

Snell & Wilmer
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DENVER
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March 26, 2014

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Top Hat Plan Exemption
 Employee Benefits Security Administration
 U.S. Department of Labor
 200 Constitution Avenue, N.W., Room N-1513
 Washington, D.C. 20210

Re: Scientific Technologies Corporation Phantom Unit Plan

Dear Sir or Madam:

Enclosed for filing with the Secretary of Labor is a Statement satisfying the alternate form of compliance with the reporting and disclosure requirements of Part 1 of Title 1 of the Employee Retirement Income Security Act of 1974 ("ERISA") with respect to the Scientific Technologies Corporation Phantom Unit Plan (the "Plan"). This Statement is being filed as a protective measure intended to fulfill the requirements set forth in Department of Labor Regulation Section 2520.104-23.

Please note that Scientific Technologies Corporation believes that the Plan is not subject to the provisions of ERISA since it does not provide retirement income to employees or result in the deferral of income by employees for periods extending to the termination of covered employment or beyond. At the same time, Scientific Technologies Corporation recognizes that an argument can be made that the Plan is an "employee pension benefit plan" under ERISA. To the extent that such argument has merit, the Plan should qualify for the top hat exception.

Respectfully,

Snell & Wilmer

Gregory R. Gautam

GRG:ceg

Enclosure

SCIENTIFIC TECHNOLOGIES CORPORATION
STATEMENT PURSUANT TO DEPARTMENT OF LABOR
REGULATIONS SECTION 2520.104-23

Scientific Technologies Corporation (the "Company") hereby submits the following information to the Secretary of Labor with respect to the Scientific Technologies Corporation Phantom Unit Plan (the "Plan"), which became effective as of January 1, 2014.

1. Name and Address of Employer:

Scientific Technologies Corporation
8444 North 90th Street, Suite 100
Scottsdale, Arizona 85258

2. Employer identification number assigned by the Internal Revenue Service to the Company:

86-0605013

3. The Company has entered into the Plan primarily for the purpose of providing transaction-based compensation to a select group of employees and non-employee members of the Company's board of directors.

4. At this time, the Company has no other plans that provide deferred compensation to a select group of management or highly compensated employees. The Plan has two current participants.

Dated March 25, 2014

Scientific Technologies Corporation

By: _____

Michael J. Popovich

Its: _____

MICHAEL L. POPOVICH / CEO

CERTIFIED MAIL™



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