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September 1, 2016

Florida Public Service Commission
Office of Commission Clerk
Ms. Carlotta S. Stauffer
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

RECEIVED-FPSC
2016 SEP -8 AM 9:41
COMMISSION
CLERK

RE: Synergem Technologies, Inc.

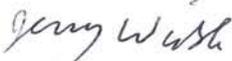
Dear Ms. Stauffer:

On behalf of Synergem Technologies, Inc., an Application Form for Authority To Provide Telecommunications Company Service Within The State Of Florida is enclosed. An original and one copy of a Redacted Public version are enclosed along with the \$500.00 application fee.

In addition, in accordance with Section 364.183(1) of the Florida Statutes, one Confidential copy is enclosed.

If there are any questions, I can be reached at 704.782.7738 or 704.699.9451 (cell).

Sincerely,



Jerry Weikle
Consultant to Synergem Technologies, Inc.

REDACTED

COM _____
AFD _____
APA _____
ECO _____
ENG _____
GCL _____
IDM _____
TEL 1 _____
CLK _____

WEIKLE & CO.
JERRY WEIKLE
151 SPRING ST NW
CONCORD, NC 28025

1386

9-1-16
Date

Pay to the Order of Florida Public Service Commission \$ 500⁰⁰

Five hundred and no cents Dollars  Security Features. Details on Back.

 Wells Fargo Bank, N.A.
North Carolina
wellsfargo.com

For Synergis Application Jerry Weikle MP

Check received with filing and forwarded to Fiscal for deposit. Fiscal to forward deposit information to Records.

Initials of person who forwarded check:

JWS
9/8/19

FLORIDA PUBLIC SERVICE COMMISSION
OFFICE OF TELECOMMUNICATIONS

APPLICATION FORM
FOR
AUTHORITY TO PROVIDE TELECOMMUNICATIONS COMPANY SERVICE
WITHIN THE STATE OF FLORIDA

Instructions

- A. This form is used as an application for an original certificate and for approval of transfer of an existing certificate. In the case of a transfer, the information provided shall be for the transferee (See Page 8).
- B. Print or type all responses to each item requested in the application. If an item is not applicable, please explain.
- C. Use a separate sheet for each answer which will not fit the allotted space.
- D. Once completed, submit the original and one copy of this form along with a non-refundable application fee of **\$500.00** to:

Florida Public Service Commission
Office of Commission Clerk
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850
(850) 413-6770

- E. A filing fee of **\$500.00** is required for the transfer of an existing certificate to another company.
- F. If you have questions about completing the form, contact:

Florida Public Service Commission
Office of Telecommunications
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850
(850) 413-6600

1. This is an application for (check one):

Original certificate (new company).

Approval of transfer of existing certificate: Example, a non-certificated company purchases an existing company and desires to retain the original certificate of authority rather than apply for a new certificate.

2. Name of company: Synergem Technologies, Inc.

3. Name under which applicant will do business (fictitious name, etc.):

4. Official mailing address:

Street/Post Office Box: PO Box 911, 523 South Stephens St.
City: Pilot Mountain
State: NC
Zip: 27041

5. Florida address:

Street/Post Office Box: N/A
City:
State:
Zip:

6. Structure of organization:

- | | |
|---|--|
| <input type="checkbox"/> Individual | <input type="checkbox"/> Corporation |
| <input checked="" type="checkbox"/> Foreign Corporation | <input type="checkbox"/> Foreign Partnership |
| <input type="checkbox"/> General Partnership | <input type="checkbox"/> Limited Partnership |
| <input type="checkbox"/> Other, please specify: | |

If individual, provide:

Name: _____
Title: _____
Street/Post Office Box: _____
City: _____
State: _____
Zip: _____
Telephone No.: _____
Fax No.: _____
E-Mail Address: _____
Website Address: _____

7. **If incorporated in Florida**, provide proof of authority to operate in Florida. The Florida Secretary of State corporate registration number is:
8. **If foreign corporation**, provide proof of authority to operate in Florida. The Florida Secretary of State corporate registration number is: F13000004680
9. **If using fictitious name (d/b/a)**, provide proof of compliance with fictitious name statute (Chapter 865.09, FS) to operate in Florida. The Florida Secretary of State fictitious name registration number is:
10. **If a limited liability partnership**, please proof of registration to operate in Florida. The Florida Secretary of State registration number is:
11. **If a partnership**, provide name, title and address of all partners and a copy of the partnership agreement.

