rules and policy statements of certain Canadian securities regulators, the Underwriters may not, at any time during the period of distribution, bid for or purchase Class A Shares. The foregoing restriction is, however, subject to exceptions where the bid or purchase is not made for the purpose of creating actual or apparent active trading in, or raising the price of, the Class A Shares. These exceptions include a bid or purchase permitted under the bylaws and rules of applicable regulatory authorities and the applicable stock exchange, including the Universal Market Integrity Rules for Canadian Marketplaces, relating to market stabilization and passive market making activities and a bid or purchase made for and on behalf of a customer where the order was not solicited during the period of distribution.

As a result of these activities, the price of the Class A Shares may be higher than the price that otherwise might exist in the open market. If these activities are commenced, they may be discontinued by the Underwriters at any time. The Underwriters may carry out these transactions on any stock exchange on which the Class A Shares are listed, in the over-the-counter market, or otherwise.

Over-Allotment Option

The Selling Shareholder has granted to the Underwriters an Over-Allotment Option, exercisable, in whole or in part, at the sole discretion of the Underwriters (subject to the condition that the Class A Shares subject to the Over-Allotment Option are listed on the TSX at the time of closing the Over-Allotment Option), for a period of 30 days from the date of the Closing, to purchase from the Selling Shareholder up to an aggregate of ● additional Class A Shares (representing approximately 15% of the Class A Shares offered hereunder), at the Offering Price, payable in cash against delivery of such additional shares. The Over-Allotment Option is exercisable in whole or in part only for the purpose of covering over-allotments, if any, made by the Underwriters in connection with the Offering and for market stabilization purposes. The Selling Shareholder will pay the Underwriters' Commission in respect of Class A Shares sold under the Over-Allotment Option if the Over-Allotment Option is exercised. If the Over-Allotment Option is exercised in full, the total price to the public, Underwriters' Commission, Net Proceeds to the Selling Shareholder before deducting other expenses of the Offering, will be $ ● , $ ● and $ ● , respectively. The Company will not receive any proceeds from the Offering or the Over-Allotment Option. This prospectus qualifies the grant of the Over-Allotment Option and up to ● Class A Shares to be sold by the Selling Shareholder upon exercise of the Over-Allotment Option. A purchaser who acquires Class A Shares forming part of the Over-Allotment Option acquires those shares under this prospectus, regardless of whether the position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases.

Lock-Up Arrangements

In connection with the completion of the Offering, the Selling Shareholder, the Company and each of the Company's directors, officers and senior management have agreed not to, directly or indirectly, without the prior written consent of the Underwriters, issue, sell, grant any option, right or warrant for the sale of, lend, secure, pledge or otherwise dispose or monetize, or make any short sale, engage in any hedging transaction, or enter into any form of arrangement the consequence of which is to directly or indirectly transfer to someone else, in whole or in part, any of the economic consequences of ownership of, or offer or announce any intention to do so, in a public offering or by way of private placement or otherwise, any Class A Shares (except for Class A Shares purchased on or following Closing) or any other securities of the Company, cause to be filed any prospectus in connection therewith, for a period of 180 days after the date of Closing. Notwithstanding the foregoing, the Company may (a) issue securities (including stock options) in connection with compensation for directors, officers, employees and consultants and (b) issue securities of the Company upon the exercise of stock options subsequently granted as permitted.

Commissions and Expenses

The following table shows the per Class A Share and total Underwriters' Commission the Selling Shareholder will pay to the Underwriters, assuming both no exercise and full exercise of the Underwriters' Over-Allotment Option:

	Over-Allotment Not Exercised	Over-Allotment Fully Exercised
Per Class A Share	$ ●	$ ●
Total Offering	$ ●	$ ●

The Underwriters propose to offer the Class A Shares initially at the Offering Price stated on the cover page of this prospectus. After the Underwriters have made a reasonable effort to sell all of the Class A Shares offered by this prospectus at that price, the initially stated Offering Price may be decreased, and further changed from time to time, by the Underwriters to an amount not greater than the initially stated Offering Price and, in such case, the compensation realized by the Underwriters will be decreased by the amount that the aggregate price paid by the purchasers for the Class A Shares is less than the gross proceeds paid by the Underwriters to the Selling Shareholder.

It is estimated that the total expenses of the Offering, not including the Underwriters' Commission, will be approximately $ ● , which expenses will be paid by the Selling Shareholder, except for expenses incurred by the Company relating to roadshows and marketing activities and the fees and disbursements of the Company's legal counsel, which shall be paid by the Company and are estimated at approximately $ ● .

Listing Application

The Company has applied to the TSX to have the Class A Shares listed on the TSX. Listing of the Class A Shares on the TSX is subject to approval by the TSX of the Company's listing application and fulfillment by the Company of all the initial listing requirements and conditions of the TSX, including distribution of the Class A Shares to a minimum number of public holders. The TSX has not conditionally approved the listing of the Class A Shares and there is no assurance that the TSX will approve the Company's listing application.

Book Entry System

Subscriptions for the Class A Shares will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. Certificates representing the Class A Shares sold under the Offering in Canada will be issued in registered form to CDS or its nominee on the Closing of the Offering. Transfers of ownership of Class A Shares in Canada will be effected through records maintained by participants in the CDS Depository Service ("CDS Participants"), which includes securities brokers and dealers, banks and trust companies. Indirect access to the CDS book entry system is also available to other institutions that maintain custodial relationships with a CDS Participant, either directly or indirectly. Each purchaser of Class A Shares in Canada will receive a customer confirmation of purchase from the CDS Participant from or through which such Class A Shares are purchased in accordance with the practices and procedures of such CDS Participant. No certificates will be issued unless specifically requested or required.

RISK FACTORS

An investment in the Class A Shares involves risk. The following are certain factors relating to the business of ISC and the Class A Shares which prospective investors should carefully consider before deciding whether to purchase Class A Shares. The following information is a summary only of certain risk factors and is qualified in its entirety by reference to, and must be read in conjunction with, the detailed information appearing elsewhere in this prospectus. These risks and uncertainties are not the only ones facing ISC. Additional risks and uncertainties not presently known to ISC, or that ISC currently believes to be immaterial, may impair our business operations. This prospectus also contains forward looking statements that involve risks and uncertainties. If any such risks actually occur, the business, results of operations and financial condition of ISC could be materially adversely affected and the ability of ISC to make distributions on the Class A Shares could be adversely affected.

Risks Related to Our Business and Industry

Changes to or loss of our Master Service Agreement with the Government of Saskatchewan could result in a material loss of revenues.

Substantially all of our current revenues are derived from services we provide pursuant to the Master Service Agreement. We face the risk that our key service agreement could be impacted as a result of a breach of the service agreement terms, potential disagreements with the Government of Saskatchewan, changes to applicable laws affecting our service, obligations or expected revenues to be realized from the delivery of our services and potential termination of the Master Service Agreement and Registry Operating Agreements. Any of these events could have a significant material adverse effect on our business, results of operations and financial condition. Any impact on this agreement would also have a negative impact on our reputation and growth strategy. See "Agreements with the Province of Saskatchewan".

Termination of Master Service Agreement would have material adverse consequences for our business.

In the event that an ISC Material Breach occurs under the Master Service Agreement, then subject to applicable cure periods, if any, the Province has the right to terminate the Master Service Agreement and the Registry Operating Agreements. Termination of the Master Service Agreement and the Registry Operating Agreements would have a material adverse effect on our business, financial condition and results of operations. See "Agreements with the Province of Saskatchewan — Termination of Agreements and Remedies for Default".

Potential disagreements with the Province may have material adverse consequences for our business.

Disagreements may arise between ISC and the Province in a number of areas, including but not limited to: ISC's and the Province's respective rights and obligations under the Master Service Agreement, Registry Operating Agreements, or other agreements between ISC and the Province, amendments to any of the existing agreements between ISC and the Province under the Master Service Agreement or other agreements between ISC and the Province. ISC may not be able to resolve any potential disagreements with the Province and, even if such disagreements are resolved, the resolution may be on terms and conditions less favourable to ISC, which could have a material adverse effect on our business, results of operations and financial condition.

Limitations on our ability to increase fees for our core registry services may negatively impact our ability to offset future increases in operating costs or capital investment needs.

The Master Service Agreement restricts our ability to increase the fees that we may charge our customers for substantially all of the Core Registry Services we provide. Increases to the fees we may charge for our Core Registry Services that are not determined as a percentage of transaction value, are limited to the increase in the Consumer Price Index for the Province of Saskatchewan as compared to the December 31, 2012 base level. Fees for our Core Registry Services that are determined as a percentage of transaction value (for example, land transfer fees), will fluctuate based on the value of transactions processed. In addition, the fees we charge may change due to changes in scope or other changes which result in a change order. See "Agreements with the Province of Saskatchewan — Compensation Payable to ISC". There can be no assurance that the combination of increases in the Consumer Price Index and the value of transactions processed by us and fee increases resulting from the change order process in our Master Service Agreement will sufficiently offset increases in our operating costs or required capital investment, which could have a significant material adverse effect on our business, results of operation and financial condition.

Legislative changes may have material adverse consequences for our business.

No assurances can be given that legislation (including regulations, policies, decisions or orders enacted thereunder) which is currently in force and affecting ISC, the Land Registry, the Land Survey, the PPR, and the Corporate Registry, will not be amended or enforced otherwise than in accordance with current practices or new laws enacted. The Master Service Agreement provides for limited opportunity to increase fees where such amendments to legislation, changes in practices or new laws are reasonably expected to result in material increases in our costs or a reduction in our revenues. However, there can be no assurance that we will be able to increase fees or reduce our costs to fully offset any increase in costs or reduction in revenues that may result from such amendments, changes in practices or new laws which could have a material adverse effect on our business, results of operations and financial condition.

Changes in economic, market and other conditions could adversely affect our level of search and registration activity.

Substantially all of ISC's current revenues consist of fees received in connection with search and registration activity in the Land Registry, PPR, Corporate Registry and Land Survey. The level of search and registration activity depends of a number of factors which are not in our control, including:

- the strength of the global, Canadian and Saskatchewan economies;
- potential tightening of mortgage regulations, household debt levels, interest rates, job growth, asset prices and the degree of economic and financial uncertainty; and
- the growth and development of the resource sector in Saskatchewan.

With low interest rates in Canada and low unemployment rates in Saskatchewan, the real estate market has experienced substantial growth over the last several years. Unprecedented levels of development in the resource sector combined with population growth in Saskatchewan are also impacting the general level of economic activity in the Province. Reduced levels of activity in the resource sector, increased interest rates, unemployment and inflation over an extended period of time could lead to a reduction in economic activity, thereby reducing the level of registration and search activity. A significant reduction in the level of registration and search activity as a result of these or other factors could have a material adverse effect on our business, results of operations and financial condition.

Changes in economic, market and other conditions could also adversely affect our ability to implement our strategy to look for opportunities to grow revenues in other Canadian provinces and international jurisdictions, which could have an adverse effect on our business, results of operations and financial condition.

The loss of the services of our CEO or other member of our senior management team could harm our business.

Our future success will depend on, among other things, our ability to retain the services of our senior management team and to hire other highly qualified employees at all levels. Many of our senior management team members have extensive experience in our industry and with our business, products and customers. Since we are managed by a small group of senior executive officers, the loss of their technical knowledge, management expertise and knowledge of our operations could have a material adverse effect on our business, results of operations and financial condition. Our future success will depend upon the abilities, experience and personal efforts of senior management, including their ability to attract and retain skilled employees. We compete with other potential employers for senior management talent and other employees, and we may not be successful in hiring and keeping the services of our senior management team and other employees that we need. The loss of the services of, or the inability to hire, senior management personnel or other key employees could have a material adverse effect on our business, results of operations and financial condition.

Failure to successfully implement our growth strategy could reduce, or reduce the growth of, our revenue and net income.

Our growth strategy is focused on growing our service offerings in Saskatchewan, increasing margins for current offerings using process efficiencies and service additions, and growing our revenues in other Canadian provinces and international jurisdictions. We may not be able to achieve some or all of these objectives and they may not be profitable. The successful implementation of these growth strategies could depend on various factors, including:

- competition from other service providers in current and future markets;
- identification of viable growth opportunities;
- the Province's right to use the registry data for its own internal purposes or to provide free services that are not in direct competition with our Core Registry Services;
- the Province's right to approve certain Ancillary Services, subject to the terms of the Master Service Agreement;
- changes to the Master Service Agreement and Registry Operating Agreements;
- general economic and business conditions;
- ability to hire and train qualified management personnel; and
- level of search and registration activity in current and future markets.

Failure to successfully implement our growth strategy could reduce, or reduce the growth of, our revenue and net income and adversely affect our business, results of operations and financial condition.

A compromise to the integrity and security of our information assets could adversely affect our financial results, growth opportunities and reputation.

As the custodian of public registries for the Government of Saskatchewan, ISC is required to protect physical and digital information assets. This includes protection from fraud, inappropriate access, privacy breaches and natural disasters. Failure to provide this protection could also have an adverse effect on our reputation, growth strategy and could put us in breach of the terms of our Master Service Agreement and Registry Operating Agreements. A compromise to the integrity and security of ISC's information could have a material adverse effect on our our business, results of operations and financial condition.

Significant disruptions in our information technology systems could adversely affect our business and financial results.

Our operations rely on information technology systems in order to provide products and services. While ISC has in place technology security initiatives and disaster recovery plans, these systems may prove inadequate. Our information technology systems may be vulnerable to unauthorized access, computer viruses, system failures, human error, natural disasters, fire, power loss, communications failure or acts of sabotage or terrorism. If a significant disruption or repeated failure was to occur, ISC's revenues could be adversely affected. There may also be significant costs incurred as a result of such disruptions or failures which may adversely affect financial performance or capital expenditure levels. Such disruptions or failures could also adversely affect ISC's ability to meet performance standards in the Master Service Agreement and Registry Operating Agreements. The occurrence of any of the foregoing could have a material adverse effect on our business, results of operations and financial condition.

There is no assurance we will able to refinance our short term debt on acceptable terms or at all.

There can be no assurance that we will be able to refinance our existing short term debt to the General Revenue Fund of Saskatchewan on acceptable terms pursuant to the proposed New Credit Facilities prior to closing of the Offering. It is possible that such proposed New Credit Facilities will not be finalized or available. Failure to refinance our short term debt in the amounts necessary or on acceptable terms could adversely affect our business, results of operations and financial condition.

The failure of key third party suppliers to provide us with critical products or services could adversely affect our business and financial results.

ISC's application development and maintenance, mainframe and technology support services are maintained by agreements with two separate third party suppliers, HP and ISM. We depend on these third-party suppliers over which we have no operational or financial control for certain products and services that are critical to our operations. If, at any time, HP or ISM cannot provide us with critical products or services including, without limitation, the necessary IT services, hardware and software, this could result in interruptions to our business and ISC incurring additional costs to engage new service providers, which could have a material adverse effect on our business, results of operations and financial condition.

Our credit facilities may restrict our ability to finance operations and capital needs.

Our proposed New Credit Facilities are expected to contain restrictive financial and other covenants which affect and, in some cases, limit or prohibit the manner in which we may structure or operate our business, including by reducing our liquidity, limiting our ability to incur indebtedness, create liens, sell assets, pay dividends, make capital expenditures, be subject to a change of control and engage in acquisitions, mergers or restructurings. Future financings and other major agreements may also be subject to similar covenants which limit our operating and financial flexibility, which could have a material adverse effect on our business, results of operations and financial condition.

Competition in the industry could limit our growth opportunities and adversely affect our financial results.

ISC will face competition for its current services offerings, other than those exclusive products and services presently being provided to the Province of Saskatchewan and end-use customers under the Master Service Agreement, such as Land Registry, PPR and Corporate Registry. As we work to expand and evolve our product and services offerings, we may face competition with new products and services in Saskatchewan as well. Competitors may enter the Saskatchewan market through value-add service offerings or as a result of the expiry or other termination of the Master Service Agreement or Registry Operating Agreements with the Government of Saskatchewan. ISC is likely to experience competition through the implementation of our growth strategy to increase revenues in other Canadian provinces and international jurisdictions.

Many of our potential competitors are larger than ISC and have greater financial, sales, marketing, technical and other resources. Management of ISC cannot be certain that we will be able to compete successfully against current or future competitors. If ISC is unable to successfully compete, our ability to expand our business and revenues will be limited. Increased competition in connection with our services and products could have a material adverse effect on our business, results of operation and financial condition.

Our insurance may not provide adequate coverage.

Our property and liability insurance may not provide sufficient coverage for losses related to these types of losses or other potential losses. Insurance against certain risks may not be available to us. In addition, our insurance coverage may be limited in amount or may not continue to be available at economically feasible premiums, or at all. Any such event could have a material adverse effect on our business, results of operations and financial condition.

Litigation may adversely affect our business and financial results.

