

IDEA's *in Production*

SHRIMP & HYDROPONIC FOOD PRODUCTION SYSTEMS MANUFACTURING

**INITIAL EMPLOYMENT 100
LOCAL PERMANENT EMPLOYMENT 1,100
FIRST TWO FACILITY OPERATIONS 200
US MARKET POTENTIAL – 25 SYSTEMS
INTERNATIONAL POTENTIAL - 25 SYSTEMS**

VERTICAL SHRIMP FARMS & HYDROPONIC SYSTEMS

The US imports 1.4 Billion pounds of poor and questionable quality Shrimp per year. The vertical shrimp production technology will produce the lowest cost animal protein to feed the growing world. The technology has the lowest feed conversion ratio of any comparable animal protein production system. Vertical vegetable farming reduces transportation costs and helps solve the water crisis using 90+% less water and acreage than traditional Agriculture.

Both these businesses will require modular growing systems that will need to be manufactured to support the explosive growth of these technologies. These businesses could be ramped up very quickly and provide profits on both equipment manufacturing and food sales.

Vertical Farming Capital Budget \$1 Billion

Initial Production Facility : \$250 Million (\$20M to build first full scale food hub operation in Manistee MI)

Domestic Business Development

\$15 Million

- 3 million lb Production and Processing plant Manistee Michigan
- Research and Development of Whitefish production Manistee Michigan
- Shrimp Hatchery, Manistee Michigan

\$140 Million

- Chicago (or another major metro area's) Shrimp Farm and Processing plant 50 Million pounds per year

International Business Development

\$50 Million

- Belize Farm acquisition and production ramp up

Vertical Hydroponics Capital Budget

\$5 Million

- Vertical Indoor Vegetable Production Facility Manistee, Michigan in Parallel with Shrimp Production

\$45 Million

- Vertical Indoor Vegetable Production Facility Chicago in Parallel with Shrimp Production

Tranche 2-5 : \$250 Million Business Expansions

IDEA's *in Production*



Business Plan for ECA Farms, Inc.

Complete Business Plan Table of Contents

<u>ITEM</u>	<u>PAGE</u>
1. Executive Summary	1
1.1 Objectives	4
1.2 Mission Statement	4
2. Company Summary	4
2.1 Business Model	4
3. Market Analysis	8
4. Products	11
5. Industry Analysis	12
6. Competition	13
7. Marketing and Sales Strategy	15
8. Management Summary	15
8.1 Personnel Plan	17
9. Financial Plan	18
10. Financials	18

EXECUTIVE SUMMARY



ECA Farms, Inc. **(Environmentally Conscious Aquaculture)**

Executive Summary

ECA Farms, Inc. (ECA) was created to develop a commodity competitive marine shrimp farm industry for international economic development in cooperation with IDEA's *in Production* (IDEA) infrastructure and humanitarian programs throughout the world. ECA provides a shrimp farming industry that is environmentally correct, bio-secure, sustainable, and economically successful. ECA plans to use its' proprietary technology to establish indoor, commercial marine shrimp farms for the multiple international locations studied by IDEA across Africa, in SE Asia, South America, the Middle-East and the USA starting with an initial farm in Okemos, Michigan.

The indoor commercial shrimp production facility will utilize new technology that has the potential for revolutionizing the shrimp farming industry. This farm will serve as the center of the Company's future efforts to expand the use of its technology, both on the farm, and other projects in the United States and around the World. On this site, the Company will pursue a completely integrated commercially sized facility for growing shrimp indoors (in a highly-controlled environment). Over the last 18 years, the founder of the Company, Russell Allen, has already made this model successful on a prototype scale and has shown that the technology has the potential to be the lowest cost producer of marine shrimp in the World. ECA will incorporate rights to the technology in the Company for the farming, sale of shrimp, and expansion in the United States and around the World.

Overview of Business

As the World continues to grow and resources become scarce, it is clear that the World is going to have to grow more animal protein with less resources. Not only will there be increased demand for fewer resources, from both land and our oceans, but the demand for animal protein going to the developing World will be increasing at an ever rapid rate. A speaker at the American Farm Bureau Commodities Conference in Washington DC in February, 2012, stated that: “The World, in the next 40 years, is going to have to produce more food than it has since mankind started”. There is great need for projects that utilize new, proprietary technologies, to produce animal protein in a more efficient, affordable, and healthy manner than ever before.

There are two recent developments that highlight the need for this new technology; 1) China for many years was one of the largest exporters of shrimp in the World. Last year, China became a net seafood importer, including shrimp. China is desperately seeking new technology to meet future demand. 2) Several years ago a new shrimp disease broke out in China. It has since spread to Vietnam, Thailand, and Malaysia. Thailand is the largest exporter of shrimp to the USA. As of yet, no has even been able to define the disease, much less a cure. Today, reports out of Thailand say the 80% of their ponds are sitting empty. This has serious implications for the US shrimp supply and prices are most certainly going to continue to rise.

Capital Injection - Financial Plan

ECA raises \$15 million of private investment capital, investing approximately \$13 million in fixed investments during 2016 and 2017. The remainder will be utilized in start up of operations. The company will be able to produce, with profitably, approximately 3 million pounds of shrimp per year. Using reasonable assumptions, the company expects more than \$2 million in annual profits at this level of operations.

Funds Provided by IDEA's in Production

The Company intends to use the proceeds from this offering to pursue Phase I of its business plan: The development of a completely integrated commercial facility for growing shrimp indoors in Okemos, Michigan.

Capital Schedule \$(000)	2016
Land Purchase	250
Modules Site Work	700
Vehicles & Equipment	400
Tanks & Feeding System	5,600
Okemos Operation	1,000

Utility Infrastructure	2,400
Wells & Water Treatment	850
Hatchery	580
Processing Equipment	1,100
Office	120
Annual Total	13,000

Pro Forma Profit and Loss \$(000)

	2016	2017	2018	2019	2020
Sales	-	5,109	9,432	9,432	9,432
Direct Costs of Goods	-	2,460	4,541	4,541	4,541
Other Costs of Goods	-	-	-	-	-
Cost of Goods Sold	-	2,460	4,541	4,541	4,541
Gross Margin	-	2,649	4,891	4,891	4,891
Gross Margin %	0.00%	51.85%	51.85%	51.85%	51.85%
Expenses					
Payroll with Burden	168	423	536	536	536
Sales and Marketing	20	50	70	70	70
Property Taxes	324	726	726	726	726
Insurance	20	40	60	80	100
Utilities	30	55	55	55	55
Misc.	50	80	110	110	110
Total Operating Expenses	612	1,374	1,557	1,577	1,597
Profit Before Interest and Taxes	(612)	1,275	3,334	3,314	3,294
EBITDA	(288)	2,001	4,060	4,040	4,020
Interest Expense	350	350	350	350	350
Taxable Income	(962)	925	2,984	2,964	2,944
Taxes Incurred (30% estimate)	-	278	895	889	883
Net Profit	(962)	648	2,089	2,075	2,061
Net Profit/Sales	0.00%	12.68%	22.14%	22.00%	21.85%

Harvest Projections

Weeks of Growout / tank	8
Harvests / tank / year	6.5
Tanks / column	12
Columns / module	20
Harvests / module / year	1,560
Grams harvest size shrimp	22
Pounds harvested / tank / cycle	323
Pounds harvested / module / year	504,555

Pounds harvested / 6 modules /year	3,027,333
Grams / de-headed shrimp	15
Yield / lb harvested	67%
Pounds yield / 6 modules / year	2,028,313
Price / lb de-headed	\$4.65
Price / lb Value Added	\$6.75
Percent of harvest for Value Added	0%
2016	no sales
2017 1 Module each month Apr-Sep	\$5,108,813
2018 Full production from 6 Modules	\$9,431,656
2019 Full production from 6 Modules	\$9,431,656
2020 Full production from 6 Modules	\$9,431,656

Production Costs

Cost / lb head on for 4 modules	\$1.37
Cost / lb head on for 20 modules	\$1.00
Cost / lb to de-head and classify	\$0.50
2016 No Sales	0
2017 1 Module each month Apr-Sep	\$2,459,708
2018 Full production from 6 Modules	\$4,540,999
2019 Full production from 6 Modules	\$4,540,999
2020 Full production from 6 Modules	\$4,540,999

The Company will reserve start-up operating capital in the amount of \$25 million. Financial projections assume net annual proceeds to the Company of \$15 million.

Long-term Plan

As company plans encompass a production system which is highly scalable, there are no apparent limiting factors in the expansion equation, other than the availability of capital. The company's business plans clearly indicate the potential to become a significant presence, and the company could certainly expand capacity to capture more than the projected 40% market share a region of development. This could translate into production exceeding 500 million pounds per year per facility, or more --- a huge operation by any standards.

