



Norwegian-American Defense Industry Council

Annual Meeting of Members

October 28 2020

Virtual - Webex

10am-11am EST



Agenda

Annual Meeting of Members

1. Review & approve agenda for Annual Meeting of Members 2020
2. Review & approve Minutes from last Annual Meeting 2019
3. Presentation of Annual Report 2019 – 2020 & 2019 financials
4. Review & approve 2021 Budget
5. Appointments and re-election
6. Review from Bylaws Committee
7. Adjournment



2. Minutes

Annual Meeting of Members
October 14 2019 - House of NADIC

Participants


- Eirik Tord Jensen, Kongsberg
- Ola Skrivervik, Nammo
- Torbjørn Svensgård, FSi
- Torgrim Jørgensen, Fjord Defence
- Trygve Sten Gustavsen, Axnes
- Brett Gardner, Axnes
- Roy Storli, DSG Tech
- Odd Mareno Leonhardsen, DSG Tech
- Rune Johannessen, Nordic Shelter
- Susan Meyer, Greensfelder
- Todd Harmer, ADI
- Geoff Davis, Republic Consulting
- Einar Gustafson, Norwegian Embassy
- Chloe Friberg, NADIC

President Eirik Tord Jensen called the meeting to order at 7:36am

- President Eirik Tord Jensen moved to approve the agenda, seconded by Mr Gustavsen, all in favor.
- President Eirik Tord Jensen moved to approve the minutes from the 2018 Annual Meeting, seconded by Mr Svensgård, all in favor.
- President Eirik Tord Jensen moved to approve the 2018 financials and proposed 2020 budget, seconded by Mr Jørgensen, all in favor.
- President Eirik Tord Jensen moved to approve the 2018 Annual Report, seconded by Mr Skrivervik, all in favor.
- Mr Friberg shared an update on Memberships and informed that all 2019 memberships have been received, with no outstanding balances on membership dues.
- President Eirik Tord Jensen moved to re-elect Ms Friberg as treasurer & Secretary, seconded by Ms. Meyer, all in favor. Mr Svensgård moved to elect Mr Eirik Tord Jensen as President, seconded by Mr Leonhardsen, all in favor.
- President Eirik Tord Jensen indicated that NADIC's Bylaws are in need of an update and offered members to participate in a committee to review the Bylaws. Board members Mr Eirik Tord Jensen, Mr Torbjørn Svensgård, Mr Trygve Sten Gustasen, Mr Torgrim Jørgensen and Ms Susan Meyer are part of the committee.

President Eirik Tord Jensen moved to adjourn the meeting at 8:03am, seconded by Mr Harmer, all in favor.

Minutes drafted by Secretary


October 15 2019
Chloe Friberg



3. Presentation Annual Report 2019/2020 & 2019 Financials

Activity Report

October 2019

AUSA Week 2019

- *NADIC Pavilion with Axnes, Kitron, Sensoror, Nordic Shelter, DSG Technology & Fjord Defence*
- *Launch of House of NADIC*
- *Ambassador's Reception*
- *Annual Meeting of Members*

November 2019

NATO Industry Forum

Networking Reception for NADIC members & Norwegian Delegation

Business Reception with Norwegian Minister of Trade Torbjorn Roe Isaksen

Hacking 4 Allies Kick Off at House of NADIC with NADIC members Alva Industries, Excitus, Fieldmade & Ubiq Aerospace

February 2020

Hacking 4 Allies & Team Norway with BMNT and Nordic Innovation House in San Francisco

- Embassy Representatives incl Defense Attaché Office, FFI, Innovation Norway & NADIC present
- NADIC Members Alva Industries, Excitus, Fieldmade and Ubiq Aerospace featured.

April 2020

Washington Defense Week 2020 [Cancelled/postponed to 2021]

September 2020

NADIC Chairman Pete Sioma and Chloe Friberg met with newly appointed Norwegian Ambassador to the US, H.E Anniken Krutnes at House of NADIC

October 2020

AUSA week 2020 [virtual event]

Annual Meeting of Members

November 2020

NADIC members & Norwegian MoD B2B meeting Series

Other 2020 initiatives

- We have worked through various channels to ease entry restrictions to the United States. As of today, these have been significantly eased and our efforts have supported this process.
- Norcross amendment to NDAA 2021 proposes to increase the requirements for content to be US made from the current 50% to 75% as of 2021 and then increased by 5% until one reaches 100% US made content in 2026. This will be damaging for both foreign and US defense industries. We use the channels we can to influence so that the proposed text is rejected or worst case, that it includes exceptions.

Organization Updates

December 2019: Interns Jonas, Chris and Johanne ended their engagement

February 2020: NADIC welcomed Kristine Kivle

July 2020: Kristine Kivle ended her engagement with NADIC earlier than planned due to the pandemic.

Currently, no new hires for the role of program manager. To be determined early 2021 based on activity levels.



