

Ashley: Good day everyone and welcome to today's Namsys Annual meeting. My name is Ashley and I'll be your conference moderator for today's call. During the presentation, all participants will be in a listen only mode. We will be facilitating a brief question and answer session towards the end of the presentation. You may register to ask a question at any time by pressing the star and one on your touchtone phone. As a reminder, this conference is being recorded for replay purposes. I would now like to turn the presentation over to our host for today's call, Barry Sparks, CEO. Please go ahead.

Barry Sparks: Thank you Ashley. Good morning ladies and gentlemen and welcome to the annual meeting of shareholders of Namsys Inc. In accordance with the corporation's by law and in the absence of our Chairman Christopher Stait-Gardner, I will be acting as the Chairman of this meeting. Before the meeting starts however, I would like to thank you all for attending. Unfortunately, COVID-19 is not backed off sufficiently to allow gatherings of more than four or five people. So we decided to proceed accordingly.

We have the complete board of directors, plus a few senior employees in virtual attendance today. I plan to deal with the formal parts of the meeting first. Following which, we will ask Jason Siemens to move forward with our virtual conference call presentation on the business and our outlook for the future. Questions taken from both the conference call, questions will be taken from both conference call as well as video participants. And from shareholders as well as investors.

Moving on then, the 2020 annual meeting of shareholders of Namsys Inc. will now come to order. Leslie Gourd, the corporate secretary, will act as secretary of the meeting. The first item of business is the appointment of the scrutineer. Christie Gray, our corporate controller has agreed to act as a scrutineer and is hereby so appointed. I have received a declaration prepared by an officer of TSX Trust Company indicating that the notice calling this meeting, with the accompanying circular and form of proxy were mailed on or about April 7<sup>th</sup>, 2020 to shareholders of record, March 23<sup>rd</sup>, 2020. Alternatively, they were delivered to the intermediaries of the shareholders. Mister Secretary, have you determined the presence of a forum?

Leslie Gourd: Confirmed the presence of a forum.

Barry Sparks: Thank you Mister Gourd. I now declare that the meeting has been regularly called and has properly constituted for the transaction of business. As a first item of formal business, we will proceed with the election of directors. I now declare the meeting open for the nomination of directors.

Christie Gray: Mister Chairman, my name is Christie Gray, I am pleased to nominate the following persons for election as directors of the corporation for the ensuing year or until their successors are elected or appointed. Mister Leslie T. Gourd, Mister G. James Johnson, Mister H Joe Protan, Mister Jason B

Siemens, Mister K Barry Sparks, Miss Nicole A Sparks, and Mister E Christopher Stait-Gardner.

Barry Sparks: Thank you Christie. Are there any further nominations from the floor? As no one has responded to that, in absence of further nominations, I declare the nominations for directors closed. And may I have a seconder for this motion?

Linda Alcock: My name is Linda Alcock and I second the motion.

Barry Sparks: Thank you Linda. I have the scrutineer's report with the break down by director. Each director received between 93 and 100% of the votes in favor of reelection. 49.66% of the 27,286,332 shares that are outstanding were voted. So that was 13,552,506 shares were voted. So given the votes for director by proxy, the vote on this resolution appears to be redundant. However, to keep the lawyers happy, all those in favor of the director's slate, signify stating so now. Yes? Thank you, I here declare the person is nominated to be duly elected as directors of the corporation, to hold office until the next annual meeting of the shareholders. Or until their successors are elected or appointed.

The next matter of business is the tabling of the financial statements of the corporation for the period ending October 31<sup>st</sup>, 2019. Together with the report of the auditors thereon. I do not propose to ask shareholders to approve the financial statements as they have been approved by your board of directors and published in the month of march. And they are presently available on SEDAR.

