
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934**

October 31, 2018

Date of Report (Date of earliest event reported)

333-132456

Commission File Number

SECURITY DEVICES INTERNATIONAL, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or
organization)

71-1050654

(I.R.S. Employer Identification Number)

107 Audubon Road, Bldg 2, Suite 201

Wakefield, Massachusetts 01880

(Address of Principal Executive Offices) (Zip Code)

(978) 868-5011

(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Emerging Growth Company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 3.02 Unregistered Sales of Equity Securities

On October 31, 2018 Security Devices International Inc. (“SDI” or the “Company”) (CSE: SDZ) (OTCQB: SDEV), announces the issuance of 6,666,666 shares (the “Shares”) of its common stock to FinTekk AP, LLC (“FinTekk”) at a deemed price of US\$0.15 per share. The Shares are issued pursuant to a Debt Settlement Agreement, to retire a certain debt owing by the Company to FinTekk, which debt arose in connection with a sponsorship agreement (the “Sponsorship Agreement”) dated October 30, 2018. The Sponsorship Agreement details a marketing campaign for the launch of the Company’s new Byrna™ HD product. The shares are subject to a six-month holding period expiring on April 30, 2019. The Shares were issued in reliance on the exemption from registration provided by Section 4(a)(2) of the Securities Act of 1933, as amended.

Item 9.01 Financial Statements and Exhibits

(a) **Financial Statements of Business Acquired.**

Not applicable.

(b) **Pro Forma Financial Information.**

Not applicable.

(c) **Shell Company Transaction.**

Not applicable.

(d) **Exhibits.**

Exhibit Description

No.

[99.1](#) [Memorandum of Understanding](#)

[99.2](#) [Debt Settlement Agreement](#)

[99.3](#) [Sponsorship Agreement](#)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

SECURITY DEVICES INTERNATIONAL, INC.

October 31, 2018

Name: /s/ Dean Thrasher
Dean Thrasher
Title: Chief Executive Officer



October 18, 2018

Mr. Bryan Ganz
SDI Corporation
Building 2, Suite 201
107 Audubon Road
Wakefield, MA 01880

Mr. Kevin O'Connell
FinTekk AP, LLC
180 Newport Center Drive, Suite 235A
Newport Beach, CA 92660

Re: *("National Television, Spectator Sports & Social Media Awareness Campaign")*

Gentlemen:

The purpose of this Memorandum of Understanding (the "the MOU") is to set forth certain proposed understandings between **FinTekk AP, LLC** (hereinafter "FinTekk") and **Security Devices International Inc.** (hereinafter "SDI"), a Delaware corporation with respect to the creation and implementation of a coordinated national awareness effort focused on the non-lethal consumer based products of the company that include professional sports as a baseline as described herein below.

1. National Television / Pro Sports / Weekly Content Creation

- a. **NASCAR Monster Energy Cup Series:** SDI shall be an associated brand or primary brand on a per event basis on the racing cars of #51 or #52 Rick Ware Racing cars in each of the remaining events for 2018 (beginning with Dallas) in which these teams compete and be an associated or primary brand on the 2019 entries for the Daytona 500 and other select races. See NASCAR schedules in Exhibit 1 and brand location description in Exhibit 2.

FINTEKK AP, LLC

- Nine (9) race events total with (6) associate and (3) co-primary events. Two additional dates added as pivot dates: Texas & Bristol.
- SDI shall be an associate on all "on track" competition equipment (including the drivers suits) for each event scheduled in each of the remaining events for 2018 (beginning with Dallas) and for three events scheduled for 2019.
- SDI shall be featured as a co-primary brand on all "on track" competition equipment (including the drivers suits) for three race events scheduled in 2019.
- Weekly digital content/storylines to be used for wide social media distribution.

2. Eric Bolling / AMERICA / CRTV: FinTekk will co-produce a segment with national political media personality Eric Bolling with a lead company executive interviewed on AMERICA hosted by Bolling to air after the full SDI website launch but before the Daytona race. Bolling has over 1 million twitter followers, is known as a top tier television commentator and show host, is a former FOX television personality, and is currently a headlining personality on the CRTV Network.

