

Intellicheck Mobilisa, Inc.
Form DEF 14A
October 08, 2014

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549**

**SCHEDULE 14A
Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934**

Filed by the Registrant x
Filed by a Party other than the Registrant o
Check the appropriate box:

o Preliminary Proxy Statement
 o Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
 x Definitive Proxy Statement
 o Definitive Additional Materials
 o Soliciting Material Pursuant to Section 240.14a-12

INTELLICHECK MOBILISA, INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than Registrant)

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(1)

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Form, Schedule or Registration Statement No.:

(3)

Filing Party:

(4)

Date Filed:

To the Shareholders of
INTELLICHECK MOBILISA, INC.

Re: **2014 Annual Meeting of Shareholders**

Dear Shareholder:

You are cordially invited to attend Intellicheck Mobilisa's 2014 Annual Meeting of Shareholders. The meeting will be held Tuesday, November 4, 2014 at the offices of K&L Gates located at 599 Lexington Avenue, Floor 32, New York, NY 10022-6030. The meeting will begin promptly at 1:00 p.m., Eastern Time. Please plan to arrive a few minutes before the meeting.

The formal notice of the meeting follows on the next page. No admission tickets or other credentials are required unless you hold your shares in street name. If you hold your shares in street name, please follow the directions given in the Proxy Statement.

Some of our directors and officers will be available before and after the meeting to speak with you. At the meeting, the Company will answer your questions about our business affairs and will consider the matters explained in the Notice and Proxy Statement that follow.

Please vote, sign and return the enclosed proxy card as soon as possible, whether or not you plan to attend the meeting. Your vote is important.

Sincerely yours,

/s/ Michael D. Malone

Michael D. Malone
Chairman of the Board

191 Otto Street, Port Townsend, Washington 98368

**Voice: 360.344.3233 Fax: 360.344.3323 Toll Free:
1.888.9IC.MOBIL www.icmobil.com**

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS TO BE HELD NOVEMBER 4, 2014

To the Shareholders of
INTELLICHECK MOBILISA, INC.

NOTICE IS HEREBY GIVEN that the Annual Meeting of Shareholders of INTELLICHECK MOBILISA, INC. (the Company), a Delaware corporation, will be held Tuesday, November 4, 2014 at 1:00 p.m. Eastern Time, at the offices of K&L Gates LLP located at 599 Lexington Avenue, Floor 32, New York, NY 10022-6030, for the following purposes:

1. To elect five directors to serve for a one-year term or until their respective successors have been duly elected and qualified; and
2. To ratify the appointment of EisnerAmper, LLP as the Company's independent public accountants for the 2014 fiscal year; and
3. To transact such other business as may properly come before the meeting or any adjournment or adjournments thereof.

The Board of Directors has fixed the close of business on October 1, 2014 as the record date for the meeting and only record holders of shares of the Company's common stock at that time will be entitled to notice of and to vote at the Annual Meeting of Shareholders or any adjournment or adjournments thereof. This proxy statement and the accompanying proxy will be mailed on or about October 10, 2014.

By Order of the Board of Directors,

/s/ Bill White

Bill White
Chief Financial Officer, Treasurer and Secretary

Port Townsend, WA
October 10, 2014

IMPORTANT
IF YOU CANNOT PERSONALLY ATTEND THE MEETING, IT IS REQUESTED THAT YOU INDICATE YOUR VOTE ON THE ISSUES INCLUDED ON THE ENCLOSED PROXY AND DATE, SIGN AND MAIL IT IN THE ENCLOSED SELF-ADDRESSED ENVELOPE WHICH REQUIRES NO POSTAGE IF MAILED IN THE UNITED STATES

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE SHAREHOLDER MEETING HELD ON NOVEMBER 4, 2014: The Notice of Annual Meeting of Shareholders, Proxy Statement and the Annual Report to Shareholders are available on the following website:
www.icmobil.com/proxy2014

