

# 3D Future Vision II

## IZON BUSINESS PLAN

March 2014

Glasses Free 3D  
Consumer Televisions



Glasses Free 3D  
Commercial Displays  
For Advertising



Creating Jobs For Americans

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## **MISSION STATEMENT**

**THE MISSION OF 3D FUTURE VISION II, INC. IS TO BECOME A LEADING MEDIA SERVICE PROVIDER AND INTEGRATOR FOR THE 3D STEREOSCOPIC AND AUTO-STEREOSCOPIC INDUSTRY. OUR VISION IS TO REVOLUTIONIZE THE WAY MEDIA IS EXPERIENCED, AND TO DELIVER THE HIGHEST QUALITY 3D EXPERIENCE AT AN AFFORDABLE PRICE. WE ARE TARGETING BOTH CONSUMER (RETAIL) AND COMMERCIAL MARKETS. ARMED WITH A PROPRIETARY AND FLEXIBLE 3D CONVERSION PROCESS. WE PLAN TO MOVE THE COMPANY INTO VARIOUS MARKETS BUILDING A MEDIA EMPIRE IN THE 3D INDUSTRY. AS A 3D MULTIMEDIA COMPANY, WE PLAN TO INTEGRATE OUR EFFORTS INTO THE VARIOUS MARKETS LIKE RETAIL, EDUCATION, ENTERTAINMENT, GOVERNMENT AND OTHER INDUSTRIES FOR DIVERSE APPLICATIONS SUCH AS RETAIL ADVERTISING NETWORKS, CORPORATE COMMUNICATIONS, TRADITIONAL AND DIGITAL BILLBOARDS, DIGITAL MENU BOARDS, CABLE TV, HOTEL LOBBY SIGNAGE, OUTDOOR ADVERTISING, ETC. 3D FUTURE VISION II, INC. INTENDS TO PLAN AND GROW THESE VARIOUS MARKETS, NOT ONLY TO INTEGRATE IT'S CAPABILITIES BUT TO BRAND IT'S NAME AS ONE OF THE LEADERS IN THE 3D INDUSTRY.**

## **DISCLAIMERS**

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THIS EXECUTIVE SUMMARY AND THE FINANCIAL PROJECTIONS INCLUDED HEREIN CONTAIN CERTAIN "FORWARD-LOOKING STATEMENTS" INCLUDING THOSE RELATING TO CORPORATE OPPORTUNITIES AND MARKET OPPORTUNITIES FOR THE COMPANY'S SERVICES, REVENUES AND EARNINGS. THESE STATEMENTS INVOLVE RISKS AND UNCERTAINTIES, INCLUDING BUT NOT LIMITED TO, RISKS ASSOCIATED WITH THE UNCERTAINTY OF FUTURE FINANCIAL RESULTS, ADDITIONAL FINANCING REQUIREMENTS, DEVELOPMENT OF NEW PRODUCTS OR SERVICES, THE IMPACT OF COMPETITIVE SERVICES OR PRICING, TECHNOLOGICAL CHANGES, THE EFFECT OF ECONOMIC CONDITIONS AND OTHER UNCERTAINTIES, THAT COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY, INCLUDING WITHOUT LIMITATION, ACTUAL OPERATING PERFORMANCE, ABILITY OF THE COMPANY TO ENTER INTO CONTRACTS WITH PROSPECTIVE RETAILERS OR ADVERTISERS OR TO MAINTAIN SUCH CONTRACTS, AND THE ACTUAL PROJECTED STARTUP AND OPERATING COSTS OF THE BUSINESS.

### **SAFE HARBOR DISCLAIMER**

THE PROJECTIONS INCLUDED HEREIN ARE MANAGEMENT'S ESTIMATES BASED ON ASSUMPTIONS ABOUT FUTURE EVENTS AND INVOLVE SIGNIFICANT RISKS AND UNCERTAINTIES, INCLUDING BUT NOT LIMITED TO RISKS ASSOCIATED WITH THE UNCERTAINTY OF FUTURE FINANCIAL RESULTS, ADDITIONAL FINANCING REQUIREMENTS, DEVELOPMENT OF NEW PRODUCTS OR SERVICES, THE IMPACT OF COMPETITIVE PRODUCTS OR PRICING, TECHNOLOGICAL CHANGES, THE EFFECT OF ECONOMIC CONDITIONS AND OTHER UNCERTAINTIES. FOR THESE REASONS, AND THE FACT THAT THE COMPANY IS A STARTUP VENTURE WITH NO SIGNIFICANT OPERATING HISTORY, ACTUAL OPERATING RESULTS MAY VARY SIGNIFICANTLY FROM MANAGEMENT'S PROJECTIONS. THE KEY ASSUMPTIONS ON WHICH THE PROJECTIONS ARE BASED ARE SET FORTH BELOW THE PROJECTIONS.

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## INTRODUCTION

IZON, LLC. is a subsidiary of 3D Future Vision II, Inc. and specializes in 3D content, delivery systems and integration. IZON has developed this technology over the last eight years and most of the senior management has over twenty years experience in content development and/or technical support. Our original focus targeted the film industry and 2D conversion, however, the technology and our vision proved to be more malleable than anticipated and IZON was able to target multiple markets without over extending the intellectual property (IP). IZON has isolated four target markets for its technology: 3D glasses free consumer televisions, commercial 3D digital signage, 2D to 3D conversion (theatrical and commercial), and 3D content streaming and push systems (consumer and commercial).

Our primary focus covers two target markets: the auto-stereoscopic (without 3D glasses) TVs and commercial digital signage displays. IZON has committed itself to 3D and providing an elegant simple home entertainment medium - TV re-imagined. The IZON 3D TVs allow end users to watch their favorite 3D blu-ray movies or streaming 3D broadcast without the inconvenience of wearing 3D glasses. The general feel is an immersive visual experience with the sense that you can almost touch the imagery. Our constant exploration and openness to emerging technologies enabled us to maximize the overall effectiveness of our 3D. Our goal is to deliver products that will heighten the viewer's experience at an affordable price. In parallel, the commercial 3D digital signage for store fronts, high traffic venues and sport arenas, adds a new twist to capturing impressions for the advertising market. The captivating 3D ads draw the traffic flow in and holds their attention making it a perfect addition for digital signage industry.

Regarding 3D content conversion, our proprietary software allows us to take any 2D flat content and convert it to engaging 3D stereoscopic content. The process adds an extra dimension to the media, using left and right image pairs to differentiate depth perception. The heart of the 3D pipeline is our HyperMix 3D engine, a sub-pixel accurate rendering technology that converts 2D to 3D. In the real world, IZON's conversion team members have worked on theatrical releases including: Gulliver's Travels, Chronicles of Narnia, Michael Jackson's "This Is It", Hoodwinked 2, Conan 3D, etc. We bridge the 2D world to the 3D world...allowing the flat and lifeless to envelop our visual sense. IZON is focused on processing high quality, aesthetically pleasing 3D imagery that enhances the end users over-all experience.

Finally, 3D content streaming. What good is a 3D TV without content. Over the years, IZON senior management have made strategic partnerships with film studios and counter parts that enable IZON to setup a 3D content App to stream 3D movies in an "al la carte" style delivery system. Once developed and deployed, the App will be installed on all IZON 3D displays and downloadable for a small fee to non IZON 3D display systems. This feature will ensure that IZON customers will always have a library of 3D content to choose from easily accessible in the convenience of their home.

IZON believes that the key to its success is the ability to engage all three areas: 3D conversion, 3D viewing and 3D deployment. We intend to integrate the three to provide a better product(s) and service(s) that extend to the cinema, home or store front. We are focused and committed to deliver an immersive 3D experience in a smart and simple way.

## 3D MARKET PLACE

**Glasses Free 3D Televisions** - Currently, there are no offerings in the market place for an affordable 3D consumer television that does not require glasses. Recent sales data indicate that Samsung, Sony and Panasonic control over 80% of the 3D TV market in Europe and North America. Samsung claims approximately 45% of the European market and 55% of North America. *Samsung* has a glasses-free 3D TV in development, however, it has warned that it'll be at least a decade before the company has an auto stereoscopic set that it is happy to release into the market.

*LG* has made public statements about their increased investment in a "Cinema 3D TV" product line that would utilize lighter and more comfortable glasses. There are indications of R&D in a glasses-free TV, though time to market is uncertain.