Our business is subject to the risk of litigation, including lawsuits based upon registration errors and lost profits or other consequential damage claims resulting therefrom. The outcomes of litigation, regulatory investigations and arbitration disputes are inherently difficult to predict, and as a result there is the risk that an unfavourable outcome from any of these types of matters could negatively affect our business, results of operations and financial condition. Regardless of outcome, litigation may result in substantial costs and expenses and significantly divert the attention of ISC's management. ISC may not be able to prevail in, or achieve a favourable settlement of, pending litigation. In addition to pending litigation, future litigation or government proceedings could lead to increased costs or interruption of ISC's normal business operations. There can be no assurance that these matters will not have a material adverse effect on our business, results of operations and financial condition.

The Registry Operating Agreements provide for a sharing of the risk associated with Statutory Compensation Claims. See "Agreements with the Province of Saskatchewan". The thresholds were determined by negotiation between the Province and ISC and generally exceed the historical claim experience of ISC in respect of Statutory Compensation Claims. If the level of Statutory Compensation Claims rises due to an increase in the number of errors made in processing transactions, changes in registry practices, changes in laws or other factors beyond our control, our costs will rise, subject to the limit on exposure to Statutory Compensation Claims set out in the Registry Operating Agreements.

Under the Master Service Agreement, the Province has agreed to indemnify us in respect of, among other things, direct costs incurred by us in connection with: (i) third party claims made against us that are based on a material breach of the Province's obligations under the Master Service Agreement or on our acts or omissions in operating and managing the registries that were taken or made in compliance with applicable laws and the terms of the Master Service Agreement; and (ii) third party claims made against us that are based on determinations that the Province's intellectual property infringes or breaches any third party intellectual property rights. The Province's liability in respect of such indemnities for third party claims does not arise until the claim has been finally adjudicated by a court of law or settled with the consent of the Province. If we become subject to any such third party claims we may be required to expend significant resources in the defence of such claims which could have a material and adverse effect on our business, results of operations and financial condition.

Our liability to the Province under the Master Service Agreement is unlimited, except in certain specified circumstances.

Pursuant to the Master Service Agreement, we are required to indemnify the Province in respect of, among other things, (i) direct costs incurred by the Province in connection with a breach of our obligations under the Master Service Agreement, (ii) third party claims made against the Province that are based on a breach of our obligations under the Master Service Agreement or our acts or omissions in operating and managing the registries in violation of applicable laws, (iii) third party claims made against the Province that are based on determinations that our intellectual property infringes or breaches any third party intellectual property rights, and (iv) costs incurred by the Province in connection with a breach of our obligations to implement the transition plan and provide the transition assistance required under the Master Service Agreement. Our annual liability under the Master Service Agreement is limited to $40 million in the case of certain specified matters (namely, our third party claims indemnity, our intellectual property indemnity and our indemnity in respect of a breach of our transition plan obligations) and to the specific limits set out in the Registry Operating Agreements in respect of statutory claims liabilities, but is unlimited in the case of other obligations owing to the Province under the Master Service Agreement. There can be no assurance that we will not, in the future, be subject to indemnification claims by the Province or that the nature and magnitude of such claims will not have a material and adverse effect on our business, results of operations and financial condition.

Adverse changes in labour relations could affect our operations and financial results.

As of the date hereof, ISC employed approximately 325 employees, of whom approximately 71% are members of the SGEU. We signed a New Collective Bargaining Agreement with our unionized employees in April 2013, which expires on September 30, 2015. This New Collective Bargaining Agreement provides for further wage increases for unionized employees of 1.5% effective October 1, 2013 and 2% effective October 1, 2014. In the event of a labour disruption such as a strike or lock-out, our ability to carry on operations are expected to be impaired significantly, which could have a material adverse effect on our business, results of operations and financial condition.

Failure to protect our intellectual property rights could adversely affect our financial results.

Third parties may infringe or misappropriate ISC's trademarks or other intellectual property rights or may challenge the validity of ISC's trademarks or other intellectual property rights, which could have a material adverse effect on our business, results of operations and financial condition. The actions that ISC takes to protect its trademarks, patents and other proprietary rights may not be adequate. Litigation may be necessary to enforce or protect ISC's intellectual property rights, protect its trade secrets or determine the validity and scope of the proprietary rights of others. ISC cannot ensure that it will be able to prevent infringement of its intellectual property rights or misappropriation of its proprietary information. Any infringement or misappropriation could harm any competitive advantage ISC currently derives or may derive from its proprietary rights. Third parties may assert infringement claims against ISC. Any such claims and any resulting litigation could subject ISC to significant liability for damages. An adverse determination in any litigation of this type could require ISC to design around a third party's patent or to license alternative technology from another party. In addition, litigation may be time-consuming and expensive to defend and could result in the diversion of ISC's management time and resources. Any claims from third parties may also result in limitations on ISC's ability to use the intellectual property subject to these claims and could have a material adverse effect on our business, result of operations and financial condition.

The requirement to use commercially reasonable efforts to obtain certain consents to the sublicense of customized registry software to the Province could result in material increases in our costs that will not be recouped through any corresponding increase in fee revenue.

Pursuant to the Shared Resources License Agreement we are required to use commercially reasonable efforts to obtain consents and acknowledgements from certain third party vendors of customized registry software utilized by the Company for the sublicense to the Province of such software. Any costs to be incurred by ISC in connection with the obtaining of such consents and acknowledgements are to be borne by ISC. It is not clear from the terms of the Shared Resources Licenses Agreement the extent to which ISC would be required to incur additional costs or become subject to additional restrictions imposed by such software vendors as a condition to their grant of the required consents and acknowledgements. There can be no assurance that such costs or any additional terms that may be imposed on ISC by customized software vendors in connection with the grant of such consents and acknowledgements would not have a material and adverse effect on our business, results of operations and financial condition.

There is a risk that a class action similar to one recently launched against a registry operator in Ontario could be launched against ISC on behalf of surveyors located in Saskatchewan.

An Ontario survey company commenced a proposed class action against Teranet in the Ontario Superior Court of Justice on November 12, 2010. The action is brought on behalf of a proposed class of all land surveyors in Ontario who are the holders of copyright in drawings, maps, charts, or plans that are registered, deposited, or filed in the Ontario land registration offices that are managed by Teranet. Although we are not aware of any such action or potential action, there is a risk that a similar class action could be launched against ISC on behalf of surveyors located in Saskatchewan. Under the OPRSA, the Province is responsible for all liabilities of ISC with respect to the administration of a public registry statute or registry before the coming into force of such section. Further, the Province has agreed to indemnify against, save harmless from and pay to ISC all costs and expenses incurred by ISC to pay damages in respect of, among other things, actions in tort or statutory actions (including actions based on the provisions of the *Copyright Act* (Canada) for recovery of damages by third parties based on acts or omissions of ISC in operating and managing the Registries which were acts or omissions: (i) made in compliance with applicable laws and the terms of the Master Service Agreement and the Registry Operating Agreements, or, (ii) that ISC was directed or required to take or not take by the Master Service Agreement, any of the Registry Operating Agreements, or the direction of the Province. If a similar class action lawsuit were to be filed against the Company, the Company would seek indemnification from the Province pursuant to both of the OPRSA and the foregoing contractual indemnities. However, there is no assurance that ISC would be fully indemnified or protected against the costs and expenses associated with such a class action. Further, under the Master Service Agreement the obligation of the Province pay under such indemnity does not arise until, among other things: (i) the claim which is the subject matter giving rise to the indemnity has been settled with the consent of the Province or has been the subject to adjudication by a court, and (ii) ISC has paid such settlement or adjudicated amount in full settlement of the claim. If a similar class action lawsuit were to be filed against the Company, regardless of the outcome, it could result in substantial costs and a diversion of management's attention and resources, which could have a material adverse effect on our business, results of operations and financial condition.

The Province's rights under the Debenture could affect our ability to obtain financing.

Pursuant to the Master Service Agreement, all of the revenue we receive with respect to the operation and management of the registries must be collected by ISC Sask (our subsidiary contractor). It is expected that all of the net revenue of ISC Sask will be paid to ISC on a regular basis and be available for the payment of dividends and our debts owed to third party creditors. Pursuant to the Debenture, ISC Sask has pledged all of its assets, including its revenues, as collateral security for the obligations owed to the Province under or in connection with the Master Service Agreement and the Registry Operating Agreements. Although the Debenture contains no restrictions on the ability of ISC Sask to pay its income to ISC, in the event the Province were to exercise its rights under the Debenture as a result of the occurrence of an ISC Material Breach under the Master Service Agreement or Registry Operating Agreements or if the Province appoints an administrator under the OPRSA then our subsidiary's ability to pay income to ISC will be limited to its net revenues after deducting expenses and the Province's costs associated with the exercise of its rights under the Debenture. Further, in such circumstances the Province would be entitled to seize all of the assets of ISC Sask. There can be no assurance that the existence of the Debenture and its implications for our ability to flow income from ISC Sask to ISC will not be viewed negatively by future lenders or affect our ability to obtain future debt financing at attractive rates, which could have a material adverse effect on our business, results of operations and financial condition.

The Province's rights to appoint an administrator over our subsidiary may have material adverse consequences.

The OPRSA provides the Province with broad oversight rights respecting the operation and management of the public registries. In particular, the OPRSA provides that the Lieutenant Governor in Council may appoint an administrator for a term specified by the Lieutenant Governor in Council to discharge the powers, duties and functions of the board of directors of a contractor (such as ISC) with respect to the management and operation of a registry or the provision of registry services and functions in accordance with such Act, a public registry statute or a service agreement if the minister is of the opinion that there is an immediate and direct threat that could significantly compromise the management and operation of the registry or the provision of the registry services or functions. The OPRSA further provides that on the appointment of an administrator, the members of the board of directors of the contractor will cease to hold office unless otherwise ordered by the Lieutenant Governor in Council and during the term of the administrator the powers of any members of the board of the contractor who continue to hold office will be suspended unless otherwise provided by the Lieutenant Governor in Council. This right may be exercised irrespective of the occurrence of a default under the Master Service Agreement. The Province has agreed in the Master Service Agreement that it will not exercise the right to appoint an administrator for ISC and will limit its rights to appoint an administrator under such Act or a receiver or receiver-manager under the Debenture to ISC Sask. The appointment of an administrator in respect of ISC Sask under the OPRSA could have a material and adverse effect on our business, results of operations and financial condition.

The Province's rights to temporarily suspend services may have material adverse consequences.

Pursuant to the OPRSA, if, in the opinion of a Registry Officer or the minister, the circumstances are such that it is not practical to provide one or more registry services or functions, a Registry Officer or the minister may, by order, suspend all or any registry services or functions for the period during which, in the opinion of the Registry Officer or the minister, those circumstances prevail. The suspension of registry services or functions under the OPRSA could have a material and adverse effect on our business, results of operations and financial condition.

Expiry of licenses to use Registry Data upon termination or expiry of the term of the Master Service Agreement could impact our ability to continue to provide certain services.

Our exclusive license to use the registry data will expire upon the termination or expiry of the term of the Master Service Agreement. If the license is not renewed at that time, we will not be able to continue providing any services which rely on or use registry data which could have a material adverse effect on our business, financial condition and results of operations.

Although we believe our financial statements are prepared with reasonable safeguards to ensure reliability, we cannot provide absolute assurance.

We prepare our financial reports in accordance with accounting policies and methods prescribed by IFRS. In the preparation of financial reports, management may need to rely upon assumptions, make estimates or use their best judgment in determining the financial condition of the Company. Significant accounting policies are described in more detail in the notes to our annual financial statements for the year ended December 31, 2012, which are included in this prospectus. In order to have a reasonable level of assurance that financial transactions are properly authorized, assets are safeguarded against unauthorized or improper use and transactions are properly recorded and reported, we have implemented and continue to analyze our internal control systems for financial reporting. Although we believe our financial reporting and financial statements are prepared with reasonable safeguards to ensure reliability, we cannot provide absolute assurance in that regard.

Our internal controls over financial reporting and disclosure controls may prove ineffective.

Inadequate disclosure controls or ineffective internal controls over financial reporting could result in an increased risk of material misstatements in the financial reporting and public disclosure record of ISC. Inadequate controls could also result in system downtime, give rise to litigation or regulatory investigation. ISC has designed and implemented a system of internal controls and a variety of policies and procedures to provide reasonable assurance that material misstatements in the financial reporting and public disclosures are prevented and detected on a timely basis and other business risks are mitigated. An internal control system, no matter how well conceived and operated, can provide only reasonable — not absolute — assurance to management and the Board regarding achievement of intended results. ISC's current system of internal and disclosure controls places reliance on key personnel across the Company to perform a variety of control functions including key reviews, analysis, reconciliations and monitoring. The failure of individuals to perform such functions or properly implement the controls as designed could have a material adverse effect on our business, results of operations and financial condition.

Our ability to operate our business effectively may suffer if we do not, quickly and cost-effectively, establish our securities compliance and financial reporting functions in order to operate as a public company.

Although management has experience in the industry, it does not have experience operating ISC as a public entity. Prior to this Offering, we were not responsible for financial reporting practices, policies and disclosure required of a public company. To operate effectively, ISC will be required to continue to implement changes in certain aspects of its business, and develop, manage and train management level and other employees to comply with ongoing public company requirements. The requirements of existing and potential future rules and regulations are expected to increase our legal, accounting and financial compliance costs, make some activities more difficult, time-consuming or costly and may also place undue strain on our personnel, systems and resources, which could adversely affect our business, results of operations and financial condition.

Risks Related to the Information Services Corporation Act

Ownership restrictions may limit demand for our shares.

The Ownership Restrictions under the ISC Act provide that subject to certain limited exceptions, no person, alone or together with associates, may hold, beneficially own or control, directly or indirectly, other than by way of security only or for purposes of distribution by an underwriter, voting securities to which are attached more than 15% of the votes attached to the issued and outstanding Class A Shares. The ISC Act and the ISC Regulations also contain provisions for the enforcement of the Ownership Restrictions. See "Description of Securities — Restrictions on Ownership". These restrictions may limit the rights of certain persons to acquire Class A Shares, to exercise their rights as shareholders and to initiate and complete take-over bids in respect of the Class A Shares. As a result, the Ownership Restrictions may limit the demand for Class A Shares and adversely affect the liquidity and market value of the Class A Shares held by the public.

Director appointment right and restrictions limiting certain actions of ISC under the ISC Act may limit demand for our shares.

The ISC Act provides that in lieu of voting the Class A Shares held by the Selling Shareholder on any resolution electing directors to the Board, the Lieutenant Governor in Council of the Province of Saskatchewan has the right to appoint that number of members to the Board equal to the Selling Shareholder's pro rata share of the issued and outstanding Class A Shares (rounded to the nearest whole number), but always subject to a minimum of two directors. See "Description of Securities". Market reaction to these provisions may limit demand for Class A Shares and adversely affect the liquidity and market value of the Class A Shares.

Under the ISC Act, the holder of the Golden Share shall vote to veto, and thereby prohibit, the Company from undertaking certain actions, including: transferring ISC's registered office to a jurisdiction outside Saskatchewan, transferring all or any part of ISC's head office operations to a jurisdiction outside Saskatchewan and the sale, lease or exchange of all or substantially all of ISC's property. The ISC Act further prohibits the Company from applying for a continuance in a jurisdiction outside Saskatchewan or amending ISC's articles without the approval of the holder of the Golden Share. See "Description of Securities — The Golden Share". The ISC Act also includes a separate restriction which provides that ISC shall not transfer all or part of its head office operations, or all or any part of the functions constituting its head office operations, to a jurisdiction outside of Saskatchewan. Market reaction to these provisions may limit the demand for Class A Shares and adversely affect the liquidity and market value of the Class A Shares.

Risks Related to an Investment in the Shares

There currently exists no market for our shares, an active trading market may not develop for our shares, and the price of our shares may fluctuate significantly in response to a number of events. Accordingly, shareholders may not be able to sell their shares at an attractive price or at all.

There has been no public market for the Class A Shares and there may not be such a market in the future. The Company cannot predict the extent to which investor interest will lead to the development of an active and liquid trading market in the Class A Shares and it is possible that an active and liquid trading market will not develop or be sustained. If such a market does not develop or is not sustained, it may be difficult for shareholders to sell their Class A Shares at an attractive price or at all. The initial public Offering Price for the Class A Shares has been negotiated among the Company, the Selling Shareholder and the Underwriters and may not be indicative of the market price of the Class A Shares that will prevail in the trading market. The market price of the Class A Shares may decline below the initial public Offering Price and shareholders may not be able to sell their Class A Shares at or above the initial public Offering Price. Some companies that have had volatile market prices for their securities have had securities class action lawsuits filed against them. If a lawsuit were to be filed against the Company, regardless of the outcome, it could result in substantial costs and a diversion of management's attention and resources.