Key Strategic Objectives

The Company has identified the following key strategic objectives:

- Develop a manufacturing plant that is able to provide modular systems to the international clientele of IDEA's in Production that has completed infrastructure and economic development studies in over 20 nations in Africa, SE Asia, South America and the Middle-East.
- Achieve shrimp sales of at least \$5 million per facility per year for the first two facilities (one domestic and one international) by the end of 2017.
- Become a leading supplier in the US of high-quality, locally-produced shrimp to the national marketplace selling to super market chains (ie Whole Foods, Kroger, Safeway, etc) and local restaurants.
- Develop a company that acts as a responsible corporate citizen that is environmentally and socially conscious and has a positive impact on the world.

Risk Factors

The Company's business plan involves the commercialization of technology that has not previously been commercialized. As a result, there is a relatively high degree of risk associated with an investment in the Company. The success of the Company will be largely dependent on the ability of its management to implement the technology to be developed on the farm.

* * * * *

Important: All individual facilities prospective investors in individual production facilities must receive and review a full copy of the Business Plan, including all exhibits. If you are interested in obtaining a copy of the Business Plan or more information, please contact:

Larry G. Cox, P.E.
 CEO & Manager
 IDEA Investment Group, LLC
 734 Forest Glen Lane
 Oak Brook, Illinois 60523
 (713) 562-6220

Executive Summary for Vertical Farming in Urban and Remote Areas



Vertical Hydroponic Growing of Produce in a Farm In A Box (FIAB) or an Urban Factory to create sustainable neighborhood economic development with meaningful and gainful employment

Prepared by
Morning Glory Greenhouse Systems, LLC
Suite 1212
7800 E. Jefferson
Detroit, MI 48214

Complete Business Plan Table of Contents

<u>EXECUTIVE SUMMARY</u>	5
Creating A New Economic Development Model for Urban Farming.....	5
<u>I. Goals and Objectives</u>	6
<u>II. Components of the New Urban Farm</u>	7
<u>III. Microgreens FIAB</u>	8
<u>IV. High-Density Vertical Growing Using Hydroponics & LEDs</u>	9
<u>V. Marketing Plan</u>	13
<u>VI. Management Team</u>	14
<u>VII. Competing FIAB Producers as Future Partners with MGGS,LLC</u>	15
<u>VIII. Implementation Schedule</u>	16
<u>IX. Microgreens Study from USDA</u>	17
<u>X. Microgreens Seeds</u>	18
<u>XI. Creating Jobs – Over 1,100 in 5 years</u>	20
<u>XII. Conclusion</u>	22

List of Tables

Table 1: High Density Vertical Hydroponic System Manufacturing Proforma	10
Table 2: Proforma for MGGS FIAB Manufacturing & Sustainable Income Growing Food	13
Table 3: Competing Firms with a similar Farm In A Box unit.....	15
Table 4 : Scientific Name of the top 25 Microgreens & Production Cost Analysis.....	18
Table 5 : Fast & Slow-Growing Microgreens.....	19

List of Figures

Figure 1: FIAB Unit with Microgreens Grow Rack & Work Counter.....	7
Figure 2: One FIAB on a Vacant Lot	7
Figure 3: Five FIAB's on a Vacant Lot.....	7
Figure 4: FIAB Unit for Microgreens Production.....	8
Figure 5: High-Density Vertical Growing System.....	9
Figure 6: Proposed Location for FIAB Prototype at Central Detroit Christian Fishery Building.....	11
Figure 7: Example of Ford Electric Powered Produce Delivery Van	12
Figure 8: Johnny's Selected Seeds.....	19
Figure 9: Sprout People.....	20

Executive Summary for Vertical Farming in Urban and Remote Areas

Objectives

A. Construct an International World-Class Showroom Facility near the Bay County International Airport that provides display space for all related Urban Farming equipment, products and supplies. This facility will also offer expandable conference rooms for meetings relating to the rapidly expanding Urban Farming market.

B. Establish a manufacturing business to produce automated High Density Vertical Grow Systems in cooperation with IDEA's in Production for their international infrastructure, economic development and humanitarian food production systems and in the case of Morning Glory Systems for lettuce and similar leafy greens that will be placed in a Food Factory mobile container for attachment to a modular production facility that will include a module used for raising shrimp indoors.

C. Create sustainable employment opportunities for urban residents manufacturing the Farm In A Box (FIAB) equipment to grow produce and microgreens year-round in a self-contained structure next to their homes in older blighted neighborhoods in Cities or in small towns in rural areas with high unemployment.

D. Create a second tier of sustainable employment opportunities for urban and/or rural communities growing produce and microgreens in a Farm In A Box unit for sale in the community at local grocery stores, schools, hospitals, nursing homes and continuing care facilities.

Market Size

A market exists in Urban Areas throughout the U.S. and Internationally to supply fresh produce daily to area restaurants, the family owned grocery stores, supermarket chains like Whole Foods, Kroger and Safeway, hospitals, nursing homes, Public Schools, and numerous food processing firms like Garden Fresh Salsa that are currently importing their raw food materials from outside their food processing facilities in the Detroit market area.

MGGS will utilize the Foreign Trade Zone in Panama City to increase our local manufacturing capabilities to produce more FIAB and High Density Vertical Hydroponic Grow Systems for shipping throughout the U.S. and Internationally. More local employment will occur as MGGS increases its markets around the globe.

With the world population exceeding 7 billion and many Counties experiencing adverse weather conditions, the time is right to begin producing food indoors on a much larger scale using hydroponic growing technology and LED lighting. Hydroponic growing uses 1/10th the amount of water that soil based farming uses. Crop yields are higher. And the environment is controlled.

In the U.S. there are 362 metropolitan areas. Many of the older urban centers were adversely affected by the housing market crash in 2008. For example Detroit, Michigan has over 40,000 vacant lots and Flint, Michigan has over 12,000 vacant lots. During this economic downturn, residents who had lost their jobs also lost their homes to the foreclosure process. Forced to move the homes became vacant and massive blight occurred because there were no new employment opportunities.

On a positive note urban farming on these vacant lots has increased from 528 in 2008 to over 1,400 in 2014. The City has been selling these vacant lots for \$100 to adjacent homeowners who agree to have a vegetable garden for at least 5 consecutive years and pay property taxes for the agricultural use of the lot.

The Detroit Public School system feeds over 46,000 students from eligible low income families 2 meals per day. The school lunch program budget is over \$260 M annually and they will purchase locally grown produce year round if it is available. The FIAB will enable the homeowner to grow produce year round and increase his/her income.

There are over 17 million shipping containers around the globe. Often these containers arrive at ports in the U.S. and sit idle because we have nothing to ship back. To eliminate congestions these Port Authority's will sell or give away these containers.

Morning Glory Greenhouse System, LLC Business Plan

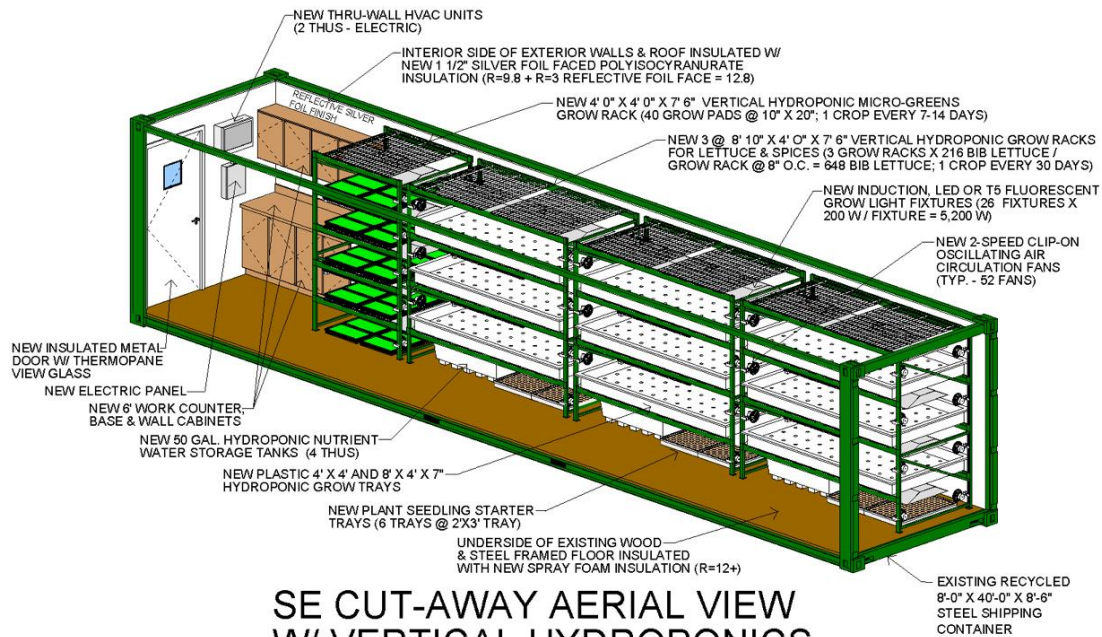
Morning Glory Greenhouse System, LLC (MGGS) will establish the following manufacturing operations in Panama City, Florida and utilize the Foreign Trade Zone to import empty shipping containers and export the finished Farm In A Box and the High Density Vertical Hydroponic System :

1. Farm In A Box (FIAB): \$4.3 M to be repaid in full with interest at the end the third (3rd) year.
2. Automated High Density Vertical Hydroponic Grow System: \$5.5 M to be repaid in 3 years with interest
3. International World – Class Showroom displaying Urban Farming Equipment & Supplies: \$4.8 M to be repaid with property taxes against Tax Increment Finance Bonds issued by Bay County.