*Sony* seems to have re-focused away from their premium consumer product as they are cutting sales forecast for their Bravia line. Sony appears to have adopted a unique strategy with their development of PlayStation 3 game console. Their distribution of a free upgrade to enable 3D compatibility has allowed a sort of bundled approach. Sony has released the PlayStation 4, however they have not introduced any 3D games because of the lack of enthusiasm towards the 3D glasses. IZON 's 3D glasses free televisions could be the the solution to Sony's change of strategy.

The 2014 Consumer Electronics Show (CES) exhibited most of the major manufacturers, have place 3D on hold and are focusing on Ultra High Definition (UHD 4K). The most probable reason for the new direction was the uneventful outcome of the consumer un-acceptance of the 3D glasses. UHD offers a new spin to recoup past loses on the 3D glasses direction.

The struggles of the major players to generate significant traction for their current consumer offerings in the 3D TV market has opened an opportunity for IZON™ to gain market share with its 3D no glasses technology. The 3D cinema sales are still very profitable, which means consumers still enjoy the 3D experience. The unique market opportunity is clear. IZON will deliver to the consumer an affordable and convenient solution so they can enjoy the 3D experience in the comfort of their home.

**2D to 3D Conversion** - Filming in 3D can typically increase your production cost by 30 percent. 3D conversion on the other hand typically cost \$30,000 to \$80,000 per minute, which is highly cost effective and predictable for the studios. A 2D movie has the ability to earn at least 41% higher revenue at the box office after being converted to 3D, substantially increasing the ROI. The market for 2D to 3D conversion is quite fragmented, as there are not many vendors of high quality stereo conversion for blockbuster theatrical releases. This gap presents opportunities for the companies that can maintain quality while keeping the production overhead at a minimum.

The studios are producing and converting more 3D titles every year. Major players like James Cameron recently converted *Titanic* and Disney converted *The Lion King* and *Beauty and the Beast*. Studios are reviewing their existing film libraries to convert to 3D Blu-ray titles. By converting the pre-existing libraries, the studios can monetize the previous titles. This conversion movement is creating a demand and opportunity for IZON. The opportunity is not only for the conversion business but the 3D streaming content business model as well.

**3D Digital Signage** - IZON's 3D Digital Signage provides an immersive visually stimulating 3D experience for the viewer. It has a natural feel without eyestrain and enhances the perception for stronger visuals. These powerful features grab individuals and hold their attention longer creating a more persuasive impression. This propriety 3D process and technology places digital signage eons apart from the industry's standard drab flat 2D signage design.

An article in the Los Angeles Times stated that McDonald's, the global fast-food chain is launching the McDonald's Channel, a digital network of exclusive original content targeted at dine-in customers. The programming will be customized to specific communities around the individual restaurants, and will include local news and entertainment features, such as spotlights on upcoming films, albums and TV shows.

McDonald's move is part of a broader digital-age strategy by corporate America, which has already been tested in L.A., San Diego and Las Vegas, is expected to reach 18 million to 20 million people a month, which ChannelPort executives said would be one of the largest daytime audiences in the region.

McDonalds is just one example of the potential that exist in the digital signage market. Other opportunities include: shopping malls, movie theaters, hotel chains, sports venues, cruise-lines, casinos, airports, etc. One of the benefits to IZON's technology is we can integrate and upgrade a client at their pace based on individual needs in the market place.

**3D Content Streaming** - IZON 3D Streaming App will feature an Ala-Carte style interface, allowing the end user to browse and purchase 3D Titles just like going to a Redbox, but in the convenience of your own home. This "pay-per-view" service does not impose a monthly fee or subscription agreement and will add to the overall 3D experience. IZON will eventually enable viewing on future IZON 3D no glasses mobile devices and/or licensed 3D devices. Each user experience will be limited to the hardware capabilities of the 3D device the media is viewed upon.

The viability of the 3D Streaming App targets the content needs of the existing customers of 3D Televisions worldwide and the 225+ 3D titles currently available generating an additional revenue stream for IZON.

## **PLAN OF EXECUTION**

- Setup an assembly plant and warehouse for IZON™ product line.
- Finalize and initiate OEM manufacturers for production model(s) components.
- Finalize packaging and shipping
- Institute operational logistics pipeline flow and quality control measures.
- Proceed with marketing partnerships, distribution channels and pre-existing sales opportunities.
- Upgrade IZON website with 3D TV support and Market Place.

IZON™ has been working closely with Marlboro County, SC. The supporting documentation and incentive plan to the project is located in the Marlboro County section (See Appendix A, pg. 27). The offer includes 80 acre as of land free, use of a 50,000 sq. ft. building free to create assembly worker

jobs and use of a vacant elementary school for administration and technical skilled jobs. The temporary facilities offers a quick startup and deployment during the building phase of the new 150,000 sq. ft. IZON building ( See Appendix C, pg. 29).

## **GROWTH STRATEGY**

- Deploy an affordably priced consumer 3D glasses free television into the market place.
- Initiate 3D digital signage upgrade plan and solution support to global digital signage companies e.g., Scala, RMG, Marlin, etc.
- Initiate new promotional solutions with Hollywood Studios, demonstrating the effectiveness of displaying future 3D Titles in 3D on glasses free 3D displays in theaters.
- Continue product development to expand the capabilities of IZON's 3D product line and support services.
- Introduce the 32" 3D gamers TV.
- Introduce IZON's Elite series of high-end home entertainment glasses free televisions.
- Introduce IZON's 3D Streaming App.
- Aggressively pursue the medical industry enhancing the 2D endoscopy viewing to 3D viewing capabilities.
- Pursue development of realtime 2D to 3D conversion solution.

## **MARKETING STRATEGY**

IZON will deploy 3D TVs and related devices at an affordable price and wrapping it into today's lifestyle. Integrating solutions and simplicity with immersive visual experiences is the motivating ideology that drives IZON. The 3D industry is fragmented and attempting to figure out how to proceed. IZON views the vacillation as a perfect opportunity to reach out and support the 3D market place. This support will come from the obstacles we have overcome, the relationships we have developed and the experience we have gained in the last 8 years.

## **TECHNOLOGY**

IZON's proprietary process enables our conversion team to manipulate images at a sub-pixel level and convert feature film titles from 2D to 3D stereoscopic. These titles include: Jurassic Park, Gulliver's Travels, The Chronicles of Narnia, Conan 3D, Hoodwinked Too and Michael Jackson's 'This is it' for the 52nd Annual Grammy Awards broadcast. (See Appendix F, pg. 35). The heart of the 3D process is "HyperMix 3D" a set of 3D rendering algorithms and image manipulation tools that have been developed and production tested over the last 7 years. These algorithms are similar to the technology that we use in our 3D auto-stereoscopic televisions. The IZON 3D television includes a custom variable lenticular lens that works in unison with the software to separate the rendered image into a stereo pairs that can be viewed without the use of 3D glasses. To view our provisional patent documentation (See Appendix E, pg. 31).



## **MANAGEMENT**

### **Joseph DiFrancesco (Founder, Chairman of the Board & Chief Executive Officer), age 71**

Mr. DiFrancesco joined the Company at its inception (March 2011). Mr. DiFrancesco is an EMMY AWARD winning producer. For the past nine years, he and his Co-Executive Producer wife Bernadette were responsible for creating the idea, the characters, the music and the production of the "GINA D BRAND LIBRARY". From November 1999 to December 2009, he served as its Chief Executive Officer and Chairman of the Board of Directors of Raven Moon Entertainment, Inc. Mr. DiFrancesco has also been the President of J & B DiFrancesco, Inc., a Florida corporation in the entertainment business since 1994. He has been a Producer and Director of children's television programs for more than 20 years and has won an EMMY AWARD and numerous other awards for children's television. He was employed in the music publishing and record production business in New York City with MCA.

### **Michael Gibilisco (Chief Operating Officer), age 42**

Mr. Gibilisco joined the Company at its inception (March 2011). Mr. Gibilisco is the creator and developer of a 3D digital processing technology for IZON, LLC. He has over 15 years experience in the Film, Video and Animation industry. His credits include producing and directing television shows for numerous clients, such as, Nickelodeon, Disney and Universal Studios with airings on a variety of networks such as PBS, ABC, WB, FOX, TBN, CBS, NBC, TNN, MTV, BET, satellite dish networks and affiliate networks. Michael Gibilisco has received The Communicator's and Aurora awards for directing, special effects and animation along with being nominated for an Emmy. His pride, MG Studios, Inc., specializes in the creation and complete media packaging for the television and film industry. With Mr. Gibilisco's experience in the film and video industry and being involved with the technical aspects of the industry, he created his own process and software to view image/video/film with and without the use of 3D glasses.