The price of the Class A Shares may fluctuate substantially in response to a number of events, including:

- quarterly operating results;
- seasonal effects on search and registration activity;
- sales of Class A Shares by principal shareholders, including the Selling Shareholder;
- departures of key personnel;
- future announcements concerning the Company;
- the failure of securities analysts to cover the Company and/or changes in financial forecasts and recommendations by securities analysts;
- actual or anticipated developments in the Company's competitors' businesses or the competitive landscape generally;
- changes to the implementation of our growth strategy;
- litigation involving the Company, or the industry in which the Company operates or all of them;
- general market, economic and political conditions;
- regulatory developments;
- natural disasters, terrorist attacks and acts of war; and
- other risks described in this section.

Cash dividend payments are not guaranteed and our proposed dividend policy may be changed at the Board's discretion depending on numerous factors.

The payment of dividends under the Company's proposed dividend policy is not guaranteed and will fluctuate with the performance of the Company and its subsidiary. The Board has the discretion to determine the amount of dividends to be declared and paid to shareholders. The Board may alter the Company's dividend policy at any time and the payment of dividends will depend on, among other things, results of operations, financial condition, current and expected future levels of earnings, cash available for distribution, operating cash flow, liquidity requirements, market opportunities, income taxes, maintenance capital, growth capital expenditures, the requirements of future financings, debt repayments, legal, regulatory and contractual constraints, working capital requirements, tax laws and other relevant factors. The Company's New Credit Facilities are expected to prohibit the Company from paying dividends at any time at which a default or event of default would exist under such New Credit Facilities, or if a default or event of default would exist as a result of paying the dividend.

Over time, the Company's capital and other cash needs may change significantly from its current needs, which could affect whether the Company pays dividends and the amount of any dividends it may pay in the future. If the Company pays dividends at the level currently anticipated under the proposed dividend policy, it may not retain a sufficient amount of cash to finance growth opportunities, meet any large unanticipated liquidity requirements or fund its operations in the event of a significant business downturn. The Board may amend, revoke or suspend the Company's dividend policy at any time. A decline in the market price or liquidity, or both, of the Class A Shares could result if the Board reduces the amount of quarterly dividends paid or eliminates dividend payments.

Our share price may decline because of the ability of the Selling Shareholder and others to sell our shares.

Future sales, or the ability for sale, of substantial amounts of the Class A Shares in the public market, by the Selling Shareholder and other shareholders, could adversely affect the prevailing market price for the Class A Shares. If the Company's shareholders sell substantial amounts of their Class A Shares in the public market following the Offering, the market price of the Class A Shares could decline. These sales might also make it more difficult for the Company to sell equity or equity-related securities in the future at a time and price that the Company deems appropriate.

The future issuance of Class A Shares may be dilutive to existing shareholders.

The Company's articles authorize the Company to issue an unlimited number of Class A shares for such consideration and on such terms and conditions as shall be established by the Board without the approval of any shareholders. The shareholders will have no pre-emptive rights in connection with such further issues. Subject any applicable stock exchange rules requiring shareholder approval, we may make future acquisitions or enter into financings or other transactions involving the issuance of Class A Shares which may be dilutive to existing shareholders. Sales or issuances of a substantial number of Class A Shares, or the perception that such sales could occur, may adversely affect prevailing pricing for the Class A Shares.

PROMOTER

The Crown Investments Corporation of Saskatchewan, the Selling Shareholder, is considered a promoter of the Company within the meaning of applicable securities legislation. **The Class A Shares are not guaranteed in any manner by the Province of Saskatchewan.**

As of the date of this prospectus, the Selling Shareholder, as the sole shareholder of the Company, holds 100% of the Class A Shares and the sole Golden Share. The Selling Shareholder will be receiving all of the net proceeds of the Offering and the Over-Allotment Option, if exercised. See "Plan of Distribution".

If the Over-Allotment Option is exercised in full, the Selling Shareholder will own beneficially, directly or indirectly, ● Class A Shares representing approximately ● % of the issued and outstanding Class A Shares after the Offering. The Company has no convertible securities outstanding. The Selling Shareholder will also own the sole Golden Share following the completion of the Offering. See "Principal Shareholder and Selling Shareholder".

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

There are no legal proceedings that the Company is or was a party to, or that any of the Company's property is or was the subject of, since January 1, 2013, that were or are material to the Company, and there are no such material legal proceedings that the Company knows to be contemplated. See "Risk Factors."

There were no: (i) penalties or sanctions imposed against the Company by a court relating to provincial and territorial securities legislation or by a securities regulatory authority within the three years immediately preceding the date of this prospectus; (ii) other penalties or sanctions imposed by a court or regulatory body against the Company that the Company believes must be disclosed for this prospectus to contain full, true and plain disclosure of all material facts relating to the Class A Shares; or (iii) settlement agreements the Company entered into before a court relating to provincial and territorial securities legislation or with a securities regulatory authority within the three years immediately preceding the date of this prospectus.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of MacPherson Leslie & Tyerman LLP, counsel to the Company, and McDougall Gauley LLP and Stikeman Elliott LLP, counsel to the Underwriters, the following is a summary of the principal Canadian federal income tax considerations under the Tax Act generally applicable as of the date hereof to a purchaser who acquires as beneficial owner Class A Shares pursuant to the Offering and who, for the purposes of the Tax Act and at all relevant times, holds such shares as capital property, is not affiliated with the Company, the Selling Shareholder or the Underwriters, and deals with the Company, the Selling Shareholder and the Underwriters at arm's length (a "Holder"). A Class A Share will generally be capital property to a Holder unless it is acquired or held in the course of carrying on a business or as part of an adventure or concern in the nature of trade. A Holder who is resident in Canada and whose Class A Shares might not otherwise qualify as capital property may, in certain circumstances, make the irrevocable election pursuant to subsection 39(4) of the Tax Act to have their Class A Shares, and every other "Canadian security", as defined in the Tax Act, owned by such Holder in the taxation year of the election and in all subsequent taxation years, deemed to be capital property. Such Holders should consult their own tax advisors with respect to whether an election under subsection 39(4) of the Tax Act is available and advisable in their own circumstances.

This summary does not apply to a Holder: (i) that is a "financial institution", as defined in the Tax Act for purposes of the mark-to-market rules; (ii) an interest in which is a "tax shelter investment" as defined in the Tax Act; (iii) that is a "specified financial institution" as defined in the Tax Act; (iv) that has elected to determine its Canadian tax results in a foreign currency pursuant to the functional currency rules, all within the meaning of the Tax Act; (v) that has entered into a derivative forward agreement with respect to the Class A Shares, within the meaning of proposed amendments to the Tax Act pursuant to the 2013 Federal Budget; or (vi) that is an employee of the Company or a corporation with which the Company does not deal at "arm's length", as defined in the Tax Act, who acquires as beneficial owner Class A Shares pursuant to the Employee Ownership Incentive Program. Such Holders should consult their own tax advisors with respect to the tax consequences of acquiring Class A Shares pursuant to the Offering.

This summary is based on the current provisions of the Tax Act and the regulations thereunder (the "Tax Regulations"), the Convention Between Canada and the United States of America with Respect to Taxes on Income and on Capital signed September 26, 1980, as amended (the "U.S. Treaty"), all specific proposals to amend the Tax Act and the Tax Regulations publicly announced by or on behalf of the Minister of Finance (Canada) before the date hereof ("Tax Proposals"), and counsels' understanding of the current published administrative and assessing practices and policies of the CRA. This summary assumes that the Tax Proposals will be enacted in the form proposed, and does not take into account or anticipate any other changes in law, whether by legislative, administrative or judicial decision or action, nor does it take into account provincial, territorial or foreign income tax legislation or considerations, which may differ significantly from the Canadian federal income tax considerations discussed herein. No assurance can be given that the Tax Proposals will be enacted in the form proposed or at all.

This summary is of a general nature only and is not exhaustive of all possible Canadian federal income tax considerations applicable to an investment in Class A Shares. The tax consequences of acquiring, holding and disposing of Class A Shares will vary according to the status and circumstances of the purchaser of Class A Shares. This summary is not intended to be, nor should it be construed to be, legal or tax advice to any particular purchaser. Accordingly, prospective purchasers should consult their own tax advisors about the tax consequences to them of acquiring, holding and disposing of Class A Shares in their own circumstances.

Taxation of Resident Holders

This portion of the summary generally applies to Holders who, at all relevant times, are resident in Canada within the meaning of the Tax Act ("Resident Holders").

Dividends on Class A Shares received or deemed received by a Resident Holder who is an individual (other than certain trusts) will be included in the holder's income and will be subject to the gross-up and dividend tax credit rules normally applicable under the Tax Act to taxable dividends received from taxable Canadian corporations, including an enhanced gross-up and dividend tax credit to the extent the Company designates a dividend as an eligible dividend in accordance with the Tax Act.

Dividends received or deemed received on Class A Shares by a Resident Holder that is a corporation will be included in its income and will generally be deductible in computing its taxable income to the extent and in the circumstances provided in the Tax Act. A Resident Holder that is a private corporation or a subject corporation, each as defined in the Tax Act, will generally be liable to pay a 33⅓% refundable tax on dividends received or deemed to be received on the Class A Shares to the extent such dividends are deductible in computing the Resident Holder's taxable income.

A Resident Holder will generally realize a capital gain (or capital loss) on a disposition or deemed disposition of Class A Shares (other than to the Company unless purchased by the Company in the open market in the manner in which shares are normally purchased by any member of the public in the open market) to the extent that the proceeds of disposition are greater (or less) than the aggregate of the adjusted cost base of the Class A Shares to the Resident Holder immediately before the disposition and any reasonable costs of disposition. The adjusted cost base of a Class A Share acquired by a Resident Holder will be averaged with the cost to the Resident Holder of all other Class A Shares held as capital property at that time.

Generally, one-half of a capital gain (a taxable capital gain) must be included in the Resident Holder's income in the year of disposition and one-half of a capital loss (an allowable capital loss) is deductible against taxable capital gains realized in that year. Allowable capital losses in excess of taxable capital gains for a year may be deducted in any of the three preceding taxation years, or in any subsequent year, against net taxable capital gains realized in such years, in the circumstances and to the extent permitted under the Tax Act. If the Resident Holder is a corporation, a capital loss realized on the disposition of a Class A Share may be reduced by the amount of any dividends received or deemed received on the Class A Share under the circumstances provided in the Tax Act. Similar rules may apply where a Class A Share is owned by a partnership or certain trusts of which a corporation, partnership or trust is a member or beneficiary. Such Resident Holders should consult their own advisors.

A Resident Holder that is throughout the year a Canadian-controlled private corporation, as defined in the Tax Act, will be liable for taxes, a portion of which may be refundable, on its aggregate investment income, as defined in the Tax Act, including taxable capital gains.

Resident Holders who are individuals, including certain trusts, may be subject to alternative minimum tax as a consequence of receiving or being deemed to receive dividends on the Class A Shares or realizing a capital gain on the disposition or deemed disposition of Class A Shares, depending on their circumstances.

Non-Resident Holders

This portion of the summary generally applies to Holders who, at all relevant times, are not, and are not deemed to be, resident in Canada within the meaning of the Tax Act and who do not use or hold, and are not deemed to use or hold, the Class A Shares in connection with carrying on business in Canada (a "Non-Resident

Holder”). Special rules, which are not discussed in this summary, apply to insurers who carry on business in Canada and elsewhere.

Withholding tax will be payable on dividends paid or credited to a Non-Resident Holder at a 25% rate, subject to reduction of the rate applicable to such Non-Resident Holder under an applicable income tax treaty. The rate of withholding tax that generally applies to dividends beneficially owned by a person who is a resident of the United States under, and who qualifies for the benefits of, the U.S. Treaty is 15%.

A Non-Resident Holder will not be subject to tax on a capital gain realized on a disposition of Class A Shares unless the Class A Shares are “taxable Canadian property” of the Non-Resident Holder for purposes of the Tax Act at the time of disposition and the Non-Resident Holder is not entitled to relief under an applicable income tax treaty or convention. A share that is listed on a designated stock exchange (which includes the TSX) will be taxable Canadian property if, at the time of disposition or at any time in the prior 60 months: (i) the Non-Resident Holder, persons with whom the Non-Resident Holder does not deal at arm’s length within the meaning of the Tax Act, or the Non-Resident Holder together with such persons, owned 25% or more of the issued shares of any class or series of the Company’s shares; and (ii) more than 50% of the value of the share was derived, directly or indirectly, from one or a combination of (A) real or immovable property situated in Canada, (B) Canadian resource property, (C) timber resource property, or (D) an option in respect of, or an interest in, any property described in (A) to (C). A share may also be deemed to be taxable Canadian property under certain provisions of the Tax Act, which generally apply where the share is received in a tax deferred exchange for property that was taxable Canadian property.

ELIGIBILITY FOR INVESTMENT

In the opinion of MacPherson Leslie & Tyerman LLP, counsel to the Company, and McDougall Gauley LLP and Stikeman Elliott LLP, counsel to the Underwriters, the Class A Shares offered hereby will, if listed on a designated stock exchange (which includes the TSX) at Closing, be on Closing a qualified investment under the Tax Act and the regulations thereunder for a trust governed by a registered retirement savings plan (“RRSP”), registered retirement income fund (“RRIF”), registered disability savings plan, deferred profit-sharing plan, tax-free savings account (“TFSA”) or registered education savings plan, all within the meaning of the Tax Act. However, the holder of a trust governed by a TFSA, or the annuitant under a RRSP or RRIF which holds the Class A Shares will be subject to a penalty tax if the holder or the annuitant, as the case may be: (i) does not deal at arm’s length with the Company; (ii) has a “significant interest” in the Company; or (iii) has a “significant interest” in a corporation, partnership or trust with which the Company does not deal at arm’s length, all as defined in and for the purposes of the Tax Act. The Department of Finance (Canada) released draft legislation on December 21, 2012 that proposes to eliminate the condition in (iii) above.

Prospective purchasers who intend to acquire Class A Shares in their TFSA, RRSP or RRIF should consult their own tax advisors regarding their particular circumstances.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

General

Except as otherwise set out herein, there were no material interests, direct or indirect, of any director or executive officer of the Company, any person or company that beneficially owns, or controls or directs, directly or indirectly, more than 10% of the outstanding Class A Shares, or any associate or affiliate of any of such persons or companies, in any transaction within the three years before the date of this prospectus that has materially affected or is reasonably expected to materially affect the Company or its subsidiary.

Master Service Agreement

In connection with the Offering, the Company and ISC Sask have entered into the Master Service Agreement, the Registry Operating Agreements, the Shared Resources License Agreement and the Debenture with the Government of Saskatchewan. The Selling Shareholder is an agent of the Crown in Right of Saskatchewan and is a wholly-owned provincial Crown corporation. See “Agreements with the Province of Saskatchewan” and “Principal Shareholder and Selling Shareholder”.

RELATIONSHIP BETWEEN THE COMPANY, SELLING SHAREHOLDER AND UNDERWRITER

RBC Dominion Securities Inc. is an affiliate of a Canadian chartered bank (the "Bank") that is the currently contemplated lender to us under the New Credit Facilities and to which we will be potentially indebted to following Closing of the Offering. It is expected that the New Credit Facilities will be entered into prior to or concurrent with the Closing of the Offering. It is expected that the funds will be drawn on the New Credit Facilities to repay indebtedness of ISC to the Province of Saskatchewan. Accordingly, pursuant to applicable securities legislation, we and/or the Selling Shareholder may be considered a "connected issuer" of RBC Dominion Securities Inc. for purposes of the applicable securities legislation in certain provinces and territories of Canada. A summary of the provisions of the New Credit Facilities and the intended use of such facility to repay indebtedness of ISC to the Selling Shareholder are set out under "New Credit Facilities".

The Bank was not involved in the decision to sell the Class A Shares hereunder and was not involved in the determination of the terms of the Offering or pricing. The decision to distribute the Class A Shares hereunder and the determination of the terms of the Offering and the pricing were made through negotiations between the Selling Shareholder and the Underwriters and agreed upon based on the merits of the Offering. RBC Dominion Securities Inc. will not receive any direct benefit in relation to the New Credit Facilities and its only direct benefit in connection with the Offering would be the receipt of its portion of the Underwriters' Commission payable pursuant to the Underwriting Agreement.

A current director of the Company is a director of MGI Securities Inc. Consequently, although this director is resigning effective immediately upon the completion of the Offering, ISC may be considered to be a "connected issuer" of MGI Securities Inc. for the purposes of applicable securities legislation.

The decision of MGI Securities Inc. to participate in the Offering was made independently of the Company and the Offering was not required by the Company. The decision to distribute the Class A Shares hereunder and the determination of the terms of the Offering and the pricing were made through negotiations between the Selling Shareholder, ISC and the Underwriters and agreed upon based on the merits of the Offering. As a consequence of the Offering, MGI Securities Inc. will receive its portion of the Underwriters' Commission payable pursuant to the Underwriting Agreement.

Certain of the Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include commercial banking, securities trading, investment banking, financial advisory services, investment management, investment research, principal investment, hedging, financing and brokerage activities. Certain of the Underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various financial advisory and investment banking services for the Company and/or the Selling Shareholder, for which they will receive customary fees. Certain of the Underwriters and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of the Class A Shares and may at any time hold, or recommend to clients that they acquire, hold long or short positions or sell Class A Shares.