191 Otto Street, Port Townsend, Washington 98368

**Voice: 360.344.3233 Fax: 360.344.3323 Toll Free:
1.888.9IC.MOBIL *www.icmobil.com***

**INTELLICHECK MOBILISA, INC.
191 Otto Street
Port Townsend, WA 98368**

**PROXY STATEMENT
for
ANNUAL MEETING OF SHAREHOLDERS
to be held Tuesday, November 4, 2014**

SOLICITATION OF PROXY

The accompanying proxy is solicited on behalf of the board of directors (the **Board of Directors**) of Intellicheck Mobilisa, Inc. (**Intellicheck Mobilisa**, or the **Company**), for use at the annual meeting of shareholders of the Company

(the **Annual Meeting**) to be held Tuesday, November 4, 2014 at the offices of K&L Gates LLP located at 599 Lexington Avenue, Floor 32, New York, NY 10022-6030. The meeting will begin promptly at 1:00 p.m., Eastern

Time. This proxy statement contains information about the matters to be considered at the meeting or any adjournments or postponements of the meeting. In addition to mail, proxies may be solicited by personal interview, telephone or telegraph by our officers and regular employees, without additional compensation. We will bear the cost of solicitation of proxies. Brokerage houses, banks and other custodians, nominees and fiduciaries will be reimbursed

for out-of-pocket and reasonable expenses incurred in forwarding proxies and proxy statements. The Board of Directors has set October 1, 2014, as the record date (the **Record Date**) to determine those holders of record of common stock, par value \$.001 (**Common Stock**) who are entitled to notice of, and to vote at the Annual Meeting.

Each share of Common Stock entitles its owner to one vote. On the Record Date, there were 4,932,057 shares outstanding. On or about October 10, 2014, this Proxy Statement and the proxy card (the **Proxy Card** or **Proxy**) are being mailed to shareholders of record as of the close of business on October 1, 2014.

ABOUT THE MEETING

What is being considered at the meeting?

You will be voting on the following:

The election of five directors, each to serve until the next annual meeting; and
The ratification of the appointment of EisnerAmper, LLP, as our independent registered public accountant firm.

Who is entitled to vote at the meeting?

You may vote if you owned Common Stock as of the close of business on October 1, 2014. Each share of Common Stock is entitled to one vote.

How many votes must be present to hold the meeting?

Your shares are counted as present at the meeting if you attend the meeting and vote in person or if you properly return a Proxy by mail. In order for us to conduct our meeting, a majority of the combined voting power of our Common Stock as of October 1, 2014, must be present at the meeting. This is referred to as a quorum. We believe that on October 1, 2014, there were 4,932,057 outstanding shares of Common Stock entitled to vote.

How do I vote?

You can vote in two ways:

by attending the meeting in person; or
by completing, signing and returning the enclosed Proxy Card.

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Can I change my mind after I submit my Proxy?

Yes, you may change your mind at any time before a vote is taken at the meeting. You can do this by (1) signing another Proxy with a later date and submitting it in the same manner as the prior Proxy was submitted; (2) if you hold your shares in your name, voting again at the meeting; or (3) if you hold your shares in street name, arranging with your broker to vote your shares at the annual meeting.

What if I return my Proxy Card but do not include voting instructions?

Proxies that are signed and returned but do not include voting instructions will be voted FOR the election of the nominated directors, and FOR the approval of the appointment of our independent public accountants.

What does it mean if I receive more than one Proxy Card?

It means that you have multiple accounts with brokers and/or our transfer agent. Please vote all of these shares. We recommend that you contact your broker and/or our transfer agent to consolidate as many accounts as possible under the same name and address. Our transfer agent is Continental Stock Transfer and Trust Company. The transfer agent's telephone number is (212) 509-4000.

Will my shares be voted if I do not provide my Proxy?