However, I do wish to recognize and advise the meeting that the auditors of the corporation for fiscal 2019, Flabbi and Associates LLP, have asked that the shareholders nominate another firm as the auditors of the company for fiscal 2020. Our relationship with Flabbi and Associates LLP over the past seven years has been excellent. However, the firm does not have sufficient qualified staff required to rotate individual CPAs to undertake the lead auditor position. And to review the auditor role. In replacement of Flabbi and Associates LLP as our auditors for 2020, management have chosen, as approved by the audit committee and now we require shareholder approval. We've chosen the firm of McGovern Hurley LLP as our auditors. They have an excellent reputation and have the depth of resources to rotate personnel as required by the Canadian CPA Organization. Could I please have someone move a resolution appointing McGovern Hurley LLP as the auditors for the current year?

Leslie Gourd: My name is Leslie Gourd and I move that McGovern Hurley LLP or their successors being they are hereby appointed auditors of the corporation. To hold office until the next annual meeting of shareholders. As such remuneration as may be fixed by the directors. And they are hereby authorized to fix such remuneration.

- Barry Sparks: Thank you Les. May I have a seconder for this resolution? Joe Protan was going to do that. He is not. Are you there Joe?
- Jason Siemens: Yes Mister Chairman this is Jason Siemens I second the resolution.
- Barry Sparks: Thank you very much Jason. As there are no other nominations, I declare the nominations closed. I now call for a vote to appoint McGovern Hurley LLP the company's auditors for fiscal 2020.
- Leslie Gourd: Mister Chairman I have a printout of the shares voted in favor of the auditor appointment and confirmed that the shareholders voted to appoint McGovern Hurley LLP the company's auditor for 2020.
- Barry Sparks: I believe they voted 100% did they not? Yes.
- Leslie Gourd: Yes.
- Barry Sparks: Thank you Leslie. I hereby declare McGovern Hurley LLP to be duly appointed auditors of the corporation, to hold office until the next annual meeting of shareholders. As such remuneration as may be fixed by the directors and that the directors are authorized to fix such remuneration. Ladies and gentlemen this concludes the formal part of the meeting. And without any other input from any other shareholders, I believe the formal part of the meeting will be terminated at this point.
- Before asking Jason Siemens to lead us through a presentation on the existing operations on the future outlook for the corporation which will be attended by the conference call and the video call I guess you'd call it. I would like to have Christie Gray read out the Namsys Harbors Statement. Thank you.
- Christie Gray: Alright thank you. This presentation contains forward looking information. All statements other than statements of historic fact that address activities, events, or developments that the company believes, expects, or anticipates will or may occur in the future. Including without limitation statements regarding estimates and or assumptions in respect of revenue, cash flow, cost, economic returns, constitute forward looking information. This forward looking information reflects the current expectations or beliefs of the company based on information currently available to the company. Forward looking information is subject to a number of risks and uncertainties that may cause the actual results of the company to differ materially from those discussed in the forward looking information. And even in such actual results are realized or substantially realized there can be no assurance that they will have the expected consequences to, or effects of the company. Any forward looking statements speak only as of the date on which it is made. And except as may be required by applicable securities laws. The company disclaims any intent or obligation to update any forward looking information whether as a

result of new information, future events, or results or otherwise.

Although the company believes that the assumptions inherent in the forward looking information are reasonable, forward looking information is not a guarantee of future performance. And accordingly, undue reliance should not be put on such information due to the inherent uncertainties therein. And now I'm going to pass this over to Jason Siemens, our President and COO.

Barry Sparks: Thank you Christie. And Ashley I think you can make that conversion for us thank you. Thank you all for attending.

Jason Siemens: Thanks Christie, thanks Barry. So I'm going to start my presentation by reiterating our thesis. First that cash remains the popular payment method. It's still used for one in four payments in the US. And is relied upon by the under banks around the world. Cash is the least expensive payment type for these types of unbanked and under banked consumers and is popular as a payment option overall. Cash is private, it's instantaneous, there's no middle man, there are no transaction fees. Cash is more expensive and it is more labor intensive than card payments for businesses that take cash. And these costs do not correlate with the Nam cash. So if a store sales at \$500 or \$5,000 the cost to manually handle it is the same. Likewise, the cost to transport and process it stays the same regardless of the value of the deposit.

So if the cash is declining but not disappearing and the costs are largely fixed, that means that the per transaction cost of handling cash payments is rising. And Namsys is a company that's focused on delivering technology that reduces those fixed costs, making cash payments less expensive and more competitive.

