



October 7, 2021

Nxt-ID shareholders:

The Special Meeting of the Company's shareholders ("Special Meeting") scheduled for Friday, October 15, 2021, is only days away. Shareholders like you will have the opportunity to vote on two Special Meeting proposals that are vital to the future of NXT-ID, which are to effect reverse stock splits of NXT-ID's common stock and Series C preferred stock.

To help explain how a reverse stock split works, and why these proposals are so urgent and important, we have created a microsite dedicated to the reverse stock split proposals – www.voteFORnxt-id.com. This microsite is intended to help educate and inform shareholders and encourage them to vote "FOR" both proposals.

Further, shareholders may want to refer to what **independent, third-party firms** like Glass Lewis and Institutional Shareholder Services (ISS) are recommending concerning these proposals. These firms are relied upon by thousands of institutional investors for impartial advice to help make their proxy voting decisions.

- Glass Lewis said, "We agree with the board that it is in the best interest of the Company to reduce the number of shares of common stock outstanding and thereby attempt to proportionally raise the per-share price of the Company's common stock."
- ISS agreed that "The reverse stock split is necessary for the company to maintain the listing of its common stock on the Nasdaq Capital Market," and concluded that "support for this proposal is warranted."¹

You can learn more about their recommendations to vote "FOR" the two proposals on the microsite.

Finally, here are answers to the most frequently asked questions so you can feel confident about your vote.

What is a reverse stock split, and how will it affect my NXT-ID investment?

A reverse stock split is a mechanism often used by publicly listed companies to remain in compliance with a stock exchange's "minimum bid price" listing requirement.

A reverse stock split will not affect your percentage interest in NXT-ID. After the reverse stock split, each shareholder will hold the same percentage interest in the Company as before the reverse stock split.

Why is my vote important?

We need your vote to approve the reverse stock split proposals and to regain compliance with Nasdaq requirements in order to avoid delisting.

If a majority of NXT-ID shares that are outstanding are not voted "FOR" each of the proposals, we expect our stock will be delisted from Nasdaq as soon as October 18, 2021.

What happens if the reverse stock splits are not approved and our stock is delisted?

If our common stock is delisted from Nasdaq, this would adversely affect the ease of trading of our common stock and the value of all of our securities, including our common stock.

If our common stock is delisted from Nasdaq, we would be required to rely on alternative markets, such as those operated by OTC Markets, for the continued trading of our common stock.

These are less efficient and transparent markets, and investors likely would find it more difficult to buy or sell our common stock due to difficulty in accessing these markets, policies preventing them from trading in securities not listed on a national exchange or other reasons.

You will likely find it more difficult to sell, or to obtain accurate quotations in seeking to buy, our common stock in an over-the-counter market.

¹ Permission to use quotations was neither sought nor obtained.





When is the deadline to vote?

All votes must be received by October 14, 2021, at 11:59 PM EST.

However, if you are a stockholder of record, you may vote these shares in person at the Special Meeting, otherwise you must request and obtain a legal proxy from your broker or other agent.

What if I sold my shares but still received a proxy?

If you were a shareholder as of the record date, September 16, 2021, you will be entitled to vote even if you sold your shares after this date, and we encourage you to vote "FOR" both proposals.

If you have any questions, please contact Laurel Hill Advisory Group at the telephone number or email address below or visit the microsite: www.voteFORnxt-id.com.

How do I vote?

At the bottom of this letter are instructions. If you have questions or require help voting your shares, you can also visit our microsite, www.voteFORnxt-id.com, and click the button that says "How to Vote" or contact our proxy solicitation firm at the telephone number and email below:

Laurel Hill Advisory Group
888-742-1305
NXT-id@laurelhill.com

Time is short, the need to approve both of these proposals is urgent, and every vote counts. To help us avoid Nasdaq delisting **AS SOON AS OCTOBER 18, 2021**, please vote today "FOR" both reverse stock split proposals.

Sincerely,

Chia-Lin Simmons
Chief Executive Officer

» VOTE TODAY "FOR" THE TWO
REVERSE STOCK SPLIT PROPOSALS



Registered Holders

If your shares are registered directly in your name with NXT-ID's transfer agent, VStock Transfer, LLC, you are considered the "stockholder of record" of those shares and the proxy statement for the Special Meeting is being sent directly to you by NXT-ID. Shareholders of record (that is, shareholders who hold their shares in their own name) can vote by mail, online, email, fax or in person at the Special Meeting by following the instructions provided on the proxy card.

- If you choose to submit your proxy by mail, simply mark, date and sign your proxy card and return it in the postage-paid envelope provided.
- If you choose to submit a proxy by internet, go to <http://www.vstocktransfer.com/proxy> to complete an electronic proxy card. Have your proxy card in hand when you access the website and follow the instructions to cast a vote. Your internet proxy must be received by 11:59 p.m. Eastern Time on October 14, 2021 to be counted.

Beneficial Owners of Shares Held in Street Name

If your shares are held in "street name" (that is, in the name of a bank or broker or other holder of record), you will receive instructions from the holder of record that you must follow in order for your shares to be voted. Internet voting will also be offered to shareholders owning shares through most banks and brokers. If your shares are held with a brokerage firm or custodial bank, you are considered the "beneficial owner" of shares held in street name, and the proxy statement for the Special Meeting was mailed or emailed to you by your broker, bank or nominee, who is considered the stockholder of record of those shares. As a beneficial owner, you have the right to direct your broker, bank or nominee on how to vote the shares held in your account.

However, holders of shares held in "street name" may not vote these shares in person at the Special Meeting unless such holders request and obtain a legal proxy from such bank, broker or other holder of record.

Forward-Looking Statements

This letter contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements reflect management's current expectations, as of the date of this letter, and involve certain risks and uncertainties. Forward-looking statements include statements herein with respect to the successful execution of the Company's business strategy. The Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of various factors. Such risks and uncertainties include, among other things, our ability to establish and maintain the proprietary nature of our technology through the patent process, as well as our ability to possibly license from others patents and patent applications necessary to develop products; the availability of financing; the Company's ability to implement its long range business plan for various applications of its technology; the Company's ability to enter into agreements with any necessary marketing and/or distribution partners; the impact of competition, the obtaining and maintenance of any necessary regulatory clearances applicable to applications of the Company's technology; the Company's ability to maintain its Nasdaq listing for its common stock; and management of growth and other risks and uncertainties that may be detailed from time to time in the Company's reports filed with the SEC.

ADDITIONAL INFORMATION

We have filed the Definitive Proxy Statement on Schedule 14A and proxy card (the "Proxy Statement") with the U.S. Securities and Exchange Commission ("SEC") on September 17, 2021 in connection with our solicitation of proxies for the Special Meeting. NXT-ID, INC. SHAREHOLDERS ARE STRONGLY ENCOURAGED TO READ THE PROXY STATEMENT (AND ANY AMENDMENTS AND SUPPLEMENTS THERETO) AND ACCOMPANYING PROXY CARD AS THEY CONTAIN IMPORTANT INFORMATION. Shareholders may obtain the Proxy Statement, any amendments or supplements to the Proxy Statement and other documents as and when filed by us with the SEC without charge from the SEC's website at www.sec.gov. Investors and shareholders can also obtain, without charge, a copy of the Proxy Statement and other relevant filed documents from our website at <https://investors.nxt-id.com/financial-information/sec-filings>.

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