



FOR IMMEDIATE RELEASE  
November 6, 2014

CONTACT: Scott Switzer  
Chief Financial Officer  
Costar Technologies, Inc.  
(469) 635-6800

### **Costar Technologies Announces Adoption of Incentive Compensation Clawback Policy**

Coppell, Texas – November 6, 2014 - Costar Technologies, Inc. (OTC Markets Group: CSTI), announced today that its Board of Directors has adopted an incentive compensation clawback policy as part of the Board's ongoing efforts to strengthen the Company's corporate governance and risk management. The policy is designed to ensure that incentive compensation is paid based on accurate financial and operating data and the correct calculation of the Company's performance against incentive targets. The policy permits the Company's Compensation Committee to seek the recovery of incentive compensation in the event of fraud or misconduct or a restatement of the financial or operating results of the Company that, in either case, results in the payment of inflated incentive compensation.

“Adopting an incentive compensation clawback policy is a reflection of the Board's ongoing commitment to sound corporate governance and risk management policies,” stated Jared L. Landaw, Chair of the Nominating and Corporate Governance Committee. “This policy builds upon prior actions taken by the Board – such as the adoption of a majority voting standard for the election of directors and a stock ownership policy for the Company's directors and senior management team – to protect stockholders and align management and stockholder interests.”

The full text of the Company's incentive compensation clawback policy is available within the Corporate Governance section of the Company's Investor Relations webpage at <http://www.costartechnologies.com>.

#### **About Costar Technologies, Inc.**

Costar Technologies, Inc. develops, designs and distributes a range of security solution products including surveillance cameras, lenses, digital video recorders and high-speed domes.

## **COSTAR TECHNOLOGIES, INC.**

The Company also develops, designs and distributes industrial vision products to observe repetitive production and assembly lines, thereby increasing efficiency by detecting faults in the production process. Headquartered in Coppell, Texas, the Company's shares currently trade on the OTC Markets Group under the ticker symbol "CSTI".

### **Cautionary Statement Regarding Forward Looking Statements**

This press release contains forward-looking statements that involve risks and uncertainties, as well as assumptions, that if they never materialize or prove incorrect, could cause the results of the Company to differ materially from those expressed or implied by such forward-looking statements. Forward-looking statements generally are identified by the words "expects," "anticipates," "believes," "intends," "estimates," "should," "would," "strategy," "plan" and similar expressions. All statements other than statements of historical fact are statements that could be deemed forward-looking statements. The risks, uncertainties and assumptions include developments in the marketplace for our products, competition, related products and services and general economic conditions, as well as other risks and uncertainties. Accordingly, we cannot give assurance that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what impact they will have on the results of operations or financial condition of the Company.