

Business plan for P&L International, Inc.

ZipPhasertm

Phase Array Antenna Systems



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Business mission

Our products and services:

Mobile High bandwidth Satellite Network Communication System and Services for customer requirements for Internet, Telephone and Satellite TV in remote, otherwise inaccessible locations.

The product consists of one or more satellite antennas with antenna controller and router onboard the mobile (moving) vessel. The service is the near global high bandwidth satellite communication links provided in a number of flexible plans by speed, capacity and region. Further, services are provided for the direct installation and maintenance as required together with the 24/7 network management services to ensure performance.

Our customers:

The existing market has been terrestrial applications with a need for satellite communications, typically where communication infrastructure such as cell towers is not available or has been compromised such as in an emergency response system for local governments. The new market has been identified as being a maritime market and consists of :

- Cruise Lines
- Super Yachts (80'+)
- Transoceanic Aircraft
- Merchant Ships
- Other (Fishing Yachts, Oil Platforms and service ships)

Our competitive edge:

Advanced Satellite Communications solutions in complex environments has previously been the domain of the military and costly. P&L has designed and engineered a total solution offering that in total is unique in the industry in that no other current provider can provide such an advanced, cost effective system to the commercial market place. Specific competitive advantage is in the form of three areas:

- Performance and Reliability
- high bandwidth with KU band satellite at 2000kbs per antenna.
- Expanded bandwidth with the ability to add more antennas.
- Multi-region seamless support is programmatically controlled by the P&L network via controllers.
- The use of phase array technology means the satellite antenna has virtually no moving parts. The system is preprogrammed and lightweight which means that installation is relatively rapid (~ ½ day).
- Aesthetics is seen as a major competitive advantage with the phase array antenna only being 5.9" high.

Strategic analysis

Analysis of the target market for our products and services:

The super yacht market numbers 6,000 yachts world-wide and the number that are actively cruising and in need of high bandwidth satellite communications while underway at sea is estimated to be a majority of those.

Conservatively 3,000 of those yachts would be in a position to add new or retrofit existing systems with newer satellite system over the next 5 years and the estimate of those that will opt for the phase array approach is targeted at 1,000 vessels.

These are our main competitors:

KVH

MTN

Linkscope

Inmarsat (satellite provider that is partnered with multiple eqpt providers)

The competitive threat and how we differentiate ourselves:

Starting with Inmarsat, this is the dominant world of C band satellite communications that is supported by dome antennas. All of these competitors have an established market presence, a track record and distribution networks. The other providers are a mix of C-band and some newer KU band usage, but in all cases still having to use a dome antenna. The net of a competitive comparison is that no matter what part of the P&L solution may be provided, there is currently no competitor that has put all of the advanced components together and delivered in a total solution package that works. In addition to the exclusive maritime distribution rights for the phase array antenna from Raysat, which is a unique market advantage, there are other technology advantages in the P&L offering in that all of the parts have been tested and proven to work together.

This is how we will generate income:

The income model is two fold: to derive income from the sales and distribution of the components that make up the hardware of the system and to receive revenue for the delivery of the satellite service on a subscription basis, typically set as a monthly charge on an annual contract for unlimited usage anywhere the coverage is provided at a level of bandwidth performance as needed. The latter is an opportunity for recurring revenue based on providing satisfied service levels to the customer.

This is our price strategy:

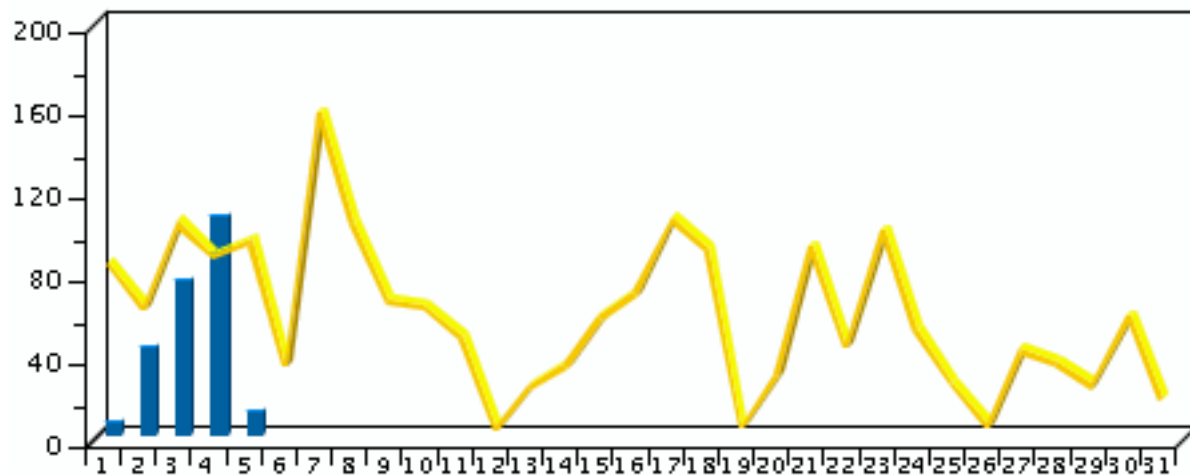
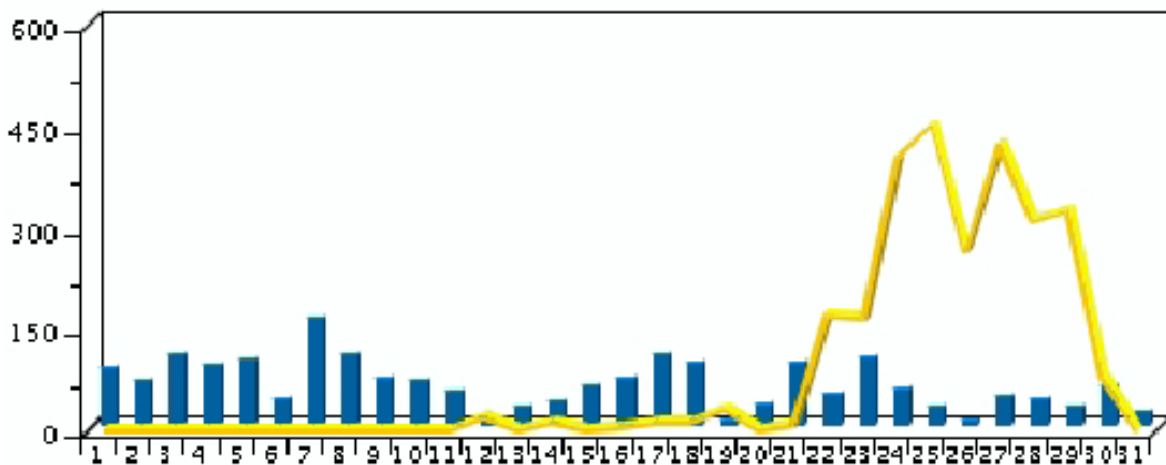
The price strategy is to keep the hardware competitively priced for the quality and performance characteristics as compared to the competition i.e. not necessarily the lowest price hardware... however, while the system may be worth more by comparison, to keep the margins on hardware relatively low around 20% to help penetrate the market with our system which in turn drives the revenue for the use of the P&L provided satellite network. This is similar to the cell phone industry where the phone is lower priced with a contract.

This is our marketing strategy:

Sales and marketing is being driven globally by a "direct" model, that is all sales and support is being provided directly by P&L to the client, be it a yacht builder or an existing yacht

owner. Being an offer of new technology (phase array) and a new player in the maritime market there is a need for a marketing awareness campaign that is driven via direct email and PR campaigns designed to bring interested prospects to the P&L website for more information and then engage in sales cycle discussions: product information, quote, contract. The initial focus has been US based, for ease of communications and support, but in no way is it limited to the US and in fact the response has been world-wide. To compliment the mass sales and marketing blitz has been selective show attendance by P&L and DMG (marketing consulting partner for the super yacht market) to Ft Lauderdale Boat Show, Mets, Antiqua thus far and planned: Miami, Monaco and others TBD. The face to face contact is targeted at Yacht Builders (CEOs, General Managers, Engineers, Designers) at Refit Yards General Project Managers, Yacht Owners, Captains/Project Managers/Engineers. The concept is one of follow the early adopter leaders and to secure large, name yacht builders and owners.

Below are marketing reports for December of 2009 and January of 2010 that show website viewers on www.pliinc.com after extensive marketing at tradeshows and direct marketing.



Budget for P&L International, Inc.

These are our best guess estimates for expected financial development for our business:

Figures are in In Millions of Dollars

	2010	2011	2012	2013	2014
Sales Revenue	13,770	34,050	54,210	108,420	216,840
Cost of sales	10,687	22,987	36,771	73,542	147,085
Salaries	520	1,040	2,240	4,480	9,600
Overheads (incl. financials cost)	540	540	594	594	653
Total cost	11,747	24,567	39,605	78,616	157,338
Investments (incl. working cap)	600	600	700	700	800
Pre-tax cash flow	1,423	8,883	13,905	29,104	58,702
Tax on cash flow	356	2,221	3,476	7,276	14,676
Net cash flow	1,067	6,662	10,429	21,828	44,027

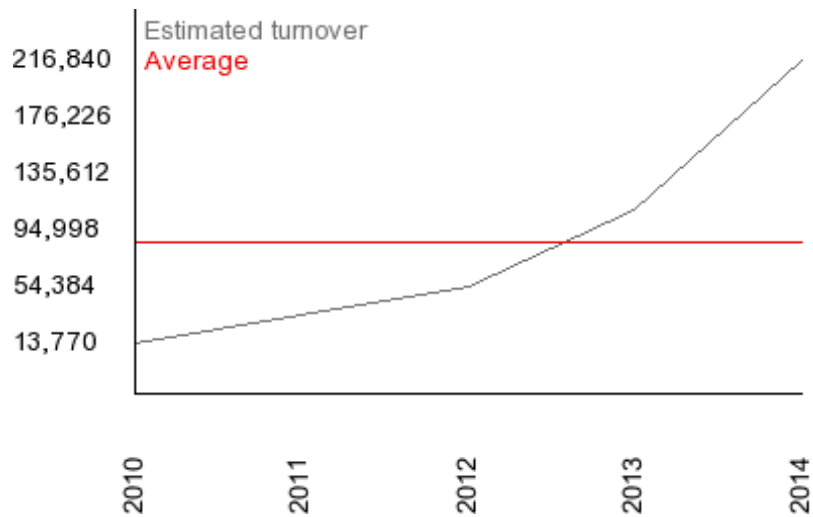
Assumptions for the budget:

	2010	2011	2012	2013	2014
No. of workers	8.00	16.00	32.00	64.00	128.00
Average salary	65	65	70	70	75

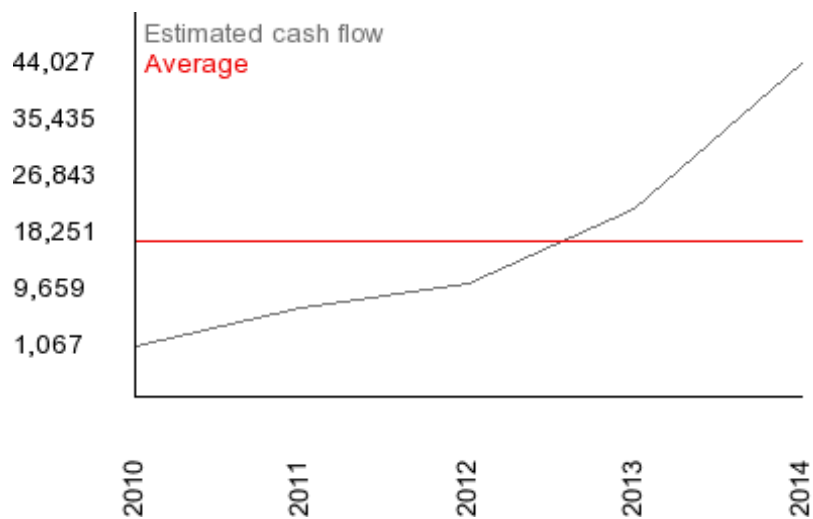
These are other key assumptions to achieve these budget estimates:

To achieve the above projections P&L International sells the ZipPhaser phase array antenna system for a retail price of \$75,000.00 each. The price includes phase array antenna, BUC and controller along with all cables. The bandwidth price is on the average \$5,000.00 per month for a 1MbpsX512Kbps satellite circuit to the Internet. Over a five year period according to our projections we plan to sell 978 units units with reoccurring bandwidth renewals to attain our target.

Sales over the next 5 years, In Millions of Dollars



Budgeted cash flow next 5 years, In Millions of Dollars



Assets and liabilities

These are our assets and liabilities with approximate values. Currency and number format are the same as for the preceding budget figures:

Assets

Cash and financial investments:	45,000
Vehicles and other equipment:	65,000
Properties:	0
Other assets:	7,000

Liabilities

Bank loans:	0
Loans from shareholders:	0
Other liabilities:	16,000

Key people

Full name: Paul Pazzaglini

Position: CEO - President

Education and work experience:

Paul Pazzaglini, President - P&L International, graduated with degrees in oceanography and business administration and began his career in 1977 as a sales engineer with Tektronix. Initially based in Beaverton, Oregon, Paul worked on top secret security operations for the U.S. government's department of energy and the nuclear power industry. Today, he successfully manages a team of highly skilled technology professionals and has created a business model which delivers to clients high technology computer aided mapping software and global communications. The P&L team's focus is on reducing communication costs and providing integrated wireless solutions for business, maritime, government, education, and health organizations. P&L's staff boasts 85 years of combined experience in satellite communications and global technology. Our team's capabilities cover all aspects of this industry, from implementing mobile homeland security to rolling out the most advanced maritime phase array solutions.

Full name: Art Ingram

Position: Director of Business Development

Education and work experience:

As director of Business Development is responsible for global sales and marketing for P&L International. Art has held executive and management positions in the computer software and communications industry over the last 30 years with RCA, Tektronix, General Electric Calma and SAS Institute. His sales and marketing record for both industry leading Fortune 500 companies and

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growing, entrepreneurial minded firms is one of effectively focusing team efforts on solid revenue growth with high levels of customer satisfaction. Art is a graduate of The College of Management at North Carolina State University with a degree in Economics. He is an avid salt water sailor and on land enjoys road cycling and travel abroad with his family.

Full name: Doug Hoogs
Position: Sales Marketing Consultant

Education and work experience:

Doug Hoogs plays a significant role in establishing the ZipPhaser name through marketing and sales consultation. His earlier background as a megayacht captain, author of marine books, owner's agent on new builds, and project managing his own yacht projects... has put Doug in the heart of the customer base on a first name basis around the world. Doug has now focused his marketing resources on ZipPhaser and is helping to establish the exciting brand that will change yachting forever.

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Shareholders

Our largest shareholders and total number of outstanding shares:

Shareholder	Number of shares
Paul Pazzaglini	1000000
Total shares	1,000,000

www.pliinc.com

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