Name: _____
Title: _____
Street/Post Office Box: _____
City: _____
State: _____
Zip: _____
Telephone No.: _____
Fax No.: _____
E-Mail Address: _____
Website Address: _____

12. **If a foreign limited partnership**, provide proof of compliance with the foreign limited partnership statute (Chapter 620.169, FS), if applicable. The Florida registration number is:

13. Provide **F.E.I. Number**: 20-0049076

14. Who will serve as liaison to the Commission in regard to the following?

(a) The application:

Name: Jerry Weikle
Title: Consultant
Street Name & Number: 151 Spring St NW
Post Office Box:
City: Concord
State: NC
Zip: 28025-4749
Telephone No.: 704-782-7738
Fax No.: 704-793-6338
E-Mail Address: jweikle@windstream.net
Website Address:

(b) Official point of contact for the ongoing operations of the company:

Name: Sandra W. Hallman
Title: CFO
Street Name & Number: 523 South Stephens St.
Post Office Box: PO Box 911
City: Pilot Mountain
State: NC
Zip: 27041
Telephone No.: 276-628-2954
Fax No.:
E-Mail Address: shallman@synergemtech.com
Website Address: www.synergemtech.com

(c) Where will you officially designate as your place of publicly publishing your schedule (a/k/a tariffs or price lists)?

- Florida Public Service Commission
- Website – Website address: www.synergemtech.com
- Other – Please provide address:

15. List the states in which the applicant:

(a) has operated as a telecommunications company.

Massachusetts

(b) has applications pending to be certificated as a telecommunications company.

New Jersey, New York, and Pennsylvania

(c) is certificated to operate as a telecommunications company.

Missouri and North Carolina

(d) has been denied authority to operate as a telecommunications company and the circumstances involved.

None

(e) has had regulatory penalties imposed for violations of telecommunications statutes and the circumstances involved.

None

(f) has been involved in civil court proceedings with another telecommunications entity, and the circumstances involved.

None

16. Have any of the officers, directors, or any of the ten largest stockholders previously been:

(a) adjudged bankrupt, mentally incompetent (and not had his or her competency restored), or found guilty of any felony or of any crime, or whether such actions may result from pending proceedings. Yes No

If yes, provide explanation.

(b) granted or denied a certificate in the State of Florida (this includes active and canceled certificates). Yes No

If yes, provide explanation and list the certificate holder and certificate number.

(c) an officer, director, partner or stockholder in any other Florida certificated or registered telephone company. Yes No

If yes, give name of company and relationship. If no longer associated with company, give reason why not.

17. Submit the following:

(a) **Managerial capability:** resumes of employees/officers of the company that would indicate sufficient managerial experiences of each. Please explain if a resume represents an individual that is not employed with the company and provide proof that the individual authorizes the use of the resume.

(b) **Technical capability:** resumes of employees/officers of the company that would indicate sufficient technical experiences or indicate what company has been contracted to conduct technical maintenance. Please explain if a resume represents an individual that is not employed with the company and provide proof that the individual authorizes the use of the resume.

(c) **Financial Capability:** applicant's audited financial statements for the most recent three (3) years. If the applicant does not have audited financial statements, it shall so be stated. Unaudited financial statements should be signed by the applicant's chief executive officer and chief financial officer affirming that the financial statements are true and correct and should include:

1. the balance sheet,
2. income statement, and
3. statement of retained earnings.