### **Stuart F. Fleischer (Chief Financial Officer), age 61**

Mr. Fleischer joined the Company in August 2013. Mr. Fleischer is a senior financial executive with over 30 years of diversified business experience (both public and private companies) of all sizes (from \$5 million to over \$1 billion in annual revenues). His industry experience includes distribution, manufacturing, healthcare services, promotional marketing/ advertising, etc. He has a proven track record of meeting financial goals and prides himself in being a strategic partner with the CEO and the senior management team. The profitability of every entity that he was the Chief Financial Officer showed strong improvement during his tenures. He began his career on the audit staff of Price Waterhouse (over 11 years). Mr. Fleischer is a CPA and received his BS degree in Accounting from Lehigh University.

### **Dominic Crain (Chief Technology Officer), age 49**

Mr. Crain joined the Company at its inception (March 2011). Mr. Crain has 22 years experience in technical consulting, integration, pipeline development and training. His main focus has been in the media industry covering broadcast and animation solutions. Mr. Crain's experience has covered productions with Disney's Feature Animation "Mulan" an ACSR (Avid Customer Support Representative) assisting with technical issues concerning editing and film cut lists. He worked for Avid Technology as an ACSR supporting media and film composers in broadcast and post facilities across the United States, for Century III at Universal Studios as a technical director and animator, for Crystal Mystique as an art director and 3D technology integrator for sub-surface engraving in crystals, and for MG Studios,

Inc., where his responsibilities includes the management and oversight of projects. Currently, Mr. Crain is developing new lenticular technologies targeting 3D markets for IZON, LLC.

**Michael Ross (Director), age 61**

Mr. Ross was named as a Director of the Company in November 2013 because of his expertise in retail sales in the electronics industry. Currently, Mr. Ross is the President and Chief Executive Officer of UV Flu Technologies Inc. Prior to this appointment, Mr. Ross served as Vice President of Sales for DPG Distribution, from 2012 through October 2013, where he directed a team of manufacturing representatives throughout the United States, Canada, the Caribbean, Central America and South America. From 2007 through 2011, Mr. Ross was National Sales Manager in Electronic Retail for Wagan Tech, which developed and offered automotive aftermarket products. From 2002 through 2007, Mr. Ross was President and Owner of Windy City Development Inc., a real estate development company specializing in apartment buildings in Chicago. Prior to then, Mr. Ross was Director of Sales and Marketing Retail Division for KIMCO Corporation and for Bartlett Manufacturing Co., Inc., and held sales and business development positions for Swift Gift, Ltd., Sanyo Fisher Corporation and Panasonic Co.

## **SALES RELATIONSHIPS AND MARKETING CHANNELS**

### **DPG**

DPG is a manufacturers representative of high-end retail consumer electronic products. DPG offers worldwide service in sales, marketing, distribution and in-store support in all significant channels including, academic, state and federal government, military, large to small consumer retailers, online merchants and rent to own channels. DPG has engaged very experienced sales reps, each of whom have day to day contact with their respective accounts. DPG is focused on North America.

### **THE CONNECTION GROUP, LLC**

The Connection Group, LLC is a national manufacturers rep firm started by Len Waller. Len has been in the consumer electronics industry for 29 years. His last position before starting The Connection Group, LLC was at Ingram Micro Consumer Electronics/DBL Distributing as Vice President of National Accounts. He has previously held several senior management positions as Director of Sales at Impact Merchandising Corporation and was a Vice President of Sales/Partner at WMD Marketing.

### **ALB SALES**

Al Brandow represents electronic product manufacturers with a commitment to professional, efficient and effective customer support. He has experience negotiating annual pricing, payment terms, co-op dollars, catalog funds, freight and returns programs for an assortment mix of over four thousand accessory sku's and sixty-eight product lines, reflecting over \$50 million in wholesale volume. He has created daily and monthly advertising programs generating \$200,000 (MDF) above the standard program dollars for specific dedicated flyers and increased sales volume by 18% and gross margin dollars by 24% within the past year, while achieving a 4% all time low stock-out record.

### **MILLENNIUM SALES**

Millennium Sales is a manufacturer's representative organization that sells a variety of electronics, computer and furniture products to electronic superstores, computer and office retailers, buying groups, catalog houses and distributors in Ohio, Indiana, Kentucky and Michigan. Steve Romine built the business from a start-up organization with zero in sales to over \$3.5 million annually, while establishing accounts with various organizations including K-Mart, H.H. Gregg, Meijer, Galyans, Frontgate, Value City, Rex Stores, Office Max, ABC Warehouse and Big Lots. Previously, Steve worked as a regional account manager with The Navman USA, Inc. (a division of Brunswick Corporation), where he was responsible for the sales of GPS products to retail customers including Best Buy, Circuit City and other computer and office retailers, distributors and catalog houses. In his region, he increased sales from \$1 million to over \$8 million annually.

### **HOME SHOPPING NETWORK (HSN)**

HSN intends to launch our consumer 3D televisions in the fourth quarter of 2014 leading into holidays sales and the Super Bowl (See Appendix D, pg. 30).

### **ADVERTISING OPPORTUNITIES**

Digital signage in store fronts and casinos offer advertising opportunities, for 3D display sales and 3D conversion revenues. (See Appendix G, pg.37).

# IZON™

VISIT US AT CES BOOTH# LVH-48005

FULL **HD** 1080P

**3D**  
GLASSES FREE  
LED TV



EXPERIENCE 3D  
THE WAY IT WAS MEANT  
TO BE VIEWED, WITHOUT GLASSES

NO GLASSES REQUIRED



ALL MODELS ARE SUBJECT TO AVAILABILITY.  
PROJECTED AVAILABILITY SECOND QUARTER 2014



ASSEMBLED IN THE  
**US** 

VISIT IZON AT [WWW.IZONTV.COM](http://WWW.IZONTV.COM)  
SALES@IZONTV.COM



**NO GLASSES  
REQUIRED**

## 3D LED HDTV

### Product Overview:

- **3D Glasses Free**

State of the art technology allows for a 3D viewing experience without the need for glasses. Plays all currently available 3D stereo content.

- **LED Edge Lit TV**

Edge lit panel LED's allows for a sharper and more vibrant picture.

- **Smart TV**

Powerful quad core processors allow for a fast TV experience complete with full app support. IZON media drive allows for expandable media storage.

- **HYPERMIX 3D**

IZON's HYPERMIX 3D is a real-time 3D rendering technology that delivers sub pixel render accuracy, which takes any stereo video source and converts it into Glasses Free 3D.

- **Digital Video Broadcasting**

Full Digital Video Broadcast-Ready for viewing sports, feature films, documentaries, travel and action adventure programs.

- **Internet Ready**

Experience full desktop web browsing. Connect to the internet wirelessly or wired.

- **Full Connectivity**

Connect wirelessly to phones, tablets, and printers. High-speed ports allow wired connections to virtually anything. Effortlessly share media across all devices.

### IZON 3D LED HDTV

- 32" Product Model: CSV3D-32ASHM-T
- 47" Product Model: CSV3D-47ASHM-T
- 55" Product Model: CSV3D-55ASHM-T

### Features:

- 1080P Full HD
- 120Hz Refresh Rate
- 3D No Glasses Required
- Edge Lit LED
- Smart TV Apps
- Bluetooth and WiFi



## CES IZON RECAP

IZON, LLC - 3D Future Vision II, Inc.  
J. DiFrancesco, Chairman and CEO  
1/12/14

TO ALL SHAREHOLDERS & FRIENDS

This was an amazing week. We received a lot of praise from meetings with the DPG REPS who were blown away by our IZON television displays at our booth including the IZON 47" Consumer television that was playing "Titanic" the movie on Blu-Ray, The Coke Commercial and the Casino Chips flying off the screen on two of our 47" Commercial Television Screens and our 3D Play Station 3 Games that Ruben was playing on our 24" IZON Glasses Free television for "Gamers". As a result the DPG Reps will be setting up meetings for us with key distributors on a one to one basis at the home offices of: INGRAM-MICRO ( who sell \$46B of products annually) ALMO from Philadelphia PA, COSTCO in Seattle, and the TRIBB GROUP (the biggest Rent-to Own Group in America located in Atlanta to start.

