

Message

WST Customer...



PO BOX 456 Lavonia, GA 30553 706.460.3080

May 5, 2015

Dear WST Customer,

We are taking this opportunity to inform you there will be announcement from the United States Attorney's Office for the Eastern District of North Carolina very soon. We did not want this announcement to come as a surprise to you and wanted you to know that the officers and legal team at White Sands Technology have worked diligently for the best possible outcome for you and our industry.

The main points we would like for you to know are as follows:

- The U.S. Attorney's Office for the Eastern District of North Carolina will be issuing a statement in the coming days announcing that White Sands Technology (WST), and other sweepstakes software companies, is exiting the state of NC as of July 1, 2015.
- White Sands and its principals stand behind their software and activities in North Carolina, but have agreed to cease operations as the cleanest resolution to a differing of opinion with the U.S. Attorney's Office.
- By negotiating this outcome, WST and its customers will have the benefit of operating in their current form, without interference from the U.S. Attorney's Office, until July 1, 2015.
- The negotiated exit date of July 1 will allow legislation pending in NC legislative committees (HB 922) time to proceed through the legislative session. HB 922 seeks to regulate the internet sweepstakes businesses in NC. If HB 922 is implemented as law in NC, the settlement agreement with the U.S. Attorney's Office will be terminated, White Sands will not exit NC, and your business will continue consistent with the new regulations.
- White Sands strongly encourages you to get involved with the Small Business Coalition or otherwise get involved with the legislative process to help HB 922 succeed.
- If the legislation does not pass, then the WST software will not be available in NC on July 1 or after.

Should you have any questions, please contact your salesperson, Jeff Schwartz, or our IT Helpdesk (706.460.3081), as the case may be. We look forward to our continuing relationship.

Best Regards,
White Sands Technology, LLC