And we can move on to the topic that I'm sure is at the top of mind for everybody and that is the COVID-19 pandemic. So the operational impact to Namsys has been fairly minimal. We've been lucky in that, just like our customers commit to our service products, we have done the same thing with all of our own tools. Including phones, emails, documents, and development tools. All of our employees in the main office started working from home on March 16<sup>th</sup>. And there was no disruption to customer service at all. We've already worked with most of our customers remotely and although we won't likely see them at any trade shows or conferences this year, we're in effective communication with them, video conference regularly. Overall, the company is in good shape. And most importantly all of our employees are healthy and safe.

So there are some interesting impacts on cash usage as a result of the virus. And we can divide these into short term and long-term topics. In the short term, there is data that shows consumers are withdrawing large amounts of cash from ATMs. The central banks saw the largest spike in withdrawals since the financial crisis. And saw a 4% jump in circulation. This is a global

phenomenon. And affected North America, Europe, and Southeast Asia. It is consistent with other crisis events like hurricanes and earthquakes. And this even led to some cash outages in affluent neighborhoods in the US. As people would do large sums of cash all at once.

There was some misinformation about the safety of cash as far as transmitting the virus. On March 5<sup>th</sup> during the interview, a WHO representative stated that cash could potentially transmit the virus. And this ran in the media with headlines that cash wasn't safe. On March 9<sup>th</sup>, the WHO rushed to issue a statement clarifying the position that cash is no more dangerous than any other public surface. And central banks also issued official statements that cash and coin should continue to be accepted and should continue to be considered safe. But overall there was a lot of confusing information about the safety of cash. And as you probably experienced yourself, some stores have discouraged or stopped accepting cash. Or they've encouraged the use of contact with cards. And others like small restaurants that are suddenly having to do deliveries now require for payment at the door. Overall though, transaction volumes are down as reflected in ATM withdrawal data. ATM withdrawals are down as much as 50% in some areas.

The long-term effects on the other hand are more difficult to predict. The industry consensus seems to be that this will put further pressure on cash payment. We tend to agree. From a macro perspective there will be an extended impact to brick mortar retail in general. And we believe that many banks branches closed during the pandemic may not reopen as banks consolidated local branches during this phase. And we believe the ATM networks may shrink somewhat. And some of these effects may actually drive some as participants in the cash cycle will face greater pressure to become more efficient with decreased volumes or sparser service areas.

So we can talk a little bit of the financial impact. And before we start, I'd like to quickly review our major products that everyone on the call is familiar with them. The first is a smart phase application. It is used to monitor cash management devices that are used to capture the deposit of cash in stores. This helps retailers to do the internal cost accepting cash payments and helps accelerate access to those deposited funds. Cirreon Banking can be thought of as an online portal for commercial customers that use cash. So this allows them to request cash or advise the deposit of cash. And this helps to reduce the cost of service for banks and cash in transit companies that service these types of clients.

The third product shown there is the cash in transit application. It is used by cash in transit or in short CIT providers to track the pickup and deliveries of cash using mobile technology. And to optimize the vehicle operations. The last product shown is current controller. And this is used by cash processors by banks and cash in transit providers to fulfill cash orders, verify cash

deposits, reconcile ATMs and Smart Safe equipment, and manage cash inventories overall.

Our products cover the entire spectrum of the cash cycle. And we're not seeing any negative consequences for our cash processing logistic applications. The applications on the right hand side. Banks, cash in transit providers, ATM networks are considered essential businesses of course and have remained open for business. Where we are getting to see a negative impact is on our Smart Safe product revenue. This is our highest grossing product and it represents approximately 70% of sales. This impact is directly related to closures of non-essential businesses like clothing retailers or shopping malls. And luckily many of the Smart Safes that we monitor are in grocery stores and gas stations which are essential and still open for business. And we build this product on a per device basis not on a per transaction basis. So a decline in activity or the store sales does not affect us. And the revenue impact was also by the volume tier discount that's now reset so prices actually went up a little bit. As well we're having a more favorable US to Canadian dollar exchange rate. And over 90% of our sales are done in US dollars.