If you hold your shares directly in your own name, they will not be voted if you do not provide a Proxy. Your shares may be voted under certain circumstances if they are held in the name of a brokerage firm. Brokerage firms generally have the authority to vote customers' unvoted shares on certain routine matters, including approval of the appointment of independent public accountants. When a brokerage firm votes its customer's unvoted shares, these shares are counted for purposes of establishing a quorum. At our meeting, these shares will be counted as voted by the brokerage firm in the approval of the appointment of our independent public accountants.

What vote is required to approve each item?

The affirmative vote of a plurality of the votes cast at the annual meeting is required for approval of the election of directors and the affirmative vote of a majority of the votes cast is required for the ratification of the appointment of our independent public accountants.

Do we currently have, or do we intend to submit for shareholder approval, any anti-takeover device?

Our Certificate of Incorporation, By-Laws and other corporate documents do not contain any provisions that contain material anti-takeover aspects. We have no plans or proposals to submit any other amendments to the Certificate of Incorporation or By-Laws, or other measures in the future that have anti-takeover effects.

Proposal No. 1

ELECTION OF DIRECTORS

Our Board of Directors has one class of directors, with each director elected annually for a term of one year. Unless specified to be voted otherwise, the persons named in the accompanying Proxy will vote for the election of the following persons as directors, all of whom are presently members of the Board of Directors, to hold office for the terms set forth below or until their respective successors have been elected and qualified. Each Proxy will be voted for the nominees named below. The nominees have consented to serve as directors if elected.

The Board of Directors recommends that you elect the nominees identified below.

Name	Age	Position with the Company and Principal Occupation	Director Since	New Board Term Expires
Vice Admiral Michael D. Malone	66	Chairman of the Board	2011	2015
Lieutenant General Emil R. Bedard	70	Director	2008	2015
Major General Jack A. Davis	68	Director	2014*	2015
William P. Georges	60	Director	2014*	2015
Guy L. Smith	65	Director	2005	2015

* Appointed to the Board of Directors on August 10, 2014.

DIRECTORS AND EXECUTIVE OFFICERS

The following table sets forth certain information with respect to each director and executive officer as of October 1, 2014:

Name	Age	Position with the Company and Principal Occupation	Held Office Since	Current Board Term Expires
Vice Admiral Michael D. Malone	66	Chairman of the Board	2011	2014
Lieutenant General Emil R. Bedard	70	Director	2008	2014
Major General Jack A. Davis	68	Director	2014	2014
William P. Georges	60	Director	2014	2014
Guy L. Smith	65	Director	2005	2014
Russell Embry	50	Chief Technology Officer	2001	NA
Bill Roof	60	Chief Executive Officer	2014	NA
Bill White	54	Chief Financial Officer, Secretary and Treasurer	2012	NA

Business Experience

Michael D. Malone, Vice Admiral, U.S. Navy, Retired, was appointed Chairman of the Board effective November 13, 2012, and became a member of the Board of Directors July 1, 2011. From November 2004 to February 2011, Admiral Malone was President of Skarven Enterprises, a designer and developer of analytic approaches and

technology applications specializing in real time/streaming data fusion and analysis for a variety of applications in government, financial services, auditing and industry competitive intelligence. During his time at Skarven Enterprises he led the company through a significant period of reorganization and growth, dramatically improving the company's research and development efforts, and production and field support capability, while dramatically cutting costs and increasing revenue five-fold. As a result of his efforts, Skarven Enterprises was acquired by The Boeing Company in December 2008. Admiral Malone remained President of the company, as part of the acquisition agreement, until February 2011. Since leaving the military, Admiral Malone has also served as a technical advisor and consultant to Pequot Capital, a venture capital firm (in 2006 and 2007) and Environmental Tectonics Corporation, a high-technology simulation and manufacturing company (June 2007 to present). Admiral Malone was selected to serve as a director in part due to his considerable experience as an officer in the U.S. military working with government contracts, and his knowledge of the sectors in which the Company does business.

