

Thank you,
April McKown

Safety Sentry Inc.

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[REDACTED]

The National Association for Trailer Safety, a non-profit group dedicated to promoting lobbying for national trailer safety, has been initiated. The CPA has been consulted and is ready to take over for the financial end as soon as the Business Attorney completes the Certificate of Formation application which goes to the state. The Board of Directors has been selected, the purpose of the association conveyed, and the legal parameters that we must comply with are being written into the Charter. We are expecting that any day now. After that, the IRS must grant approval for the tax exempt status. Two lobbyists and a legislative attorney (he writes the bill) in Austin will be working with us to make presentations to the appropriate committees, agencies, and/or individuals that can push legislation through regarding use of a 'towing device' being mandated to assure trailers do not become disengaged while towing in order to save lives and protect property. The attorney actually wants to be more involved than in just writing the bill. He believes in the product and wants to actively advocate implementation of such a bill.

Ron Melancon has since found that there were bills already written in two states for sure, Oklahoma and Louisiana. Immediately Karl got on the ball and contacted several agencies including the DOT, Motorized Carrier Divisions, a couple of directors and lieutenants and even got called back to Baton Rouge due to escalated interest once they had all the information and reviewed the website. The fact that there are already bills on the books means that Texas will not be far behind. We only needed to

show one state with a bill re: towing devices for the US Army Corps of Engineers and other groups to take our product seriously. Along with the excellent independent lab testing results, we are in a good position to proceed and much quicker than anticipated on a nationwide level including insurance companies who needed the same information to perform a cost analysis and benefits review on offering discounts.

This week, Karl has been busy with finalizing the purchase of the manufacturing plant in Alabama. There are a lot of crossing of the t's and dotting the i's to be done. He certainly did not want to sign on the dotted line until everything was in place as and when it should be. This process should be finished by close of business today. Next week is the closing of the deal.

The locks situation put a delay on getting the Hertz and U-Haul productivity going. There was a significant delay in receipt of these locks coming from China. However, it appears that we will be ready to go full steam ahead. And, with the locks being made right at the plant in Alabama, there will be no more delays and less expense to the end user. As most of you know already, the import tariffs and duties went up significantly causing more expense to the product package.

Karl will give you an update on all the events and activities on Monday as usual. Thank you for your patience and diligence.

Gwendolyn