Now we do believe that this pandemic is temporary. The impact of the pandemic is temporary. Most of these Smart Safe customers do have multi year contracts that are still in effect for the hardware devices themselves. And they will come back online as stores reopen.

In the normal course of business in 2019, the company did continue to perform well. Revenue was up 27% to over four million dollars. Over 95% of that recurring revenue, sorry over 95% of that revenue was recurring in nature. The company is committed to software and service subscription and offers that to all of our potential customers. Income before taxes was up 19% and margins were 68% gross and 42% net before taxes. These are down slightly from 2018 when it was 70% gross and 45% net. The cash position was healthy at 4.3 million dollars Canadian in cash and short-term investments. And that was up from 3.4 million dollars in 2018.

Before we open it up to Q&A on the call, I'd like to just go through some questions that came to us from investors through email in advance of the meeting that we didn't want to answer in a non-public setting. So I'll go through some of these and give each one a response.

The first one came from Thomas M. and he asked do you foresee any impact on the business in regard to the acquisition of G4S by Brinks. So this was certainly a big development recently. Brinks has been in an acquisition mode and G4S was their latest acquisition. We are going to be very careful about talking about this. Brinks is our largest customer, they account for approximately 38% of revenue. This is actually down slightly from 2018 when it was 40%.

And on February 26<sup>th</sup>, Brinks announced that they're acquiring the conventional cash operations of G4S. And this was the operation in 17 countries, 14 of those were countries where Brinks had no prior presence. Half of them are in Europe, but the rest are around the world. It specifically excludes the UK and it says African operations of G4S which are two of their largest divisions. It also excludes G4S's retail cash solution, their cash 360 offering, their deposit, Smart Safe hardware solution, and their G4S pay under the counter and card payment solutions.

So these products represent G4S's more advanced offerings and their mature Smart Safe hardware and retail cash management technology. So Brinks will take over more of the transportation and cash process capabilities in these markets.

Now, importantly for Namsys, this now gives Brinks a 25% global market share and we think that there will be an opportunity for Namsys to further expand our relationships with Brinks to these 14 new markets that they've now opened up. So we're excited by the prospects of expanding these internationally and our other products as well.

Mike asked a few questions. And he said if the company's long-term vision to grow internationally with existing products or whether we're primarily developing additional verticals in the North American market. It really is a combination of both. We now have products in 24 countries. The vast majority of the revenue still comes from the US though. And the US represents our lowest cost of acquisition and it is close by. There's no time zone or language barriers there. International though represents more revenue diversity, longer term potential, but obviously requires more up front investment. The cost of acquisition is higher. And there are now five multinational cash in transit companies that make up about 50% of the market. That includes Brinks, Loomis, Prosegur, and Garda. The other 50% is made up of smaller national providers. So there's still plenty of opportunity out there and like I just mentioned, Brinks is now the largest player overall with 25% of the global market.

Mike also asked if there was a large increase in accounts receivable and overdue on the 2019 annual report. The latest Q1 report would have reflected a change there but I just want to explain, this is a temporary issue, it's caused by receiving checks by mail. Still have a lot of customer that like to send us checks. And the customers that are causing an issue have now been converted to wire payments so going forward there should be less of a concern.

Mike also asked, it's my understanding that you've been growing Smart Safe sales without or with limited price increases. Are you not able to increase prices because of strong competition or are you trying to increase market penetration? So first of all we think that Cirreon Smart Safe, I call them value

for our customers. Pricing is kept static in order to capture and retain market share. And we have very competitive pricing. But it is not because of pressure from competitors, instead we're focused on the lifetime value of the accounts over many years and our return rate is very low and our customer retention rate is very high.

James asked whether the hiring in the company whether this will have a negative short-term effect on profitability. So we talked a little bit about our challenge last year at the annual meeting. We've made some progress in this area, specifically we've hired an outside HR consultant to help us recruit and retain. And we're also relying on more outside vendors to augment our staff. So these are vendors that help us with IT, cloud, cloud security, and all these areas were particularly problematic for hiring because they are in high demand. And we are investing in more growing projects that we have, but just what we've done historically. We're going to take a conservative approach and it will be in line with growth forecasts for solid sales pipeline.