AUDITORS, TRANSFER AGENT AND REGISTRAR

Auditors

Our auditors are Deloitte LLP and its address is 2103 – 11th Avenue, Regina, Saskatchewan, S4P 3Z8. Deloitte LLP were appointed as auditors of ISC on March 6, 2013 following the completion of an audit services tendering process, which tendering process is required by Crown Investments Corporation of Saskatchewan Board policy every five years for all Crown corporations created under *The Crown Corporations Act, 1993* (Saskatchewan).

Our auditors for the years ended December 31, 2012, December 31, 2011 and December 31, 2010 were MNP LLP, 2010 – 11th Avenue, Suite 900, Regina, Saskatchewan, S4P 0J3.

Transfer Agent, Registrar or other Agents

The transfer agent and registrar for the Class A Shares is Canadian Stock Transfer Company, Inc. at its principal offices in Calgary and Toronto.

MATERIAL CONTRACTS

The following are the only material contracts, other than those contracts entered into in the ordinary course of business, which the Company has entered into since the beginning of the last financial year before the date of this prospectus, entered into prior to such date but which contract is still in effect, or to which the Company expects to become a party to on or prior to Closing:

- the Master Service Agreement, a summary of which may be found under the heading "Agreements with the Province of Saskatchewan";
- the Registry Operating Agreements, a summary of which may be found under the heading "Agreements with the Province of Saskatchewan";
- the Shared Resources License Agreement, a summary of which may be found under the heading "Agreements with the Province of Saskatchewan";
- the Debenture, a summary of which may be found under the heading "Agreements with the Province of Saskatchewan";
- the credit agreement relating to the New Credit Facilities, a summary of which may be found under the heading "New Credit Facilities"; and
- the Underwriting Agreement, a summary of which may be found under the heading "Plan of Distribution".

Copies of the above material agreements, if not already entered into then once executed, may be inspected during normal business hours during the course of the Offering at the head and registered office of the Company at 300 – 10 Research Drive, Regina, Saskatchewan, S4S 7J7 or may be viewed at the website maintained by the Canadian Securities Administrators at http://www.sedar.com.

LEGAL MATTERS

Certain legal matters relating to the Offering will be passed upon on behalf of the Company by MacPherson Leslie & Tyerman LLP, on behalf of the Selling Shareholder by Kanuka Thuringer LLP and on behalf of the Underwriters by McDougall Gauley LLP and Stikeman Elliott LLP.

INTEREST OF EXPERTS

No person or company whose profession or business who is named as having prepared or certified a report, valuation, statement or opinion described or included in the prospectus, or whose profession or business gives authority to a report, valuation, statement or opinion described or included in the prospectus, holds any registered or beneficial interest, direct or indirect, in any of our securities or other property of our Company or one of our associates or affiliates and no such person or company, or a director, officer or employee of such person or company, is expected to be elected, appointed or employed as one of our directors, officers or employees or as a director, officer or employee of any of our associates or affiliates and no such person is one of our promoters or the promoter of one of our associates or affiliates. MNP LLP has informed us that it is independent with respect to the Company within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of Saskatchewan.

PURCHASERS' STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces and territories of Canada, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limits prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of these rights or consult with a legal advisor.

EXEMPTION FROM NATIONAL INSTRUMENT 41-101

We have requested an exemption from the requirement in section 12.2 of NI 41-101 to refer to the Class A Shares in this prospectus using a term or a defined term that includes a "restricted security term" as defined in NI 41-101. The Company has also requested an exemption from the requirement in section 12.3 of NI 41-101 respecting the filing of a prospectus under which a "restricted security" is distributed except in prescribed circumstances. The Class A Shares may qualify as a "restricted security" under NI 41-101 because the Company's constating documents contain provisions that: (i) restrict the voting rights of the Class A Shares such that no person or group of associated persons holding more than 15% of the total number of votes attached to the issued and outstanding Class A Shares may exercise voting rights attached to their Class A Shares; and (ii) provide the Lieutenant Governor in Council of the Province of Saskatchewan the right to appoint that number of members to the Board equal to the Selling Shareholders *pro rata* share of the issued and outstanding Class A Shares (rounded to the nearest whole number), but always subject to a minimum of two directors. There are also provisions providing for forfeiture of rights to dividends and recovery of dividends paid to shareholders holding more than 15% of the votes attached to the issued and outstanding Class A Shares. See "Description of Securities". There is no assurance that this relief will necessarily be granted.

GLOSSARY

The following terms used in this prospectus have the meanings set out below:

"Adjusted EBITDA" is defined as EBITDA before fees related to the Offering and including costs associated with being a public company, costs associated with administering the Master Service Agreement and normalization adjustments relating to the transfer of the Vital Statistics Registry to eHealth.

"Adjusted EBITDA Margin" is calculated as Adjusted EBITDA as a percentage of overall revenues.

"Ancillary Services" means services that from time to time are provided to persons, including the Province, that require access to registry data and which are: (i) approved by the Province in accordance with the Master Service Agreement; or (ii) certain existing services as agreed upon in a Registry Operating Agreement.

"Board" means the board of directors of the Company.

"Business Portal" means the ISC ancillary information service offering, which includes the Business Registration Saskatchewan website that enables business owners to access certain of the Corporate Registry functions as well as to register with the Workers' Compensation Board and for Provincial Sales Tax.

"CAGR" means compound annual growth rate.

"CAR Project" means the development of the Saskatchewan Civic Address Registry.

"cash available for distribution" means net cash provided (used) by operating activities adjusted for scheduled payments of interest under the proposed New Credit Facilities, estimated income taxes, net changes in working capital and required maintenance capital expenditures.

"CDS" means CDS Clearing and Depository Services Inc.

"CDS Participants" means participants in the CDS Depository Service, which includes the securities brokers and dealers, banks and trust companies.

"Class A Shares" means the Class A Limited Voting Shares of the Company.

"Closing" means the closing of the Offering.

"CMHC" means Canada Mortgage and Housing Corporation.

"Core Registry Services" means all of the following: (i) those services which were provided to persons, other than the Province, by ISC immediately prior to proclamation of the ISC Act; (ii) those services described as "Core" in any Registry Operating Agreement; (iii) any other services which become Core Registry Services in accordance with the Master Service Agreement or any Registry Operating Agreement; and (iv) any modifications to Core Registry Services as provided in the Master Service Agreement.

"Corporate Registry" means the Corporate Registry of Saskatchewan, which includes those registers to be maintained in accordance with *The Business Corporations Act* (Saskatchewan), *The Business Names Registration Act* (Saskatchewan), *The Non-profit Corporations Act, 1995* (Saskatchewan), *The Companies Act* (Saskatchewan), *The Co-operatives Act, 1996* (Saskatchewan), *The New Generation Co-operatives Act* (Saskatchewan), *The Condominium Property Act, 1993* (Saskatchewan), and *The Partnership Act* (Saskatchewan); the register required to be maintained under *The Libel and Slander Act* (Saskatchewan); and the book required to be maintained under *The Names of Homes Act* (Saskatchewan).

"CRA" means Canada Revenue Agency.

"Debenture" means a debenture granted by ISC Sask creating a first ranking charge over all real and personal property of ISC Sask to secure performance of ISC's obligations under the Master Service Agreement and Registry Operating Agreements.

"Dedicated Assets" means certain assets which are dedicated to the operation of the Registries, consisting primarily of the Company's back-up site, certain microfiche equipment, certain large scale plotters and scanners and imaging equipment.

"EBITDA" is defined as earnings before interest, tax, depreciation and amortization.

"EBITDA Margin" is calculated as EBITDA as a percentage of overall revenues.

"eHealth" means eHealth Saskatchewan.

"Employee Ownership Incentive Program" means the opportunity being offered to all permanent ISC employees to acquire an equity interest in ISC pursuant to an employee ownership incentive program.

"GIS" means geographic information system.

"Golden Share" means the sole Class B Golden Share of the Company.

"Government" means Government of Saskatchewan.

"IAS" means International Accounting Standard.

"IFRS" means International Financial Reporting Standards.

"Initial Business Portal Term" means the period ending on November 30, 2015, during which the Company, pursuant to the Master Service Agreement, has agreed to continue to provide, and has been appointed as the exclusive provider of services relating to, the Business Portal.

"ISC", the "Company", "we", "us" and "our" refer to Information Services Corporation, its subsidiary and its predecessors.

"ISC Act" means *The Information Services Corporation Act* (Saskatchewan).

"ISC Regulations" means *The Information Services Corporation Regulations* (Saskatchewan).

"ISC Sask" means ISC Saskatchewan Inc., a wholly owned subsidiary of the Company.

"LAND" means land titles automated network delivery.

"LAND Project" means the five year project initiated by the Province prior to the creation of ISC to develop an advanced processing system for electronic land title and land survey registrations and searches in the Province.

"Land Registry" means the Land Registry of Saskatchewan as established and defined in *The Land Titles Act, 2000* (Saskatchewan).

"Land Survey" means the Land Surveys Directory of Saskatchewan established pursuant to *The Land Surveys Act, 2000* (Saskatchewan).

"MARS" means the Mineral Administration Registry Saskatchewan for the Ministry of the Economy.

"Master Service Agreement" means the Master Service Agreement dated May 30, 2013 between the Company, ISC Sask and the Province of Saskatchewan.

"New Credit Facilities" means senior credit facilities in the aggregate amount of approximately $20 million provided by a Canadian chartered bank, which ISC expects to enter into a credit agreement with prior to or concurrent with the Closing of the Offering.

"New West Partnership" means New West Partnership Trade Agreement.

"Offering" means the distribution of Class A Shares.

"Offering Price" means the price of each Class A Share that will be issued pursuant to the Offering.

"OLS" means online submission system for land registry transactions.

"OPRSA" means *The Operation of Public Registry Statutes Act* (Saskatchewan).

"Over-Allotment Option" means an over-allotment option granted by the Selling Shareholder to the Underwriters, exercisable, in whole or in part, at the sole discretion of the Underwriters, for a period of 30 days from closing, to purchase from the Selling Shareholder up to an additional ● Class A Shares at the Offering Price (representing approximately 15% of the Class A Shares offered hereunder) on the same terms as set out above solely to cover over-allotments, if any, and for market stabilization purposes.

"Ownership Restriction" means the restriction, subject to limited exceptions, against any person or group of persons holding, beneficially owning or controlling, directly or indirectly, voting securities to which are attached more than 15% of the votes attached to the issued and outstanding voting shares.

"PPR" means, collectively, the Personal Property Registry of Saskatchewan as continued under *The Personal Property Security Act, 1993* (Saskatchewan) and the Judgment Registry of Saskatchewan as established pursuant to *The Enforcement of Money Judgments Act* (Saskatchewan).

"Preferred Shares" means the preferred shares of the Company, issuable in series.

"Proposed Directors" means the persons who have agreed to serve as directors of ISC and are expected to be appointed by the Selling Shareholder immediately prior to the completion of the Offering.

"Province" means the Province of Saskatchewan, and the Government of Saskatchewan where applicable.

"Registries" means the Land Registry, the Land Survey, the PPR and the Corporate Registry.

"Registry Fees" means the fees that are permitted to be charged by ISC for Core Registry Services provided to customers, as set out in the Registry Operating Agreements.

"Registry Officer" means the following persons who perform duties pursuant to a public registry statute establishing a Registry: (i) the Director of Corporations; (ii) the registrar as defined in *The Companies Act* (Saskatchewan); (iii) the registrar as defined in *The Co-operatives Act, 1996* (Saskatchewan); (iv) the Registrar of Titles appointed pursuant to *The Land Titles Act, 2000* (Saskatchewan); (v) the Controller of Surveys appointed pursuant to *The Land Surveys Act, 2000* (Saskatchewan); (vi) the Registrar of Personal Property Security appointed pursuant to *The Personal Property Security Act, 1993* (Saskatchewan); and (vii) any other person prescribed pursuant to the OPRSA.

"Registry Operating Agreements" means the Corporate Registry Operating Agreement, Land Registry Operating Agreement, Personal Property Registry Operating Agreement and Land Surveys Directory Operating Agreement, each dated May 30, 2013 between the Company, ISC Sask and the Province of Saskatchewan.

"related parties" means various Saskatchewan Crown corporations, ministries, agencies, boards and commissions related to the Company by virtue of common control by the Government of Saskatchewan and non-Crown corporations and enterprises subject to joint control and significant influence by the Government of Saskatchewan.

"Selling Shareholder" or "Principal Shareholder" means Crown Investments Corporation of Saskatchewan.

"STI Plan" means the Short Term Incentive Plan that ties individual performance to achieving of corporate objectives.

"Tax Act" means the *Income Tax Act* (Canada), as amended.

"Tax Proposals" means all specific proposals to amend the Tax Act and the Tax Regulations publicly announced by or on behalf of the Minister of Finance (Canada) before the date hereof.

"Teranet" means Teranet Inc.

"TFSA" means tax free savings account.

"TSX" means the Toronto Stock Exchange.

"Underwriters" means RBC Dominion Securities Inc., CIBC World Markets Inc., BMO Nesbitt Burns Inc., Scotia Capital Inc., TD Securities Inc., GMP Securities L.P., National Bank Financial Inc., Canaccord Genuity Corp., Dundee Securities Ltd., Mackie Research Capital Corporation, Manulife Securities Incorporated, MGI Securities Inc. and PI Financial Corp., which are underwriting the Offering.

"Underwriting Agreement" means the Underwriting Agreement dated • between the Company, the Selling Shareholder and the Underwriters.

"U.S. Securities Act" means the *United States Securities Act of 1933*, as amended.

"U.S. Treaty" means the Convention Between Canada and the United States of America with Respect to Taxes on Income and on Capital signed September 26, 1980, as amended.

"Vital Statistics Registry" means the Saskatchewan system for registering births, deaths, stillbirths, marriages and changes of name.

APPENDIX "A"

CHARTER OF THE AUDIT COMMITTEE OF ISC

AUDIT COMMITTEE CHARTER

A. OVERALL RESPONSIBILITIES OF THE COMMITTEE

The Audit Committee (the "Committee") shall assist the board of directors (the "Board") of Information Services Corporation (the "Corporation") in fulfilling its obligations and oversight responsibility for:

1. financial and corporate performance;
2. financial disclosure and accounting practices;
3. risk management and internal controls; and
4. internal and external audit processes.

B. RESPONSIBILITIES AND AUTHORITY OF THE COMMITTEE

Subject to the Corporation's Articles and By-Laws, the Committee has authority over the following areas of responsibility:

1. Financial and Corporate Performance:

a) Review and recommend to the Board for approval:

(i) key financial performance metrics and targets; and

(ii) declaration of dividends.

2. Financial Disclosure and Accounting Practices:

a) Review and recommend to the Board for approval policy for the Corporation addressing disclosure and confidentiality of material financial information and monitor compliance and report exceptions to the Board.

b) Ensure 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 and periodically assess the adequacy of these procedures.

c) Review and recommend to the Board for approval and public disclosure:

(i) the Annual and Quarterly Financial Statements and notes thereto;

(ii) the Annual and Quarterly Management Discussion and Analysis of financial results and operations;

(iii) the portions of the annual information form and management proxy circular containing significant information within the Committee's mandate;

(iv) all financial statements including in prospectuses or other offering documents; and

(v) significant financial information respecting the Corporation contained in a press release, material change report, or that provides estimates or information regarding the Corporation's future financial performance or prospects.

d) Review and recommend to the Board for approval significant financial policies, particularly policies that address financial and corporate commitments that require Board approval.

e) Review and recommend to the Board for approval significant financial transactions or commitments that require Board approval as required by applicable laws or as may be established by corporate policy.

f) Review and report to the Board for approval any financial transactions or commitments that impact the financial statements in a significant manner that do not require Board approval.

g) Review and recommend to the Board for approval the Corporation's auditing and accounting principles, policies and practices as recommended by the external auditor, management or the internal auditor.

3. Risk Management and Internal Controls:

a) Review and report to the Board for approval the Corporation's plan to identify, mitigate and manage risks.

b) Establish procedures for and monitor:

(i) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and

(ii) the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

c) Monitor the status of outstanding litigation and assurance claims and report material instances quarterly to the Board.

d) Review disclosures by the Corporation's Chief Executive Officer ("CEO") and Chief Financial Officer during their certification process about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Corporation's internal controls.

4. Internal and External Audit Process:

Internal Audit

a) Approve the appointment of the internal auditor or the individual or entity to deliver the functions and responsibilities of the internal auditor.

b) Review and approve any internal audit charter and the internal audit scope and plan, including the costs of such plan.

c) Direct, review, monitor, oversee and provide guidance to the internal audit function and review the performance of the internal auditor at least annually.

d) Monitor the independence of the internal auditor through open communication and meeting *in camera* at the request of the Committee or the internal auditor at least annually without management present and report exceptions to the Board.