Note: *It is the applicant's burden to demonstrate that it possesses adequate managerial capability, technical capability, and financial capability. Additional supporting information can be supplied at the discretion of the applicant.*

THIS PAGE MUST BE COMPLETED AND SIGNED

REGULATORY ASSESSMENT FEE: I understand that all telephone companies must pay a regulatory assessment fee. Regardless of the gross operating revenue of a company, a minimum annual assessment fee, as defined by the Commission, is required.

RECEIPT AND UNDERSTANDING OF RULES: I acknowledge receipt and understanding of the Florida Public Service Commission's rules and orders relating to the provisioning of telecommunications company service in Florida.

APPLICANT ACKNOWLEDGEMENT: By my signature below, I, the undersigned officer, attest to the accuracy of the information contained in this application and attached documents and that the applicant has the technical expertise, managerial ability, and financial capability to provide telecommunications company service in the State of Florida. I have read the foregoing and declare that, to the best of my knowledge and belief, the information is true and correct. I attest that I have the authority to sign on behalf of my company and agree to comply, now and in the future, with all applicable Commission rules and orders.

Further, I am aware that, pursuant to Chapter 837.06, Florida Statutes, "**Whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree, punishable as provided in s. 775.082 and s. 775.083.**"

I understand that any false statements can result in being denied a certificate of authority in Florida.

COMPANY OWNER OR OFFICER

Print Name:	Sandra W. Hallman, CPA
Title:	CFO
Telephone No.:	276-628-2954
E-Mail Address:	shallman@synergemtech.com

Signature: Sandra W. Hallman CPA Date: 9/1/16

CERTIFICATE TRANSFER

As current holder of Florida Public Service Commission Certificate Number _____, I have reviewed this application and join in the petitioner's request for a transfer of the certificate.

COMPANY OWNER OR OFFICER

Print Name: _____
Title: _____
Street/Post Office Box: _____
City: _____
State: _____
Zip: _____
Telephone No.: _____
Fax No.: _____
E-Mail Address: _____

Signature: _____ Date: _____

EXHIBIT A

FLORIDA CERTIFICATE OF AUTHORITY

State of Florida

Department of State

I certify from the records of this office that SYNERGEM TECHNOLOGIES, INC. is a Delaware corporation authorized to transact business in the State of Florida, qualified on October 28, 2013.

The document number of this corporation is F13000004680.

I further certify that said corporation has paid all fees due this office through December 31, 2016, that its most recent annual report/uniform business report was filed on August 25, 2016, and that its status is active.

I further certify that said corporation has not filed a Certificate of Withdrawal.

*Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capital, this
the Twenty-fifth day of August,
2016*



Ken DeFina
Secretary of State

Tracking Number: CR1975049090

To authenticate this certificate, visit the following site, enter this number, and then follow the instructions displayed.

<https://services.sunbiz.org/Filings/CertificateOfStatus/CertificateAuthentication>

EXHIBIT B
MANAGEMENT AND TECHNICAL
EXPERIENCE

Key Management and Technical Capability

Nelson Clark, Chief Executive Officer

With a twenty-year track record of transforming technology and manufacturing businesses into efficient, customer focused, growing global enterprises, Mr. Clark's background encompasses both Fortune 500 and small entrepreneurial companies. In his most recent role as SVP/GM of a private equity backed, early revenue stage commercial vehicle telematics services provider, he revamped the go to market strategy, partnered with key channel players providing captive access to 15% of the \$4B target market, expanded sales to EU, and helped attract growth round strategic investment. Focused on customer need and the bottom line, his strengths include driving aggressive sales growth strategies, delivering business growth through market penetration, as well as building the business platform necessary to sustain growth.