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Lieutenant General Emil R. Buck Bedard, U.S. Marine Corps, Retired, was appointed a member of the Board of Directors on March 14, 2008. General Bedard was appointed a director of Mobilisa in September 2004. He retired from the U.S. Marine Corps with over 37 years of active duty service in 2003. General Bedard's military career included two combat tours in Vietnam, as well as commanding the 7th Marine Regiment in Somalia and the 1st Marine Expeditionary Force during Operation Desert Storm. General Bedard's final active duty tour was as the Deputy Commandant for Plans, Policies and Operations for the U.S. Marine Corps Headquarters in Washington, D.C., where he served until his retirement. He has continued to serve with the Marine Corps in Afghanistan and Iraq since his retirement. General Bedard's many military awards include a Distinguished Service Medal, Legion of Merit and a Bronze Star (with Combat V). General Bedard graduated from the University of North Dakota in 1967 with a M.S. in Science. General Bedard was selected to serve as a director in part due to his considerable experience as an officer in the U.S. military working with government contracts and his knowledge of the Company, including as a director of Mobilisa.

Major General Jack A. Davis, U.S. Marine Corps, Retired, was appointed a member of the Board of Directors on August 11, 2014. Major General Davis is a proven leader in the military, law enforcement and business arenas. In a 37-year career in the United States Marine Corps, during which he rose to the rank of Major General, he commanded at every level from an infantry platoon in Vietnam to Commanding General of the 4th Marine Division. His final assignment prior to retirement was Vice Commander, Marine Corps Forces Atlantic/Deputy Commander Marine Corps Forces Europe, for which he received the Distinguished Services Medal. He also served five years in federal law enforcement before joining the North Carolina State Bureau of Investigation in 1979, retiring in 1999 with a distinguished record of service. He also established JA Davis & Associates, a frontrunner in leadership and security training development. He holds a Bachelor of Science degree and two master's degrees. He previously served on Mobilisa's Board of Directors from October 2005 until the merger with Intellicheck in March 2008.

William P. Georges was appointed a member of the Board of Directors on August 11, 2014. Mr. Georges is President and CEO of The Georges Group, LLC, a provider of strategic consulting services and project management in the areas of corporate operations/relations to both public and private entities worldwide. Prior to forming the firm, he spent nine years as senior vice president of The Century Council, overseeing their development of programs to fight alcohol misuse, drunk driving and underage drinking. He is a retired 25-year veteran of the Albany, NY Police Department where he ultimately achieved the rank of Assistant Chief/Chief of Patrol where he was responsible for all uniformed police services. Mr. Georges is a life member of the International Association of Chiefs of Police. He serves on the Traffic Law Enforcement Committee of the Transportation Research Board of the National Academies and has been recognized by numerous organizations for his dedication to law enforcement.

Guy L. Smith was appointed a member of the Board of Directors in June 2005. Mr. Smith has been the Executive Vice President of Diageo PLC, the world's leading premium drink company, since 2000 and is responsible for corporate, government, and public relations and public policy, as well as reputation management, corporate social responsibility and crisis management. At Diageo, Mr. Smith's responsibilities include overseeing the corporation's civic and social responsibility efforts in North America, including the Diageo Marketing Code. The code governs Diageo's social responsibility activities with regard to the marketing and sale of alcoholic beverages and the company's undertakings to reduce underage access and abuse of alcohol. From 1998 to 1999, prior to joining Diageo, Mr. Smith was Special Advisor to President Clinton on The White House staff, where he served on the impeachment defense team. Mr. Smith also served as an informal strategic communications advisor to President Clinton from the beginning of the Clinton Administration. Mr. Smith has experience in public affairs with The Hawthorn Group, a Washington-based public affairs firm (1999 to 2000), and his own firm, Smith Worldwide Inc., which focused on reputation and crisis management (1994 to 1996). He was Chief Operating Officer of Hill & Knowlton International Public Relations-New York from 1992 to 1993, where he consulted with the firm's largest consumer product, technology and legal clients. Prior to that, Mr. Smith was Vice President of Corporate Affairs, the senior public affairs and public relations officer, for Philip Morris Companies Inc. (now Altria) from 1975 to 1992. During his 17 years

with Philip Morris, Mr. Smith also led the Corporate Affairs departments of the Miller Brewing Company and The Seven-Up Company, both then Philip Morris operating companies. Mr. Smith