External Audit

a) On an annual basis, recommend to the Board for approval the external auditor to be nominated for approval by the Corporation's shareholders at the annual shareholders' meeting for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation.

b) Establish and maintain a direct reporting relationship with the external auditor.

c) Directly oversee 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 and ensure that management implements appropriate recommendations of the external auditor, and report any exceptions to the Board.

d) Monitor and review at least annually the external auditor's independence in accordance with guidelines for independence established by the Canadian Securities Administrators and report exceptions to the Board.

e) Review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Corporation.

f) On an annual basis, review the performance of the external auditor and recommend to the Board for approval the fees to be paid to the external auditor for the audit services.

g) Review the audit scope and plan of the external auditor.

h) On a regular basis, meet with the external auditor without the presence of management, to discuss the accuracy and quality of the Corporation's financial statements, financial reporting, internal controls, and the quality, consistency and appropriateness of the accounting policies and standards used and accounting estimates made.

i) Inquire regularly of management and the external auditor whether there have been any significant issues between them regarding financial reporting or other matters and directly oversee the resolution of any disagreements.

Non-Audit Services

j) Pre-approve, in accordance with applicable law, permitted non-audit services that are to be provided to the Corporation or its subsidiary entities by the Corporation's external auditor, subject to:

   (i) delegation by the Committee to one or more independent members to provide the pre-approval and inform the Committee at its next scheduled meeting of any pre-approvals; and

   (ii) adoption by the Committee of specific policies and procedures for the engagement of non-audit services.

k) Monitor the Corporation's expenditures for non-audit services greater than $100,000 performed by any accounting firm other than the external auditor.

5. General Responsibilities:

a) The Committee, through the Chair, will provide a report to the Board at each regularly scheduled Board meeting outlining the results of the Committee's activities and any reviews it has undertaken.

b) Approve the CEO's expenses, through the Chair, and review, at least annually, director and executive officer expenses and report exceptions to the Board.

c) The Committee may perform any other activities consistent with this Charter, the Corporation's By-Laws and applicable law, as the Committee or the Board deems necessary or appropriate.

d) The Committee may engage independent counsel and other advisors the Committee determines necessary to carry out its duties and the Committee may set and pay the compensation for any advisors employed by the Committee.

e) The Committee will assist the Governance and Nominating Committee in the evaluation of this Committee's performance and this Charter on a regular basis.

C. MEETINGS

The Committee shall meet at least four times per year.

D. DELEGATION

The Committee may delegate any of its responsibilities and authority to a subcommittee comprised of one or more Committee members. The Committee remains accountable for the work and decisions of any subcommittee to which the Committee has delegated decision-making authority.

E. COMMITTEE COMPOSITION CRITERIA

1. The Committee shall be comprised of a minimum of three and maximum of five directors, each of whom shall be "independent" according to the independence standards established by all applicable corporate and securities laws.
2. A quorum for the transaction of business at any Committee meeting shall consist of a majority of currently appointed members of the Committee.
3. The Governance and Nominating Committee will recommend, for approval of the Board, directors for appointment to the Committee and the Chair of the Committee.
4. Every Committee member must be considered "financially literate" according to the definition established by the Canadian Securities Administrators, as amended from time to time. A Committee member who is not "financially literate" may be appointed to the Committee provided that the member becomes "financially literate" within a reasonable period of time following his/her appointment.
5. The Board Chair may attend any Committee meeting as may be appropriate but can only vote at such Committee meetings if the Board Chair is a member of the Committee.
6. The Committee Chair may invite other directors of the Board or management to attend any Committee meeting as may be appropriate as a non-voting participant.

F. GENERAL

The Committee shall be bound by the terms of the *National Instrument 52-110* for Audit Committees.

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INFORMATION SERVICES CORPORATION

2012 ANNUAL AUDITED
FINANCIAL STATEMENTS

For the Year Ended

December 31, 2012

INFORMATION SERVICES CORPORATION

INDEX TO 2012 ANNUAL AUDITED FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT

To the Members of the Legislative Assembly of Saskatchewan:

We have audited the statement of financial position of Information Services Corporation of Saskatchewan as at December 31, 2012, 2011, and 2010 and the statements of comprehensive income, changes in equity, and cash flows for the years then ended and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or misstatement.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or misstatement. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

We believe the audit evidence obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of Information Services Corporation of Saskatchewan as at December 31, 2012, 2011, and 2010 and its financial performance and its cash flows for the years then ended is in accordance with International Financial Reporting Standards.

Regina, Saskatchewan
March 31, 2013

Chartered Accountants

INFORMATION SERVICES CORPORATION

STATEMENT OF FINANCIAL POSITION

As at December 31, 2012, 2011 and 2010

(thousands of CAD dollars)	Note	As at December 31, 2012	2011	2010
ASSETS				
Current Assets				
Cash	4	**$21,138**	$18,957	$15,120
Trade receivables		**1,432**	1,918	2,399
Grant receivable from Crown Investments Corporation ("CIC")	5	**68**	79	107
Inventories		**7**	8	18
Prepaid Expenses		**573**	532	468
		23,218	21,494	18,112
Non-current assets				
Grant receivable from CIC	5	**133**	196	275
Property, plant and equipment	7	**6,978**	6,624	5,996
Intangible assets	8	**18,309**	19,121	19,549
TOTAL ASSETS		**$48,638**	$47,435	$43,932
LIABILITIES				
Current liabilities				
Trade and other payables		**$ 4,232**	$ 4,732	$ 3,449
Advances from customers		**4,794**	4,044	4,364
Dividend payable		**5,958**	5,687	1,907
Deferred revenue	6	**1,577**	1,799	2,210
Provision for early retirement plan	5	**68**	79	85
Short-term debt and current portion of long-term debt	9	**9,935**	11,081	12,401
		26,564	27,422	24,416
Non-current liabilities				
Provision for early retirement plan	5	**133**	196	275
Long-term debt		**—**	—	1,146
		26,697	27,618	25,837
PROVINCE OF SASKATCHEWAN EQUITY				
Retained earnings		**21,941**	19,817	18,095
TOTAL LIABILITIES AND PROVINCE OF SASKATCHEWAN EQUITY		**$48,638**	$47,435	$43,932

See Note15 for Commitments, Contingencies and Provisions

See Accompanying Notes

INFORMATION SERVICES CORPORATION

STATEMENT OF COMPREHENSIVE INCOME

For the Years ended December 31, 2012, 2011 and 2010

(thousands of CAD dollars)	Note	For the Year Ended December 31, 2012	2011	2010
Revenues	14	**$77,320**	$70,816	$60,323
Expenses				
Wages and salaries		**24,788**	23,624	20,066
Information technology services		**10,279**	9,300	8,449
Depreciation and amortization	7,8	**7,639**	6,675	6,170
Occupancy costs		**4,799**	4,664	3,417
Project research and development		**3,557**	4,710	2,904
Other		**5,103**	4,346	3,260
		56,165	53,319	44,266
Net Finance Expense				
Interest income		**(212)**	(205)	(103)
Interest expense		**127**	484	561
		(85)	279	458
Total comprehensive income		**$21,240**	$17,218	$15,599

INFORMATION SERVICES CORPORATION

STATEMENT OF CHANGES IN EQUITY

For the Years ended December 31, 2012, 2011 and 2010

(thousands of CAD dollars)	For the Year Ended December 31, 2012	2011	2010
Retained earnings, beginning balance	**$ 19,817**	$ 18,095	$ 16,535
Total comprehensive income	**21,240**	17,218	15,599
Dividend	**(19,116)**	(15,496)	(14,039)
Retained earnings, ending balance	**$ 21,941**	$ 19,817	$ 18,095

See Accompanying Notes

INFORMATION SERVICES CORPORATION

STATEMENT OF CASH FLOWS

For the Years ended December 31, 2012, 2011 and 2010

(thousands of CAD dollars)	Note	For the Year Ended December 31, 2012	2011	2010
OPERATING:				
Total comprehensive income		**$ 21,240**	$ 17,218	$ 15,599
Add: Charges not affecting cash				
Depreciation	7	**1,505**	1,263	1,215
Amortization	8	**5,721**	5,412	4,955
Impairment of intangible assets	8	**413**	—	—
Loss on disposal of property, plant & equipment		**510**	—	—
Net change in non-cash working capital	16	**474**	1,002	(164)
Net cash flow provided by operating activities		**$ 29,863**	$ 24,895	$ 21,605
INVESTING:				
Additions to property, plant and equipment	7	**(2,396)**	(1,891)	(860)
Additions to intangible assets	8	**(5,295)**	(4,984)	(2,457)
Net cash flow used in investing activities		**(7,691)**	(6,875)	(3,317)
FINANCING:				
Repayment of long-term debt		**(1,146)**	(12,401)	—
Proceeds on short-term debt		**—**	9,935	—
Dividend paid		**(18,845)**	(11,717)	(17,535)
Net cash flow used in financing activities		**(19,991)**	(14,183)	(17,535)
INCREASE IN CASH		**2,181**	3,837	753
CASH, BEGINNING OF YEAR		**18,957**	15,120	14,367
CASH, END OF YEAR		**$ 21,138**	$ 18,957	$ 15,120
Supplemental disclosures of cash flow information:				
Cash interest received during the year		**212**	205	103
Cash interest paid during the year		**128**	561	561

See Accompanying Notes

1. STATUS OF THE CORPORATION

Information Services Corporation of Saskatchewan ("ISC" or "the Corporation") is a Saskatchewan Provincial Crown corporation, with no subsidiaries, operating under the authority of *The Crown Corporations Act, 1993* and *The Land Information Services Facilitation Act, The Vital Statistics Administration Transfer Act, The Business Statutes Transfer Administration Act.* As a Provincial Crown corporation, it is not subject to federal or provincial income taxes. The registered office of the Corporation is 300 – 10 Research Drive, Regina, SK, S4S 7J7.

By virtue of *The Crown Corporations Act, 1993*, the Corporation has been designated as a subsidiary of Crown Investments Corporation of Saskatchewan ("CIC"). Accordingly, its financial results are included in the consolidated financial statements of CIC.

The Corporation's mandate includes operating Saskatchewan's land titles system and integrating that system with the provincial survey, mapping and geographic information systems, operating the province's Personal Property Registry ("PPR"), the Vital Statistics Registry and the Corporate Registry.

In November 2012, the Government of Saskatchewan introduced legislation to enable the sale of shares of ISC. The Province has indicated an intention to retain 40 per cent of the shares in the Corporation, with the remaining 60 per cent of the Corporation's shares to be offered as follows: 45 per cent of the shares will be available for Saskatchewan citizens, 5 per cent of the shares will be held for company employee purchase, and the remainder will be available to outside investors.

As part of a potential privatization process, the Vital Statistics line of business currently operated by the Corporation will be transferred to another Government of Saskatchewan entity. Subsequent to December 31, 2012, the Government indicated that eHealth Saskatchewan would be the intended recipient of Vital Statistics.

To effect the sale of shares and transfer of Vital Statistics, legislative amendments will be required. As the authorizing legislation is not in place, no adjustments or provisions have been made in the financial statements.

2. BASIS OF PRESENTATION

Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB").

Basis of measurement

These financial statements have been prepared on a going concern basis, under the historical cost convention.

Functional and presentation currency

These financial statements are presented in Canadian dollars, which is the Corporation's functional currency.

2. BASIS OF PRESENTATION (Continued)

Use of estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, revenue and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Significant items subject to estimates and assumptions include: the carrying amounts of property, plant and equipment, intangible assets and their recoverability; the underlying estimations of useful life of depreciable assets; capitalization of interest; and disposal of property, plant and equipment; and the accounting for the fair value of financial instruments.

Judgments made by Management which have the most significant effect on the amounts recognized in the financial statements include the determination of cash generating units and the allocation of operating expenses and assets thereto for impairment testing purposes and the presentation of contracts with various government organizations as operating revenue or government grants.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Property, plant and equipment

Property, plant and equipment are recorded at cost less accumulated depreciation and any provisions for impairment. Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-developed assets includes materials, services, direct labour and directly attributable overheads. Interest costs associated with major capital and development projects are capitalized during the development period. Depreciation of assets under development will commence once they are operational and available for use.

The costs of maintenance, repairs, renewals or replacements which do not extend productive life of an asset are charged to operations when incurred. The costs of replacements and improvements which extend productive life are capitalized.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Corporation and its cost can be measured reliably. The carrying amount of the replaced part is derecognized.

Depreciation is recorded on property, plant and equipment on the straight-line basis, which is the cost of the asset less its residual value over the estimated productive life of each asset. The useful life of each asset is as follows:

Leasehold improvements	10 Years
Office furniture	10 Years
Office equipment	5 Years
Computer hardware	3 Years

The estimated useful life and depreciation methods are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Gains or losses arising from the disposition or retirement of an item of property, plant and equipment are measured at the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of comprehensive income.

Intangible assets

a. Intangible assets acquired separately

Finite intangible assets acquired separately are carried at cost less accumulated amortization and any accumulated impairment losses. Amortization is provided for on a straight line basis over the corresponding estimated useful life of the applicable assets. The estimated useful life and amortization methods are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Gain or losses arising from derecognition of an intangible asset are measured at the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of comprehensive income.

Amortization on externally acquired system enhancements, including software, are recorded on the straight-line basis over the estimated productive life.

System enhancements ("SE") — externally acquired	3 Years

b. Internally generated intangible assets

Research expenditures are expensed and development expenditures are recognized only if they meet the recognition criteria for internally generated intangible assets as provided under IFRS. The amount initially recognized for an internally generated intangible asset is the sum of the expenditures incurred from the date when the intangible asset first meets the recognition criteria. If no internally generated intangible asset can be recognized, development expenditures are charged to operations in the period in which they are incurred. Internally generated intangible assets include: land titles automated network delivery ("LAND"), geographic information system ("GIS"), system enhancements, and assets under development.

An internally generated intangible asset arising from development is recognized if, and only if, all of the following have been demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- The intention to complete the intangible asset and use or sell it;
- The ability to use or sell the intangible asset;
- How the intangible asset will generate probable future economic benefits;
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- The ability to measure reliably the expenditure attributable to the intangible asset during its development.

Subsequent to initial recognition, an internally generated intangible asset is reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as an intangible asset

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

acquired separately. The estimated useful life and amortization methods for these assets are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Amortization is recorded on internally generated intangible assets on the straight-line basis over the estimated productive life.

LAND data conversion	15 years
LAND development	7 years
System enhancements ("SE") — internally generated	3-7 years
Geographic information system	5 years
Other	3-5 years
Assets under development	N/A (not ready for use)

Impairment of tangible and intangible assets

At each statement of financial position date, ISC reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, ISC estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets not yet available for use are tested for impairment annually in December, and whenever there is an indication that the asset may be impaired.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in comprehensive income.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in comprehensive income.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the Corporation. ISC has determined that all leases entered into by the Corporation are classified as operating leases, as the risks and rewards of ownership have not been transferred to the Corporation.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Operating lease payments are recognized as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

In the event that lease incentives are received to enter into operating leases, such incentives are recognized as a liability. The aggregate benefit of incentives is recognized as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Revenue recognition

Revenues from the Land Registry, the PPR, the Vital Statistics Registry, the Corporate Registry, the Land Surveys Directory, Geomatic Services and Solutions and other sources are recognized in the accounts when services are rendered. Amounts received in advance of Geomatics services being performed are reflected as deferred revenue and are recorded as revenue when services are rendered. Amounts received from customers in advance are reflected as advances from customers and are recorded as revenue when services are rendered.

Revenue from the sale of goods is recognized when all the following conditions are satisfied:

- the Corporation has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Corporation retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Corporation; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from a contract to provide services is recognized by reference to the stage of completion as defined in the contract when the outcome of the contract can be estimated reliably. The outcome of a contract can be estimated reliably when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Corporation;
- the stage of completion of the transaction at the end of the reporting period can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Employee benefits

The Corporation provides pension plans for all eligible employees, including a defined contribution pension plan and a defined benefit pension plan.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Corporation's obligations are limited to making regular payments to the plans for current services. These contributions are expensed. The obligation under the defined benefit pension plan is the responsibility of the General Revenue Fund of the Province of Saskatchewan ("GRF").

Government grants

Government grants are not recognized until there is reasonable assurance that ISC will comply with the conditions attached to them and that the grants will be received.

Government grants whose primary condition is that ISC should purchase, construct or otherwise acquire non-current assets are recognized as deferred income in the statement of financial position and transferred to profit on a systematic and rational basis over the useful life of the related assets.

Other government grants are recognized as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to ISC with no future related costs are recognized in profit or loss in the period in which they become receivable. Other government grants are netted against the related expenses as services are performed.

Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments are recognized when the Corporation becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Corporation has transferred substantially all risks and rewards of ownership. Non-derivative financial instruments are recognized initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs.

At initial recognition, all financial instruments are classified in one of the following categories depending on the purpose for which the instruments were acquired:

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss ("FVTPL") are financial assets held for trading or that are designated as such by management. Such assets are held for trading if it is acquired principally for the purpose of selling in the short-term. These assets are initially recognized, and subsequently carried, at fair value, with changes recognized in the consolidated statement of comprehensive income. Transaction costs are expensed. Assets in this category include cash.