Mr. Clark's industry successes include returning a \$70MM Division to profitability within first five months on the job, then increasing gross margin by 37% and operating profit by 18% during down economy; transforming an under-performing \$5MM revenue business into a global \$100MM revenue business with annual profits of \$20MM; and developing and implementing a three year strategy to triple revenues and profits of a \$10MM diversified global manufacturing business.

A catalyst for change, Mr. Clark is adept at envisioning and leading implementation of integrated growth strategies, new market development, process improvements, and building high performance work teams through coaching and professional development of employees and management.

Mr. Clark earned his B.S. Engineering degree from Lafayette College and his M.B.A. from Edgewood College.

Myron S. Herron, Jr., President & CTO

Prior to starting Synergem Technologies, Inc., Mr. Herron enjoyed a highly successful career in communications with extensive experience in operations, systems engineering and sales. Following his graduation from North Carolina State University with a BA in Business Management, he joined Sprint where he initially served as an Outside Plant Engineer charged with the deployment of networking and computer equipment. He later served in a series of senior engineering, operational and management positions. He then moved into a Data Sales manager position charged with leading a team in the proposal, design, and implementation of data and video projects. In this capacity, he engineered complex systems including voice, structured wiring, fiber optics, ATM, SONET, Ethernet, token-ring, and outside plant systems. Mr. Herron has consulted extensively with business leaders, educators, as well as local and state government officials in the deployment of voice, video, and data technologies. Some of his projects included the North Carolina Information Highway and a multi-million dollar voice and data network solution for North Carolina-based Lowe's Hardware. Later, as an Operations Manager, he was responsible for all customer services, engineering services, and project management for central North Carolina. Mr. Herron left Sprint in 1999 to serve as the Director – Engineering Services for Emergency Services integrators, LLC (ESi) where he designed solutions for some of our nation's most mission critical sites. His projects included the Kennedy Space Center, the Jet Propulsion Laboratory, as well as several Department of Energy sites. At

Synergem Technologies, Inc., Mr. Herron developed his company's ESInet product suite and directed the deployment of one of the nation's first i3 compliant networks. He serves on numerous NENA committees devoted to the development and deployment of Next Generation systems.

Jeff Schlueter, Chief Operating Officer

Jeff joined Synergem after building a successful business unit at Nexidia Inc., the leading provider of speech analytics software. As Vice President & General Manager of the Legal Market business unit at Nexidia, Jeff was responsible for the overall strategy and execution of Nexidia's solutions for law firms, corporate counsel and government regulatory accounts. He developed the Legal Market program in 2006, when changes to the Federal Rules of Civil Procedure made it clear that audio evidence would be treated just like any other electronically stored information for discovery purposes. With Nexidia's audio analytics technology as the backbone of the company's services, he built a network-based hosting solution and software licensing program that led Nexidia into a leadership position with marquee customers such as the DOJ, CFTC, SEC, CFPB and clients that include more than 75 of the AmLaw 100 firms. He also built and managed a partnership channel that extended Nexidia's reach through leading e-discovery companies such as Epiq Systems, EY, Deloitte and many others.

Prior to Nexidia, Jeff has more than 15 years of telecom and marketing experience specifically around the advancement of new technologies. Jeff served as the Executive Director of Product Management at Cingular Wireless where he was responsible for the development and lifecycle management of all voice-related products and services in the Cingular portfolio. Jeff was also the Executive Director of Customer Base Marketing, responsible for all marketing programs into their base of 22 million subscribers for retention and revenue stimulation. Additionally, Jeff has held executive positions at Linx Communications, Boston Technology and US West, Inc.

Jeff holds a Master's degree in International Management from Thunderbird School of Global Management.

Sandy Hallman, Secretary/Treasurer & Chief Financial Officer

With over 25 years of progressive experience delivering exceptional results in business planning, operational analysis, financial control and decision making, Ms. Hallman has guided operations and finance in closely-held private companies to public companies traded on NYSE and NASD.