The press was also extremely kind to us (See stories attached) and even our competitors like Sony, Panasonic and Samsung sent their engineers to our booth and spent a considerable amount of time touching our screens, asking questions, taking notes and trying to figure out how it works. The Samsung engineer spent 40 minutes at our booth. IZON Unveils Glasses-Free 3D TV for Gamers - Legit Reviews "*IZON Introduces Glasses-Free 3D TV for Video Gamers at CES. product\_3d. Gamers Can Now Play 3D Video Games on Big Screen 3D TV's*" See p.g. 16

Big Week, Strong Reception for IZON Glasses-Free 3D TV at CES ...

THE FIRST KEY DISTRIBUTOR MEETING we had was with Bill Yanke from AAAA World located in Miami who is the distributor for HSC (Home Shopping Club). He loved our television and asked if we would give HSC a three week exclusive. We said yes and our DPG Rep Al Brandow in South Florida will be preparing the paperwork to complete that deal. This is a very important deal in two ways. One, to create sales and two from a P.R. point of view that will brand the IZON name.

THE SECOND KEY meeting was with Vlad Kazhdan, Director of Element Television South Carolina, whose home office is in Minnesota This company has now located its

## CES IZON RECAP

manufacturing plant in South Carolina and we were introduced to them by Ron King, Director of the EDC in Marlboro County, SC (where we intend to set up our assembly plant). There are two key factors to a partnership with them.

(1) AS A SUPPLIER: They can supply us with 32", 47" and 55" television frames as we need them for our Consumer Televisions and our Commercial Television Screens for Malls, Sports Venues, Airports, Fast Food Outlets and other locations literally in two hours rather than waiting six weeks for shipments from China. THIS IS A KEY FACTOR BECAUSE NOW ALL OF OUR COMPONENTS WILL COME FROM SOUTH CAROLINA, FLORIDA & NORTH CAROLINA INCLUDING THE RENDER BOARDS THAT WILL BE MADE FOR US BY INTEL AND QMS. NOTHING FROM OUTSIDE OF THE USA.

(2) AS A LICENSING PARTNER: They suggested an ELEMENT-IZON 3D license that could put our 3D technology into their distribution channel with an ELEMENT-IZON Glasses Free 3D television immediately. Element is currently selling their 2D televisions in Target, Walmart, Sam's Club, Costco and other retail outlets.

THE THIRD KEY meeting was with STREAM TV whose home office is in the Netherlands with a U.S presence in Philadelphia. We met with CEO Walther Roelen and Dr. Ir. Bart Barenbrug Senior Software Developer and Leo Riley VP of Sales, Phila PA. They are interested in providing us with 4K frames so we could have an IZON 3D Glasses Free 4K Television developed by March 2014.

FINALLY OUR CFO Stuart F. Fleischer who was in attendance all week and met with the Warranty Company and other groups regarding costs determined that there will be significant costs savings and THEREFORE, HE IS REVISING THE FORECAST IN OUR 506 REG D PRIVATE PLACEMENT MEMORANDUM (PPM) THAT WILL BE DATED JANUARY 15, 2014 AND WILL BE RE-ISSUED TO ALL POTENTIAL INVESTORS AND WILL SHOW A FORECAST OF SIGNIFICANTLY HIGHER PROFITS TO OUR BOTTOM-LINE WITH **A POTENTIAL RETURN TO INVESTORS OF 24 to 1 based on an EBITA of 8.**

## IZON Unveils Glasses-Free 3D TV for Gamers

Posted by David Yee | Tue, Jan 07, 2014 - 6:12 PM



### IZON Introduces Glasses-Free 3D TV for Video Gamers at CES



#### **Gamers Can Now Play 3D Video Games on Big Screen 3D TV's—Without Glasses**

Orlando—Gamers who exclusively played 3D games on hand-held devices only will have the capability of playing Play Station and Xbox 3D games on IZON's glasses-free 3D televisions, the company has announced.

IZON™ is introducing its line of LED screens with 24-inch, 32-inch, 47-inch and 55-inch glasses-free models.

Combined, Play Station and Xbox have over 200 games that feature 3D scenes.

IZON has perfected the assembly process to produce sub-pixel accurate alignment in the 3D displays, creating clear crisp imagery at an affordable price. IZON features its "HyperMix3D™", a multi-threaded 3D rendering technology that uses algorithms that take advantage of multi-core GPUs and produces immersive 3D without eyestrain. In addition, IZON processes 3D stereo movies which can be seamlessly watched on its glasses-free TV's.

IZON's number one feature is user-friendly technology. The IZON team knows that keeping up with technology is not everyone's focus, acknowledging that most of the time people don't want to struggle with turning the volume up or even turning the TV on. IZON models are geared to be simple, smart and fun. Consumers can enjoy traditional broadcast in 2D, view broadcast 3D and their favorite 3D Blu-ray movies with a push of a button. The glasses-free 3D TV wide viewing angle produces sharp, vivid imagery that enables the entire family to participate in the experience.

IZON will also offer an array of apps for streaming thousands of 2D and 3D movies and television shows.



## FINANCIAL PROJECTIONS

Management under the guidance of the Company's Chief Financial Officer has prepared a highly detailed forecast for the period 2014 through 2018. The following is a summary of the model results:

### HIGHLIGHTS OF FORECASTED RESULTS FROM PPM

YEAR	REVENUE	EBITDA
In \$ Millions		
2014	60.5	0.8
2015	481.1	69.9
2016	878.8	155.8
2017	1,194	221.3
2018	1,475.2	300.5

### AMERICAN JOBS CREATED

Projected number of paid American employees at the end of each year end:

YEAR	EMPLOYED
2014	78
2015	204
2016	393
2017	642
2018	1,005

The results of this financial forecast show total EBITDA of almost \$750 million for the years 2014 - 2018. EBITDA for 2018 (the final year of the forecast) totals about \$300 million. Assuming an exit of the business at the end of 2018 and an EBITDA multiple of eight, the acquirer would pay \$2.4 billion for the Company. If this occurred, the 25% investor(s) (who invested \$25 million) would receive \$600 million or a 24 to 1 return in just less than five years.

### PRIVATE PLACEMENT MEMO INVESTMENT PROPOSAL

25% Interest in Company

for \$25 Million.

Minimum Subscription - \$100,000

**THIS IS NOT AN OFFERING AND IS FOR INFORMATION PURPOSES ONLY. INVESTORS SHOULD READ THE COMPANY'S PPM AND SEEK THE ADVICE OF THEIR FINANCIAL ADVISOR BEFORE MAKING AN INVESTMENT.**

# FINANCIAL STATEMENTS -

## 3D FUTURE VISION II, INC. CONSOLIDATED TOTAL ANNUAL BALANCE SHEETS

	2013	2014	2015	2016	2017	2018
<u>ASSETS</u>						
Current Assets:						
Cash and cash equivalents	270,971	13,471,620	24,302,478	84,456,942	194,276,923	346,515,507
Accounts receivable	-	20,863,868	69,897,178	114,093,481	142,321,162	170,469,600
Inventory	-	17,761,557	63,537,832	103,969,382	132,141,272	161,768,292
Prepaid and other current assets	9,903	171,020	424,620	729,345	997,133	1,311,778
Total current assets	280,874	52,268,066	158,162,107	303,249,150	469,736,490	680,065,177
Property and equipment - net	229,768	2,426,053	2,239,099	3,932,646	4,011,192	6,180,863
Other assets	-	-	-	-	-	-
Total assets	510,642	54,694,119	160,401,206	307,181,796	473,747,682	686,246,040
<u>LIABILITIES AND EQUITY</u>						
Current Liabilities:						
Accounts payable and accrued exps.	6,870	12,931,106	33,161,835	49,359,179	61,479,100	71,524,795
Income taxes payable	-	-	9,088,979	17,623,359	22,896,686	31,060,570
Asset based loan	-	18,656,073	54,519,212	86,341,941	107,442,304	127,765,311
Other current liabilities	-	-	-	-	-	-
Total current liabilities	6,870	31,587,178	96,770,026	153,324,479	191,818,091	230,350,676
Long term debt	-	-	-	-	-	-
Other long term liabilities	-	-	-	-	-	-
Total liabilities	6,870	31,587,178	96,770,026	153,324,479	191,818,091	230,350,676
Shareholders' equity:						
Common stock and paid-in capital	4,772,812	27,272,812	27,272,812	27,272,812	27,272,812	27,272,812
Preferred stock	474	474	474	474	474	474
Retained earnings (deficit)	(4,269,514)	(4,166,345)	36,357,895	126,584,031	254,656,306	428,622,079
Total shareholder's equity	503,772	23,106,940	63,631,180	153,857,317	281,929,591	455,895,364
Total liabilities and shareholders' equity	510,642	54,694,119	160,401,206	307,181,796	473,747,682	686,246,040