And one last question and then we'll go to the phones. So Alisandro asked do you foresee any impacts from forced closures on the retail level affecting business going forward? For example customers struggling to make their recurring payments or new customers holding off on initiating a relationship with the company? So as we discussed earlier there is pressure on the Smart Safe monitoring revenue because of temporary closures of non-essential retail. But we are predicting that most stores will eventually reopen but the timeline is very uncertain. The strange effect though is we're not seeing any new customers delay implementations. So we have projects and sales that we made late last year, early this year that were ongoing and we expected more customers to put work on hold or at least we thought we'd see more delays. But most seem to be taking the view that this is the perfect time to invest in the core operations and to make their businesses more lean. So we've been very busy working with those new clients on roll out. So that's been an interesting aspect to this as well.

Ashley if you'd like to open it up for questions.

Ashley: Okay certainly. At this time if you would like to ask a question again that is star and one on your touchtone phone to do so. You may withdraw your question at any time by pressing the pound key. Again that is star and one and we will pause a moment to allow any questions to queue. And it looks like we have a couple of questions. We'll take our first question from a private investor, Blair Gold. Please go ahead.

Blair: Hi guys. In the Q1 2020 financial there is an add a note to the employee bonus plan that Mister Siemens portion could be settled in shares instead of cash. Was this a new addition to the bonus plan or was that already written into it? Thanks.



Barry Sparks: Would you like to answer that?

Leslie Gourd: Yes in Jason's arrangement before we added into the new engagement with him or agreement with him, he will always, the whole program has always been based on either cash or shares at the decision of the board of directors at the time any payout takes place. Are you okay with that now?

Blair: Yep that's good thanks.

Leslie Gourd: Thank you.

Ashley: And we'll go next to David Eckenburg. Please go ahead.

David: Hi Jason thanks for hosting the call. I've got quite a few questions, I'll start with the one. It was mentioned in your previous documents that you were undergoing a product project with the federal reserves. I would like to know what exactly does this project consist of? How is it profitable for the company and how useful is it for you? What benefits are you going to get from participating in that specific project with the federal reserve? And is it still continuing with the global situation and the pandemic?

Jason Siemens: Yes the project in question is called the Federal Reserve Cash Visibility Project. And it is a set of protocols that are being developed to allow the commercial banks to communicate their cash shipment data more effectively with the federal reserve vaults. So the federal reserve operates a couple of dozen cash processing centers across the United States. And each one services commercial banks in their area. And what the federal reserve wants to do is two things. They want to make it more efficient for them to receive shipments of cash from the banks. So that when a truck pulls in and they drop off a skid load of cash for processing, that it's barcoded in a standardized fashion and that they know about what to expect in advance which will allow them to optimize their dock operations and shorten the amount of time that trucks are waiting on the docks. So, cash volumes and cash in circulation has increased. But the size of these federal reserve cash vaults is the same. And so they're trying to make that more efficient for their own internal operations.

But also they are using this as an opportunity to encourage some standardization to allow banks and their cash in transit providers to communicate amongst themselves. So to make those dock operations where a truck pulls into the cash vault to make their commercial dock operations more efficient. So we're working with two cash in transit providers that are currently customers of ours. That is a slow moving project. They're being very careful about building consensus and not necessarily dictating terms to the banks because that's part of the charter of the federal reserve. So this project has been going on for a few years now. So it is ongoing. But it is a slow moving target and they are being very conservative.