Stephen F. O'Connor, ENP, Director of Government and Industry Relations

Mr. O'Connor, ENP – Emergency Numbers Professional, began his 40-year career in public safety as a police radio dispatcher in Sparta, New Jersey, later serving as the 9-1-1 coordinator for a multi-jurisdictional PSAP in Vernon, NJ. He joined Synergem Technologies, Inc. in September 2011 after completing his term as the 28th President of the National Emergency Number Association (NENA – the 9-1-1 Association). During his term, after a multi-year effort, NENA adopted the Detailed Functional and Interface Standards for the NENA i3 Solution, commonly referred to as the i3 Standard, which describes the end-state architecture for Next Generation 9-1-1. He continues to be

active in NENA, serving on the i3 Architecture Working Group (formerly the Long Term Definition WG, which developed the NENA i3 standard).

Mr. O'Connor's career in public safety has covered the spectrum of public safety emergency communications, not only serving as a police radio dispatcher, PSAP manager and police division commander in New Jersey, but as the Brevard County, Florida 9-1-1 Coordinator and System Manager. In this capacity, he managed the operation of the 9-1-1 system for ten primary and one secondary Public Safety Answering Points (PSAPs), and successfully implemented Wireless Phase II throughout the County. Mr. O'Connor also managed the West Palm Beach Police Department's Emergency Communications Center, with an authorized staff of 40 serving a population of 100,000. While there, he revised the department's training program to comply with the new state requirements for public safety telecommunicator certification and was responsible for recertifying the communications center by the Commission on Accreditation of Law Enforcement Agencies (CALEA). Mr. O'Connor holds an MA in Criminal Justice from Rutgers University.

Richard A. Maw, Director of Product Development

Mr. Maw joined Synergem Technologies, Inc. after more than 35 years of IT experience and specifically 25 years in Public Safety. Mr. Maw began his career with Honeywell Information System where he specialized in ERP systems. He was instrumental in consolidating business systems located in Phoenix, AZ to the Massachusetts headquarters and introducing PC solutions to solve complex business processes. Following a seventeen-year career with Honeywell, Mr. Maw joined NYNEX where he delivered a call tracking and analysis system to Greater Harris County E9-1-1 (Houston) in 1986. He then went on to form his own company Combix in 1995 that developed Nortel's Symposium ENR E9-1-1 product. Mr. Maw has participated in several national Public Safety Proofs of Concept (POC) to improve the safety of the public. These trials included cellular wireless testing of both network and GPS location technologies and Automated Crash Notification systems. He has also received awards from the Smithsonian Institute for the design of a PC based E9-1-1 system using a digital Nortel Meridian PBX and holds a patent in the design of Computer Integrated Telephony (CTI) for the processing of E9-1-1 calls. He has been directly involved in the design, installation and support of Greater Harris County's and the City of New York's E9-1-1 systems, two of the four largest PSAPs in the United States.

C. A. Patrick Voigt, ENP, Director of Network Engineering

Since beginning his IT career in 1994, Patrick has focused on developing and implementing technology solutions for high-stakes, mission critical environments. Patrick has devoted 14 years of his distinguished tenure to working with and serving those local government bodies most directly involved with 9-1-1 and emergency services technology. His public sector work culminated with a leadership role involving prime responsibility for managing all technical aspects of a technologically consolidated five PSAP system.

In addition to his substantial set of technical skills, Patrick brings to bear the unique perspective of having actually taken 9-1-1 calls on shift and managed a staff of telecommunicators. In addition to his traditional IP-centric IT background, Patrick has an in-depth knowledge of a wide range of PSAP technologies, including legacy 9-1-1 call delivery architecture, radio and computer-aided

dispatch systems, datacenter operations and other mission-critical systems infrastructure. Patrick also possesses an in-depth and hands-on knowledge of incident command, emergency services logistics support, and field deployment of emergency services technology in times of disaster and other unusual events.