# FINANCIAL STATEMENTS -

## 3D FUTURE VISION II, INC.

### CONSOLIDATED TOTAL

### ANNUAL PROFIT & LOSS

	2013	2014	2015	2016	2017	2018	TOTAL
<b>Revenues:</b>							
Izon consumer	-	59,113,103	404,218,188	754,053,525	1,006,632,539	1,204,895,805	3,428,913,160
Izon commercial	43,798	-	62,754,537	98,410,096	137,177,114	179,264,767	477,650,312
Izon conversion	-	1,350,000	14,156,819	24,522,896	46,385,376	84,968,473	171,383,564
Izon streaming	-	-	-	1,860,548	3,755,490	6,043,585	11,659,623
<b>Total revenues</b>	<b>43,798</b>	<b>60,463,103</b>	<b>481,129,545</b>	<b>878,847,065</b>	<b>1,193,950,518</b>	<b>1,475,172,629</b>	<b>4,089,606,658</b>
<b>Cost of goods sold:</b>							
Izon consumer	-	38,425,015	241,995,803	431,034,499	575,617,248	670,139,873	1,957,212,440
Izon commercial	70,000	-	42,231,880	66,192,120	89,372,301	117,600,003	315,466,304
Izon conversion	-	675,734	6,784,834	10,465,469	18,268,542	31,975,469	68,170,048
Izon streaming	-	-	-	537,806	1,000,245	1,672,637	3,210,688
<b>Total costs</b>	<b>70,000</b>	<b>39,100,750</b>	<b>291,012,517</b>	<b>508,229,894</b>	<b>684,258,336</b>	<b>821,387,983</b>	<b>2,344,059,480</b>
<b>Gross profit</b>	<b>(26,202)</b>	<b>21,362,354</b>	<b>190,117,028</b>	<b>370,617,171</b>	<b>509,692,182</b>	<b>653,784,646</b>	<b>1,745,547,178</b>
<b>GP %</b>	<b>-59.82%</b>	<b>35.33%</b>	<b>39.51%</b>	<b>42.17%</b>	<b>42.69%</b>	<b>44.32%</b>	<b>42.68%</b>
<b>Expenses:</b>							
Staff compensation & related	-	2,731,049	5,334,287	6,754,297	7,623,775	8,644,974	31,088,380
T & E	20,609	280,000	328,000	336,200	344,605	353,220	1,662,635
Marketing, promotion & commissions	308,540	9,052,203	60,197,223	110,383,787	149,728,021	183,963,727	513,633,501
Shipping	119	3,546,786	28,148,179	51,778,596	70,334,621	86,666,434	240,474,736
Warranty	-	2,068,959	16,971,591	30,820,328	41,405,109	50,238,268	141,504,254
Telephone & communications	1,942	38,500	200,441	867,324	1,107,431	1,468,159	3,683,797
Office rent, utilities and supplies	3,206	338,740	542,895	1,068,113	1,340,249	2,056,322	5,349,524
Insurance	-	187,500	750,000	1,250,000	1,750,000	2,250,000	6,187,500
Professional & consulting fees	274,621	1,700,000	2,881,200	2,625,000	2,725,000	2,700,000	12,905,821
Provision for bad debts	-	604,631	4,811,295	8,769,865	11,901,950	14,691,290	40,779,032
Banking & misc.	241	45,100	61,500	114,203	167,889	232,427	621,361
<b>Total expenses</b>	<b>609,278</b>	<b>20,593,468</b>	<b>120,226,611</b>	<b>214,767,713</b>	<b>288,428,650</b>	<b>353,264,821</b>	<b>997,890,542</b>
<b>EBITDA</b>	<b>(635,480)</b>	<b>768,886</b>	<b>69,890,417</b>	<b>155,849,458</b>	<b>221,263,531</b>	<b>300,519,825</b>	<b>747,656,636</b>
Depreciation and amortization	-	423,715	631,954	1,181,454	1,451,454	2,295,329	5,983,905
Interest expense - net	(22)	242,002	2,072,923	4,291,111	6,358,287	8,281,541	21,245,842
Provision for income taxes	-	-	26,661,300	60,150,757	85,381,516	115,977,182	288,170,756
<b>Net income (loss)</b>	<b>(635,458)</b>	<b>103,168</b>	<b>40,524,240</b>	<b>90,226,136</b>	<b>128,072,275</b>	<b>173,965,773</b>	<b>432,256,134</b>

# FINANCIAL STATEMENTS -

## 3D FUTURE VISION II, INC.

### CONSOLIDATED TOTAL

### ANNUAL CASH FLOW

	2013	2014	2015	2016	2017	2018	TOTAL
<b>CASH FLOW FROM OPER. ACTIVITIES:</b>							
Net income (loss)	(635,458)	103,168	40,524,240	90,226,136	128,072,275	173,965,773	432,256,134
Adjs. To reconcile NI to cash from ops.							
Depreciation and amortization	-	423,715	631,954	1,181,454	1,451,454	2,295,329	5,983,905
Restricted stock compensations exp.	-	-	-	-	-	-	-
Changes in assets & liabilities -							
Accounts receivable	-	(20,863,868)	(49,033,309)	(44,196,303)	(28,227,681)	(28,148,438)	(170,469,600)
Inventory	-	(17,761,557)	(45,776,275)	(40,431,550)	(28,171,890)	(29,627,020)	(161,768,292)
Prepaid and other current assets	0	(161,117)	(253,600)	(304,726)	(267,788)	(314,645)	(1,301,875)
Other assets	-	-	-	-	-	-	-
Accounts payable and accrued exps.	(62,631)	12,924,236	20,230,729	16,197,344	12,119,921	10,045,695	71,455,294
Income taxes payable	-	-	9,088,979	8,534,380	5,273,327	8,163,884	31,060,570
Other current liabilities	-	-	-	-	-	-	-
Other long term liabilities	-	-	-	-	-	-	-
Net cash provided (used) in operations	(698,089)	(25,335,423)	(24,587,282)	31,206,735	90,249,618	136,380,578	207,216,137
<b>CASH FLOW FROM INVESTING :</b>							
Capital expenditures	(228,000)	(2,620,000)	(445,000)	(2,875,000)	(1,530,000)	(4,465,000)	(12,163,000)
Proceeds from sale of equipment	-	-	-	-	-	-	-
Net cash provided (used) in investing	(228,000)	(2,620,000)	(445,000)	(2,875,000)	(1,530,000)	(4,465,000)	(12,163,000)
<b>CASH FLOW FROM FINANCING:</b>							
Net borrowings under asset based loan	-	18,656,073	35,863,139	31,822,729	21,100,364	20,323,006	127,765,311
Borrowings of long term debt	-	-	-	-	-	-	-
Repayments of long term debt	-	-	-	-	-	-	-
Investment in common stock (net)	1,197,015	22,500,000	-	-	-	-	23,697,015
Investment in preferred stock - net	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-
Net cash provided (used) in financing	1,197,015	41,156,073	35,863,139	31,822,729	21,100,364	20,323,006	151,462,325
NET INCREASE (DECREASE) IN CASH	270,926	13,200,649	10,830,857	60,154,464	109,819,981	152,238,584	346,515,462
CASH & CASH EQUIV. - BEGINNING	45	270,971	13,471,620	24,302,478	84,456,942	194,276,923	45
CASH & CASH EQUIV. - ENDING	270,971	13,471,620	24,302,478	84,456,942	194,276,923	346,515,507	346,515,507

## FINANCIAL STATEMENTS MAJOR ASSUMPTIONS –

In preparing the financial forecast, management made hundreds of assumptions which it believes are conservative in nature and is prepared to share such assumptions with all interested potential investors who have signed the Company's Mutual Non-Disclosure Agreement.