Loans and receivables

Loans and receivables ("LAR") are subsequently measured at amortized cost using the effective interest method, less any impairment losses, with interest expense recognized on an effective yield basis. Assets in this category include trade and grant receivables.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Other financial liabilities

Other financial liabilities ("OFL") are initially measured at fair value, net of transaction costs, and are subsequently measured at amortized cost using the effective interest method, with interest expense recognized on an effective yield basis. Liabilities in this category include trade and other payables, dividend payable, provision for early retirement plan and short-term and long-term debt.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

Provisions

Provisions are recognized when the Corporation has a present obligation (legal or constructive) as a result of a past event, it is probable that the Corporation will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Recent Accounting Pronouncements

A number of new standards, and amendments to standards and interpretations, are not yet effective for the period ended December 31, 2012, and have not been applied in preparing these financial statements. In particular, the following new and amended standards, which become effective for annual

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

periods beginning on or after July 1, 2012, are currently being assessed by the Corporation to determine the impact:

Proposed standard	Description	Effective Date[1]
IFRS 9 — Financial Instruments	Addresses the classification and measurement of financial assets and financial liabilities.	January 1, 2015
IFRS 10 — Consolidated Financial Statements	Builds on the existing principles of control and elaborates on the definition of control when determining whether an entity should be consolidated or not.	January 1, 2013
IFRS 11 — Joint Arrangements	Focuses on the rights and obligations of an arrangement rather than its legal form and requires a single method to account for interests in jointly controlled entities.	January 1, 2013
IFRS 12 — Disclosure of Interests in Other Entities	Consolidated disclosure standard requiring a wide range of disclosures about an entity's interests in subsidiaries, joint arrangements, associates and unconsolidated structured entities.	January 1, 2013
IFRS 13 — Fair Value Measurement	Sets out a single framework for measuring fair value and disclosure requirements surrounding the inputs and assumptions used in determining fair value.	January 1, 2013
IAS 1 — Presentation of Items of Other Comprehensive Income	Provides guidance on the presentation of items contained in other comprehensive income.	July 1, 2012
IFRS 7 — Financial Instrument Disclosures (offsetting and transition)	Amends certain criteria for grouping assets and liabilities into classes and certain disclosure requirements.	January 1, 2013 and January 1, 2015
IAS 19 — Employee Benefits	Significant changes in accounting for defined benefit pension plans.	January 1, 2013
IAS 27 — Separate Financial Statements	Outlines when an entity must consolidate another entity, how to account for a change in ownership interest, how to prepare separate financial statements, and related disclosures.	January 1, 2013
IAS 28 — Investments in Associates and Joint Ventures	Prescribes the accounting for investments in associates and to set out the requirements for the application of the equity method when accounting for investments in associates and joint ventures	January 1, 2013
IFRS 32 — Financial Instruments: Presentation	Prescribes the recognition, measurement, presentation and disclosure requirement of financial instruments	January 1, 2014

Note:
(1) Effective for annual periods beginning on or after the stated date.

4. CASH

Cash is held on deposit and earns interest at a rate of prime less 1.95 per cent. Interest revenue earned in 2012 is $212 (2011 — $205).

5. GRANT RECEIVABLE FROM CIC

Order in Council #590/2001 authorized CIC to provide a grant to the Corporation in an amount not exceeding $5,400 to fund the retirement costs associated with Land Titles employees who experienced job loss as a result of LAND project. The LAND Project redeveloped the land titles system, integrated it with a geographic information system and developed an infrastructure for the delivery of services common to all registry systems to benefit program administration and client services. It involved automation, process redesign, legislative changes and organizational redevelopment.

During the year, $74 (December 31, 2011 — $107) was paid to employees. At December 31, 2012, $133 (December 31, 2011 — $196) is recorded in the accounts to provide for the outstanding amounts that management estimates will become payable with respect to eligible employees in future years, with $68 (December 31, 2011 — $79) expected to become due within the next 12 months.

	For the Year Ended December 31,		
(thousands of CAD dollars)	2012	2011	2010
Current grant receivable from CIC	**$ 68**	$ 79	$107
Non-current grant receivable from CIC	**133**	196	275
Total grant receivable from CIC	**$201**	$275	$382

6. DEFERRED REVENUE

The Corporation has received government grants for two of its projects. They are the Mineral Administration Registry Saskatchewan ("MARS") project and the Enhanced Mineral Cadastral project. The condition for the government grants issued to the projects was that the Corporation must complete the projects within the scope agreed between the Corporation and responsible government agencies. As of December 31, 2012, the Corporation is fully intended, and able to meet the conditions of the grants received.

The Corporation has signed a Memorandum of Understanding with the Minister of Energy and Resources, now referred to as the Minister of Economy to develop the MARS project. The MARS project will deliver two major deliverables: a storefront component and a database component. Review has indicated that the storefront component does not meet the definition of intangible asset as prescribed under IFRS, therefore, expenditures incurred for the storefront portion are expensed immediately and the portion of government grant related to the storefront is netted against the expenditure. The database component meets the definition of intangible assets under IFRS and expenditures incurred on the database component are capitalized accordingly. The government grant related to the database is deferred and will be recognized over the life of the database.

	For the Year Ended December 31,		
(thousands of CAD dollars)	2012	2011	2010
Deferred revenue — government related	**$1,360**	$1,490	$1,806
Other deferred revenue	**217**	309	404
Total deferred revenue	**$1,577**	$1,799	$2,210

7. PROPERTY, PLANT AND EQUIPMENT

(thousands of CAD dollars)	Leasehold improvements	Office Furniture	Office Equipment	Hardware	Asset under Development	Total
Cost						
Balance at December 31, 2009	$ 5,772	$2,375	$176	$2,151	$—	$10,474
Additions	386	24	19	131	300	860
Disposals	—	(29)	(73)	(409)	—	(511)
Transfers	—	—	(54)	54	—	—
Balance at December 31, 2010	$ 6,158	$2,370	$ 68	$1,927	$ 300	$10,823
Balance at December 31, 2010	$ 6,158	$2,370	$ 68	$1,927	$ 300	$10,823
Additions	1,210	535	9	268	—	2,022
Disposals	—	(21)	—	—	—	(21)
Transfers	—	—	—	—	(131)	(131)
Balance at December 31, 2011	$ 7,368	$2,884	$ 77	$2,195	$ 169	$12,693
Balance at December 31, 2011	$ 7,368	$2,884	$ 77	$2,195	$ 169	$12,693
Additions	1,781	341	28	113	133	2,396
Disposals	(1,024)	(186)	(17)	(143)	—	(1,370)
Transfers	—	—	—	(353)	—	(353)
Balance at December 31, 2012	$ 8,125	$3,039	$ 88	$1,812	$ 302	$13,366
Accumulated Depreciation						
Balance at December 31, 2009	$ 2,377	$ 817	$ 63	$ 697	$—	$ 3,954
Depreciation	588	238	52	337	—	1,215
Disposals	—	(28)	(88)	(226)	—	(342)
Balance at December 31, 2010	$ 2,965	$1,027	$ 27	$ 808	$—	$ 4,827
Balance at December 31, 2010	$ 2,965	$1,027	$ 27	$ 808	$—	$ 4,827
Depreciation	525	246	14	478	—	1,263
Disposals	—	(21)	—	—	—	(21)
Balance at December 31, 2011	$ 3,490	$1,252	$ 41	$1,286	$—	$ 6,069
Balance at December 31, 2011	$ 3,490	$1,252	$ 41	$1,286	$—	$ 6,069
Deprecation	790	276	6	433	—	1,505
Disposals	(989)	(52)	(1)	182	—	(860)
Transfers	—	—	—	(326)	—	(326)
Balance at December 31, 2012	$ 3,291	$1,476	$ 46	$1,575	$—	$ 6,388
Net Book Value						
At December 31, 2010	$ 3,193	$1,343	$ 41	$1,119	$ 300	$ 5,996
At December 31, 2011	$ 3,878	$1,632	$ 36	$ 909	$ 169	$ 6,624
At December 31, 2012	$ 4,834	$1,563	$ 42	$ 237	$ 302	$ 6,978

8. INTANGIBLE ASSETS

(thousands of CAD dollars)	GIS	SE — Extern-ally Acquired	SE — Intern-ally Generat-ed	Asset under Develop-ment	Other	LAND Develop-ment	LAND — Data Conver-sion	Total
Cost								
Balance at December 31, 2009	$6,705	$1,759	$19,704	$ 4,070	$ —	$30,685	$17,262	$80,185
Additions	—	—	—	2,457	—	—	—	2,457
Disposals	—	(434)	—	—	—	—	—	(434)
Other	—	30	5,027	(5,052)	1,414	—	—	1,419
Balance at December 31, 2010	$6,705	$1,355	$24,731	$ 1,475	$1,414	$30,685	$17,262	$83,627
Balance at December 31, 2010	$6,705	$1,355	$24,731	$ 1,475	$1,414	$30,685	$17,262	$83,627
Additions	—	—	—	4,984	—	—	—	4,984
Transfers	—	—	1,827	(1,827)	—	—	—	—
Balance at December 31, 2011	$6,705	$1,355	$26,558	$ 4,632	$1,414	$30,685	$17,262	$88,611
Balance at December 31, 2011	$6,705	$1,355	$26,558	$ 4,632	$1,414	$30,685	$17,262	$88,611
Additions	—	64	2,743	2,488	—	—	—	5,295
Disposals	—	(196)	—	—	—	—	—	(196)
Impairment losses recognized	—	—	—	(413)	—	—	—	(413)
Transfer from PPE	—	353	—	—	—	—	—	353
Balance at December 31, 2012	$6,705	$1,576	$29,301	$ 6,707	$1,414	$30,685	$17,262	$93,650
Accumulated Amortization								
Balance at December 31, 2009	$6,697	$ 782	$11,517	$ —	$ —	$30,685	$ 8,626	$58,307
Amortization	8	168	3,628	—	—	—	1,151	4,955
Disposals	—	(434)	—	—	—	—	—	(434)
Transfers	—	(164)	—	—	1,414	—	—	1,250
Balance at December 31, 2010	$6,705	$ 352	$15,145	$ —	$1,414	$30,685	$ 9,777	$64,078
Balance at December 31, 2010	$6,705	$ 352	$15,145	$ —	$1,414	$30,685	$ 9,777	$64,078
Amortization	—	269	3,992	—	—	—	1,151	5,412
Balance at December 31, 2011	$6,705	$ 621	$19,137	$ —	$1,414	$30,685	$10,928	$69,490
Balance at December 31, 2011	$6,705	$ 621	$19,137	$ —	$1,414	$30,685	$10,928	$69,490
Amortization	—	497	4,069	—	—	—	1,155	5,721
Disposals	—	(196)	—	—	—	—	—	(196)
Transfer from PPE	—	326	—	—	—	—	—	326
Balance at December 31, 2012	$6,705	$1,248	$23,206	$ —	$1,414	$30,685	$12,083	$75,341
Net Book Value								
At December 31, 2010	$ —	$ 807	$ 9,782	$ 1,475	$ —	$ —	$ 7,485	$19,549
At December 31, 2011	$ —	$ 734	$ 7,421	$ 4,632	$ —	$ —	$ 6,334	$19,121
At December 31, 2012	$ —	$ 328	$ 6,095	$ 6,707	$ —	$ —	$ 5,179	$18,309

The Corporation has considered whether any indicators of impairment existed in relation to any of its intangible assets and cash-generating units as at December 31, 2012 and concluded that one indicator existed. IFRS requires annual impairment testing to be performed for intangible assets not yet available for use. The Corporation performed the required impairment testing and concluded that an asset not yet

8. INTANGIBLE ASSETS (Continued)

available for use at December 31, 2012 was impaired, as this asset is scheduled to be decommissioned in January 2013.

Total Depreciation and Amortization expense of $7,639 includes $413 of impairment losses.

9. SHORT-TERM DEBT AND LONG-TERM DEBT

	For the Year Ended December 31,		
(thousands of dollars)	**2012**	**2011**	**2010**
Refinanced short-term debt from GRF, due November 1, 2013, bearing interest at 1.16% (2011 — 1.04%) per annum. Interest is paid at maturity	**$9,935**	$ 9,935	$ 9,935
Long-term debt from the GRF, due February 2, 2012, bearing interest at 4,28% per annum	**—**	1,146	1,146
Long-term debt from the GRF, due December 1, 2011, bearing interest at 4.04%per annum.	**—**	—	2,466
Total short-term and long-term debt	**$9,935**	$11,081	$13,547

10. EQUITY AND CAPITAL DISCLOSURES

Capital disclosures

The Corporation's objectives when managing capital are to ensure adequate capital to support the operations and growth strategies of the Corporation, and to ensure adequate returns to the shareholder. The capital structure is determined in conjunction with the shareholder based on the approved business plan.

The Corporation's capital consists of short-term and long-term debt due to the GRF and the equity included in retained earnings. The Corporation monitors capital on the basis of debt ratio. The debt ratio is calculated as total debt divided by capitalization.

	For the Year Ended December 31,		
(thousands of CAD dollars)	**2012**	**2011**	**2010**
Short-term debt and long-term debt	**$ 9,935**	$11,081	$13,547
Total equity	**21,941**	19,817	18,095
Capitalization	**$31,876**	$30,898	$31,642
Debt ratio	**31.2%**	35.9%	42.8%

11. FINANCIAL INSTRUMENTS AND RELATED RISK MANAGEMENT

The Corporation does not use any form of derivative financial instruments to manage its exposure to credit risk, interest rate risk or market risk.

Credit risk

Credit risk is the risk that one party to a transaction will fail to discharge an obligation and cause the other party to incur a financial loss. The Corporation extends credit to its customers in the normal course of

11. FINANCIAL INSTRUMENTS AND RELATED RISK MANAGEMENT (Continued)

business and is exposed to credit risk in the event of non-performance by customers, but does not anticipate such non-performance. The Corporation monitors the credit risk and credit rating of customers on a regular basis. The Corporation has significant concentration of credit risk among government sectors. Its customers are predominantly provincial, federal and municipal government ministries and agencies and its private sector customers are diverse.

Cash is held with a major chartered Canadian bank and Management believes the risk of loss to be minimal. The maximum exposure to credit risk is $22,771 (December 31, 2011 — $21,150) equal to the carrying value of the Corporation's financial assets (cash — $21,138 (December 31, 2011 — $18,957) and trade receivables is $1,633 (December 31, 2011 — $2,193)). Quarterly reviews of the aged receivables are completed. The Corporation expects to fully collect on all outstanding receivables. Therefore, the risk to the Corporation is low.

The following table sets out details of cash and aging of receivables:

(thousands of CAD dollars)	For the Year Ended December 31, 2012	2011	2010
Cash	**$21,138**	$18,957	$15,120
Current trade receivables and other*	**1,459**	1,790	2,390
Up to three months past due date	**26**	19	22
Greater than three months past due date	**148**	384	369
Total credit risk	**$22,771**	$21,150	$17,901

* includes grant receivables from CIC

Interest rate risk

The interest rates on short-term and long-term debt due to the GRF are fixed and as a result of these fixed interest rates, the Corporation is not exposed to the fluctuations in interest rates. Therefore, this risk to the Corporation is low.

Liquidity risk

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they fall due. The Corporation's cash resources are managed based on financial forecasts and anticipated cash flows.

The following summarizes the contractual maturities for the Corporation's financial liabilities at December 31, 2012:

(thousands of dollars)	Carrying Amount	Contractual cash Flows	0-6 months	7-12 months	1-2 years
Short-term debt	$ 9,935	$10,050	$ —	$10,050	$—
Trade & other payables and other liabilities	4,433	4,433	4,266	167	—
Dividend payable	5,958	5,958	5,958	—	—
	$20,326	**$20,441**	**$10,224**	**$10,217**	**$—**

11. FINANCIAL INSTRUMENTS AND RELATED RISK MANAGEMENT (Continued)

Contractual cash flows for short-term debt are principal and interest payments. Other liabilities include provision for early retirement plan.

Market risk

The Corporation is exposed to market risk primarily in terms of revenue generation. The revenues are driven by property volumes and prices which have increased with the growth and strength of the Saskatchewan economy. The Corporation monitors the market conditions in an effort to capture fluctuations that may affect the ongoing revenue.

Fair value of financial instruments

The carrying values of cash, trade receivables, grant receivable from CIC, long-term debt, trade and other payables, dividend payable and short-term debt approximate fair value due to their immediate or relatively short-term maturity. The fair value of long-term debt is determined by the present value of future cash flows discounted at the market rate of interest for the equivalent Province of Saskatchewan debt instruments.

