



October 5, 2017

Good afternoon:

On September 29, 2017, COPsync filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Eastern District of Louisiana. This DOES NOT mean we are going out of business. COPsync has faced challenges in the recent months to include development and installation of legal updates, product updates, and customer service needs. In addition, COPsync has struggled to pay its creditors, employees and debt obligations. The Board of Directors authorized the filing of the Chapter 11 petition to definitively address these challenges and the best path ahead. Below, we have answered some common questions relating to this process.

### **1. Why did the Company file bankruptcy?**

COPsync has made several announcements in recent months regarding restructuring the Company by eliminating overhead and reduction in force. The Chapter 11 process will allow COPsync to complete comprehensive financial restructuring.

### **2. What is Chapter 11?**

Chapter 11 refers to a chapter of the Bankruptcy Code. Chapter 11 provides an opportunity for companies to reorganize debts while continuing day-to-day operations.

### **3. How can I stay informed of the bankruptcy?**

Filings will be uploaded to the Company website at <http://ir.copsync.com/>.

For more guidance and individual questions, you may write to our customer service department at [customersWIN@copsync.com](mailto:customersWIN@copsync.com).

### **4. Is COPsync going out of business?**

No. COPsync intends to continue operating throughout the reorganization process. In conjunction with the filing, COPsync filed a variety of “first day motions” which will allow the Company to continue operations in the ordinary course. These motions include requests to make wage and salary payments and to obtain debtor-in-possession (DIP) financing to support the Company’s operational needs.

## **5. What should vendors expect throughout this process?**

When a bankruptcy case is filed, the “automatic stay” immediately goes into effect. This prohibits many actions which would negatively impact the bankruptcy estate without you first seeking permission from the Bankruptcy Court. For example, you cannot seek to or continue efforts to collect outstanding payments and you cannot cease performing under a contract where you owe obligations to COPsync and its owes obligations to you. Automatic stay violations can lead to serious consequences, including an award of damages and attorneys’ fees. If you have questions about your specific rights, please seek advice of counsel.

Sincerely,

COPsync, Inc.