- Event content to be used for wide social media distribution
- Segment to be used for business development purposes
- Content to be used in collaboration with NASCAR

3. Outside Marketing & Branding

Publicist / Hollywood: Introduction to Jerry Digney of Digney and Company Public Relations. Digney has represented Musicians such as Ray Charles, George Benson, Al Jarreau, Kool and the Gang. In Television he represents Sony Home Entertainment and others. In sports he represents the Boston Marathon, Formula One Grand Prix, Muhammad Ali's Celebrity Fight Night, Evander Holyfield All Star Weekend, Caesar's Palace Boxing and Tennis, and the Harlem Globetrotters. He also represents the Las Vegas Convention and Tourism Bureau, Warner Brothers Studio's Tour, The Riviera Hotel, the Dunes Hotel, The Stratosphere Hotel, Rock Resorts, and The Beverly Hills Hotel.

- Identify a personality to represent the brand that is willing to accept the position as brand spokesperson for the Byrna in exchange for restricted stock.
- Assist in negotiating compensation for the selected personality.

Handwritten signature 

- 4. National Press Release:** FinTekk in conjunction with SDI and Rick Ware shall issue (2) national press releases announcing the intent of the parties to work together in 2018 and 2019 and the entry into NASCAR's Monster Energy Cup Series.
- RWR and SDI to produce regular press releases during the campaign announcing the sponsorship of the cars and any other developments that may be considered meaningful.
- 5. Consulting – Gunbroker.com:** Members of the FinTekk team will assist SDI in setting up an online store with GunBroker.com and arrange for the Byrna to be a featured product with a banner at the top or right hand side of the website . SDI is responsible for any negotiated advertising fees to GunBroker.
- a. FinTekk shall make an introduction to Jeff Siegel from Media Lodge to discuss digital media strategies.
- 6. Cost of Sponsorship and other Promotion -** FinTekk will charge SDI \$1.0 million for the above listed promotional services. SDI shall pay for this debt in SDI common stock. Such stock shall be issued at a price of USD \$0.15 and shall be restricted. Fintek further agrees to limit any selling to 30% of the published average daily trading volume for a period of 18 months from the date of an effective registration statement filed by the company or the standard SEC six month 144 holding period for non-affiliates.
- a. FinTekk shall receive piggyback registration rights relative to these shares.
- 7. Formal Agreements** - The parties agree to enter into a definitive Agreement and Share Purchase Agreement based on the terms outlined in this Memorandum of Understanding as soon as practical. The Agreements shall be signed by the parties to this MOU as well as an authorized representative of Rick Ware Racing.
- 8. Other Terms** –
- a. Best Efforts & Schedule Changes: The items described herein above shall be on a best-efforts basis only. The NASCAR schedule may be subject to change with certain events added or deleted at the discretion of FINTEKK. Deleted events shall be replaced with other similar events.
 - b. Costs. Each party shall be responsible for and bear all of its own costs and expenses incurred at any time in connection with pursuing or consummating the proposed transaction.
 - c. Consents. All parties referenced herein shall cooperate with each other and proceed, as promptly as is reasonably practicable, to seek to obtain all necessary




consents and to endeavor to comply with all other legal or contractual requirements.

- d. Cooperation. The parties agree to cooperate with each other and communicate in good faith and conclude this agreement as soon as reasonably possible.
- e. Entire Agreement. The non-binding Provisions constitute the entire agreement between the parties, superseding all prior oral or written agreements, understandings, representations and warranties, and courses of conduct and dealing between the parties on the subject matter hereof.
- f. Governing Law. The non-binding Provisions shall be governed by and construed in accordance with the internal laws of Texas. Each party hereto consents to Texas as the exclusive forum for any controversies that arise hereunder.