Manufactured Products

The following illustrations are presented to show the products MGGS intends to manufacture in Panama City, Florida for modular domestic and international installations.

Farm In A Box – Produce & Microgreens

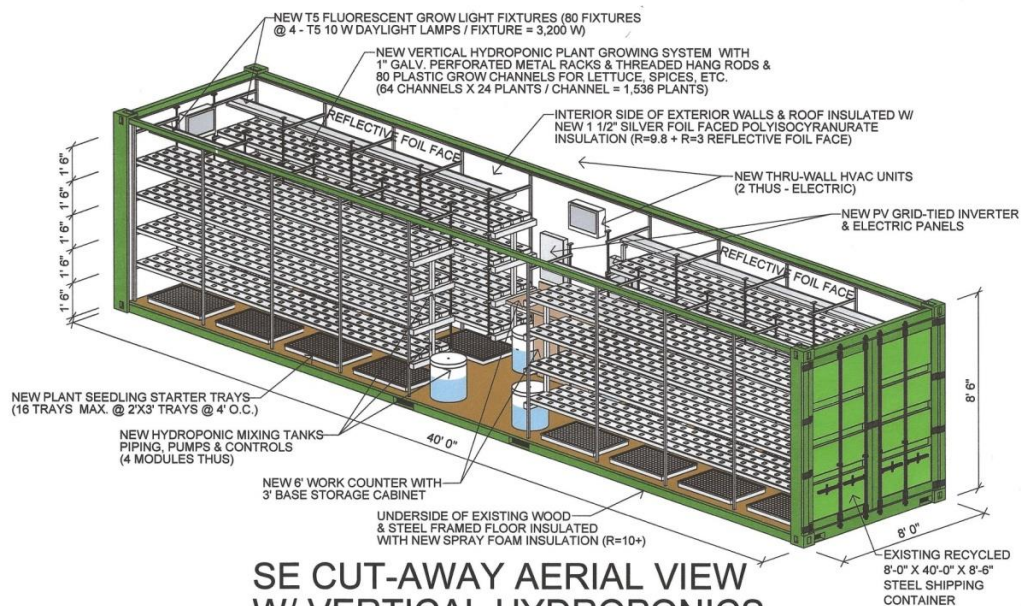


Copyright 2014 - All Rights Reserved MGGS, LLC

Farm In A Box – Microgreens Model

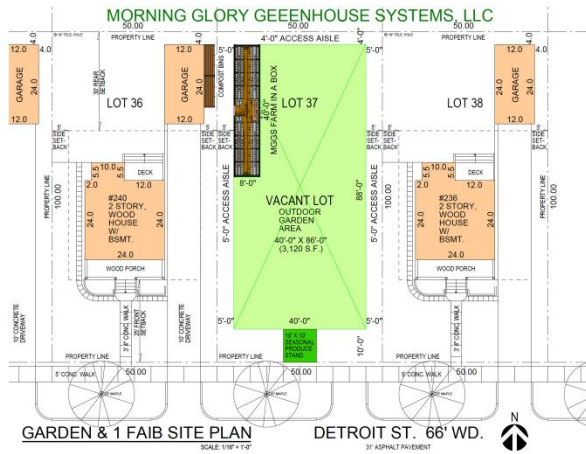
THE MGGS VERTICAL HYDROPONICS SOLAR GARDEN 40' SHIPPING CONTAINER (320 SF GROSS)

MORNING GLORY GREENHOUSE SYSTEMS, LLC

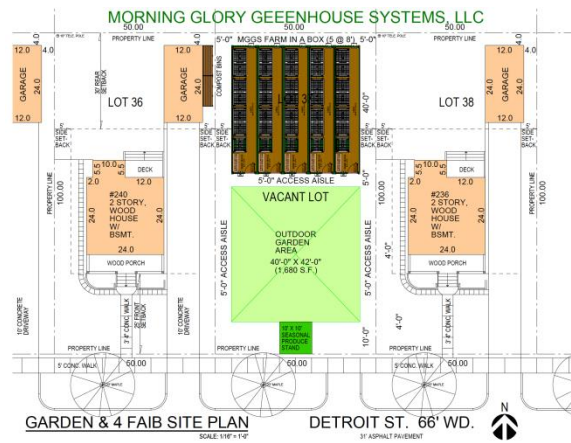


Copyright 2012 - All Rights Reserved MGGS, LLC

Metropolitan Area Vacant Lot Farms



One FIAB on a Vacant Lot



Five FIAB's on a Vacant Lot

High Density Vertical Hydroponic Grow System



high-density vertical growing

Using this patented system in 5,800 square feet of floor area with 10 foot high ceilings Morning Glory Greenhouse Systems, LLC (MGGS) can produce 100,000 heads of lettuce a month or 1.2 million heads annually. This patented system will be licensed by IDEA in Production and manufactured by MGGS in Panama City, Florida for a worldwide market. This modularized vertical growing system will be marketed to densely populated urban areas to be installed in vacant buildings that are properly insulated to an R 42 rating and thoroughly sealed and ventilated to prevent infestation of bacteria. If vacant buildings are not available, MGGS will ship a modularized SIPs panel building that will enclose the work area. Workers stand at their work station and the plants come to them to be harvested via the overhead track system shown above. The end objective is to grow healthy, nutritious produce right where the population lives and eliminate shipping. With High Density Vertical Farming, the 2,000 mile salad will be dead!

Financial Plan

The following proforma illustrates the financial feasibility of developing the MGGS Urban Farming Business Model in Panama City, Florida. Employment will be created in Panama City manufacturing the FIAB units that will be exported to Detroit, MI. Subsequently, additional sustainable year round employment will be created operating the FIAB to grow produce and microgreens for markets in Detroit.

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total
Total FIAB Units/year production	9	79	84	168	168	336	336	1180
Cummulative FIAB Units produced	9	88	172	340	508	844	1180	1180
Income - FIAB Units Sold	\$567,000	\$4,977,000	\$5,292,000	\$10,584,000	\$10,584,000	\$21,168,000	\$21,168,000	\$69,462,000
MGGS FIAB Units producing food	2	7	84	168	168	336	336	1101
Food income	\$354,000	\$1,720,250	\$20,643,000	\$41,286,000	\$41,286,000	\$82,572,000	\$82,572,000	\$270,570,750
Food Expense	\$354,000	\$1,239,000	\$14,868,000	\$29,736,000	\$29,736,000	\$59,472,000	\$59,472,000	\$194,877,000
Gross Profit Food	\$0	\$481,250	\$5,775,000	\$11,550,000	\$11,550,000	\$23,100,000	\$23,100,000	\$75,693,750
Production & Marketing Jobs	20	63	63	63	63	126	126	126
Employee Expense	\$1,040,000	\$3,276,000	\$3,276,000	\$3,276,000	\$3,276,000	\$6,552,000	\$6,552,000	\$6,552,000
Executive Staff Salaries	\$300,000	\$300,000	\$300,000	\$300,000	\$600,000	\$600,000	\$600,000	\$3,000,000
Benefits (30%)	\$90,000	\$90,000	\$90,000	\$90,000	\$180,000	\$180,000	\$180,000	\$900,000
Travel	\$60,000	\$60,000	\$60,000	\$60,000	\$90,000	\$90,000	\$90,000	\$510,000
Office	\$12,000	\$12,000	\$12,000	\$12,000	\$24,000	\$24,000	\$24,000	\$120,000
Legal	\$60,000	\$60,000	\$60,000	\$60,000	\$90,000	\$90,000	\$90,000	\$510,000
CPA	\$24,000	\$24,000	\$24,000	\$24,000	\$36,000	\$36,000	\$36,000	\$204,000