Board of Directors 2018/2019

Chairman of the Board
Mr. Peter Sioma, Nammo

President
Mr. Eirik Tord Jensen, KDA

Directors
Mr. Peter Sioma, Nammo
Mr. Eirik Tord Jensen, KDA
Mr. Torbjørn Svensgård, FSi
Mr. Ola Skrivervik, Nammo
Mr. Scott Burk, KDA
Mr. Trygve Gustavsen, Axnes
Mr. Torgrim Jørgensen, Fjord Defence
Mr. Erlend Skjold, Chemring Nobel
Mr. Don Bramer, Bramer Group

Treasurer
Ms. Chloe Friberg, NADIC

Secretary
Ms. Chloe Friberg, NADIC



Current Membership Base
(New members in 2020 marked in bold)

PLATINUM	SILVER	GOLD (NO)	GOLD (US)	BRONZE (NO)	BRONZE (US)
KONGSBERG Nammo	FSi	Aker Biomarine Axnes Chemring Nobel FLIR Norway UAS Kitron T&G Elektro Sensoror	ADI Bramer Group Republic Consulting	Alva Industries Comrod DSG Technology Excitus Fieldmade Fire Security Fjord Defence Galleon Embedded Computing Kongsberg Maritime KSAT Light Structures Norbit Nordic Shelter Norwegian Special Mission Mnemonic Squarehead Space Norway Teleplan Globe Rheinmetall Ubiq Aerospace Wilhelmsen Group	Align-Strategies JARI Kem & Associates Greensfelder O'Brien Gentry & Scott Product Knowledge

2021 Membership Dues - index /inflation forecast adjustments of 2.5%

LEVEL	2020 rate	2021 rate
Platinum	52,278.00*	53,460.00*
Gold (NOR)	7,880.00	8,077.00
Gold (US)	3,940.00	4,040.00
Silver	3,283.00	3,365.00
Bronze (NOR)	3,940.00	4,040.00
Bronze (US)	1,970.00	2,020.00

* Platinum members Kongsberg and Nammo have offered to support with additional \$5 000 each in 2020 and 2021 due to the Pandemic. Actual 2020 rate Platinum: \$47,278 | Actual 2021 rate Platinum: \$ 48,460.00



Financials

The accounting is done by: Abacus Bookkeeping, Inc., SC
Audit and tax return done by: Huey & Associates PC, VA

Enclosed :

Letter from CPA

Balance Statement 2019

Profit & Loss 2019



HUEY & ASSOCIATES, P.C.
Tax | Accounting | Business Advisory

October 20, 2020

Norwegian-American Defense & Homeland Security Industry Council
Attn: Chloe Friberg

To Whom It May Concern,

I am writing in response to a written request for approval of the NADIC 2019 financial statements.

This letter confirms to you that Huey & Associates, P.C. prepared the federal tax forms for the 2019 tax year for NADIC. These forms included Form 990, and Schedule O for Non-Profit Organizations. These forms can be provided upon written request and authorization by NADIC.

We prepared the tax forms from information that was provided to us by NADIC. As is normal in this type of professional service performed by our firm, we were not hired to perform and did not perform audit or other types of verification of the information provided to us. Thus, we cannot make any professional representation or assurance of the accuracy of this information or the sufficiency of the tax forms.

We prepared the tax forms in accordance with the applicable IRS rules and regulations solely for filing with the IRS. The tax forms do not include any statement of financial position or going concern for these years in accordance with generally accepted accounting principles (GAAP) and should not be construed to do so. We can provide a GAAP report, but it will require additional time and resources to prepare and will result in a significant fee to NADIC. The standards of our profession prohibit us from making assurances relating to solvency; however, we are permitted to present prospective or pro-forma financial information. These, too, would require additional work and fees to NADIC.

This letter gives you all the information we can provide to you according to our professional standards. If you need additional information relating specifically to the tax forms prepared by us, please let us know.

Best Regards,

Jeremy M. Greenwald, CPA



02/14/20

NADIC
Balance Sheet
As of December 31, 2019
Dec 31, 19

ASSETS	
Current Assets	
Checking/Savings	
Burke & Herbert Bank	42,561.32
Total Checking/Savings	<u>42,561.32</u>
Accounts Receivable	
Pledges Receivable	28,426.93
Total Accounts Receivable	<u>28,426.93</u>
Total Current Assets	70,988.25
Fixed Assets	
Fixed Asset	
Accumulated Depreciation	-3,854.88
Computers	3,452.38
Event Equipment	4,155.19
Total Fixed Asset	<u>3,752.69</u>
Total Fixed Assets	<u>3,752.69</u>
TOTAL ASSETS	<u>74,740.94</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Due to NACC MA	3,069.95
Total Other Current Liabilities	<u>3,069.95</u>
Total Current Liabilities	<u>3,069.95</u>
Total Liabilities	3,069.95
Equity	
Retained Earnings	38,943.96
Net Income	32,727.03
Total Equity	<u>71,670.99</u>
TOTAL LIABILITIES & EQUITY	<u>74,740.94</u>