**The results of this financial forecast show total EBITDA of almost \$750 million for the years 2014 – 2018. EBITDA for 2018 (the final year of the forecast) totals about \$300 million. Assuming an exit of the business at the end of 2018 and an EBITDA multiple of eight, the acquirer would pay \$2.4 billion for the Company. If this occurred, the 25% investor(s) (who invested \$25 million) would receive \$600 million or a 24 to 1 return in just less than five years.**

Some of the key assumptions include:

- The Company will be primarily financed by selling 167,552,324 shares of Common restricted stock at \$0.15 per share for a total of \$25,000,000 during the first quarter of 2014. The closing costs on obtaining such financing will equal 10%.

- The remaining needed funding would come from an asset based loan (75% of eligible receivables and 35% of eligible inventory).

- The net proceeds from the offering will be used to fund \$7.0 million of corporate operations (primarily compensation and related, marketing and promotion, professional and consulting fees, insurance and office expenses), \$3.0 million for fixed asset purchases (almost entirely for the set-up of the assembly plant), \$2.0 million of additional annual research and development costs (to continually improve the product offerings) and \$0.5 million for deposits and prepaid expenses. The remaining funds will be used to internally finance accounts receivable and inventory in excess of the amount borrowed under our asset based loan.

- The number of IZON consumer television sets sold quarterly begins at 2% of the estimated quarterly U.S. sales by major retailer and grows to about 14% of such estimate. The estimated U.S. sales by major retailer were prepared by a reputable electronics distributor.

- The starting selling prices of the 55 inch, 47 inch and 32 inch television sets were \$2,499, \$2,299 and \$1,499, respectively.

- 8%, 3.5% and 5% of gross IZON consumer revenues, respectively, were established as sales commissions, warranty expense and marketing (including all advertising and promotional costs).

- Gross profit at the outset was calculated at about 33% but grows to about 44% due to a reduction in component costs through increased purchasing volume.

- The number of IZON commercial screens sold quarterly begins at 0.25% of the estimated commercial screens in the U.S. and grows to 0.625% of the total screens for each quarter in 2018 (the final year of the forecast).

- The starting selling prices of the 55 inch, 47 inch and 32 inch commercial screens were \$2,999, \$2,699 and \$1,699, respectively.

- 8%, 4.5% and 2.5% of gross IZON commercial revenues, respectively, were established as sales commissions, warranty expense and marketing (including all advertising and promotional costs).
- Gross profit at the outset was calculated at about 33% but increases slightly to about 35% due to a reduction in component costs through increased purchasing volume.
- Shipping costs for both consumer television sets and commercial screens was set at 6% of the costs of each of these products.
- The number of 90 minute movie segments converted per year was five at an initial selling price of \$2,250,000.
- The number of conversions of 2D advertisements (from 15 second to 60 second spots) converted to 3D for use on the commercial screens at an average starting price of \$1,400 was estimated at only about 1,750 for 2015 but grows rapidly to almost 45,000 annual conversions in 2018 due to the increasing number of 3D commercial screens that are projected to be available in the marketplace.
- IZON conversion gross profit at the outset was calculated at about 50% but increases to about 63% due to product mix (the short advertisement conversions are anticipated to have a higher gross profit rate than the movie segments).
- IZON streaming is not forecasted to start until 2016 and remains fairly low but grows at a rapid pace (annual revenues of \$1.9 million in 2016 rising to \$6.0 million in 2018).
- The costs associated with the vesting of options and restricted stock has not been included in the forecast. Such compensation expenses are totally non-cash in nature.

## **RISKS AND OPPORTUNITIES TO ACHIEVING THIS FORECAST –**

Once again, management believes this forecast to be very conservative (i.e. achievable). We believe there are many material opportunities to exceed this forecast because:

- The U.S. domestic sales projections are highly conservative. For example, a reputable electronics distributor estimated that we should immediately be able to sell annually over 4 million consumer television sets at the twenty largest electronics retailers. Even in 2018, our forecast only estimates sales of about 540,000 consumer television sets.
- No revenues other than those derived in the U.S. have been included in the forecast. Already, interest has been shown by television retailers in several other countries including China, Italy, Spain, Germany and Dubai.
- No financial assistance has been forecasted from the localities where we potentially will house our assembly and conversion activities. Several counties in various states that are craving increased local employment have offered substantial packages to entice us to operate in their county. To date, the largest of the offered packages is worth in excess of \$34 million (including free building site, sales tax abatements on equipment purchases, job creation and development tax credits through reduction of state income tax and reduction of employee withholding, etc.).
- No reduced labor costs per consumer television set or commercial screen have been forecasted even with the large increase in production volume (i.e. no economies of scale have been assumed).

- It has been anticipated in the forecast that expansion would be spread geographically throughout the country. With the need to triple the domestic assembly space (during the period 2014 through 2018), we have assumed that we would have three approximately equal size locations (one in the East, one in the Midwest and one in the West). This decision should minimize shipping costs yet we have maintained shipping costs at 6% of product costs throughout the entire forecast period.

- There is most likely going to be more and more demand to convert movies from 2D to 3D yet we have not increased the number of movies the Company converts. As previously mentioned, we have kept the number of movie conversions to a modest five per year.

While the management team has made assumptions that we feel are achievable, we recognize there are risks to actually achieving the forecasted results. Some of the more material risks include:

- There might be delays in obtaining the needed component parts through no fault of the Company.

- There might be unforeseen problems with the assembly process that might cause delays in meeting the planned production schedule.

- The Research and Development costs estimated to continuously improve the product may be greatly underestimated.

## USE OF PROCEEDS SUMMARY

### 3D FUTURE VISION II, INC. - IZON, LLC

USE OF PROCEEDS \$25,000,000: REFER TO PPM FOR DETAILED INFORMATION

Corporate Operations - Compensation, Marketing and Promotion	
Professional and Consulting Fees, Insurance and Office Expense	\$ 7,000,000
Fixed Asset Purchases - Assembly Plant and Warehouse	\$ 3,000,000
Annual Research and Development Cost	\$ 2,000,000
Deposits and Prepaid Expenses	\$ 500,000
Internally Finance Accounts Receivable and Inventory	\$ 12,500,000
<b>TOTAL</b>	<b>\$ 25,000,000</b>



## CLOSING SUMMARY

- Opportunity: The Company manufactures and distributes a line of 3D auto stereoscopic (without the use of 3D glasses) televisions to consumers through distribution agreements with leading distributors and major US retail electronics stores.

The 3D market is growing rapidly throughout the world. However, there are no products in the marketplace with an affordable 3D consumer television that does not require the use of 3D glasses.

Recent sales data indicate that Samsung, Sony and Panasonic control over 80% of the 3D market in Europe and North America. These companies have experienced significant obstacles in building critical mass for their 3D offerings primarily due to the cost of the glasses and the discomfort experienced by the users of the glasses. Market research indicates that most consumers enjoy the 3D experience, but feel very uncomfortable and awkward wearing 3D glasses to watch the programming. This leaves a large unfulfilled gap and an opportunity to capitalize on in the marketplace. The Company fills this gap with its proprietary technology under its IZON™ brand of "3D No Glasses" televisions.

- The Company presented its IZON™ brand of "3D No Glasses" televisions at the International Consumer Electronic show in Las Vegas in January 2014. The response was overwhelming and confirmed the Company's assumptions that the world is waiting for a 3D experience without the use of awkward glasses.
- Business Model: 3D Future Vision II, Inc. has adopted the business model of Vizio, Inc. of Irvine, California. Vizio was founded in October 2002 focusing on the LCD television market. The company experienced significant growth by partnering with major US retailers and by being the low cost leader in the category by outsourcing production to China and Mexico. Throughout its history, Vizio experienced rapid sales growth. Sales initially grew to \$700 million in 2006 and exceeded \$3 billion by the end of 2010.
- Governmental Support: The government of South Carolina, in recognition of the attractiveness of this project, is offering a package of future grants and incentives exceeding \$34 million.
- IZON™ believes that media entertainment should invoke the senses without breaking the bank. Our 3D Auto-Stereoscopic displays deliver an immersive 3D experience without the aid of 3D glasses or special headgear. Our custom 3D render board and proprietary algorithms create brilliant stereo imagery that is pleasing to the senses and engage the mind - TV Re-imagined.