Total Administration Expense	\$546,000	\$546,000	\$546,000	\$546,000	\$1,020,000	\$1,020,000	\$1,020,000	\$5,244,000
Gross Profit/ Loss FIAB & Food	(\$1,019,000)	\$1,636,250	\$7,245,000	\$18,312,000	\$17,838,000	\$36,696,000	\$36,696,000	\$133,359,750
Loan Payoff			(\$4,260,750)					
Gross Profit/ Loss before taxes	\$1,019,000	(\$2,655,250)	\$2,984,250	\$18,312,000	\$17,838,000	\$36,696,000	\$36,696,000	\$112,526,250



The typical annual budget for operating ONE High Density Vertical Hydroponic Grow System for lettuce pictured above is:

\$900,000 Revenue (1.2 M heads of lettuce @ \$0.75/head)
 -\$200,000 (\$1 M vertical grow system above paid off over 6 years)
 -\$221,760 (4 employees @\$15/hr with 40% benefits for 220 hr year)
 -\$180,000 (10,000 sq.ft. leased @ \$18/sf triple net)
 -\$120,000 (water from City with RO on-site)
 -\$ 96,000 (electricity for LED grow lights and charging delivery van)
 -\$ 9,000 (Ford electric powered delivery van paid in 3 years)
-\$ 20,000 (legal & accounting)
 \$52,640 EBITA

High Density Vertical Hydroponic System Manufacturing Proforma

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Systems Sold	1	12	36	72	144	265
Revenue	\$1,000,000	\$12,000,000	\$36,000,000	\$72,000,000	\$144,000,000	\$265,000,000
Mfg Space	\$120,000	\$120,000	\$120,000	\$240,000	\$240,000	\$840,000
MFG Equipment	\$230,000	\$230,000	\$230,000	\$230,000	\$230,000	\$1,150,000
Materials	\$106,000	\$1,272,000	\$3,816,000	\$7,632,000	\$15,264,000	\$28,090,000
Labor@60k	\$600,000	\$1,200,000	\$2,400,000	\$4,800,000	\$9,600,000	\$18,600,000
Sales & Marketing	\$1,200,000	\$3,600,000	\$3,600,000	\$7,200,000	\$7,200,000	\$22,800,000
Management	\$460,000	\$920,000	\$1,840,000	\$3,680,000	3,680,000	\$10,580,000
Totals	\$2,716,000	\$7,342,000	\$12,006,000	\$23,782,000	\$36,214,000	\$82,060,000
EBITA	(\$1,716,000)	\$4,658,000	\$23,994,000	\$48,218,000	\$107,786,000	\$182,940,000

Creating Jobs Domestically -- over 1,100 in 4 years

Morning Glory Greenhouse Systems, LLC proposes to establish a new industry in Panama City that will initially employ 100 unskilled and semi-skilled employees that will mushroom into over 1,100 new jobs over the next 4 years. All of the participants in this program will receive training on as many facets of this program that they want to learn and develop a skill set in the selected category(s). Initially, they will be engaged in the manufacture, sales, marketing and exporting of our Farm In A Box (FIAB) totwenty-five (25) international locations over the next five years and to seven (7) of the over 40,000 vacant lots in the City of Detroit alone in the first year. The objective is to locate our FIAB in each if the 7 Detroit City Council Districts in the first year on a vacant lot adjacent to a local homeowner who wants to start an Urban Farming Business. Homeowners who are already engaged in Urban Farming operating a garden lot will also be considered to receive one of the initial seven FIAB units.

The FIAB allows the Urban Farmer in Detroit to expand into a year round business and not be dependent solely on a seasonal outdoor garden. Each spring seedlings can also be propagated in the FIAB and planted in the garden on the vacant lot. A sketch of the house, FIAB and Garden relationship on a vacant lot is attached. Expansion to 1,100 or more jobs will occur as more FIAB's are sold to be placed on vacant lots as the Urban Farming business opportunity literally "GROWS" across the U.S. neighborhood by neighborhood.

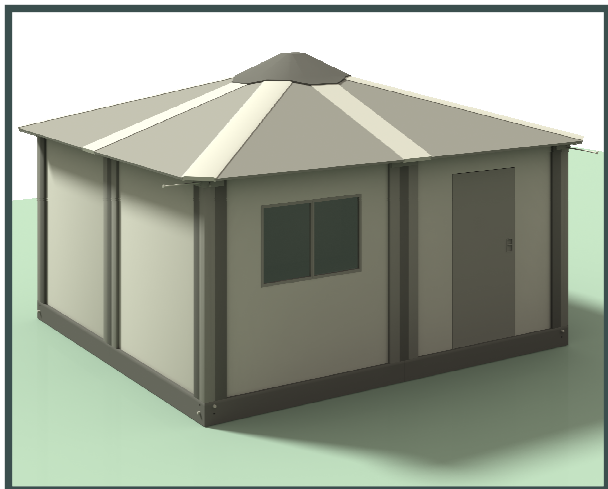
Each FIAB is constructed from a used 320 square foot shipping container that measures 8.5' wide x 8' high, and 40' long. It is insulated for year round use. There are 3 vertical hydroponic grow racks (each measures 4' wide x 8' long x 7'-6" high) inside plus a 4'x4'x7' high microgreens grow rack with 5 shelves and a 8' long work table. The FIAB can be used to raise a variety of produce and microgreens that will either offset the homeowner's expense for food or provide a new source of revenue for the family.

The skill sets needed to construct a FIAB are carpentry, electrical, plumbing, heating and solar. Delivery and setup of each FIAB on the homeowner's adjacent vacant lot will be contracted initially. Classes in growing produce using hydroponics as well as soil based gardens will also be taught through a network of Neighborhood Block Clubs to be established in each of the 7 Detroit City Council Districts. Training will also be available for neighborhood residents who are interested in joining together to form Employee Stock Ownership businesses (ESOP) that are food related.

IDEA's *in Production*

**REFUGEE AND EMERGENCY
SURVIVAL HOUSING SYSTEMS**

**INITIAL EMPLOYMENT 50
LOCAL PERMANENT EMPLOYMENT 200
INTERNATIONAL PERMANENT EMPLOYMENT 2,500**



TECHNOLOGY SERVING HUMANITY

EXECUTIVE SUMMARY

Florida Gulf Coast of Mexico Restoration Project
In Conjunction With IDEAs In Production's Submission

Shelter Technologies, Inc. (STI) is the manufacturer of unique, patent-pending, 100% polymer shelters that are rapidly deployable anywhere in the world, go up quickly and easily without the use of power tools, and are safe, durable, and environmentally friendly. They will hold up in the harshest of environments and last longer than treated wood or canvas. These infinitely expandable modular buildings have captured the attention of FEMA, the International Red Cross, the U. S. Military, the United Nations, the governments of numerous countries, and the U. S. Dept. of Homeland Security.

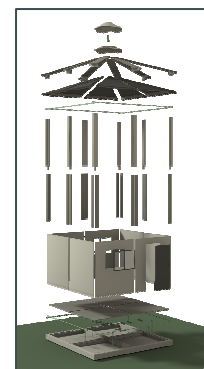


THE NEED

According to a United Nations January 2015 report, more than 1.5 billion people in the Pacific Rim alone were affected by natural disasters in the last decade. Oxfam International predicts that an average of 375 million people will be affected by natural disasters in 2015. The world's cities are home to more than one billion squatters and homeless. Because these numbers are rising daily, there is an immediate need for temporary housing that is affordable, can be rapidly deployed, and can be assembled quickly in the field. The need also arises for hospitals, military command posts, schools and other temporary shelters that meet those same standards. Products currently on the market, such as tents and trailers, pose specific challenges. Trailers are costly and inflexible per family size. Tents provide no safety from intruders, can't be connected to plumbing or utilities, and only last a few months. What government and relief agencies need is emergency housing that is rapidly deployable; is fast and easy to assemble, provides personal safety and security, is self-sufficient, can be used anywhere, is more affordable than current available options, and is built using sustainable manufacturing methods.

THE SOLUTION

Shelter Technologies, Inc.'s ShelterTec Modular Systems™ is a patent-pending modular shelter system that uniquely meets today's requirements. It goes up quickly and easily, is safe, durable, and environmentally sound and is 100% recyclable. **Because the components are modular, they can be used to construct shelters of any size and configuration, and, unlike tents, they can be insulated, connected to utilities and plumbing and provide the safety of locking doors and windows.** STI's UtiliTec™ ancillary products (conventional and/or alternative power supplies, exclusive water purification systems, proprietary power, plumbing, and sewage systems and tools designed exclusively for use in ShelterTec Modular Systems™, and non-proprietary equipment and supplies) are also a large part of the Company's offerings. **ShelterTec Modular Systems™ can be packaged singly on 7-ft.2 pallets or containerized by parts and rapidly deployed anywhere in the world.**





THE MISSION

STI's primary goal is to be the world leader in providing emergency shelters for displaced people worldwide, to bring safety and dignity to the occupants of our shelters, and to assist existing disaster relief organizations in creating a better quality of life for those affected by natural disaster, abject poverty, and civil strife. STI intends to become the leading provider of multi-use modular structures to accommodate the needs of disaster and refugee relief, military, medical, educational, and civic agencies, and non-governmental organizations (NGOs) worldwide while achieving sustainable growth and profitability.