02/14/20

NADIC
Profit & Loss
January through December 2019
Jan - Dec 19

Ordinary Income/Expense	
Income	
Events	
AUSA 2019	53,200.00
Nor-Am Defense Conference 2018	1,070.00
Nor-Am Defense Conference 2019	108,573.59
Sea-Air-Space 2019	45,100.00
Xponential Tradeshow 2019	42,000.00
Events - Other	10,254.82
Total Events	<u>260,198.41</u>
Membership Dues	
Bronze Membership Dues	74,911.00
Gold Membership Dues	70,973.00
Platinum Membership Dues	92,250.00
Silver Membership Dues	3,203.00
Total Membership Dues	<u>241,337.00</u>
Other Types of Income	
House of NADIC	104,798.82
NACC MA	47,604.66
Total Other Types of Income	<u>152,403.48</u>
Total Income	<u>653,938.89</u>
Gross Profit	653,938.89
Expense	
Automobile Expense	
Car Lease	5,000.00
Total Automobile Expense	<u>5,000.00</u>
Event Expenses	
AUSA 2019	83,191.73
AUSA 2020	4,320.00
Navy League 2019	74,759.57
Nor-Am Conference 2019	43,013.21
Nor-Am Conference 2020	5,000.00
Xponential Tradeshow 2019	41,460.71
SOFIC 2019	3,595.25
Other Events	8,685.38
Event Sponsorships	6,000.00
NACC Expenses (refunded in other income)	3,391.13
Total Event Expenses	<u>273,416.98</u>
Facilities and Equipment	
Rent, Parking, Utilities	18,915.31
Total Facilities and Equipment	<u>18,915.31</u>
Management/Admin	
Consulting Services	50,000.00
Contract Services	



02/14/20

NADIC
Profit & Loss
January through December 2019

	Jan - Dec 19
Accounting Fees	2,950.00
Outside Contract Services	1,500.00
Total Contract Services	4,450.00
Payroll Expenses	40,880.69
Total Management/Admin	95,330.69
Operations	
Bad Debt Expense	3,770.00
Books, Subscriptions, Reference	339.96
Held Memberships	
AUSA Membership Dues	7,000.00
Navy League Membership dues	1,000.00
FSI Membership	86,000.00
Total Held Memberships	94,000.00
House of NADIC	85,298.93
Supplies	3,596.59
Telephone, Telecommunications	1,705.61
Website	949.67
Work Visa Expenses	1,500.00
Total Operations	191,160.76
Other Types of Expenses	
Gifts	680.82
Insurance - Liability, D and O	1,222.72
Other Costs	3,949.24
Wire Transfer Fee	130.00
Total Other Types of Expenses	5,982.78
Travel and Meetings	
Meals	2,377.67
Travel	29,027.67
Total Travel and Meetings	31,405.34
Total Expense	621,211.86
Net Ordinary Income	32,727.03
Net Income	32,727.03



4. Review & Approve 2021 Budget

NADIC	Actuals	Actuals	Actuals	Forecast	Budget
	2017	2018	2019	2020	2021
INCOME					
Membership Dues	92,037.00	218,750.00	241,337.00	261,000.00	265,000.00
Event Income	241,634.69	272,930.52	260,198.41	186,000.00	200,000.00
NACC MA	34,802.59	52,875.00	47,604.00	50,000.00	50,000.00
House of NADIC			104,337.00	130,000.00	130,000.00
Total Income	<u>368,474.28</u>	<u>544,555.52</u>	<u>653,938.89</u>	<u>627,000.00</u>	<u>645,000.00</u>
EXPENSES					
Event Expenses [Conference, Tradeshow, Events]	176,077.31	321,625.17	273,416.98	175,000.00	170,000.00
Admin [Accounting-CPA-payroll-management agreement]	108,310.66	97,610.86	95,330.69	110,000.00	130,000.00
Operations [facility-membership-legal-web-other expenses]	57,972.13	86,201.24	135,759.92	190,000.00	190,000.00
House of NADIC			85,298.93	126,200.00	128,000.00
Travel & meetings	16,619.15	24,593.55	31,405.34	12,500.00	15,000.00
Total Expense	<u>358,979.25</u>	<u>530,030.82</u>	<u>621,211.86</u>	<u>613,700.00</u>	<u>633,000.00</u>
Net Income	9,495.03	14,524.70	32,727.03	13,300.00	12,000.00



5. Appointments and re-election

Directors unlimited

Mr. Peter Sioma, Nammo
Mr. Eirik Tord Jensen, KDA
Mr. Ola Skrivervik, Nammo
Mr. Scott Burk, KDA
Mr. Torbjørn Svensgård, FSi

Directors term 2017-2021

Mr. Don Bramer, Bramer Group

Proposed Nominees for Director term 2020-2022

Mr. Trygve Gustavsen, Axnes
Mr. Helgy Husby, Chemring Nobel

Proposed Nominees for Director term 2020-2023

Mr. Torgrim Jørgensen, Fjord Defence

Proposed officers to be elected for term 2020-2021

President - Eirik Tord Jensen, KDA
Treasurer – Chloe Friberg
Secretary – Chloe Friberg