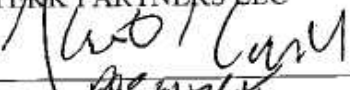
Please sign and date this Letter in the space provided below to confirm the mutual agreements set forth and return a signed copy to the undersigned.

Mr. Bryan Ganz, President
Security Devices International Inc.

By: 
Name: Bryan Ganz
Title: President

Acknowledged and agreed:

Mr. Kevin O'Connell
FINTEK PARTNERS LLC

By: 
Name: Kevin O'Connell

Title: _____

Exhibit 1

2018 NASCAR Monster Energy Cup Series Schedule:

11/4	AAA Texas 500	[REDACTED]
11/11	Can-Am 500	[REDACTED]
11/18	Ford EcoBoost 400	[REDACTED]

2019 NASCAR Monster Energy Cup Series Schedule:

2/18	DAYTONA 500	[REDACTED]
2/25	Folds of Honor-Quick-Trip 500	[REDACTED]
3/4	Pennzoil 400	[REDACTED]
3/11	Ticket Guardian 500	[REDACTED]
3/18	Auto Club 400	[REDACTED]
3/26	STP 500	[REDACTED]

[REDACTED]

** schedule subject to change **

(b) 

Exhibit 2

BRAND & MESSAGING LOCATION/COMPETITION EQUIPMENT

1. **Primary brand** – Logo & messaging presented on the competition equipment in either of the following: 1) the front hood (complete area) with lower rear or front quarter panel, 2) the rear quarter panels (upper complete area) or 3). the upper rear quarter panel and the lower front hood during the event. (All include the B driver pillar)

* Listed as the lead brand in the NASCAR published starting grid

* Base colors of the competition car will represent the company logo colors.

2. **Associate brand** – Logo & messaging presented on the competition equipment on (2) locations: lower rear quarter panels, B pillar, C pillar or rear deck lid, lower rear bumper, front rear quarter panel, lower front hood, or upper rear window during the event

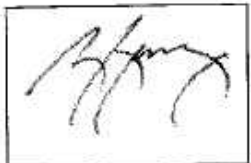
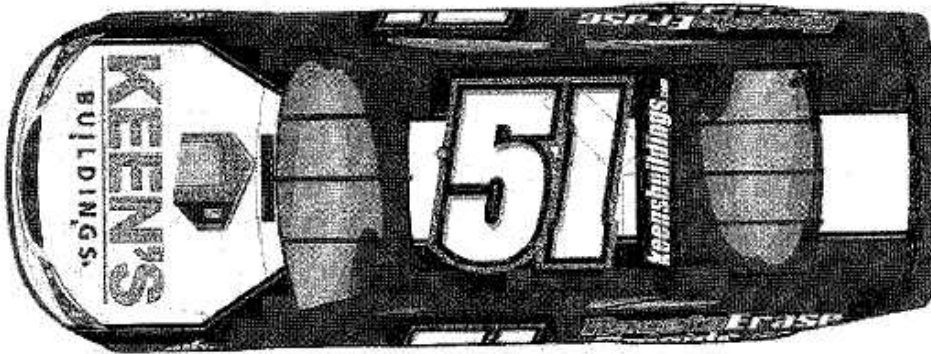
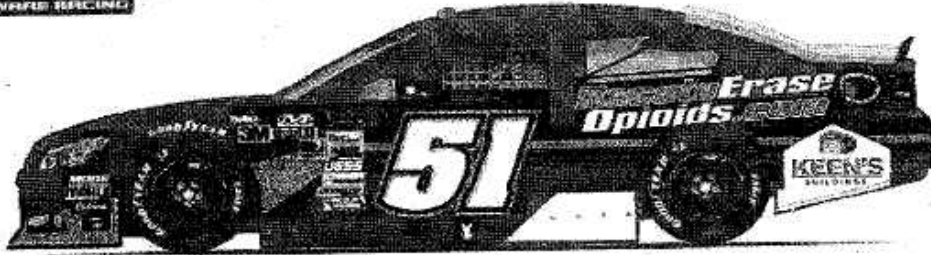
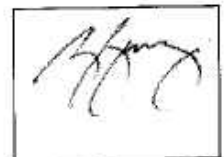
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Exhibit 3



© 2017 Alltel. All rights reserved. The artwork is for proposal only. This is not a contract and is subject to any terms and conditions written within contract.