We believe it is our duty to ourselves, to our children and to the earth itself to return to non-toxic, non-invasive, environmentally-sensitive business and living practices. For this reason, STI is fully committed to environmentally responsible, sustainable ("green") building, manufacturing, and product formulation.

STI is committed to a business model that supports compassion, creativity, diversity, cultural sensitivity, and profitability. Our corporate giving mission is to donate emergency, refugee and disaster relief shelters, food, medicines, water filtration systems, alternative energy systems, equipment, supplies, outbuildings, and community structures to individuals and groups in need worldwide. This will be done in concert with the dissemination of educational literature and programming addressing sustainable living and environmental mindfulness with easy, practical steps to implement such programs at home and in the community.

THE MARKET

The market for these modular systems is—in a word—immense. In 2008, the UN High Commissioner on Refugees (UNHCR) spent \$177 million on prefabricated buildings alone. UNHCR expenditures for all the products and services STI provides were \$695 million, and spending by the UN's local missions (member countries) topped \$58 million. ***The UNHCR and its local missions' total 2008 spending just for the products and services STI offers was \$3.17 billion. Standard orders from government agencies and NGOs are in lots of 10,000.***

Other large NGOs, such as the International Federation of Red Cross and Red Crescent (IFRC), the European Commission Humanitarian Aid (ECHO), and faith-based organizations such as the Church of Jesus Christ of Latter Day Saints (the Mormons) and Catholic Charities, whose organizational mandates include disaster and refugee relief as well as disaster preparedness, also spend nearly equivalent amounts annually.

The U. S. Dept. of Homeland Security (USDHS) FY 2010 budget was \$55.1 billion in funding with an additional \$45.7 billion gross discretionary budget. Total Disaster Relief Fund (DRF) funding was more than \$2 billion. *These numbers have by necessity increased over the last 5 years. STI is already listed with, and has been requested to bid on projects from, the U.S. Defense Logistics Agency, the U.S. Dept. of Defense, the U.S. Air Force, the U.S. State Dept., and others.*



THE COMPETITIVE ADVANTAGE

ShelterTec Modular Systems™ will meet or exceed all specifications and regulations for certification with the U. S. Dept. of Homeland Security, the International Federation of Red Cross/Red Crescent, and the United Nations. A short list of applications for these modular buildings includes disaster relief and refugee housing, slum and shantytown debridement, "tent city" replacement, military, medical, schools, expeditions, commercial, industrial, recreational, nautical, storage, construction and excavation sites, the list goes on-and-on.



All ShelterTec Modular Systems™ units (from the 14' X 14' HumaniTec™ single unit to the expanded ModuTec™ structures) are expandable and insulatable at any time during their lifespan without need to replace the entire unit. The units are so durable, there is no need for upgrades or replacements in stages. They are short- and long-term housing solutions for slums, shantytowns, and “tent cities” in major urban areas in the U.S., India, Brazil, the Philippines, Thailand, Peru, China, and many others worldwide. Temporary refugee camps can become permanent communities. However, when and if necessary, the structures are easily disassembled, relocated, and reused or recycled. These extraordinary qualities make ShelterTec Modular Systems™ unique in the marketplace. **Government agencies and large NGOs routinely purchase lesser-quality, more expensive units in lots of 10,000, which translates to hundreds of thousands of units over the course of a single year.**

PRODUCT	INTERIOR SIZE	AVERAGE COST
FEMA Single-Family Trailer	240 sq. ft.	\$18,000
Red Cross Canvas Family Tent	172 sq. ft.	\$ 6,080
STI's HumaniTec™ Single Unit	196 sq. ft.	\$ 5,000

THE COMPANY

Since 2007, STI's founder, Dr. Victoria Lyons, has designed and refined the technology and researched the markets for emergency shelters, modular systems and ancillary products as well as domestic and foreign manufacturing and polymer supplies. The development team have determined the most appropriate polymer composites and have refined and optimized the engineering. They have identified optimal manufacturing methods and composites and have received hundreds of quotes from manufacturers worldwide for the production of the various components. **STI's patent application, filed 30 September 2008, was published 1 April 2010.**

STI is registered with the U.S. Government's System for Award Management (SAM), has received numerous Requests for Bids from the US Army Rapid Equipping Force (REF), the Defense Logistics Agency (DLA), and the U.S. State Dept., and is in the process of registering as a Vendor to the UN and the IFRC.

As the founder and architect of the company, Dr. Victoria Lyons is fully committed to the project and will continue top-shelf management team building to further develop and expand STI's unique products, services, and concepts.

THE MANAGEMENT

The Shelter Technologies, Inc. development team has substantial experience in manufacturing, multimodal logistics, marketing, production, government contracting, project management, operations, human services, human resources, finance, public relations, community planning and organizing, education, and law.

STI intends to continue to actively collaborate with existing and new strategic partners to optimally leverage the technology to reduce development costs and increase total returns. In addition, STI's seasoned advisers' ongoing participation in the company's governance vastly increases the value of its profile. The development team includes:

Victoria R. Lyons	Founder; President; CEO; Chairman of the Board; Modular Design Originator and Engineer; Sole Shareholder; Corporate Officer
Charles H. Helein	Member, Board of Directors; Corporate Officer; Corporate Representation and Legal Adviser
Brian Poston	Vice President of Operations (COO); Member, Board of Advisers
Julie Tornichio	Business Administrator; Member, Board of Advisers
Michael Weddle	Member, Development Team; Member, Board of Advisers

THE FINANCIALS

The economic goal is to establish a fundamentally sound enterprise that will provide significant longer term results. This will be achieved through deliberate and cautious planning. STI's forecasts assume a generally conservative approach to sales and production to mitigate unacceptable financial pressures on certification and sales. Early adoption of best practices in collaboration with expert manufacturing and consulting partners provides additional assurances of vigorous stewardship of corporate resources.

Core financials model the production of a HumaniTec™ 14' X 14' single family unit. Significant additional revenues are expected from a variety of sources including licensing, development, and sales of expanded modular systems and customized structures for military, civic, disaster, and refugee operations headquarters and stations, and ancillary products for commercial and private use as well as trade zone and tax abatements, rebates, and incentives.

CASH FLOW PROJECTIONS IN USD FOR FIRST FIVE YEARS OF OPERATION							
		Year 1	Year 2	Year 3	Year 4	Year 5	Total
REVENUE	Per Unit						
Number of Units Sold		0	40,248	108,360	145,512	182,664	486,784
Sales Volume of Modular Units	\$5,000	\$ 0	\$ 201,240,000	\$ 541,800,000	\$ 727,560,000	\$ 913,320,000	\$ 2,383,920,000
Ancillary Products	14%	\$ 0	\$ 28,173,600	\$ 75,852,000	\$ 101,858,400	\$ 127,864,800	\$ 333,748,800
TOTAL REVENUE		\$ 0	\$ 229,413,600	\$ 617,652,000	\$ 829,418,400	\$ 1,041,184,800	\$ 2,717,668,800
COSTS OF GOODS SOLD	Per Unit						
Materials and Labor	\$2,500	\$ 0	\$ 100,620,000	\$ 270,900,000	\$ 363,780,000	\$ 456,660,000	\$ 1,191,960,000
Warehousing and Overhead	\$100	\$ 0	\$ 4,024,800	\$ 10,836,000	\$ 14,551,200	\$ 18,266,400	\$ 47,678,400
Transportation	\$700	\$ 0	\$ 28,173,600	\$ 75,852,000	\$ 101,858,400	\$ 127,864,800	\$ 333,748,800
Ancillary Products (Outsourced)	14%	\$ 0	\$ 14,086,800	\$ 37,926,000	\$ 50,929,200	\$ 63,932,400	\$ 166,874,400
Cost of Sales (Commissions)	0.5%	\$ 0	\$ 1,147,068	\$ 3,088,260	\$ 4,147,092	\$ 5,205,924	\$ 13,588,344
TOTAL COST OF GOODS SOLD		\$ 0	\$ 148,052,268	\$ 398,602,260	\$ 535,265,892	\$ 671,929,524	\$ 1,753,849,944
GROSS PROFIT		\$ 0	\$ 81,361,332	\$ 219,049,740	\$ 294,152,508	\$ 369,255,276	\$ 963,818,856

THE JOBS

As a business that was adversely affected by the last two decades of declining jobs and wages in the U.S., STI is acutely aware of the need for productive job creation. STI is dedicated to providing the highest possible salaries, wages, benefits, and incentives to attract the most educated, capable, and loyal employees to its ranks, thereby becoming a recognized leader for creating meaningful, lifelong jobs in the community.