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began his career as a reporter and assistant city editor for The Knoxville Journal. He is currently chairman of the Barrier Island Trust, an environmental protection organization. He formerly sat on the Board of Advisors of Mount Vernon, George Washington's home outside Washington, D.C. Mr. Smith also serves as an Honorary Battalion Chief of the Fire Department of New York. Smith is author of the book *If It's Not Impossible, it's Not Interesting*. He was selected to serve as a director in part due to his extensive experience with the alcoholic beverage business and other businesses that rely on age verification, his work in government and public relations, his knowledge of the Company, including as a director of Intelli-Check, Inc. prior to the merger with Mobilisa and his general business experience.

Russell T. Embry has over 25 years' experience in the software engineering field. Mr. Embry was appointed Chief Technology Officer in July 2001, and was Vice President of Information Technology prior. As CTO for Intellicheck Mobilisa, Mr. Embry is the chief architect of the company's product line. From January 1998 to July 1999, Mr. Embry was Lead Software Engineer with RTS Wireless developing paging systems. From April 1995 to January 1998, he served as Principal Engineer at GEC-Marconi Hazeltine Corporation developing high speed radios and Identification Friend or Foe (IFF) systems. From August 1994 through April 1995, he was a staff software engineer at Periphonics Corporation developing automated telephone answering systems. From September 1989 to August 1994, Mr. Embry served as Senior Software Engineer at MESC/Nav-Com developing automated vehicle location systems and satellite telephone systems. From July 1985 through September 1989, he was a software engineer at Grumman Aerospace developing software for automated Test Equipment products. Mr. Embry holds a B.S. in Computer Science from Stony Brook University and an M.S. in Computer Science from Polytechnic University, Farmingdale.

William H Roof, PhD was appointed Chief Executive Officer effective October 1, 2014. Dr. Roof previously served as the Company's Vice President and Chief Operating Officer from August 11, 2014 to September 30, 2014, as well as the Company's Senior Vice President and Chief Scientist from May 2009 to April 2011. Since April 2011, he served as the Chief Technology Officer of Tech Flow, Inc., a provider of information technology services to the government in business and process analysis, program management, user interaction design, software development, systems O&M and technology support services.

Bill White has more than 28 years of experience in financial management, operations and business development. Prior to joining Intellicheck Mobilisa, he served 11 years as the Chief Financial Officer, Secretary and Treasurer of FocusMicro, Inc. (FM). As co-founder of FM, Mr. White played an integral role in growing the business from the company's inception to over \$36 million in annual revenue in a five year period. Mr. White has broad domestic and international experience including managing rapid and significant growth, import/export, implementing tough cost management initiatives, exploiting new growth opportunities, merger and acquisitions, strategic planning, resource allocation, tax compliance and organization development. Prior to co-founding FM, he served 15 years in various financial leadership positions in the government sector. Mr. White started his career in Public Accounting. Mr. White holds a Bachelor of Arts in Business Administration from Washington State University, and is a Certified Fraud Examiner.

Directors generally serve for a one-year term and hold office until the next annual meeting of shareholders following the conclusion of their term and the election and qualification of their successors. Executive officers are appointed by and serve at the discretion of the Board of Directors.

Board Leadership Structure

The current Chairman of the Board of Directors is Michael D. Malone, who is an independent director under NYSE Amex listing standards. The roles of Chairman of the Board and Chief Executive Officer are separate. The Board of Directors believes that the separation of the offices of the Chairman of the Board and Chief Executive Officer allows

the Company's Chief Executive Officer to focus primarily on the Company's business strategy, operations and corporate vision. The Board of Directors consists of a majority of independent directors, and each of the committees of the Board of Directors is comprised solely of independent directors. The Company does not have a policy mandating an independent lead director. The independent directors meet at least annually in executive session without the presence of non-independent directors.

