

July 14, 2017

Command Security Corporation Announces Decision to Terminate Customer Relationship With Transportation Company

HERNDON, Va., July 14, 2017 (GLOBE NEWSWIRE) -- Command Security Corporation (the "Company") (NYSE MKT:MOC) announced today that beginning on September 1, 2017, it will no longer provide security services in the northeastern U.S. for a major transportation company (the "Customer").

The Company has performed services for this Customer for the past eight years. During recent pricing negotiations, as part of the Company's efforts to seek recovery of additional costs arising from tightening labor markets and increased minimum wage rates, the Company advised the Customer that it was no longer economically feasible for the Company to continue the work under the Customer's proposed pricing as well as certain other proposed terms. Rather than accept the extension of the agreement on terms that were not economically feasible, we asked the Customer to put the work up for bid and, accordingly, the Company notified this Customer on May 18, 2017 of the Company's intent to terminate the existing agreements and cease work on August 31, 2017.

The Customer subsequently notified the Company on May 26, 2017 of its decision to terminate the agreement and invited the Company to participate in the Request for Proposal (RFP) that followed.

During the RFP process which commenced on June 2, 2017, the Company and other bidders were advised that any bidder currently performing similar services for certain competitors of the Customer, which includes a customer of the Company, would be disqualified as a bidder in the RFP process.

While unfortunate, the loss of this Customer is not expected to have a material adverse effect on the Company's results of operations or overall financial position. Based on the three-months ended June 2017, total annual revenues related to this Customer are approximately \$21 million. The Company intends to modify certain operational activities and implement appropriate cost reductions in response to this reduction in revenues.

The Company is grateful for the commitment and hard work of its employees over the many years we provided services to this Customer. The Company understands that changes like this present challenges to the affected employees and the Company is committed to effectively communicate with all our employees through this process as new information becomes available.

About Command Security Corporation

Command Security Corporation and its Aviation Safeguards division provide uniformed

security officers and aviation security services to commercial, financial, industrial, aviation and governmental customers throughout the United States. As our credo states “*Securing All You Value*,” we safeguard against theft, fraud, fire, intrusion, vandalism and the many other threats that our customers are facing today. By partnering with each customer, we design programs customized to meet their specific security needs and address their particular concerns. We bring years of expertise, including sophisticated systems for hiring, training, supervision and oversight, backed by cutting-edge technology, to every situation that our customers face involving security. Our mission is to enable our customers to operate their businesses without disruption or loss, and to create safe environments for their employees. For more information concerning our company, please refer to our website at www.commandsecurity.com.

Forward-Looking Statements

This announcement by the Company contains forward-looking statements within the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995 about the Company that are based on management’s assumptions, expectations and projections about the Company. Such forward-looking statements by their nature involve a degree of risk and uncertainty. The Company cautions that actual results of the Company could differ materially from those projected in the forward-looking statements as a result of various factors, including but not limited to the factors described under the heading “Risk Factors” in the Company’s most recent Annual Report on Form 10-K for the fiscal year ended March 31, 2017 filed with the U.S. Securities and Exchange Commission (the “SEC”), and such other risks disclosed from time to time in the Company’s periodic and other reports filed with the SEC. You should consider the areas of risk described above in connection with any forward-looking statements that may be made by the Company. The Company undertakes no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise. You are advised, however, to consult any additional disclosures the Company makes in proxy statements, quarterly reports on Form 10-Q, annual reports on Form 10-K and current reports on Form 8-K filed with the SEC.

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Source: Command Security Corporation