By the end of Year 1, the Company will directly employ approximately 90 management, administrative, R&D, marketing/sales, and operations positions at its headquarters, approximately 60 workers in its manufacturing facility, and approximately 30 workers in its warehousing/shipping facility for a total job creation of 180 new positions. Further Company expansion and facilities construction will increase those numbers to approximately 700 by the end of year 5 of operation with continuing support to Florida job creation. It should also be noted, however, that, per the U.S. Bureau of Labor Statistics, for every job directly created by STI, 15-18 support system (indirect) jobs will be created or retained locally and regionally in every imaginable industry from construction to accounting to materials supply to logistics to communications. Using that formula, STI will create or retain upwards of thousands of jobs in the region within its first five years of operation.

THE REQUEST

This Executive Summary is in support a request for matching funds from the Florida Gulf Coast of Mexico Restoration Project for up to \$70,000,000 of capital for a 24-month period to lease/purchase or construct manufacturing and warehousing/shipping facilities, produce and test a prototype of the single family unit, then ramp up to full line production within eighteen months. Shelter Technologies, Inc.'s intent is to become a part of the IDEAs In Production Consortium at or near the Northwest Florida Beaches International Airport in Panama City, FL. We believe the highly increased job growth in Florida's Gulf Coast region, coupled with the provision of humanitarian relief for Americans and other peoples affected by natural and manmade disasters worldwide, makes Shelter Technologies, Inc., as part of the IIP Consortium, exceptionally worthy of consideration for the requested funding.

The funds will be used to support the lease/purchase/construction of manufacturing, warehousing, and shipping facilities, optimization of the engineering, prototype production and testing, and Company development from start-up to full line production. ***The predominance of funds (\$27,708,750) will be used for capital expenditures (including, but not limited to, facilities construction and expansion; tool and mold creation; manufacturing, warehousing, shipping, and office equipment and supplies, and IT and communications systems)*** as well as seasoning capital for the creation and testing of prototypes, production, and continuing operations and administration of the Company.

STI's revolutionary, patent-pending, modular technology was developed in response to a growing need for an effective housing solution for millions of displaced and homeless people worldwide. Today, the applications for these modular buildings are wide-ranging, from disaster relief and refugee housing to slum and shantytown debridement, "tent city" replacement, medical, military, educational, civic, expeditionary, commercial, industrial, recreational, nautical, storage, to name but a few.

All indications are that STI's technology will be swiftly adopted by relief agencies and organizations as well as many other emerging markets due to its low cost, rapid deployment, ease of assembly, and superior performance, thus giving STI a competitive advantage in this massive, global market.

Revenues figures are based on current market prices and are expected to yield millions, an ideal win-win-win scenario. STI wins, because we are afforded the working capital to bring this project to timely fruition; workers win because of the virtually thousands of jobs that will be created or retained as the Company develops; and, most importantly, the recipients—those who would, without these units, be left homeless and helpless—win, because they now have the shelter to shield them from further disaster.

Financing Request: US\$70,000,000 over 24 months

For information, please contact:

Dr. Victoria R. Lyons	Phone: 330.338.0911 Email: victoria@sheltertechinc.com Mailing Address: 2190 Vassar Drive Boulder, CO 80305
Mr. Charles H. Helein	Phone: 571.333.1564 Email: chelein@heleinlaw.com Mailing Address: 43674 Warbler Square Leesburg, VA 20176

Full Business Plan and Proforma Available Upon Request

IDEA's *in Production*

**TRI GENERATION POWER, HEAT & AIR CONDITIONING
INDUSTRIAL COGEN SYSTEMS**

**INITIAL EMPLOYMENT 50
LOCAL PERMANENT EMPLOYMENT 200
INTERNATIONAL PERMANENT EMPLOYMENT 2,000**



Executive Summary

The Origin of the Tertia³ System

Utilizing knowledge and experience acquired from education and ownership of an HVAC and electrical contracting business, Dr. Matthew Ginalick, Jr. engineered the Tertia³ hydro-thermic heating, cooling, and hot water producing system. The name Tertia³ uniquely represents the three functions performed by a single system: heating and cooling of interior spaces, and hot water production. Integral to the system design and function is a compressor that utilizes carbon dioxide as the refrigerant. Temperature variation incorporates water as the transfer medium. Operating cost and power consumption of a Tertia³ system is dramatically less than current available equipment. Pricing of equipment is comparable to traditional forced air and heat pump systems.

In 2008 Matthew engineered the first Tertia³ prototype. He sought to engineer a system to perform similarly to current geothermal equipment without the required extensive excavation and well-digging. The negative impacts of geothermal systems including unsightly disruption of green spaces and the use of toxic refrigerants concerned him, as did the high cost and timeliness of installation and the need for ongoing maintenance.

The first experimental concept was a rudimentary model consisting of two plastic trash cans containing water that was transferred through a refrigeration cycle either to cool or heat water. During the cooling phase the water froze and during the heating phase the water melted the trash can. The simplicity of the system was exciting.

Carbon dioxide as the refrigerant in the compressor eliminates use of toxic components such as Freon or other petroleum based products. The Tertia³ system is environmentally optimal. Carbon dioxide is readily available from air product suppliers with ease of handling and low cost to manufacturers, installation contractors, and end-use customers.

Tertia³ Systems continues to perfect engineering performance. An electronically automated control panel is now incorporated to monitor and modify system function which can interface with iPhones or home computers for off-site monitoring. The Tertia³ can be used exclusively or connected to existing equipment which then becomes a redundant back-up.

Matthew's initial goal of creating an innovative system that is environmentally desirable with reduced power consumption and cost has been met. A Tertia³ system remains simple in concept, is ecologically optimal with carbon dioxide used as the refrigerant, consumes less energy, and incorporates electronic controls. The system is the perfect convergence of

engineering simplicity and electronic sophistication yet continues to conserve both energy and consumer cost.

The Technology

Tertia³ Systems, Inc. provides an ecologically friendly and innovatively engineered HVAC product to enhance living and work spaces with heating, cooling, and hot water production while dramatically reducing utility costs, power usage and greenhouse emissions. The system has no outdoor components normally associated with traditional heating and cooling equipment as it is a self-contained system comprised of three thermal water storage tanks, compressor cabinet, and control cabinet. Each system component is patent-pending (water storage tanks, compressor cabinet, and control cabinet). Pure water containing no additives is used for its thermal storage capability; water storing four times as much thermal energy as air. Of note, a Tertia³ system is scalable to all sizes of residential homes to large commercial structures. To further enhance energy efficiency the system can be incorporated with solar panels.

The integral component of the system is a trans-critical carbon dioxide compressor. The patent-pending technology of refrigerant-to-water thermal exchange produces water temperatures ranging from 33 degrees F and 200+ degrees F. Being non-toxic, carbon dioxide is readily available from gas product suppliers and is easy to transport and handle. Carbon dioxide is used commercially in refrigeration; dry ice being the frozen form. The gas is normally recovered as a by-product of other processes such as the production of ethanol by fermentation and as a by-product of the formulation of ammonia. (Reference: Prof. Shakhashiri, University of Wisconsin, February 2008, www.scifun.org)

A Tertia³ system meets needs of homeowners, agricultural entities, commercial and industrial settings as well as the unique areas of civic, military, and disaster relief applications. The potential for exceeding operational characteristics of standard heating and cooling systems is significant.

Marketing

The Tertia³ team is planning to implement an aggressive campaign throughout national US regions as well as extending internationally to such areas as Southeast Asia, South America, South Korea, and Europe. Locally in the US there are various government incentives for energy efficient equipment such as the Tertia³ system. The addition of solar enhancement multiplies the opportunity for government subsidies, rebates, and incentives created by restriction of greenhouse gas emissions.

Two years ago Tertia³ Systems placed an ad in a national HVAC contractor monthly publication. Over 400 inquiries were received in just a few days. Contractors expressed high interest and

enthusiasm for the product and desired to become dealers and distributors. Ongoing advertisement in industry publications is a strong marketing option as well as all types of media. Creative marketing strategies and creative individuals involved in marketing roles combine for an exciting direction, nationally and internationally, which Tertia³ Systems is poised to initiate.