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Risk Oversight

While management is responsible for assessing and managing risks to the Company, the Board of Directors is responsible for overseeing management's efforts to assess and manage risk. Risks are considered in virtually every business decision and as part of the Company's overall business strategy. The Board of Directors' risk oversight areas of focus include, but are not limited to:

managing the Company's long-term growth;
strategic and operational planning, including significant acquisitions and the evaluation of our capital structure; and
legal and regulatory compliance.

While the Board of Directors has the ultimate oversight responsibility for the Company's risk management policies and processes, the committees of the Board of Directors also have responsibility for risk oversight. The Audit Committee oversees risks associated with our financial statements and financial reporting, mergers and acquisitions, credit and liquidity, and business conduct compliance. The Compensation Committee considers the risks associated with our compensation policies and practices with respect to both executive compensation and employee compensation generally. The Corporate Governance and Nominating Committee oversee risks associated with our overall governance practices and the leadership structure of the Board of Directors. The Board of Directors stays informed of each committee's risk oversight and other activities via regular reports of the committee chairs to the full Board of Directors. The Board of Directors' role in risk oversight is consistent with our leadership structure, with the Chief Executive Officer and other members of senior management having responsibility for assessing and managing the Company's risk exposure, and the Board of Directors and committees providing oversight in connection with those efforts.

Section 16(a) Beneficial Ownership Reporting Compliance

The Securities and Exchange Commission (the "SEC," or the "Commission") has adopted rules relating to the filing of ownership reports under Section 16(a) of the Securities Exchange Act of 1934 (the "Exchange Act"). One such rule requires disclosure of filings, which under the Commission's rules, are not deemed to be timely. Based on a review of the filings received, Intellicheck Mobilisa is not aware of any untimely filings for fiscal year 2013.

MEETINGS AND COMMITTEES OF THE BOARD OF DIRECTORS

During the fiscal year ended December 31, 2013, the Board of Directors held four regular meetings, the Audit Committee held four meetings, the Nominating and Corporate Governance Committee held four meetings and the Compensation Committee held four meeting outside of the normal board meetings. All of the directors attended at least 75% of the aggregate of all Board meetings and meetings of committees on which they served. The Board of Directors has determined that Messrs. Smith, Malone and Bedard are each independent directors as defined in Section 803(A) of the NYSE Amex listing standards. The Company does not have a written policy relating to attendance by members of the Board of Directors at annual shareholder meetings. However, it is communicated and understood by all directors that they are required to attend barring any unforeseen circumstance. All directors who were directors at the time of last year's annual shareholder meeting attended last year's annual shareholder meeting.

Compensation Committee

The Board of Directors established a Compensation Committee which is currently comprised of Mr. Smith, chairperson, Mr. Bedard and Mr. Malone, each of whom is independent as defined in Section 803(A) of the NYSE Amex listing standards. The Compensation Committee reviews and recommends to the board the compensation for all officers and directors of the Company and reviews general policy matters relating to the compensation and benefits of all employees. The Compensation Committee also administers the stock option plans. The Compensation Committee may not delegate its duties. The Compensation Committee has adopted a written charter, which is available on the Company's Web site at <http://www.icmobil.com/about/investor-relations>. The charter sets forth responsibilities, authority and specific duties of the Compensation Committee.

Corporate Governance and Nominating Committee

The Board of Directors established a Corporate Governance and Nominating Committee, which is comprised of Mr. Malone, chairperson, Mr. Bedard and Mr. Smith, each of whom is independent as defined in Section 803(A) of the NYSE Amex's listing standards. The Corporate Governance and Nominating Committee review our internal policies and procedures and by-laws. With respect to nominating director candidates, this committee identifies and evaluates potential director candidates and recommends candidates for appointment or election to the Board. The Nominating and Corporate Governance Committee has adopted a written charter, which is available on the Company's Web site at <http://www.icmobil.com/about/investor-relations>. The charter sets forth responsibilities, authority and specific duties of the Corporate Governance and Nominating Committee.