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DEBT SETTLEMENT AGREEMENT

THIS AGREEMENT is dated effective as of October 25, 2018

BETWEEN:

Security Devices International Inc.

(the "Company")

AND:

FinTekk AP, LLC

(the "Creditor")

WHEREAS:

- A. The Company is indebted to the Creditor in the amount set out opposite the Creditor's name in Schedule "A" (the "Debt").
- B. The Creditor is willing to accept shares in the capital of the Company, subject to the terms and conditions hereinafter set forth, in settlement of the Debt.
- C. The Company wishes to issue shares to the Creditor in satisfaction of the Debt, on the terms and conditions herein set forth and subject to all necessary regulatory approvals.

NOW THEREFORE in consideration of the premises and of the mutual covenants and provisos herein contained, the parties agree as follows:

1. The Company confirms and acknowledges its indebtedness to the Creditor in the amount of the Debt and further confirms and acknowledges that the Debt is justly due and owing to the Creditor.
2. The Creditor agrees to accept common shares in the Company at an agreed upon value of USD\$0.15 per share, in full satisfaction of the Debt. The number of Shares to be issued to the Creditor (the "Shares") in satisfaction of the Debt is set out in Schedule "A".
3. The Creditor acknowledges that the issuance of Shares hereunder is to be made in reliance on an exemption from the prospectus and registration requirements of the Ontario Securities Act (the "Act") and the Securities Act of 1933 (the "1933 Act").
4. The issuance of the Shares to the Creditor is conditional upon the Company receiving the approval (the "Exchange Approval") of the Canadian Securities Exchange (the "Exchange") to such issuance. The Creditor agrees to co-operate fully with the Company in attempting to obtain the Exchange Approval and to make available to the Company such information as may reasonably be required by the Exchange for that purpose. In connection with the Company's application to the Exchange, the Company is required to disclose information concerning the Creditor (the "Personal Information") including the

A handwritten signature in black ink, appearing to be a stylized 'B' or similar character, located in the bottom right corner of the page.

name and address of the undersigned, information concerning the Debt and the details of this Agreement. The undersigned hereby consents to:

- (a) the disclosure of the Personal Information by the Issuer to the Exchange; and
- (b) the collection, use and disclosure of Personal Information by the Exchange in accordance with its policies.

5. The issuance of the Shares provided for hereunder shall take place as soon as is practical following the receipt of the Exchange Approval, as evidenced by delivery to the Creditor of a certificate in the name of the Creditor representing the Shares. If that share certificate is not delivered to the Creditor on or before 31 days from the date of this Agreement, then the Creditor shall be entitled to give 10 days' written notice to the Company of the Creditor's withdrawal from this Agreement, whereupon this Agreement shall be null and void unless the share certificate is delivered to the Creditor within that 10 day period.

6. The Creditor acknowledges that the Shares will be subject to a six month hold period as required by Securities Act of 1934, and further contractually agrees, hereby, to further limit sales of the securities subscribed for hereunder to no more than thirty (30%) percent of the published average daily trading volume for the preceding five (5) day period, on a day on or before the day that is eighteen (18) months after the date of issuance. The certificate representing the Shares will bear a legend noting the foregoing restrictions.

7. The Company shall, in the event that it files a registration statement at any time during the six (6) month holding period contemplated in Section 6 above, provide piggy back registration rights to the Creditor in respect of the Shares.

8. The Company represents and warrants to the Creditor that:

- (a) the Company is validly subsisting under the laws of the State of Delaware and subject to the corporate law of that jurisdiction,
- (b) this Agreement has been duly authorized, executed and delivered by the Company and constitutes a legal, valid, binding and enforceable obligation of the Company, and
- (c) upon issuance of the Shares to the Creditor, all necessary corporate action will have been taken by the Company to allot and issue the Shares and the Shares shall be validly issued as fully paid and non-assessable shares in the capital of the Company.