- David: Okay and do you have any revenue from this project?
- Jason Siemens: Indirectly because that project is being run through our existing cash in transit customers. But there's no direct revenue. So the federal reserve is not funding any software development. Our role as we see it is to make our customers more effective and to make their operations more efficient. So it just becomes part and parcel of our current controller and particular product offering.
- David: Alright thanks. And can I go with another question?
- Jason Siemens: Sure.
- David: You just mentioned early in the call that most of your Smart Safe revenues came from groceries and the gas stations. Do you know exactly or approximately what percentage of these Smart Safes are in this kind of essential?
- Jason Siemens: Yeah I think what I said was that many of them are. I wouldn't say most. We've got a pretty diverse group of customers that use it, including a lot of mobile phone type stores, and grocery convenience stores, fuel stations. And then your quick serve restaurant. There's a pretty diverse, if you drove down any highway metropolitan area, you would see a lot of the brand names that use Smart Safe equipment and the stores that have Cirreon monitoring. I don't have the numbers on hand as an exact breakdown. I did in advance of the call look up the statewide distribution. So the largest states that employ our product because I think that's important from as the states reopen what the effect of revenue might be. So the top three states are, California is our largest, and Texas, and then Florida. And Texas and Florida will probably be opening sooner. California may be a bit delayed. But that's the perspective we're looking at. And certainly I think I can get back to you with information as far as the breakdown of that Smart Safe marketplace.
- David: Alright. And also another question I have is since the very large portion of your business is in the US, have you ever thought of listing in the US or would this have any advantage to you?
- Jason Siemens: Barry if you want to answer that question about a US market listing?
- Barry Sparks: Thank you. We have considered it from time to time. We are a fairly small enterprise to be public and we just don't think that NASDAQ would help us an awful lot in the processing of share transfers between investors. We have a lot of investment funds in the US that are holders of our stock. And they don't have a problem finding a place to trade it.
- David: Alright. And also another question concerning your geography. In your reports you break down revenue by geography. I was wondering when a

certain revenue is associated with a location, is that the customer's location or is that the place where the software itself is operating? Not sure if you understand that.

Jason Siemens: Yeah so it depends on, so there's a couple of things. There's the distinction of which currency we collect the revenue in. Whether that's US dollars or Canadian dollars. And then we have the actual business geography and so for example, if we have customers in Mexico, if the actual source of that revenue business is operating in Mexico but the invoice is paid in US dollars so there's that distinction. And all of our software does operate out of US data centers currently. So there's no sort of difference there between our international and US business. It all is run out of US regions. But yeah we don't have any customers that we bill that have multinational operations. So if we take a look at some of our major customers have both a US division and a Canadian division. Each one of those billed separately.

David: Okay. And also one other question. On October 2018 there was a nut indicating the country in which you were working to develop your product there was among others, India, Australia, Brazil. And then in the October 2019 presentation, I think some of these countries were not appearing on the map. Just curious to know what's happening there with the development of your product within these countries?

Jason Siemens: Yeah so those are when we show the map I think we always refer to them as active projects. So they may not be revenue generating at the time, and we might have statements of work or pilot projects going on in those areas. And that might change, it could be because the customer has abandoned the idea. It could be the customer couldn't justify the cost of our software. So the projects do have active and inactive over time routinely. But we always want to be forthright with that and transparent with that information. So we always list just the active projects that are ongoing at the time of the report. And some of those countries that you mentioned, we still have, the project isn't terminated. But it's not active enough for us to consider listing it. And so currently we're working with 24, I think I mentioned earlier, projects or countries. And that was up slightly from last year when it was 20.

David: Alright and this specific question in the UK. I think you mentioned that earlier in the call but I don't think I have understood well. Do you have any business there? Is there anything operating in the UK right now?

Jason Siemens: No in previous years we worked with a Smart Safe manufacturer in the UK by the name of Volumatic. And we just no longer have a relationship with that particular vendor. We could not make that profitable for ourselves. And so we parted ways amicably. The mention of the UK earlier was in regard to G4S and Brinks' acquisition of the G4S business, the UK conventional cash operations was excluded. So G4S continues to exist as its own business in the UK.

David: Alright thanks very much.

Jason Siemens: Thanks David.

Ashley: And just as a reminder that is star and one to ask your question. We'll go next to private investor Michael Jihás, please go ahead.

Michael: Hello I just had a quick question about what is the long-term vision finances in your opinion? I was just wondering sort of are you focusing primarily on expanding to international markets in the long term or are you more looking into the existing customers. Where do you see the company in the next five, ten years?

And then the other question was in regard to the sort of the long-term succession plan and how that relates to the employee bonus plan and what happens after it reaches its maturity? Is the 40% subtracted from it? Or does it renew as a recurring compensation package? Thank you very much.