The Corporate Governance and Nominating Committee may consider those factors it deems appropriate in evaluating director nominees, including judgment, skill, diversity, strength of character, experience with businesses and organizations comparable in size or scope to the Company, experience and skill relative to other board members, and specialized knowledge or experience. Depending upon the current needs of our Board of Directors, certain factors may be considered more than others by the Committee in making its recommendation. In considering candidates for our Board of Directors, the Corporate Governance and Nominating Committee will evaluate the entirety of each candidate's credentials and, other than the eligibility requirements established by the Corporate Governance and Nominating Committee, will not have any specific minimum qualifications that must be met by a nominee. The Corporate Governance and Nominating Committee will consider candidates for the Board from any reasonable source, including current board members, shareholders, professional search firms or other persons. The Corporate Governance and Nominating Committee will not evaluate candidates differently based on who has made the recommendation.

Although we do not currently have a formal policy or procedure for shareholder recommendations of director candidates, the Board of Directors welcomes such recommendations and will consider candidates recommended by shareholders. Because we do not prohibit or restrict such recommendations, we have not implemented a formal policy with respect to shareholder recommendations.

Audit Committee

The Board of Directors has a separately designated Audit Committee established in accordance with Section 3(a)(58)(A) of the Exchange Act, which is currently comprised of Vice-Admiral Malone, chairperson, General Bedard and Guy Smith. The members of the Audit Committee are independent as defined in Section 803(A) of the NYSE Amex's listing standards. The Audit Committee recommends to the Board of Directors the annual engagement of a firm of independent accountants and reviews with the independent accountants the scope and results of audits, our internal accounting controls and audit practices and professional services rendered to us by our independent accountants. The Audit Committee has adopted a written charter, which sets forth the responsibilities, authority and specific duties of the Audit Committee. A copy of the Audit Committee charter is available on the Company's Web site at <http://www.icmobil.com/about/investor-relations>.

The Board of Directors has determined that it has at least one audit committee financial expert serving on the audit committee. Mr. Malone has vast corporate experience including his position as President of Skarven Enterprises. He is considered an audit committee financial expert and is the Chairman of the Board of Directors.

AUDIT COMMITTEE REPORT

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The following shall not be deemed to be soliciting material or to be filed with the Commission nor shall such information be incorporated by reference into any future filing of Intellicheck Mobilisa under the Securities Act of 1933 or the Exchange Act.

With respect to the audit of the fiscal year ended December 31, 2013, and as required by its written charter which sets forth its responsibilities and duties, the Audit Committee has reviewed and discussed the Company's audited financial statements with management.

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In the course of its review, the Audit Committee has discussed with EisnerAmper, LLP, the Company's Independent Registered Public Accounting Firm, those matters required to be discussed by Statement on Accounting Standards No. 61, as amended, as adopted by the Public Company Accounting Oversight Board (PCAOB) in Rule 3200T.

The Audit Committee has received from and discussed with EisnerAmper LLP, the written disclosures and the letter required by applicable requirements of the PCAOB regarding the firm's communications with the Audit Committee concerning independence and has discussed with EisnerAmper LLP its independence. These disclosures relate to the firm's independence from the Company.

Based on the reviews and discussions referred to above, the Audit Committee recommended to the Board of Directors that the financial statements referred to above be included in the Company's Annual Report on Form 10-K for the year ended December 31, 2013.

Audit Committee:

Michael Malone, Chairman
Emil R. Bedard, Member
Guy Smith, Member

Process for Sending Communications to the Board of Directors

Shareholders that wish to communicate with the Board of Directors are welcome to put their comments in writing addressed to the Company's Investor Relations Representative, Bill White. Such communications may be sent to Mr. White at 191 Otto Street, Port Townsend WA 98368. Upon receipt, Mr. White will distribute the correspondence to the directors. All communications recei