9. The Creditor represents and warrants to the Company that:

- (a) the Creditor is a resident in the State of California,
- (b) the Creditor will be the beneficial owner of the Shares,
- (c) the Creditor (i) is a company duly incorporated and existing under the laws of its incorporating jurisdiction, (ii) has the power and capacity to own the Shares, enter into this Agreement and carry out its terms and conditions to the full extent, and (iii) has validly authorized by all necessary corporate action of the Creditor in respect of the subscription contemplated hereby,

- (d) the Creditor is not acquiring the Shares with knowledge of any "material change" or "material fact" (as those terms are defined in the Act) concerning the Company that is not generally known to the public (except knowledge of the transaction described herein),
- (e) the Creditor is aware the Shares are being issued pursuant to an exemption from the prospectus and registration requirements of the Act and the 1933 Act and accordingly the Creditor will not have the benefit of information which would be contained in a prospectus and that certain protections, rights and remedies provided by the Act will not be available to the Creditor,
- (f) the Creditor has not received an offering memorandum in respect of the Shares,
- (g) no person made to the Creditor any written or oral representations
 - (i) that any person will re-sell or re-purchase the Shares;
 - (ii) that any person will refund the purchase price of the Shares; and
 - (iii) as to the future price or value of the Shares.
- (h) the Creditor is aware the Shares must be considered highly speculative.

10. The parties hereto agree to execute and deliver, without further consideration, all such further and other documents or assurances as may be required in order to carry out this Agreement according to its true intent.

11. This Agreement shall enure to the benefit of and be binding on the parties hereto and their respective legal representatives, successors and permitted assigns.

12. Upon execution of this Agreement the Creditor is bound to accept the Shares, if issued in accordance with the terms and conditions hereof, and upon delivery of the Shares contemplated hereunder the Debt will be absolutely released and discharged.

13. This Agreement may be executed in one or more counterparts and each such counterpart shall be deemed to be part of and form one single document. This Agreement may be executed by telecopy and the parties agree that the telecopied or faxed execution page shall be considered valid.

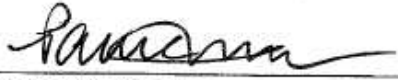
14. This Agreement shall be construed in accordance with the laws of the State of Delaware.



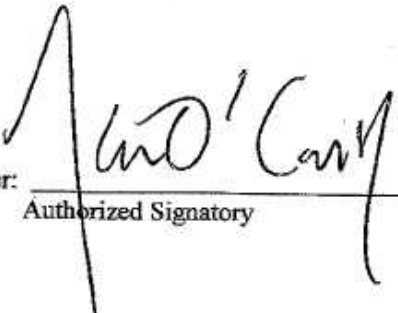
15. This Agreement is not assignable by either party.

IN WITNESS WHEREOF the parties have executed this Agreement as of the day and year first above written.

Security Devices International Inc.

Per: 
Authorized Signatory

FinTekk AP, LLC

Per: 
Authorized Signatory



SCHEDULE "A"

<u>Full Name and Address of Creditor</u>	<u>Amount of Indebtedness</u>	<u>No. of Shares To Be Issued</u>	<u>Reason For Indebtedness</u>
FinTekk AP, LLC 180 Newport Center Dr., Suite 235A Newport Beach, CA 92660	US\$1,000,000.00	6,666,666	Fees arising under sponsorship agreement dated as of October 18, 2018.

SCHEDULE "B"

ACCREDITED INVESTOR CERTIFICATION

I understand that investment in the Shares of Security Devices International Inc. (the "Company") is an illiquid investment. I consent to the affixing by the Company of such legends on certificates representing the Shares as any applicable federal or state securities law or any securities law of any other applicable jurisdiction may require from time to time, and as otherwise contemplated in this Agreement.

