

February 27, 2015

VIA SEDAR

ALBERTA SECURITIES COMMISSION
BRITISH COLUMBIA SECURITIES COMMISSION
AUTORITÉ DES MARCHÉS FINANCIERS

Re: SARATOGA Electronic Solutions Inc. (the "Corporation")
Amended financial statements and MD&A

Sirs,

This letter is filed in accordance with Section 9.1 of the SEDAR Filer Manual. On February 27, 2015, the Corporation amended and refiled its financial statements and MD&A for the nine-month period ended December 31, 2014. The aforementioned financial statements and MD&A was amended in the process of finalizing the FORM 2A Listing Statement, our auditors performed a review of the condensed consolidated interim financial statements as at December 31, 2014 and March 31, 2014 and for three months and nine months periods ended December 31, 2014 and 2013. Hence the following amendments have been included in the revised attached condensed consolidated interim financial statements in order to incorporate the following disclosures and some minor changes to certain figures:

-Removal of Notice to readers and **Unreviewed by Company's Independent Auditors** in page headers. The Company's independent auditor have performed a review of these condensed consolidated interim financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of condensed consolidated interim financial statements by an auditor.

-Condensed Consolidated Interim Statements of Cash Flows_(Unaudited), reclassification of certain figures:

From:

Changes in non-cash working capital

Trade and other receivables	-	9,020	5,910	5,987
Trade receivables from related parties	-	(5,481)	-	(18,448)
Funds held in trust	-	-	1,162,000	-
Prepaid expenses	-	10,274	-	13,271
Income taxes recoverable	-	(43,166)	11,688	(43,166)
Sales taxes payable	(1,293)	476,658	(456,417)	476,658
Trade and other payables	41,130	15,600	76,564	(34,825)
Trade payables to related parties	3,000	(13,614)	2,000	(2,464)
Cash flows from (used in) operating activities	(1,362)	49,489	696,672	(96,653)

To:

Changes in non-cash working capital				
Trade and other receivables	(1,293)	9,020	(749)	5,987
Trade receivables from related parties	-	(5,481)	-	(18,448)
Funds held in trust	-	-	1,162,000	-
Prepaid expenses	-	10,274	-	13,271
Income taxes recoverable	-	(42,843)	11,688	(43,166)
Sales taxes payable	-	476,658	(449,757)	476,658
Trade and other payables	41,130	15,600	76,564	(34,825)
Trade payables to related parties	3,000	(13,614)	2,000	(2,464)
Cash flows from (used in) operating activities	(1,362)	49,812	696,672	(96,653)

-In Note 2 Going concern, the addition of the negative working capital:

The Group has incurred substantial recurring losses to date and has an accumulated deficit of \$2,107,337 and a negative working capital of \$130,884 at December 31, 2014. In addition, the Company has sold all its operating business as explained in Note 1.

That the director of the Company as described in the note 2 is no longer the majority shareholder as of the third quarter.

-In Note 3 Basis of measurement, to add one exception:

These condensed consolidated interim financial statements have been prepared on the historical cost basis except for certain financial assets which are presented at fair value.

Removal of have not been subject of a review by the company's auditors. New paragraphe: These condensed consolidated interim financial statements have not been subject of an audit and have been approved by the Board of directors on February 27, 2015.

-In Note 4 b) Modification of IRFS 9 Financial Instrument, to add July 24, 2014 pronouncement of the standard:

Recent accounting pronouncements and amendments not yet effective

IFRS 9 Financial Instruments

On July 24, 2014, the IASB issued the final version of IFRS 9 Financial Instruments. The new standard will replace IAS 39 Financial Instruments: Recognition and Measurement and is mandatorily effective for annual periods beginning on or after January 1, 2018. Earlier application is permitted. The final version of IFRS 9 includes a new expected loss impairment

model and limited amendments to classification and measurement for financial assets and will supersede any previous versions.

IFRS 9 will not replace the requirements set out for portfolio fair value hedge accounting for interest rate risk. This project was separated from the IFRS 9 project due to the longer term nature of the macro hedging project. This project is currently at the discussion paper phase.

The new standard will introduce an improved logical model for classification and measurement, impairment, derecognition and hedge accounting. The Group has not yet applied the new *IFRS 9 – Financial instruments* that has been issued as at December 31, 2014 but is not yet effective. The Company does not plan to early adopt this new standard.

- In Note 8 Loan payable to director

That the director of the Company as described in the note 8 is no longer the majority shareholder as of the third quarter.

-In Note 15 Sale of Group entity Québec Inc.

The modification of certain figures and description:

From:

	December 31, 2014
	\$
Cash	7,049
Trade and other receivables	62,378
Funds held in trust	38,000
Income taxes recoverable	5,897
Trade and other payables	6,261
Sales taxes payable	44,911
Class D preferred shares	440,000
Share capital of Québec Inc.	647,973
	1,025,821

To:

	December 31, 2014
	\$
Cash	7,049
Trade and other receivables	9,402
Trade receivables from related parties	52,976

Funds held in trust	38,000
Income taxes recoverable	5,897
Trade and other payables	4,745
Trade payables to related parties	1,516
Sales taxes payable	44,911
Class D preferred shares	440,000
Share capital of Québec Inc.	647,973
	<u>1,025,821</u>

-In Note 16 Related party transactions, the addition of information for the three months periods:

For the three months ended	December 31, 2014	December 31, 2013
	\$	\$
Revenues for the year ended:		
Rental income from companies under common control	-	4,767
Total revenues	-	4,767

The compensation costs for key management personal for the three-month periods ended December 31, 2014 and 2013 are as follows:

	December 31, 2014	December 31, 2013
	\$	\$
Salaries and benefits key management personnel	-	2,218
Directors	3,000	-

-Added Subsequent event Note 19.

SARATOGA ELECTRONIC SOLUTIONS INC.

Per:



Richard Vallée, Chief Financial Officer