Capital Strategy

Tertia³ Systems will be positioned to develop into an industry leader in the \$137 Billion per year global HVAC industry, especially given governmental emphasis on energy and environmental issues as well as job creation in the manufacturing realm. The following goals must be met to achieve such growth:

- Adequate capitalization

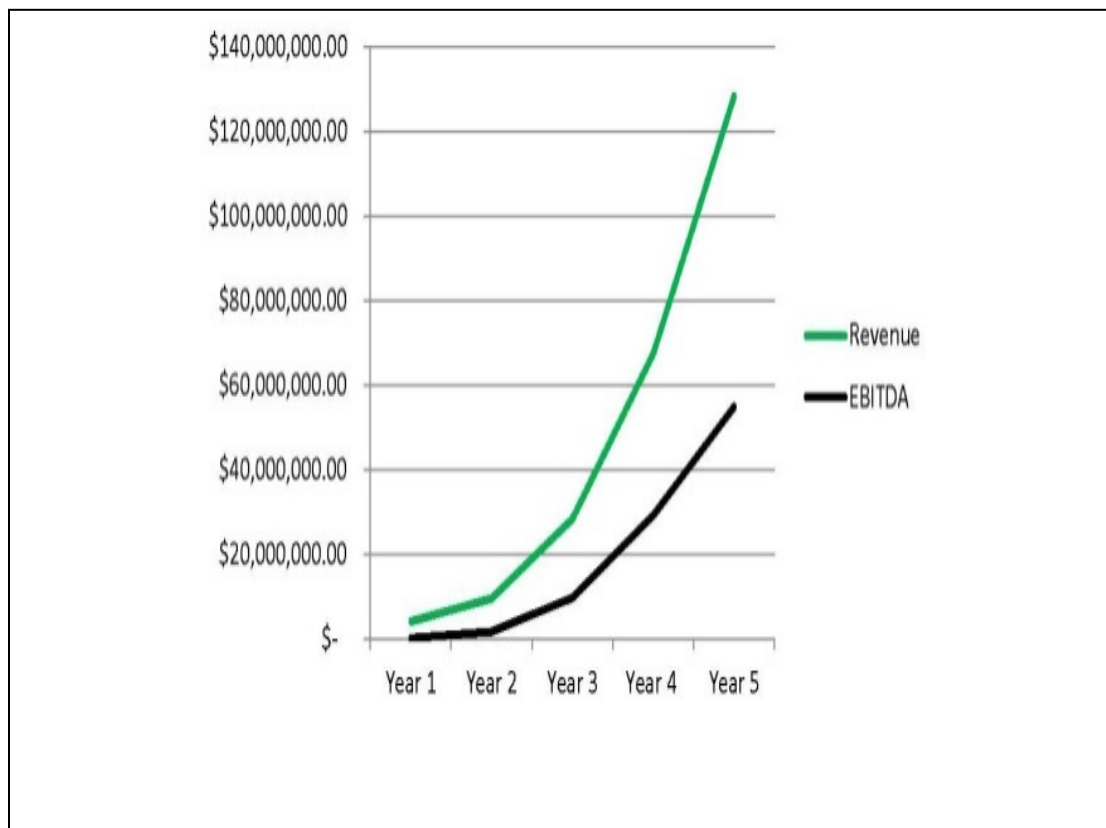
- Manufacturing

- A strategic distribution network and subsequent sales growth

- Ongoing research and development

Tertia³ Systems initial capitalization requirement will be \$30 Million dollars. After initial capitalization the company will be in position to determine optimum mix of debt and equity financing. The company will offer investors 1% point per million dollars invested and a minimum investment of \$500,000 will be required.

135 Billion Dollar Market



Management Team

Dr. Matthew Ginalick, Jr., Founder, Chief Executive Officer, Chairman of the Board

Matthew is a forty-three year veteran of the HVAC and Electrical industries with 3 HVAC patents pending. While managing and operating Ginalick Electric, Heating and Air Conditioning for over 35 years, Matthew also pursued a military career which began in 1969 as an Army Aviation Officer. He also pursued ongoing education in electrical engineering, mechanical engineering, and business administration. He remains integrally involved in the ongoing research and development of the Tertia³ system as well as promoting the product and coordinating ongoing goals concerning manufacturing and marketing.

Brian G. McClellan, President, Vice Chairman of the Board

Brian is a graduate of Johnson and Wales University where he earned a BS in management with emphasis on hospitality. He also holds the coveted Project Management Professional Certificate. His thirty nine year management career has focused on restaurants, hotels, real estate offices, and a variety of projects including large scale construction, and information technology rollouts for corporate and government agency relocation. His strong information technology background with Microsoft's certified systems engineer course work, as well as ongoing technical training, gives him a strong and diverse background to enable the company to achieve corporate goals. .

Contact Information

Dr. Matthew Ginalick Jr., Founder (DR13@tertia3systems.com)

PO Box 1080

Mount Airy, Maryland 21771-1080

Cell: 301-788-1948

Office: 301-831-5864 (Fax: 301-831-0402)

Brian G. McClellan, President (bmcclellan@tertia3systems.com)

PO Box 1080

Mount Airy, Maryland 21771-1080
Cell: 301-788-3178
Office: 301-831-5864 (Fax: 301-831-0402)

Summarized Tertia³ System Benefits

Dramatically reduced operation costs and power usage

Use of non-toxic carbon dioxide as the refrigerant (R744) with a global warming potential of 1 (lowest possible)

Adaptable and scalable to individual space requirements

Retrofit capability with existing equipment becoming redundant back-up

Reduced cost of Tertia³ equipment compared to traditional systems

Increased energy efficiency (30% to 70% compared to conventional equipment) and SEER rating of 30 at minimum

Adaptable to various climates

Ease of installation and maintenance

Produces domestic hot water eliminating the need for an additional appliance

Compatible with solar panels

Excels current industry warranty coverages

Ease of manufacture (Assembly)