This rare combination of skills has led to his participation in a number of one-of-a-kind undertakings, including serving as a Logistics Section Chief overseeing all technical aspects of a number of high profile emergency services responses including: the 2006 Synthron Chemical explosion, as a Logistics Section Unit Leader providing technical support to the public safety response for the 2012 Democratic National Convention, and as Project Manager and Lead Engineer for the development and deployment of the Nation's first satellite-connected PSAP.

In his role as Solutions Engineer for Synergem Technologies, Inc., Patrick brings this broad skill set to bear on all aspects of the Company's operations, from product development to network design. With his unique operational perspective, he well understands the paramount criticality of PSAP systems and is able to engineer Synergem Technologies, Inc.'s solutions to meet the goal of virtually 100% availability. In addition, as a NENA-accredited Emergency Number Professional, Patrick is continuously involved in the ongoing standards development process, ensuring Synergem Technologies, Inc.'s continued ability to provide i3-compliant solutions that effectively meet the specific needs of the 9-1-1 industry. As part of his commitment to the work of NENA, Patrick participated in the recent ICE5 event as a Planning Committee member and Synergem Technologies, Inc.'s on-site liaison; and Patrick currently serves on the Long Term Development and NG Security working groups, as well as the ICE8 Planning Committee.

Jon M. Samuels, Vice President Business Development

Prior to co-founding Synergem Technologies, Inc., Mr. Samuels was called "one of the Strategic Air Command's most effective leaders" during his 22-year Air Force Career. As an Air Force officer, Mr. Samuels planned and participated in numerous special operations including those to recover allied prisoners of war in Vietnam. He capped his military service by commanding the tactical unit that won the Air Force Combat Competition and many other national awards.

Hired by Westinghouse Electric Corporation (WEC) in 1987 to help manage that organization's assumption of the lead contractor's role at DOE's Hanford Site, Mr. Samuels' demonstrated organizational abilities played a major role in WEC's winning of the \$1.5 billion annual contract to operate the DOE Savannah River Site (SRS). At SRS, he managed the site's large Safeguards and Security Department. In that role, he was credited with creating the security and emergency response organizations that became the model for all of DOE. He later was promoted to the position of Executive Assistant to the President of Westinghouse Savannah River Company (WSRC) and assigned responsibilities for corporate communications, federal accountability reporting, quality improvement and a number of other programs.

In 1996, Mr. Samuels resigned from Westinghouse to join a startup company devoted to the design and development of emergency management facilities. As Vice President for Business Development, he helped that company increase its annual sales from \$250 thousand to nearly five million dollars in 1999 before it was sold to venture capitalists.

EXHIBIT C

REDACTED FINANCIAL STATEMENTS



SYNERGEM
technologies

P.O. Box 811
523 South Stephens Street
Pilot Mountain, NC 27041
tel: 866-858-0911
fax: 704-749-8515
info@synergemtech.com

August 31, 2016

Florida Public Service Commission
Office of Commission Clerk
Ms. Carlotta S. Stauffer
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Dear Ms. Stauffer:

Enclosed with this Application are CONFIDENTIAL financial statements for Synergem Technologies, Inc. (Synergem) for the prior three fiscal years. Synergem's financial statements undergo an annual CPA Review and are not audited. This letter is to affirm the provided financial statements are true and correct.

Sincerely,

Sandra W. Hallman, CPA
CFO

Nelson Clark
CEO



REDACTED

Synergem Technologies, Inc.

Financial Statements (Unaudited)
For the years ended December 31, 2013 and 2012

The report accompanying these financial statements was issued by BDO USA, LLP, a Delaware limited liability partnership and the U.S. member of BDO International Limited, a UK company limited by guarantee.



REDACTED

Synergem Technologies, Inc.