## **BUSINESS PLAN APPENDIX**

# APPENDIX A - Marlboro County, South Carolina Incentives - 2014



## Marlboro County, South Carolina INCENTIVE PROPOSAL SUMMARY

Project IZON TV  
Date: 3/12/2014

Local Incentives		
Fee-in Lieu of Taxes (FILOT) (reduction of property taxes) 20 yr.	6 % assessment	\$ 7,028,282.43
Special Source Revenue Credit (35% reduction for 5 yr.)	35%	\$ 819,966.28
Site Preparation		\$ 120,000.00
Land provided by County (@80 Acres)		\$ 400,000.00
Utility Tax Grant (Marlboro Electric Coop)		\$ 100,000.00
Temp Space for Start-up		\$ 250,000.00
<b>TOTAL LOCAL INCENTIVES</b>		<b>\$ 8,718,248.71</b>

State Incentives		
Job Creation Tax Credits Against SC Income Tax	\$9k per job	\$ 9,045,000.00
Infrastructure Grants	One-Time	\$
Direct Training Assistance (ReadySC) Estimate only	at \$2K per job	\$ 2,010,000.00
Other State Assistance ( JDCs ) @ \$18/hr. wages	Job Development	\$ 14,112,000.00
Other state assistance (Equipment Sales Tax @ 6%)	State Sales Tax	\$ 351,900.00
<b>TOTAL STATE INCENTIVES</b>		<b>\$ 25,518,900.00</b>

<b>TOTAL ALL INCENTIVES</b>	<b>\$ 34,237,148.71</b>
-----------------------------	-------------------------

*\* All incentives and credits estimates based upon the capital investment and job creation assumptions listed below. Local and State incentives are subject to approval by the Marlboro County Council, S.C., Department of Commerce or other agency as applicable. This document is made for the limited purpose of communicating potential incentives and the final agreement may be different.*

*In addition, an Industrial Revenue Bond up to \$10,000,000 can be issued by the County and utilized by the Company to obtain low cost Capital Funding for the building construction ([www.scjeda.com](http://www.scjeda.com)).*

*The state and county will work to assist IZON with having access to a Foreign Trade Zone (FTZ) and attaining EB5 Regional Center Status.*

*The State is investigating options for being competitive with the apparent Florida Cash-Jobs Grant of \$1,600,000.*

*\*\*Incentive proposal valid for ninety (90) days from date received.*

Capital Investment (Bldg & Land)	\$ 16,625,000.00
Machinery and Equipment	\$ 5,865,000.00
Job Creation	1005





## APPENDIX D - Marketing Channels, Home Shopping Network

AAAA WORLD  
7800 NW 29th. Street  
Miami, FL 33122

January 30, 2014

Mr. Joseph DiFrancesco, CEO  
3D Future Vision II, Inc.  
2005 Tree Fork Lane, Ste. 109  
Longwood, FL 32750

Dear Joey

As you know AAAA World, distributes for the Home Shopping Network (HSN) and when I visited your booth at CES, I was very impressed with your 47" IZON Glasses Free 3D LED HDTV.

I feel that HSN would be a good fit to launch IZON and I would like you to consider giving HSN a four week exclusive during the forth quarter of 2014 leading into the 2015 Super Bowl.

If the exclusive is acceptable, let's move forward and put together Pricing, Warrantee Terms andQuantities that would fit HSN's audience.

Again congratulations to you and your team for this amazing technology.

Best regards  
Bill Yanke  
General Manager

APPENDIX E - Technology, Patents and Trademarks

WILLIAM M. HOBBY III  
ATTORNEY AND COUNSELOR AT LAW  
157 EAST NEW ENGLAND AVENUE  
SUITE 375  
WINTER PARK, FLORIDA 32789  
(407) 644-8888 FAX (407) 645-3200  
PATENTS, TRADEMARKS, COPYRIGHTS

Jul 16, 2012

IZON, LLC  
2005 TREE FORK LANE, #109  
LONGWOOD, FL 32750

Re: Federal Trademark Application Serial No. 76/710,110  
Mark: IZON  
File: 11-6268  
Due Date: 01/10/2013


Dear Joey:

Enclosed herewith please find a copy of the Notice of Allowance of the subject trademark application which has been received in my office. The application for federal registration has been approved by the U.S. Patent and Trademark Office and published for thirty days without an opposition to the registration. You now have six months from the date on the Notice to file a statement of use before the mark will be registered. You should contact our office and provide us with specimens of the mark as used and the first use dates so we can prepare the necessary affidavits for filing within the time limit.

The Trademark Office has an additional \$100.00 filing fee for filing the statement of use and our office has a \$150.00 charge for preparing and filing the affidavit, for a total of \$250.00. If the mark is not being used within the above six months, you can get an extension for six months by the filing of a petition and the payment of a \$150.00 extension fee plus our office has a \$100.00 charge for preparing the extension papers but the extension request and fee must be in the Trademark Office before the final date for the filing of the statement of use or the application will be abandoned. **If neither a Statement of Use nor an extension is filed within the time period, the application will be abandoned.**

If you have any questions concerning this publication, please give me a call.

Best regards,

  
William M. Hobby  
WMH/bjl

APPENDIX E - Technology, Patents and Trademarks

13-6314



UNITED STATES PATENT AND TRADEMARK OFFICE

UNDER SECRETARY OF COMMERCE FOR INTELLECTUAL PROPERTY AND  
DIRECTOR OF THE UNITED STATES PATENT AND TRADEMARK OFFICE

MAY 31, 2013

PTAS

WILLIAM M. HOBBY  
157 E. NEW ENGLAND AVE., #375  
WINTER PARK, FL 32789

**502365629**

UNITED STATES PATENT AND TRADEMARK OFFICE  
NOTICE OF RECORDATION OF ASSIGNMENT DOCUMENT

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PLEASE REVIEW ALL INFORMATION CONTAINED ON THIS NOTICE. THE INFORMATION CONTAINED ON THIS RECORDATION NOTICE REFLECTS THE DATA PRESENT IN THE PATENT AND TRADEMARK ASSIGNMENT SYSTEM. IF YOU SHOULD FIND ANY ERRORS OR HAVE QUESTIONS CONCERNING THIS NOTICE, YOU MAY CONTACT THE ASSIGNMENT RECORDATION BRANCH AT 571-272-3350. PLEASE SEND REQUEST FOR CORRECTION TO: U.S. PATENT AND TRADEMARK OFFICE, MAIL STOP: ASSIGNMENT RECORDATION BRANCH, P.O. BOX 1450, ALEXANDRIA, VA 22313.

RECORDATION DATE: 05/30/2013

REEL/FRAME: 030514/0466  
NUMBER OF PAGES: 3

BRIEF: ASSIGNMENT OF ASSIGNORS INTEREST (SEE DOCUMENT FOR DETAILS).

DOCKET NUMBER: 13-6314

ASSIGNOR:  
GIBILISCO, MICHAEL

DOC DATE: 05/22/2013

ASSIGNOR:  
CRAIN, DOMINIC

DOC DATE: 05/22/2013

ASSIGNEE:  
IZON, LLC., A FLORIDA LIMITED  
LIABILITY COMPANY  
2005 TREE FORK LANE, SUITE 109  
LONGWOOD, FLORIDA 32750

APPLICATION NUMBER: 61825310  
PATENT NUMBER:  
TITLE: 3D LENTICULAR COMPONENT SYSTEM

FILING DATE:  
ISSUE DATE:

ASSIGNMENT RECORDATION BRANCH  
PUBLIC RECORDS DIVISION



## APPENDIX E - Technology, Patents and Trademarks

### A S S I G N M E N T

WHEREAS, MICHAEL GIBILISCO and DOMINIC CRAIN, both located at 2005 Tree Fork Lane, Suite 113, Longwood, Florida 32750, hereinafter referred to as assignors, have made certain improvements or inventions in a 3D LENTICULAR COMPONENT SYSTEM for which said assignors are filing an application for United States Letters Patent.

WHEREAS, IZON, LLC., a Florida Limited Liability Company, located at 2005 Tree Fork Lane, Suite 109, Longwood, Florida, hereinafter referred to as assignee, is desirous of acquiring the same;

NOW THEREFORE, This Indenture Witnesseth: That for and in consideration of ONE DOLLAR, lawful money of the United States and other good and valuable consideration, receipt whereof is hereby acknowledged, said assignors do hereby sell, assign, and transfer to said assignee, its successors and assigns, all right, title and interest in and to any said U.S. Patent Application, the invention or inventions therein shown and described and any improvements on said inventions heretofore or hereafter made, any divisions or continuations of said application, and all patents, United States and foreign, to be granted upon any such application, or for the invention or inventions thereof, and any reissues, continuations or extensions of said patents; and said assignors do hereby authorize and request the Commissioner of Patents to issue all patents on said United States Patent applications or for the invention or inventions hereof, in accordance with this assignment.