		2012		2011		2010	
(thousands of CAD dollars)		Carrying Amount	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets							
Cash	FVTPL	**$21,138**	**$21,138**	$18,957	$18,957	$15,120	$15,120
Trade receivables	LAR	**1,432**	**1,432**	1,918	1,918	2,399	2,399
Grant receivable	LAR	**201**	**201**	275	275	382	382
Financial Liabilities							
Trade and other payables*	OFL	**4,433**	**4,433**	5,007	5,007	3,809	3,809
Dividend payable	OFL	**5,958**	**5,958**	5,687	5,687	1,907	1,907
Short-term debt	OFL	**9,935**	**9,935**	9,935	9,935	—	—
Current portion of long-term debt	OFL	**—**	**—**	1,146	1,149	12,401	12,674
Long-term debt	OFL	**—**	**—**	—	—	1,146	1,177

* includes provision for early retirement plan

IFRS require fair value measurements to be categorized into levels within a fair value hierarchy based on the nature of inputs used in the valuation.

Level 1 — Quoted prices are readily available from an active market.
Level 2 — Inputs, other than quoted prices included in level 1 that are observable either directly or indirectly.
Level 3 — Inputs are not based on observable market data.

12. RELATED PARTY TRANSACTIONS

Included in these financial statements are transactions with various Saskatchewan Crown corporations, ministries, agencies, boards and commissions related to the Corporation by virtue of common control by the Government of Saskatchewan and non-crown corporations and enterprises subject to joint control and

12. RELATED PARTY TRANSACTIONS (Continued)

significant influence by the Government of Saskatchewan (collectively referred to as "related parties"). ISC has elected to take a partial exemption under IAS 24 — *Related Party Disclosures* which allows government related entities to limit the extent of disclosures about related party transactions with government or other government related entities.

Routine operating transactions with related parties are settled at agreed upon exchange amounts under normal trade terms. ISC has short-term debt with the Government of Saskatchewan as of December 31, 2012 totaling $9,935 (2011 — included $9,935 short-term debt and $1,146 long-term debt).

In addition, the Corporation pays provincial sales tax to the Ministry of Finance on all its taxable purchases. Taxes paid are recorded as part of the cost of those purchases. Other amounts and transactions due to and from related parties and the terms of settlement are described separately in these financial statements and the notes thereto.

13. COMPENSATION OF KEY MANAGEMENT PERSONNEL

The compensation of directors and other members of key management team during the period were as follows:

(thousands of CAD dollars)	For the Year Ended December 31, 2012	2011	2010
Wages, salaries and short-term benefits	**$1,396**	$1,357	$1,262
Defined contribution plan	**98**	60	49
Total compensation	**$1,494**	$1,417	$1,311

Members of the key management team include the President and Chief Executive Officer, Chief Financial Officer and the Vice Presidents, as well as members of the Board of Directors.

The compensation of directors and the key management team is determined by the Human Resources Committee of the Board of Directors having regard to the performance of individuals and market trends.

14. REVENUE

(thousands of CAD dollars)	For the Year Ended December 31, 2012	2011	2010
Land registry	**$54,589**	$49,104	$45,914
Personal property registry	**9,083**	8,307	7,796
Corporate registry	**8,157**	8,135	1,745
Vital statistics registry	**2,104**	2,146	1,909
Land surveys directory	**1,675**	1,529	1,473
Geomatic services and solutions*	**1,656**	1,554	1,470
Other	**56**	41	16
Total revenue	**$77,320**	$70,816	$60,323
*includes revenue from sale of goods	$ 358	$ 358	$ 303

15. COMMITMENTS, CONTINGENCIES AND PROVISIONS

Leasing arrangements

The Corporation leases all of its office space through operating leases. Operating leases related to office spaces with lease terms of between five to ten years, with various options to extend. The Corporation does not have an option to purchase the leased asset at the expiry of the lease period.

The Corporation leases all of its copiers through operating leases. Operating leases related to photocopiers have lease terms of three years. The Corporation does not have an option to purchase the leased asset at the expiry of the lease period.

Commitments

Future minimum payments for leasing of office space and for service agreements with Hewlett Packard and Information Systems Management include the following amounts over the next five years:

(thousands of CAD dollars)	Office Leases	Service Agreement s	Total
2013	$1,300	$ 9,549	$10,849
2014	1,206	2,896	4,102
2015	1,182	—	1,182
2016	612	—	612
2017	457	—	457
Thereafter	1,383	—	1,383
Total commitments	**$6,140**	**$12,445**	**$18,585**

Provisions

The *Land Titles Act, 2000* contains an assurance provision that allows customers to recover losses due to the errors or omissions of the Registrar. In the course of its normal operations, the Corporation is subject to a number of claims and legal actions that may be made by customers pursuant to the assurance provision. Management's estimate of liability is based upon claims submitted. No provision is recorded for unreported claims.

16. NET CHANGE IN NON-CASH WORKING CAPITAL

The net change during the year comprised the following

(thousands of CAD dollars)	For the Year Ended December 31, 2012	2011	2010
Trade receivables	**$ 486**	$ 481	$(1,333)
Grant receivable from CIC	**74**	107	93
Inventories	**1**	11	6
Prepaid expenses	**(41)**	(64)	(52)
Trade and other payables	**(500)**	1,283	259
Advances from customers	**750**	(320)	716
Deferred revenue	**(222)**	(411)	239
Provision for early retirement plan	**(74)**	(85)	(92)
Net change in non-cash working capital	**$ 474**	$1,002	$ (164)

17. PENSION EXPENSE

All employees are participants in defined contribution or defined benefit pension plans. Employees hired after October 1, 1977 make contributions to The Public Employees Pension Plan (“PEPP”), a defined contribution plan. Funding requirements are established by *The Superannuation (Supplementary Provisions) Act* and the Corporation matches employee contributions.

Employees hired prior to October 1, 1977, who did not elect to transfer to PEPP by October 1, 1978, make contributions to The Public Service Superannuation Plan (“PSSP”), a multi-employer defined benefit plan. The plan provides for pensions at retirement that are based on employees’ years of service and their highest five years’ earnings. The PSSP is organized by the province of Saskatchewan and strictly funded by the GRF.

The total pension costs of the Corporation for the year were $1,516 (2011 — $1,467; 2010 — $1,266).

18. BORROWING COSTS

The amount of borrowing costs capitalized during 2012, 2011 and 2010 were nil.

INFORMATION SERVICES CORPORATION

UNAUDITED CONDENSED
FINANCIAL STATEMENTS

For the Three Months Ended

March 31, 2013

INFORMATION SERVICES CORPORATION

INDEX TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS

INFORMATION SERVICES CORPORATION

STATEMENTS OF FINANCIAL POSITION

As at March 31, 2013 and 2012

(thousands of CAD dollars, Unaudited)	Note	March 31, 2013	December 31, 2012
ASSETS			
Current Assets			
Cash	4	**$17,914**	$21,138
Trade receivables		**1,122**	1,432
Grant receivable from CIC	5	**68**	68
Inventories		**7**	7
Prepaid Expenses		**584**	573
		19,695	23,218
Non-current assets			
Grant receivable from CIC	5	**133**	133
Property, plant and equipment	7	**7,067**	6,978
Intangible assets	8	**17,614**	18,309
TOTAL ASSETS		**$44,509**	$48,638
LIABILITIES			
Current liabilities			
Trade and other payables		**$ 3,810**	$ 4,232
Advances from customers		**4,231**	4,794
Dividend payable		**4,569**	5,958
Deferred revenue	6	**1,377**	1,577
Provision for early retirement plan	5	**50**	68
Short-term debt and current portion of long-term debt	9	**9,935**	9,935
		23,972	26,564
Non-current liabilities			
Provision for early retirement plan	5	**133**	133
		24,105	26,697
PROVINCE OF SASKATCHEWAN EQUITY			
Retained earnings		**20,404**	21,941
TOTAL LIABILITIES AND PROVINCE OF SASKATCHEWAN EQUITY		**$44,509**	$48,638

See Accompanying Notes

INFORMATION SERVICES CORPORATION
STATEMENT OF COMPREHENSIVE INCOME
For the Three Months Ended March 31, 2013 and 2012

(thousands of CAD dollars, Unaudited)	Note	March 31, 2013	March 31, 2012
Revenues	13	**$17,606**	$17,132
Expenses			
Wages and salaries		**7,063**	6,919
Information technology services		**2,591**	2,474
Depreciation and amortization	7, 8	**1,598**	1,820
Occupancy costs		**1,111**	1,192
Project initiatives		**1,408**	1,107
Other		**833**	1,008
		14,604	14,520
Net Finance Expense			
Interest revenue		**(59)**	(51)
Interest expense		**29**	35
		(30)	(16)
Net income and total comprehensive income		**$ 3,032**	$ 2,628

INFORMATION SERVICES CORPORATION
STATEMENT OF CHANGES IN EQUITY
For the Three Months Ended March 31, 2013 and 2012

(thousand of CAD dollars, Unaudited)	March 31, 2013	March 31, 2012
Retained earnings, beginning balance	**$21,941**	$19,817
Total comprehensive income	**3,032**	2,628
Dividend	**(4,569)**	(4,046)
Retained earnings, ending balance	**$20,404**	$18,399

See Accompanying Notes

INFORMATION SERVICES CORPORATION

STATEMENT OF CASH FLOWS

For the Three Months Ended March 31, 2013 and 2012

(thousands of CAD dollars, Unaudited)	Note	March 31, 2013	March 31, 2012
OPERATING:			
Net income		**$ 3,032**	$ 2,628
Add: Charges not affecting cash			
Depreciation	7	**306**	330
Amortization	8	**1,292**	1,490
Impairment of intangible assets	8	**—**	—
Loss on disposal of property, plant & equipment		**—**	—
Net change in non-cash working capital	15	**(904)**	(833)
Net cash flow provided by operating activities		**$ 3,726**	$ 3,615
INVESTING:			
Additions to property, plant and equipment	7	**(395)**	(399)
Additions to intangible assets	8	**(597)**	(1,031)
Net cash flow used in investing activities		**(992)**	(1,430)
FINANCING:			
Repayment of long-termdebt		**—**	(1,146)
Dividend paid		**(5,958)**	(5,687)
Net cash flow used in financing activities		**(5,958)**	(6,833)
INCREASE/(DECREASE) IN CASH		**(3,224)**	(4,648)
CASH, BEGINNING OF YEAR		**21,138**	18,957
CASH, END OF YEAR		**$17,914**	$14,309
Supplemental disclosures of cash flow information:			
Cash interest received during this year		**59**	51
Cash interest paid during this year		**—**	24

See Accompanying Notes

1. STATUS OF THE CORPORATION

Information Services Corporation of Saskatchewan ("ISC" or "the Corporation") is a Saskatchewan Provincial Crown corporation, with no subsidiaries, operating under the authority of *The Crown Corporations Act, 1993* and *The Land Information Services Facilitation Act, The Vital Statistics Administration Transfer Act, The Business Statutes Transfer Administration Act.* As a Provincial Crown corporation, it is not subject to federal or provincial income taxes. The registered office of the Corporation is 300 - 10 Research Drive, Regina, SK, S4S 7J7.

By virtue of *The Crown Corporations Act, 1993*, the Corporation has been designated as a subsidiary of Crown Investments Corporation of Saskatchewan ("CIC"). Accordingly, its financial results are included in the consolidated financial statements of CIC.

The Corporation's mandate includes operating Saskatchewan's land titles system and integrating that system with the provincial survey, mapping and geographic information systems, operating the province's Personal Property Registry ("PPR"), the Vital Statistics Registry and the Corporate Registry.

In November 2012, the Government of Saskatchewan introduced legislation to enable the sale of shares of ISC. The Province has indicated an intention to retain 40 per cent of the shares in the Corporation, with the remaining 60 per cent of the Corporation's shares to be offered as follows: 45 per cent of the shares will be available for Saskatchewan citizens, 5 per cent of the shares will be held for company employee purchase, and the remainder will be available to outside investors.

As part of a potential privatization process, the Vital Statistics line of business currently operated by the Corporation will be transferred to eHealth Saskatchewan, another Government of Saskatchewan entity.

Subsequent to March 31, 2013, the Government of Saskatchewan introduced Bill No. 95 — *The Operation of Public Registry Statutes Act* and Bill No. 96 — *The Operation of Public Registry Statutes Consequential Amendments Act, 2013* into the Legislative Assembly of Saskatchewan.

These bills are companion pieces to Bill 69 ("*The Information Services Corporation Act*") which sets out the process for the sale of shares in ISC to the public. These bills authorize the execution between the Government and the Corporation of detailed service agreements addressing the powers, duties, responsibilities, and remedies relating to the operation and management of the public registries by a private sector ISC, as well as allow for the transfer of Vital Statistics to eHealth Saskatchewan.

As the bill have not yet been proclaimed and are therefore not yet in force, no adjustments or provisions have been made in the financial statements.

2. BASIS OF PRESENTATION

Basis of Presentation

These condensed financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34, Interim Financial Reporting, using accounting policies that are consistent with International Financial Reporting Standards ("IFRS"). Therefore, they do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the Corporation's most recent audited annual financial statements for the year ended December 31, 2012, which have been prepared in accordance with IFRS.

These condensed financial statements have been prepared following the same accounting policies and methods of computation as the year-end financial statements for the Corporation for the year ended December 31, 2012 as described in note 3 of the December 31, 2012 financial statements, except as noted below in Note 3.

2. BASIS OF PRESENTATION (Continued)

These condensed financial statements use the same significant estimates and assumptions in determining the value of assets and liabilities and the same significant judgments in applying accounting policies as those applied in the Corporation's financial statements for the year ended December 31, 2012.

The accompanying condensed financial statements include all adjustments, composed of normal recurring adjustments, considered necessary by management to fairly state the Corporation's results of operations, financial position and cash flows.

The Corporation experiences moderate seasonality, primarily in relation to its Land Registry revenues which fluctuate in line with real estate transaction activity in the Province. Typically, the Corporation's second and third quarters generate slightly higher revenues during the fiscal year when real estate activity is highest; however the impact of seasonality has not typically been material to the overall results.

These financial statements are presented in Canadian dollars, which is the Corporation's functional currency.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Changes in accounting policies

The Company has adopted the following new and revised standards, along with any consequential amendments, effective January 1, 2013. These changes were made in accordance with the applicable transitional provisions. The adoption of these changes did not require any adjustments.

Proposed standard	Description
IAS 1 — Presentation of Items of Other Comprehensive Income	Provides guidance on the presentation of items contained in other comprehensive income.
IFRS 7 — Financial Instrument Disclosures (offsetting assets and liabilities)	Amends certain criteria for grouping assets and liabilities into classes and certain disclosure requirements.
IFRS 13 — Fair Value Measurement	Sets out a single framework for measuring fair value and disclosure requirements surrounding the inputs and assumptions used in determining fair value.
IAS 19 — Employee Benefits	Significant changes in accounting for defined benefit pension plans.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In addition, the Company has evaluated the following new and revised standards, along with any consequential amendments, effective January 1, 2013 and determined that they do not apply.

Proposed standard	Description
IFRS 10 — Consolidated Financial Statements	Builds on the existing principles of control and elaborates on the definition of control when determining whether an entity should be consolidated or not.
IFRS 11 — Joint Arrangements	Focuses on the rights and obligations of an arrangement rather than its legal form and requires a single method to account for interests in jointly controlled entities.
IFRS 12 — Disclosure of Interests in Other Entities	Consolidated disclosure standard requiring a wide range of disclosures about an entity's interests in subsidiaries, joint arrangements, associates and unconsolidated structured entities.
IAS 27 — Separate Financial Statements	Outlines when an entity must consolidate another entity, how to account for a change in ownership interest, how to prepare separate financial statements, and related disclosures.
IAS 28 — Investments in Associates and Joint Ventures	Prescribes the accounting for investments in associates and to set out the requirements for the application of the equity method when accounting for investments in associates and joint ventures

Recent Accounting Pronouncements

The IASB and International Financial Reporting Interpretations Committee ("IFRIC") have issued the following new standards and amendments to standards and interpretations, which become effective for annual periods beginning on or after January 1, 2014, are currently being assessed by the Company to determine the impact and have not been applied in preparing these financial statements.

Proposed standard	Description	Effective Date
IAS 32 — Financial Instruments: Presentation	Prescribes the recognition, measurement, presentation and disclosure requirement of financial instruments	January 1, 2014
IFRS 7 — Financial Instrument Disclosures (transition)	Amends certain criteria for grouping assets and liabilities into classes and certain disclosure requirements.	January 1, 2015
IFRS 9 — Financial Instruments	Addresses the classification and measurement of financial assets and financial liabilities.	January 1, 2015

4. CASH

Cash is held on deposit and earns interest at a rate of prime less 1.95 per cent. Interest revenue earned to March 31, 2013 is $59 (2012 — $51).

5. GRANT RECEIVABLE FROM CIC

Order in Council #590/2001 authorized CIC to provide a grant to the Corporation in an amount not exceeding $5,400 to fund the retirement costs associated with Land Titles employees who experienced job loss as a result of the land titles automated network delivery ("LAND") project. The LAND Project redeveloped the land titles system, integrated it with a geographic information system and developed an infrastructure for the delivery of services common to all registry systems to benefit program administration and client services. It involved automation, process redesign, legislative changes and organizational redevelopment.