Financial Statements (Unaudited)
For the Years Ended December 31, 2013 and 2012

Synergem Technologies, Inc

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Tel: 919-754-9370
Fax: 919-754-9369
www.bdo.com

5430 Wade Park Boulevard
Suite 208
Raleigh, NC 27607

Independent Accountants' Review Report

Board of Directors
Synergem Technologies, Inc
Greensboro, NC

REDACTED

We have reviewed the accompanying balance sheets of Synergem Technologies, Inc as of December 31, 2013 and 2012, and the related statements of income, changes in members' capital and stockholders' equity, and cash flows for the years then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the reviews in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.



BDO USA, LLP

May 28, 2014

REDACTED

REDACTED

Financial Statements (Unaudited)

Synergem Technologies, Inc
Balance Sheets (Unaudited)

REDACTED

Synergem Technologies, Inc

REDACTED

Statements of Income (Unaudited)

REDACTED

Statements of Cash Flows (Unaudited)

1. Summary of Significant Accounting Policies

Nature of Business

1

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the balance sheet date and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates and such amounts could be material.

Cash and Cash Equivalents

Trade Accounts Receivable

Inventories

Notes to Financial Statements (Unaudited)

Property and Equipment

Property and equipment are recorded at cost less accumulated depreciation. Depreciation is computed using the straight-line method over the following estimated useful lives:

Machinery and equipment	5 to 7 years
Furniture and fixtures	7 years
Computer Equipment	5 years
Data Center	3 to 5 years

Maintenance and repairs of property and equipment are charged to operations, and major improvements are capitalized. Upon retirement, sale, or other disposition of property and equipment, the cost and accumulated depreciation are eliminated from the accounts and gain or loss is included in operations. The carrying amount of all property and equipment is evaluated as events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable.

Intangible Assets

n

7. Subsequent Events

REDACTED

Synergem Technologies, Inc.

Financial Statements (Unaudited) ~~as required~~
For the years ended December 31, 2015 and 2014

The report accompanying these financial statements was issued by BDO USA, LLP, a Delaware limited liability partnership and the U.S. member of BDO International Limited, a UK company limited by guarantee.



REDACTED

Synergem Technologies, Inc.

Financial Statements (Unaudited)
For the Years Ended December 31, 2015 and 2014

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Tel: 919-754-9370
Fax: 919-754-9369
www.bdo.com

5430 Wade Park Boulevard
Suite 208
Raleigh, NC 27607

REDACTED

Independent Accountants' Review Report

Board of Directors
Synergem Technologies, Inc.
Greensboro, NC

We have reviewed the accompanying balance sheets of Synergem Technologies, In December 31, 2015 and 2014, and the related statements of income, stockholders' equity, and cash flows for the years then ended. A review includes primarily applying an procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the reviews in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.



REDACTED

BDO USA, LLP

June 21, 2016

REDACTED

Financial Statements (Unaudited)

Synergem Technologies, Inc.

REDACTED

Balance Sheets (Unaudited)

Statements of Income (Unaudited)

REDACTED

Synergem Technologies, Inc.
Statements of Cash Flows (Unaudited)

REDACTED

1. Summary of Significant Accounting Policies

Nature of Business

Notes to Financial Statements (Unaudited)

Property and Equipment

Property and equipment are recorded at cost less accumulated depreciation. With the exception of purchased software, depreciation is computed using the straight-line method over the following estimated useful lives:

Machinery and equipment	5 to 7 years
Furniture and fixtures	7 years
Computer equipment	5 years
Data center	3 to 5 years

Depreciation on purchased software is computed using the units of output method over the anticipated number of product deployments over a five-year estimated useful life.

Maintenance and repairs of property and equipment are charged to operations and major improvements are capitalized. Upon retirement, sale, or other disposition of property and equipment, the cost and accumulated depreciation are eliminated from the accounts and gain or loss is included in operations. The carrying amount of all property and equipment is evaluated as events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable.

Synergem Technologies, Inc.

REDACTED

Notes to Financial Statements (Unaudited)