And said assignors for said consideration hereby covenant and agree that said assignors are the owners of the full title herein conveyed and have the right to convey the same, and agree that said assignors will communicate to said assignee, any facts known to said assignors respecting said invention or inventions, and testify in any legal proceedings when called upon by said assignee, sign all lawful papers deemed by said assignee as expedient to vest in it the legal title herein sought to be conveyed or for the filing and prosecution of all applications and patents, United States and foreign, and otherwise aid said assignee, its successors and assigns, in obtaining full patent protection on said invention and enforcing proper protection under said patents, but in every instance at the assignee's expense.

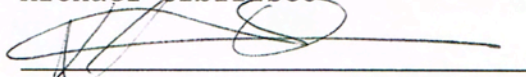
**APPENDIX E - Technology, Patents and Trademarks**

We hereby authorize and request my attorney, William M. Hobby, III, 157 E. New England Avenue, Suite 375, Winter Park, FL 32789, to insert here in parenthesis (Application number 61/825,310, filed 05/20/2013), the filing date and application number of said application when known.

Signed and sealed this 22<sup>nd</sup>  
day of May, 2013.



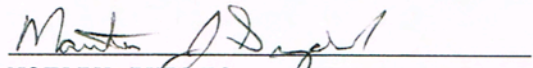
Michael Gibilisco

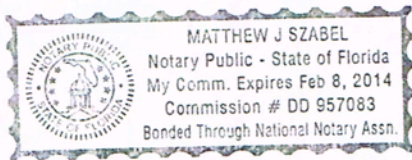


Dominic Crain

STATE OF FLORIDA :  
COUNTY OF :

The foregoing instrument was acknowledged before me this 22 day of May, 2013 by Michael Gibilisco and Dominic Crain, who are personally known to me or — who have produced FLDL & FDL as identification and who did/did not take an oath.

  
NOTARY PUBLIC  
My Commission Expires: 2/8/14



## APPENDIX F - 3D Conversion Projects

### 1. Conan The Barbarian 3D

2D to 3D Conversion Technology - Theatrical Release



### 2. Hoodwinked Too! Hood VS. Evil

2D to 3D Conversion Technology - Theatrical Release



### 3. Gulliver's Travels

2D to 3D Conversion Technology - Theatrical Release



### 4. Narnia 3D

2D to 3D Conversion Technology - Theatrical Release



### 5. TF1 - Cinema Commercial-Stereo "On Se Retrouve Sur TF1"

Paris, France - Theatrical Release

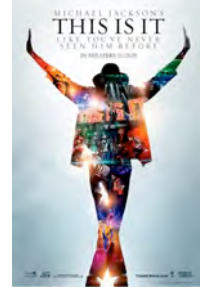


## APPENDIX F - 3D Conversion Projects

### 6. Michael Jackson's "This Is It"

2D to 3D Conversion Technology

Featured at the 52nd Annual GRAMMY Awards



### 7. Citroen - Cinema Commercial-Stereo "The Visiodrive"

United Kingdom - Auto-Stereo / Theatrical Release



### 8. Dolby Laboratories - "Big Wave 3D"

Promotional Stereo Conversion



### 9. American Idol - Auto-Stereo Slot Machine Open

IGT American Gaming, Auto-Stereo Conversion



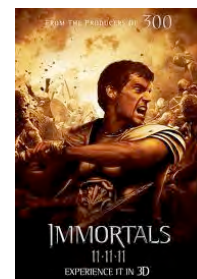
### 10. Wanted - Auto-Stereo Trailer Test

Universal Studios, CA - Blu-Ray Auto-Stereo



### 11. IMMORTALS (2011)

2D to 3D Conversion Technology - Theatrical Release



## APPENDIX G - 3D ADVERTISING

IZON 3D DIGITAL COMMERCIAL SCREENS FOR ADVERTISING

### WEATHERMAN MOTOR SPORTS PRESENTS

IZON GLASSES FREE 3D ADVERTISING SCREENS FOR O'REILLY AUTO PARTS STORES

GLASSES FREE 3D IN STORE ADVERTISING WILL GIVE O'REILLY THE COMPETITIVE EDGE FOR IN STORE PROMOTION THAT WILL CREATE A BUZZ AND ATTRACT NEW CUSTOMERS FOR O'REILLY

IZON GLASSES FREE 3D IN STORE ADVERTISING WILL CREATE A NEW ADVERTISING REVENUE STREAM FOR O'REILLY

3D IN STORE PROMOTIONS WILL SHOW MONTHLY DISCOUNTS ON TIRES, BRAKES, OIL FILTERS, BELTS, ENGINE PARTS, MOUNTS AND ACCESSORIES FOR O'REILLY CUSTOMERS

**IZON**  
Ideas That Spark Evolution

**3D**  
GLASSES FREE  
LED TV



NO GLASSES REQUIRED



IZON, LLC PROVIDES A MULTI-LAYER SOLUTION TO THE INDUSTRY'S 3D DEMAND. THESE TECHNOLOGIES PROVIDE AN IMMERSIVE 3D EXPERIENCE WITHOUT THE REQUIREMENT OF GLASSES. WE BELIEVE TO BE SUCCESSFUL IN THE 3D INDUSTRY, YOU MUST UNDERSTAND AND DEVELOP IN THREE AREAS: 3D CONTENT CONVERSION, 3D CONTENT INTERWEAVING / STREAMING AND 3D HARDWARE. IZON 3D SCREENS ARE AFFORDABLE AND ARE A TURN KEY OPERATION WITH LITTLE OR NO MAINTENANCE

IN THE DIGITAL SIGNAGE MARKET, ADVERTISING IN 3D IS A NEW AND DYNAMIC WAY TO LEVERAGE YOUR ADVERTISING PRESENCE. OUR 3D DIGITAL SIGNAGE DISPLAYS WILL MAKE FLAT 2D CONTENT INTO CAPTIVATING 3D MEDIA. OUR TECHNOLOGY CAN BE INTEGRATED INTO A VARIETY OF FLAT SCREENS THAT CAN BE MOUNTED AND PLACED IN VARIOUS AREAS DISPLAYING 3D ADVERTISING. THESE 3D DIGITAL SIGNS COULD BE DISPLAYED IN HIGH TRAFFIC AREAS: IN SUPERMARKETS, SPECIAL EVENT VENUES, SPORTS STADIUMS, MALLS, AIRPORTS, ETC.

SUCH 3D DIGITAL COMMERCIAL SCREENS ARE READY FOR SALE. THE COMPANY RECEIVED AN INITIAL ORDER WHICH IT DELIVERED DURING THE FOURTH QUARTER OF 2013

CONTACT DARYN WEATHERMEN AT WEATHERMAN MOTOR SPORTS FOR A DEMONSTRATION.

(314) 581-6956

DARYN@WEATHERMANMOTORSPORTS.COM

WWW.IZONTV.COM

ASSEMBLED IN THE  
**US** 

## APPENDIX G - 3D ADVERTISING

IZON 3D DIGITAL COMMERCIAL SCREENS FOR ADVERTISING

**JIM SHOAF & ASSOCIATES**  
PRESENT

IZON GLASSES FREE 3D ADVERTISING SCREENS FOR THE SEMINOLE TRIBE

GLASSES FREE 3D 47" SCREENS FOR ADVERTISING, CASINO JACKPOT WINNERS & PROMOTIONS

GLASSES FREE IZON 3D 47" SCREENS FOR CASINO & HOTEL LOBBIES

GLASSES FREE 3D FOR SLOT MACHINES

EXCLUSIVE REPRESENTATION RIGHTS TO SELL IZON TO OTHER NATIVE AMERICAN CASINOS

**IZON**<sup>TM</sup>  
Ideas That Spark Evolution

**3D**  
GLASSES FREE  
LED TV



NO GLASSES REQUIRED



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SUCH 3D DIGITAL COMMERCIAL SCREENS ARE READY FOR SALE. THE COMPANY RECEIVED AN INITIAL ORDER WHICH IT DELIVERED DURING THE FOURTH QUARTER OF 2013

CONTACT JIM SHOAF & ASSOCIATES FOR A DEMONSTRATION.  
(704) 241-4434

[WWW.IZONTV.COM](http://WWW.IZONTV.COM)

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**US** 