At March 31, 2013, $183 (December 31, 2012 — $201) is recorded to provide for the outstanding amounts that management estimates will become payable with respect to eligible employees, with $50 (December 31, 2012 — $68) expected to become due within the next 12 months.

(thousands of CAD dollars)	March 31, 2013	December 31, 2012
Current grant receivable from CIC	**$ 68**	$ 68
Non-current grant receivable from CIC	**133**	133
Total grant receivable from CIC	**$201**	$201

6. DEFERRED REVENUE

The Corporation has received government grants for two of its projects. They are the Mineral Administration Registry Saskatchewan ("MARS") project and the Enhanced Mineral Cadastral project. The condition for the government grants issued to the projects was that the Corporation must complete the projects within the scope agreed between the Corporation and responsible government agencies. As of March 31, 2013, the Corporation is fully intended, and able to meet the conditions of the grants received.

The Corporation has signed a Memorandum of Understanding with the Minister of Energy and Resources, now referred to as the Minister of Economy to develop the MARS project. The MARS project will deliver two major deliverables: a storefront component and a database component. Management's review has indicated that the storefront component does not meet the definition of intangible asset as prescribed under IFRS, therefore, expenditures incurred for the storefront portion are expensed immediately and the portion of government grant related to the storefront is netted against the expenditure. The database component meets the definition of intangible assets under IFRS and expenditures incurred on the database component are capitalized accordingly. The government grant related to the database is deferred and will be recognized over the life of the database.

(thousands of CAD dollars)	March 31, 2013	December 31, 2012
Deferred revenue — government related	**$1,328**	$1,360
Other deferred revenue	**49**	217
Total deferred revenue	**$1,377**	$1,577

7. PROPERTY, PLANT AND EQUIPMENT

(thousands of CAD dollars)	Leasehold improvements	Office Furniture	Office Equipment	Hardware	Asset under Development	Total
Cost						
Balance at December 31, 2011	$ 7,368	$2,884	$ 77	$2,195	$169	$12,693
Additions	1,781	341	28	113	133	2,396
Disposals	(1,024)	(186)	(17)	(143)	—	(1,370)
Transfers	—	—	—	(353)	—	(353)
Balance at December 31, 2012	$ 8,125	$3,039	$ 88	$1,812	$302	$13,366
Balance at December 31, 2012	$ 8,125	$3,039	$ 88	$1,812	$302	$13,366
Additions	304	27	9	1	54	395
Balance at March 31, 2013	$ 8,429	$3,066	$ 97	$1,813	$356	$13,761
Accumulated Depreciation						
Balance at December 31, 2011	$ 3,490	$1,252	$ 41	$1,286	$—	$ 6,069
Deprecation	790	276	6	433	—	1,505
Disposals	(989)	(52)	(1)	(182)	—	(860)
Transfers	—	—	—	(326)	—	(326)
Balance at December 31, 2012	$ 3,291	$1,476	$ 46	$1,575	$—	$ 6,388
Balance at December 31, 2012	$ 3,291	$1,476	$ 46	$1,575	$—	$ 6,388
Depreciation	199	66	3	38	—	306
Balance at March 31, 2013	$ 3,490	$1,542	$ 49	$1,613	$—	$ 6,694
Carrying Value						
At December 31, 2012	$ 4,834	$1,563	$ 42	$ 237	$302	$ 6,978
At March 31, 2013	$ 4,939	$1,524	$ 48	$ 200	$356	$ 7,067

For the three months ended March 31, 2013 $306 (March 31, 2012 — $330) of depreciation was recognized in Property, Plant and Equipment.

8. INTANGIBLE ASSETS

(thousands of CAD dollars)	GIS	SE — Externally Acquired	SE — Internally Generated	Asset under Development	Other	LAND Development	LAND — Data Conversion	Total
Cost								
Balance at December 31, 2011	$6,705	$1,355	$26,558	$ 4,632	$1,414	$30,685	$17,262	$88,611
Additions	—	64	2,743	2,488	—	—	—	5,295
Disposals	—	(196)	—	—	—	—	—	(196)
Impairment losses recognized	—	—	—	(413)	—	—	—	(413)
Transfer from PPE	—	353	—	—	—	—	—	353
Balance at December 31, 2012	$6,705	$1,576	$29,301	$ 6,707	$1,414	$30,685	$17,262	$93,650
Balance at December 31, 2012	$6,705	$1,576	$29,301	$ 6,707	$1,414	$30,685	$17,262	$93,650
Additions	—	—	—	597	—	—	—	597
Transfers	—	173	3,061	(3,234)	—	—	—	—
Balance at March 31, 2013	$6,705	$1,749	$32,362	$ 4,070	$1,414	$30,685	$17,262	$94,247
Accumulated Depreciation								
Balance at December 31, 2011	$6,705	$ 621	$19,137	$ —	$1,414	$30,685	$10,928	$69,490
Amortization	—	497	4,069	—	—	—	1,155	5,721
Disposals	—	(196)	—	—	—	—	—	(196)
Transfer from PPE	—	326	—	—	—	—	—	326
Balance at December 31, 2012	$6,705	$1,248	$23,206	$ —	$1,414	$30,685	$12,083	$75,341
Balance at December 31, 2012	$6,705	$1,248	$23,206	$ —	$1,414	$30,685	$12,083	$75,341
Amortization	—	46	958	—	—	—	288	1,292
Balance at March 31, 2013	$6,705	$1,294	$24,164	$ —	$1,414	$30,685	$12,371	$76,633
Carrying Value								
At December 31, 2012	$ —	$ 328	$ 6,095	$ 6,707	$ —	$ —	$ 5,179	$18,309
At March 31, 2013	$ —	$ 455	$ 8,198	$ 4,070	$ —	$ —	$ 4,891	$17,614

The Corporation has considered whether any indicators of impairment existed in relation to any of its intangible assets and cash-generating units as at March 31, 2013 and concluded that none existed. IFRS requires annual impairment testing to be performed for intangible assets not yet available for use. At December 31, 2012 the Corporation performed the required impairment testing and concluded that an asset not yet available for use at December 31, 2012 was impaired, as this asset was scheduled to be decommissioned in January 2013.

9. SHORT-TERM DEBT

ISC holds short-term debt with the General Revenue Fund of the Province of Saskatchewan (“GRF”) as of March 31, 2013 totaling $9,935 (December 31, 2012 — $9,935) due November 1, 2013, bearing interest at 1.16% (2011 — 1.04%) per annum.

10. EQUITY AND CAPITAL DISCLOSURES

Capital disclosures

The Corporation’s objectives when managing capital are to ensure adequate capital to support the operations and growth strategies of the Corporation, and to ensure adequate returns to the shareholder, CIC. The capital structure is determined in conjunction with the shareholder based on the approved business plan.

10. EQUITY AND CAPITAL DISCLOSURES (Continued)

The Corporation's capital consists of short-term debt due to the GRF and total equity. The Corporation monitors capital on the basis of debt ratio. The debt ratio is calculated as total debt divided by capitalization.

(thousands of CAD dollars)	March 31, 2013	December 31, 2012
Short-term debt and long-term debt	**$ 9,935**	$ 9,935
Total equity	**20,404**	21,941
Capitalization	**$30,339**	$31,876
Debt ratio	32.7%	31.2%

11. FINANCIAL INSTRUMENTS AND RELATED RISK MANAGEMENT

The Corporation does not use any form of derivative financial instruments to manage its exposure to credit risk, interest rate risk or market risk.

Credit risk

Credit risk is the risk that one party to a transaction will fail to discharge an obligation and cause the other party to incur a financial loss. The Corporation extends credit to its customers in the normal course of business and is exposed to credit risk in the event of non-performance by customers, but does not anticipate such non-performance. The Corporation monitors the credit risk and credit rating of customers on a regular basis. The Corporation has significant concentration of credit risk among government sectors. Its customers are predominantly provincial, federal and municipal government ministries and agencies and its private sector customers are diverse.

Cash is held with a major chartered Canadian bank and Management believes the risk of loss to be minimal. The maximum exposure to credit risk at March 31, 2013 is $19,237 (December 31, 2012 — $22,771) equal to the carrying value of the Corporation's financial assets, those being cash at $17,914 (December 31, 2012 — $21,138) and trade receivables at $1,323 (December 31, 2012 — $1,633). Quarterly reviews of the aged receivables are completed. The Corporation expects to fully collect on all outstanding receivables. Therefore, the risk to the Corporation is low.

The following table sets out details of cash and aging of receivables:

(thousands of CAD dollars)	March 31, 2013	December 31, 2012
Cash	**$17,914**	$21,138
Current trade receivables and other*	**1,094**	1,459
Up to three months past due date	**79**	26
Greater than three months past due date	**150**	148
Total credit risk	**$19,237**	$22,771

* includes grant receivables from CIC

11. FINANCIAL INSTRUMENTS AND RELATED RISK MANAGEMENT (Continued)

Interest rate risk

The interest rates on short-term debt due to the GRF are fixed and as a result of these fixed interest rates, the Corporation is not exposed to the fluctuations in interest rates. Therefore, this risk to the Corporation is low.

Liquidity risk

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they fall due. The Corporation's cash resources are managed based on financial forecasts and anticipated cash flows.

The following summarizes the contractual maturities for the Corporation's financial liabilities at March 31, 2013:

(thousands of CAD dollars)	Carrying Amount	Contractual Cash Flows	0-6 months	7-12 months	1-2 years
Short-term debt	$ 9,935	$10,050	$ —	$10,050	$—
Trade & other payables	3,810	3,810	3,810	—	—
Dividend payable	4,569	4,569	4,569	—	—
	$18,314	**$18,429**	**$8,379**	**$10,050**	**$—**

Contractual cash flows for short-term debt are principal and interest payments.

Market risk

The Corporation is exposed to market risk primarily in terms of revenue generation. The revenues are driven by property volumes and prices which have increased with the growth and strength of the Saskatchewan economy. The Corporation monitors the market conditions in an effort to capture fluctuations that may affect the ongoing revenue.

Fair value of financial instruments

The carrying values of cash, trade receivables, grant receivable from CIC, trade and other payables, dividend payable and short-term debt approximate fair value due to their immediate or relatively short-term maturity. It has been determined that there are no differences between the carrying amount and the fair market value of these instruments.

IFRS require fair value measurements to be categorized into levels within a fair value hierarchy based on the nature of inputs used in the valuation.

Level 1 — Quoted prices are readily available from an active market.
Level 2 — Inputs, other than quoted prices included in level 1 that are observable either directly or indirectly.
Level 3 — Inputs are not based on observable market data.

Cash is the only financial instrument carried at fair value and is considered to be level 1. The fair value is determined directly by reference to quoted market prices in active markets.

12. RELATED PARTY TRANSACTIONS

Included in these financial statements are transactions with various Saskatchewan Crown corporations, ministries, agencies, boards and commissions related to the Corporation by virtue of common control by the Government of Saskatchewan and non-crown corporations and enterprises subject to joint control and significant influence by the Government of Saskatchewan (collectively referred to as "related parties"). ISC has elected to take a partial exemption under IAS 24 — *Related Party Disclosures* which allows government related entities to limit the extent of disclosures about related party transactions with government or other government related entities.

Routine operating transactions with related parties are settled at agreed upon exchange amounts under normal trade terms. ISC has short-term debt with the Government of Saskatchewan.

In addition, the Corporation pays provincial sales tax to the Ministry of Finance on all its taxable purchases. Taxes paid are recorded as part of the cost of those purchases. Other amounts and transactions due to and from related parties and the terms of settlement are described separately in these financial statements and the notes thereto.

13. REVENUE

(thousands of CAD dollars)	March 31, 2013	March 31, 2012
Land registry	**$11,905**	$11,391
Personal property registry	**2,114**	1,988
Corporate registry	**2,207**	2,407
Vital statistics registry	**529**	532
Land surveys directory	**360**	370
Geomatic services and solutions*	**488**	425
Other	**3**	19
Total revenue	**$17,606**	$17,132

*includes revenue from sale of goods . . . **$ 61** $ 90

14. COMMITMENTS AND CONTINGENCIES

Leasing arrangements

The Corporation leases all of its office space through operating leases. Operating leases related to office spaces with lease terms of between five to ten years, with various options to extend. The Corporation does not have an option to purchase the leased asset at the expiry of the lease period.

The Corporation leases all of its copiers through operating leases. Operating leases related to photocopiers have lease terms of three years. Operating lease expenses for the three months ending March 31, 2013 totalled $19.2 thousand (March 31, 2012 — $26.8 thousand). The Corporation does not have an option to purchase the leased asset at the expiry of the lease period.

14. COMMITMENTS AND CONTINGENCIES (Continued)

Commitments

Future minimum payments for leasing of office space and for information technology service agreements with Hewlett Packard and ISM Canada include the following amounts over the next five years as of March 31, 2013:

(thousands of CAD dollars)	Office Leases	Service Agreements	Total
2014	$2,251	$ 7,886	$10,137
2015	2,192	2,171	4,363
2016	1,793	—	1,793
2017	573	—	573
2018	442	—	442
Thereafter	1,284	—	1,284
	$8,535	**$10,057**	**$18,592**

Contingencies

The *Land Titles Act, 2000* contains an assurance provision that allows customers to recover losses due to the errors or omissions of the Registrar. In the course of its normal operations, the Corporation is subject to a number of claims and legal actions that may be made by customers pursuant to the assurance provision. Management's estimate of liability is based upon claims submitted; as at March 31, 2013, no liability is currently recorded (March 31, 2012 — nil).

15. NET CHANGE IN NON-CASH WORKING CAPITAL

The net change during the year comprised the following:

(thousands of dollars)	March 31, 2013	March 31, 2012
Trade receivables	**$ 310**	$ 948
Grant receivable from CIC	**—**	—
Inventories	**1**	1
Prepaid expenses	**(11)**	(195)
Trade and other payables	**(423)**	(1,661)
Advances from customers	**(563)**	371
Deferred revenue	**(200)**	(279)
Provision for early retirement plan	**(18)**	(18)
Net change in non-cash working capital	**$(904)**	$ (833)

16. PENSION EXPENSE

All employees are participants in defined contribution or defined benefit pension plans. Employees hired after October 1, 1977 make contributions to The Public Employees Pension Plan ("PEPP"), a defined contribution plan. Funding requirements are established by *The Superannuation (Supplementary Provisions) Act* and the Corporation matches employee contributions.

16. PENSION EXPENSE (Continued)

Employees hired prior to October 1, 1977, who did not elect to transfer to PEPP by October 1, 1978, make contributions to The Public Service Superannuation Plan ("PSSP"), a multi-employer defined benefit plan. The plan provides for pensions at retirement that are based on employees' years of service and their highest five years' earnings. The PSSP is organized by the province of Saskatchewan and strictly funded by the GRF.

The total pension costs of the Corporation for March 31, 2013 were $ 416 (2012 — $ 422).

CERTIFICATE OF INFORMATION SERVICES CORPORATION

Dated: May, 31, 2013

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of each of the provinces and territories of Canada.

By: (Signed) JEFF STUSEK
President and Chief Executive Officer

By: (Signed) SHAWN B. PETERS
Vice-President Finance & Technology
and Chief Financial Officer

On behalf of the Board of Directors

By: (Signed) BRAD SYLVESTER
Director

By: (Signed) TOM CHRISTIANSEN
Director

CERTIFICATE OF CROWN INVESTMENTS CORPORATION OF SASKATCHEWAN

Dated: May, 31, 2013

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of each of the provinces and territories of Canada.

On behalf of the Promoter and Selling Shareholder
Crown Investments Corporation of Saskatchewan

By: (Signed) R.W. (DICK) CARTER
President and Chief Executive Officer

CERTIFICATE OF THE UNDERWRITERS

Dated: May, 31, 2013

To the best of our knowledge, information and belief, this prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of each of the provinces and territories of Canada.

RBC DOMINION SECURITIES INC.

By: (Signed) CLAIRE STURGESS

CIBC WORLD MARKETS INC.

By: (Signed) JASON STEFANSON

BMO NESBITT BURNS INC.	SCOTIA CAPITAL INC.	TD SECURITIES INC.
By: (Signed) DAVID WISMER	By: (Signed) MICHAEL MCKENNA	By: (Signed) SEAN C. MARTIN

GMP SECURITIES L.P.	NATIONAL BANK FINANCIAL INC.
By: (Signed) STEVE OTTAWAY	By: (Signed) ROB SAINSBURY

CANACCORD GENUITY CORP.

By: (Signed) SANJIV SAMANT

DUNDEE SECURITIES LTD.	MACKIE RESEARCH CAPITAL CORPORATION	MANULIFE SECURITIES INCORPORATED	MGI SECURITIES INC.	PI FINANCIAL CORP.
By: (Signed) DAVID G. ANDERSON	By: (Signed) DAVID J. KEATING	By: (Signed) WILLIAM PORTER	By: (Signed) MARK ARTHUR	By: (Signed) ARTHUR H. KWAN

Information Services Corporation

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