I represent and warrant to the Company that: (i) the information provided in this Accredited Investor Certification is complete, true and correct; (ii) I and my Investment Managers, if any, have carefully reviewed and understand the risks of, and other considerations relating to, a purchase of the Shares; (iii) I and my Investment Managers, if any, have been afforded the opportunity to obtain any information necessary to verify the accuracy of any representations or information provided to me and have had all inquiries to the Company answered, and have been furnished all requested materials, relating to the Company and the offering and sale of the Shares; (iv) neither I nor my Investment Managers, if any, have been furnished any offering literature by the Company or any of its affiliates, associates or agents other than the Debt Settlement Agreement; and (v) I am acquiring the Shares for which I am subscribing for my own account, as principal, for investment and not with a view to the resale or distribution of all or any part of the Shares.

I understand that the purchase price for the Shares does not reimburse for any costs incurred by me for legal, tax, accounting or financial advice, including fees paid to my purchaser representative, if any.

The undersigned (i) is authorized and otherwise duly qualified to purchase and hold the Shares, (ii) has obtained such additional tax and other advice that it has deemed necessary, (iii) has its principal place of business at its residence address set forth in this Debt Settlement Agreement, and (iv) has not been formed for the specific purpose of acquiring the Shares. The persons executing the Debt Settlement Agreement, as well as all other agreements related to the Offering, if any, represent that they are duly authorized to execute all such agreements on behalf of the entity. (If the undersigned is one of the aforementioned entities, it agrees to supply any additional written information that may be required.)

All of the information which I have furnished to the Company and which is set forth in the Debt Settlement Agreement is correct and complete as of the date of the Debt Settlement Agreement. If any material change in this information should occur prior to my subscription being accepted, I will immediately furnish the revised or corrected information. I further agree to be bound by all of the terms and conditions of the Offering described in the Debt Settlement Agreement and the other documents and agreements related thereto, if any. I am the only person with a direct or indirect interest in the Shares subscribed for by this Debt Settlement Agreement. I agree to indemnify and hold harmless the Company and its officers, directors, affiliates, agents, and attorneys, including the Placement Agent and its attorneys, from and against all damages, losses, costs and expenses (including reasonable attorneys' fees) that they may incur by reason of the failure of the undersigned to fulfill any of the terms or conditions of this Debt Settlement Agreement or by reason of any breach of the representations and warranties made by the undersigned herein or in any agreement provided by the undersigned to the Company in connection with this Offering. This subscription is not transferable or assignable by me without the written consent of the Company. If more than one person is executing this Agreement, the obligations of each shall be joint and several and the representations and warranties contained in this Debt Settlement Agreement shall be deemed to be made by, and be binding upon, each of these persons and his or her heirs, executors, administrators, successors and assigns. This subscription, upon acceptance by the Company, shall be binding upon my heirs, executors, administrators, successors and assigns. This Debt Settlement Agreement shall be construed in accordance with and governed in all respects by the laws of the State of Delaware.

Initial applicable space(s) below. See additional information below under DEFINITION OF "ACCREDITED INVESTOR", below.

_____ A corporation with total assets in excess of \$5,000,000.

DEFINITION OF "ACCREDITED INVESTOR"

The term "accredited investor" means:

- A bank as defined in Section 3(a)(2) of the 1933 Act, or a savings and loan association or other institution as defined in Section 3(a)(5)(A) of the 1933 Act, whether acting in its individual or fiduciary capacity; a broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934; an insurance company as defined in Section 2(13) of the 1933 Act; an investment company registered under the Investment Company Act of 1940 (the "**Investment Company Act**") or a business development company as defined in Section 2(a)(48) of the Investment Company Act; a Small Business Investment Company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958; a plan established and maintained by a state, its political subdivisions or any agency or instrumentality of a state or its political subdivisions for the benefit of its employees, if such plan has total assets in excess of US \$5,000,000; an employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 ("**ERISA**"), if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of ERISA, which is either a bank, savings and loan association, insurance company, or registered investment advisor, or if the employee benefit plan has total assets in excess of US \$5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors.
 - A private business development company as defined in Section 202(a)(22) of the Investment Advisers Act of 1940.
 - An organization described in Section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of US \$5,000,000.
 - A director or executive officer of the Company.
 - A natural person whose individual net-worth or joint net worth with that person's spouse, at the time of his or her purchase exceeds US \$1,000,000. See Definitions section, above, for additional information.
 - A natural person who had an individual income in excess of US \$200,000 in each of the two most recent years or joint income with that person's spouse in excess of US \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year. See Definitions section, above, for additional information.
 - A trust, with total assets in excess of US \$5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii) (i.e., a person who has such knowledge and experience in financial and business matters that he is capable of evaluating the merits and risks of the prospective
-

investment).

- An entity in which all of the equity owners are accredited investors. (The Subscriber must identify each equity owner and provide statements signed by each demonstrating how each is qualified as an accredited investor.)
-

SPONSORSHIP AGREEMENT

This Agreement is made as of the 20 day of October, 2018.

AMONG:

FinTekk AP, LLC ("FinTekk"),

Rick Ware Racing, LLC ("RWR"),

-and-

Security Devices International Inc. ("SDI")

WHEREAS FinTekk and SDI have entered into a Memorandum of Understanding (the "MOU") dated as of October 18, 2018 and in the form appended hereto as Exhibit "A", relating to a sponsorship by SDI on the Nascar racing cars of #51 or #52 Rick Ware Racing in certain 2018 and 2019 events, and associate or primary brand sponsorship for the 2019 Daytona 500 and other select races;

AND WHEREAS the MOU contemplates that the terms of the MOU will be reduced to a definitive agreement between Fintekkk and SDI;

AND WHEREAS RWR agrees to be a party to this Sponsorship Agreement to effectuate the intent of the MOU;

AND WHEREAS, the parties wish to formally contract on the basis contemplated in the MOU;

AND WHEREAS the parties shall separately enter into an agreement for the settlement of SDI's debt to Fintekkk through the issuance of common shares, as contemplated in Section 6 of the MOU;

NOW THEREFORE in consideration of the mutual covenants and agreements contained in this Agreement and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged) the parties agree as follows:

1. The parties hereby formally contract to the rights and obligations contemplated in the MOU, provided that the provisions of the subscription for shares in the MOU shall be dealt with in a separate agreement between Fintekkk and SDI. The provisions of the MOU relating to the rights and obligations of the parties are incorporated by reference herein, and amplified to be contractually binding, excepting only the terms of the issuance of shares in SDI to FinTekk, which it is understood and agreed shall be dealt with in a separate agreement to be executed concurrent herewith. Each of the parties shall conduct themselves with utmost good faith in giving effect to the provisions of the MOU.

2. This Agreement may not be assigned by a party without the prior written consent of all other parties hereto.
3. This Agreement may only be amended, supplemented or otherwise modified by written agreement of all parties hereto.
4. Each party shall from time to time promptly execute and deliver all further documents and take all further action necessary to give effect to the provisions and intent of this Agreement.
5. This Agreement may be executed in one or more counterparts, including by way of facsimile or PDF, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.
6. This Agreement shall be interpreted and the rights and liabilities of the parties shall be determined in accordance with the laws of the State of Texas. Each party hereto consents to Texas as the exclusive forum for any controversies that arise hereunder.

IN WITNESS WHEREOF this Agreement has been executed and delivered by the undersigned as of the date first above written.

RICK WARE RACING, LLC

Per: _____

Mr. Rick Ware

FINTEKK AP, LLC

Per: _____

Mr. Kevin O'Connell

**SECURITY DEVICES
INTERNATIONAL INC.**

Per: 
Mr. Bryan Ganz
President

Exhibit "A"

Memorandum of Understanding

A handwritten signature in black ink, appearing to be the initials 'AB' with a long, sweeping horizontal stroke extending to the right.