

January 16, 2016

From: Deborah Coder

Assistant Superintendent for Finance, Lockport City School District School District

To: J.A. "Tony" Olivo, LPI

Partner, Corporate Screening and Investigative Group LLC

Re: Letter of Intent

Dear Mr. Olivo,

This letter is to update you on the intent of the Lockport City School District to move forward with the adoption of the SN Tech product that you demonstrated to us. We have reviewed the pricing proposal previously submitted to us and have presented it to our board. We were extremely pleased with the results of the trials and with the demonstration. At the moment we are working to ensure the most beneficial financing model for our District. As we have discussed, our preferred route is to access the funds through the New York State Education Department and the Smart Schools Bond Act which specifically provides funding for projects which enhance student safety and school security. Clearly, the results of the trials demonstrate that SN Tech's Aegis suite of applications accomplish both.

Our district hopes to be one of the first school districts in the United States using this product and we intend to acquire the SN Tech product given a successful application approval from the SSBA funding. While this process takes time, we expect that we would have approval in the near future. At that time we intend to move forward with this project and have a complete analysis of our current systems completed by SNT and CSI Group.

We confirm that the quote submitted for approval for SSBA funding is \$294,161 for 3 years inclusive of cameras and servers as needed and maintenance fees of 15% and \$443,440 for 5 years and includes maintenance fees of 12.5% as well as cameras and servers as needed. The pricing for General Fund funding is \$251,661 for 3 years and includes software and maintenance only and 5 years is \$400,940. Should General funding methods be utilized we agree to pay a 50% implementation cost with the balance to be billed annually over the 5 year period. We recognize that this pricing is an early adopter pricing model extended at a significant discount to Lockport Schools and agree that this pricing structure will be in effect until April 1, 2016 and is per 100 camera license.

Very truly yours,

Deborah Coder

Assistant Superintendent for Finance, Lockport City Schools