Jason Siemens: Thanks Michael. As far as long-term strategy, our vision is that obviously we've built a good name producing reliable solutions for cash process and logistics. And we have no plans on abandoning that product or that space. So we will continue to invest in development and research and make those products better to enhance our current customer experiences. But also to upsell our existing clients on other solutions. So a lot of our clients are using one product right now. Over the years started adopting a second or third offering from Namsys. And that is critical to our sales growth.

Where we want to explore internationally is to diversify our revenue stream. The US market is very consolidated. It is getting more consolidated, not less. And we worked with a couple of the big three providers in the United States as well as a lot of the regional armored carriers and cash transit providers in the US. So if we want to expand our customer list, then the only way of doing that is to really go international. And our international strategy is in two parts. The first is working with our largest customers that are multinational. So that wherever they are, we want to be. Then, the other strategy is to work with some of our existing partners like Smart Safe manufacturers to find new distribution and new channels and international markets.

So there's not one solution that we're looking at. It's really a combined effort. Now, as far as the long-term plan, I think Barry could answer Michael's question?

Barry Sparks: Yeah certainly. Michael at this point in time we do not have an agreed upon replacement for the long-term bonus plan that we have in place. Yes you're correct, it will expire in 2021 at the end of the year and it is an issue that the

board is looking at now and considering very very actively. So when we get it resolved we will certainly let the market know. You okay with that?

Michael: Yes and in regard to the growth of the company in the new markets, I was looking at some of the competitors and some of the places that Namsys works in and I think all the companies are more focusing on acquiring existing companies in the markets that they are hoping to penetrate in greater depth. Is that something that Namsys is also considering or are you more focused on expanding your existing relationships and perhaps more of an organic growth.

Barry Sparks: Michael we have been looking at a number of different opportunities over the past three years. I guess Jason we probably looked at over half a dozen seriously and in each case we determined that there was more risk and less benefit. So on a risk benefit basis, we just as soon make sure we're going to move forward with something that is at least as safe and beneficial to us and to the shareholders. Rather than taking a shot at something that may or may not turn out to have any value. Okay?

Michael: Okay thank you.

Ashley: And we'll take our next question from Alisano Capuzenati, a private investor please go ahead.

Alisano: Hi guys. I'd just like to get an answer regarding Tidell and any threat that they might impose if they were to offer a more comprehensive product for their Smart Safe. Particularly on the Smart Safe dashboard side.

Jason Siemens: That's a good question. So we have a good working relationship with Tidell. The one thing that we promote, Cirreon has is a universal safe dashboard. So there's a lot of safe manufacturers out there offering similar solutions which have different strengths and weaknesses. Some are lower cost, some are more secure. Some are more advanced and have more advanced functions that they offer. And with Cirreon, what's really beneficial is if you have a diverse, or heterogeneous network of these devices, we become the sole management point for it.

And so when we do work with safe manufacturers that have their own solution, their own dashboard solution, then we will sometimes actually communicate with their dashboard to collect the information. And that's at the insistence of our cash in transit and banking partners. Because if they work with eight different vendors, they don't want to be integrating eight different solutions. Or providing customer support for eight different pieces of software. And instead they just want to have a single Cirreon dashboard that they can monitor and manage their entire fleet with. Because in this day and age, the idea of having a single vendor for everything I think is a bit obsolete. And so we do encounter that with other vendors. Tidell currently

does not have their own dashboard solution. And if they did, we don't think that would change much. Customers would still look to us as a partner. Especially on the financial daily credit side because of our proven expertise there.

Alisano: Wonderful thank you.

Ashley: And we'll take a follow up from Blair Gold. Please go ahead.

Blair: Hi just on your renewal with Brinks, is there any new information on that? And then I wonder if you expand a little bit on how the integration with Dunbar has gone in relation to Brinks acquiring Dunbar?

Jason Siemens: Okay so the first question, agreement renews automatically. It's renewing without any changes. I think we're within, almost within the 90 days on that contract. And we're happy with it. They're happy with it. And as far as Dunbar, I'm going to decline to answer that. Only because we don't want to comment on Brinks' internal operations. We don't think it's fair to speak about that particular acquisition. But I can say that we are working on board the Dunbar safes to bring everything under a single Cirreon umbrella.

Blair: Okay. Has it been more difficult integration than previous or is it just kind of standard?

Jason Siemens: No from a technical point of view we worked in advance to support the technology that we're using. So we had a ready-made solution and as part of that we actually brought Ellenby on board as a reseller of our Smart Safe Dashboard Solution. They are a manufacturer that was in use by Dunbar. So we think we did a good job of helping them on board Dunbar. It's a very large acquisition. I'll leave it at that.

Blair: And then one last question if I may. Brinks made a small acquisition of a software company that handles some in store cash logistics. I'm just trying to think of the name of that company right now but are you aware of that?

Jason Siemens: Balance Innovations.

Blair: Yeah. Are you concerned about that or does that have any effect on your business or your relationship with Brinks?

Jason Siemens: No so Balance Innovations is a company that we have worked with for many years. So they weren't a stranger to us. And Balance Innovations their focus was the in store cash operations and in stores that had cash offices. So these are typically grocery stores and department stores where they were manually counting the tills and preparing deposits and ordering cash from a bank and maintaining that inventory. A much more traditional cash office process.

And then they did expand into supporting recycler and Smart Safe equipment just because naturally those customers that they were working with started to adopt that technology. And so that became a means of mechanizing that same process so that data set into their software. They take a much more internal operations approach to the software. Meaning that they're more involved with designing it or tailoring it to the accounting that's in place for that retailer. Whereas we take a more generic approach where we're collecting the data and then feeding it back to the, collecting the data from the Smart Safe devices and then feeding it back to the retailer and it's up to them to use that information to match their accounting and operational procedures.

So they take a more inside out view of things. We take more of an outside in. The advantage that we have is that our more generic approach allows us to apply a technology to a wider range of customers. So we can work with, as I described earlier, we can work with not only grocery stores but we can also work with quick serve restaurants, fuel stations, mobile phones, to allow them to collect all of that same information just in a different way. And where they work with a smaller set of larger retailers, or retailers with a larger footprint. But even today we see an overlap of customers that use both products simultaneously.

Blair: Okay I think that's it for me thank you.

Jason Siemens: Thanks Blair.

Ashley: And there are no further questions at this time. Looks like we did have a question a follow up from David Eckenburg. Please go ahead.

David: Sorry I just missed the part of the call I had a distraction. A question that I had is in the reports of March 2020 for Q1 there was, you had the breakdown of hosted revenues versus licenses. And also it showed 765,000 and licenses 137,000. And there was a difference as what was reported in March 2019 in which it was 788,000 and 113,000 licenses and renews. So I was wondering is if this 23,000 or 24,000 got switched from licenses from hosted to licenses what exactly explains that. If you know what I'm talking about.

Jason Siemens: Do you have the page number that appeared on? On that initial statement?

Barry Sparks: Jason we have turned over some accounts into licenses that were previously on a volume basis, correct?

Jason Siemens: Well yes I'd just like to verify that.

David: So this is page, okay that's on page 18 of the March 2020 report. It's in section seven, information breakdown. Then you have the 2019, the right column. Hosted and licenses. The first was reported for the 2019 numbers

and the March 2019 report. So was just wondering this 23 or 24,000 that switched from host to licenses.

Jason Siemens: That might be a change categorization. What I can do is we can take a look at that for you and email you responses as to why that might have switched from one license type to another. As I already mentioned, sometimes we do have customers that move from license to subscription or vice versa. So we can get you an answer on that.

David: Alright thanks Jason. Small detail.

Jason Siemens: Yeah likely a small account that we have.

David: Alright.

Ashley: Alrighty and it looks like there are no further questions. I'll turn the call back over to these speakers for any additional remarks.

Jason Siemens: This is Jason I just want to thank everyone for taking the time to hear our presentation, listen to my report on company operations and thank you for all the questions. They're all very good. And Barry, like to close the call?

Barry Sparks: Thank you to everyone for participating and please stay well and stay safe. Thank you very much.