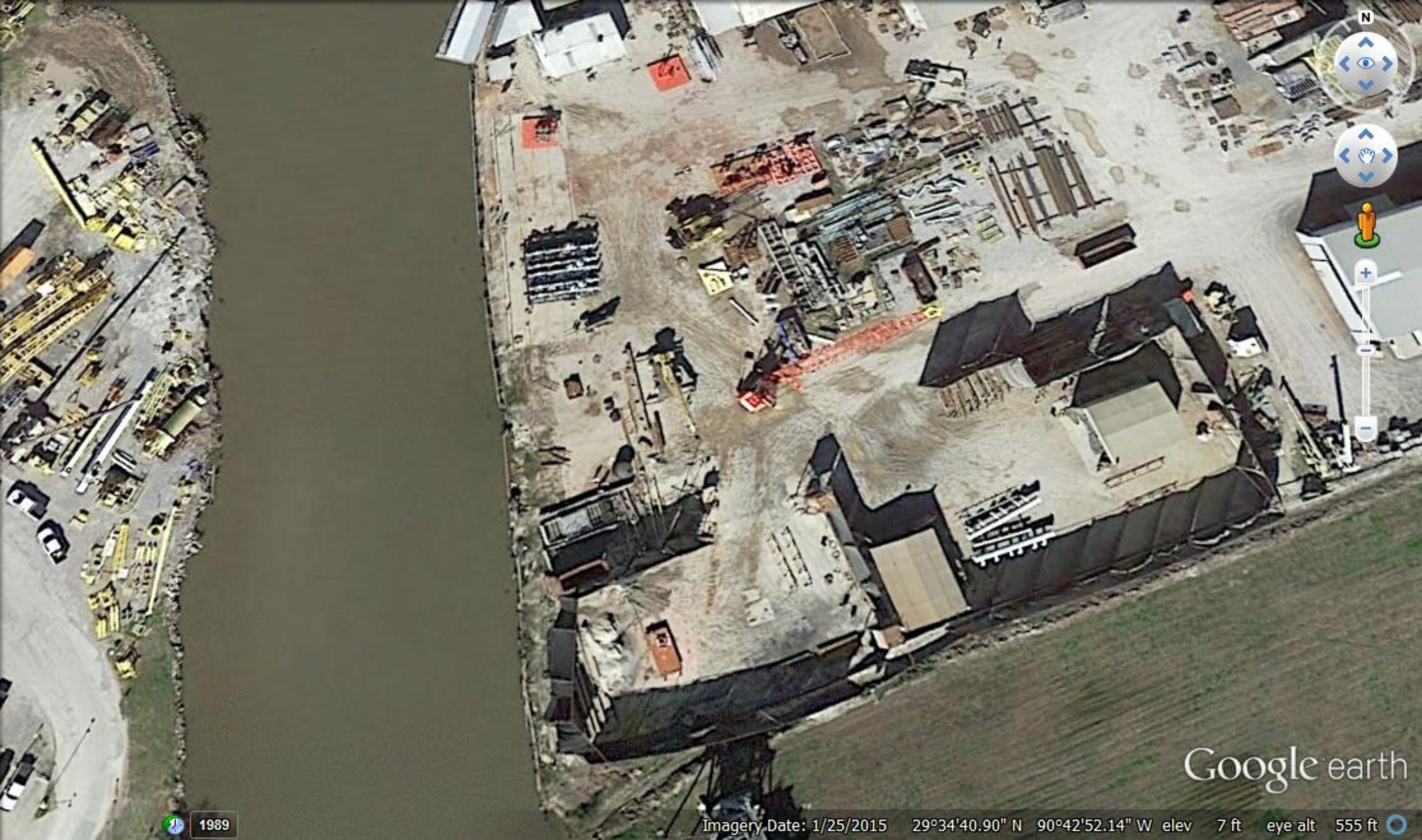
Return on investment within 2-3 years

PLAN CONTINUED IN PART 3

IDEA's *in Production*

**OIL & GAS PRODUCTION
ENVIRONMENTAL CONTROL SYSTEMS**

**INITIAL EMPLOYMENT 200
LOCAL PERMANENT EMPLOYMENT 200
NATIONAL PERMANENT EMPLOYMENT 5,000**



Google earth

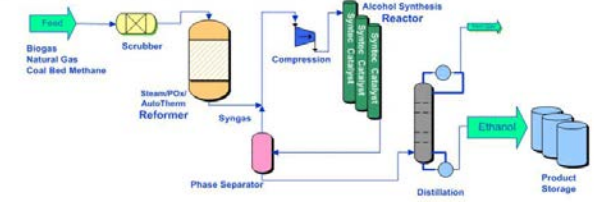


1989

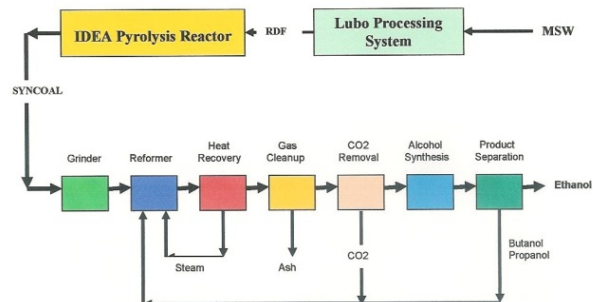
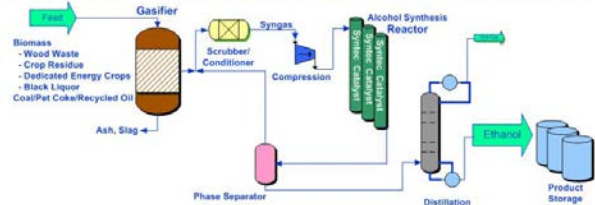
Imagery Date: 1/25/2015 29°34'40.90" N 90°42'52.14" W elev 7 ft eye alt 555 ft



Ethanol From Carbonaceous Gas



Ethanol From Solid/Liquid Carbonaceous Material



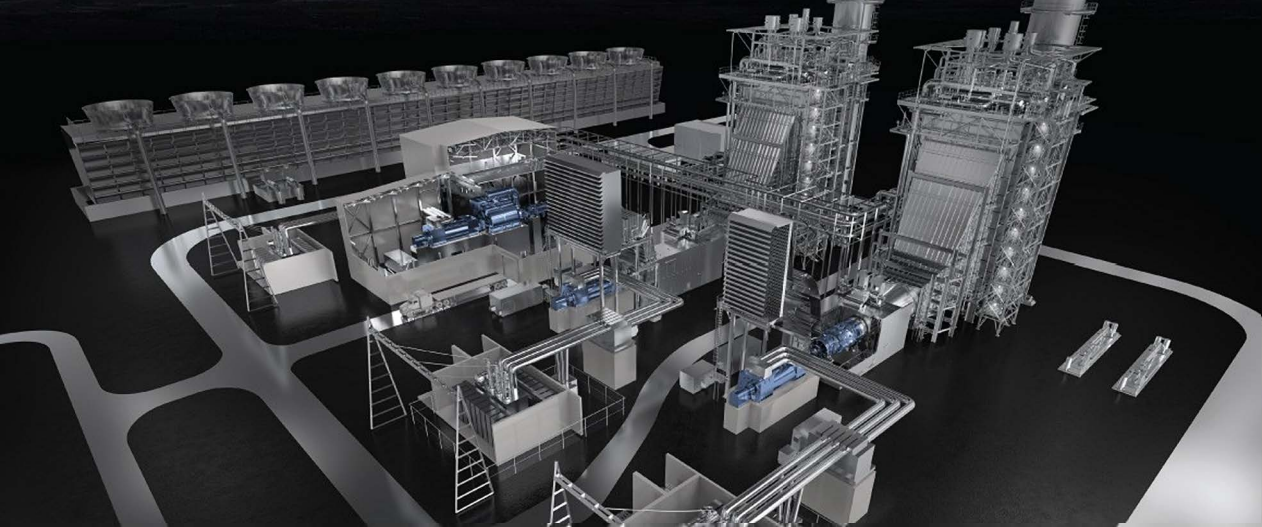


Google earth



1989

Imagery Date: 1/25/2015 29°34'43.03" N 90°42'58.77" W elev 6 ft eye alt 496 ft





Google earth



Imagery Date: 1/25/2015 29°35'28.27" N 90°42'42.59" W elev 0 ft eye alt 735 ft

IDEA's *in Production*

SKYSTAR AIRLINES

INITIAL EMPLOYMENT 100

LOCAL PERMANENT EMPLOYMENT 700

NATIONAL PERMANENT EMPLOYMENT 2,100

SKYSTAR II INTERNATIONAL AIRWAYS, INC.



The Religious Pilgrimage Airline

5449 Marcia Circle
Jacksonville, FL 32210
904-771-6852 Office
904-771-6686 Fax



SKYSTAR OPERATIONS PLAN FOR NW BEACHES INTERNATIONAL AIRPORT



SKYSTAR OPERATIONS & EXPANSION PLAN

The SkyStar II International Airways, Inc. operations plan works with underutilized airports initially across Florida and the US with planned expansions into Korea and China then into SE Asia, South America and Europe. The NW Florida Beaches International Airport (NW Beaches) will serve as headquarters with key Hubs at NW Beaches; Akron/Canton, Ohio; Bridgetown, Barbados; and Busan, Korea.

There are 3 phases for expanding operations:

Phase 1. Upon achieving domestic DOT and FAA approvals we will commence International Charter operations from the NW Beaches and will build from 3 to 8 Boeing 767 aircraft in the first year. Operations as the National Airline for Barbados with flights throughout the Caribbean will begin within six to nine months.

Phase 2. SkyStar will assume control of the operations and maintenance of PWA, a Korean Airline, operating currently 4 days a week between Busan Korea's second largest city and Los Angeles under a sub-agreement with National Airlines. Concurrently, we will initiate scheduled feeder operations for PWA from Los Angeles, San Francisco, Chicago and New York. We will also create a HUB and spoke from Busan to a minimum of 10 Asian Countries connecting them to the USA and Barbados. A hub operation will also be created in Toledo/Akron, Ohio to enhance tourism in Florida while expanding opportunities for travel to Asia. At the end of this phase SkyStar will acquire LIAT a commuter airline owned by the Barbados Government. The second phase will draw \$300 million from our lender for those expansions.

Phase 3. The next phase SkyStar/PWA will create a Chinese Airline. Skystar will provide all operational support in a similar manner that the lead PWA expansion has been activated at that point.

Throughout all of these operations the initial religious charters, that were the basis for all business by SkyStar to date, will expand into government contract charters. Other expansion opportunities will be available through Yun Capital's International contacts mentioned in the complete business plan.

Our Captains and Copilots will be recruited from the retired military veteran community. Skystar will be under contract to both PWA and the Chinese airline and who will pay for crew costs, aircraft costs, insurance and maintenance plus a fixed 12% profit. So Skystar does not have a marketing risk for PWA or the Chinese expansion.

What would be located in Bay County if they partner with us? Headquarters for largest international airline providing charter and scheduled services; Large maintenance facility to perform heavy maintenance and overhaul on 75 Skystar Aircraft; Training facility with flight simulators, ground training and maintenance training; Reservations services center 24/7; and flight dispatch center. SkyStar will maintain 150 employees per aircraft ratio which is 200 less than American and Delta Airlines employees per aircraft ratio.

SKYSTAR II INTERNATIONAL AIRWAYS, INC.



The Religious Pilgrimage Airline

5449 Marcia Circle
Jacksonville, FL 32210
904-771-6852 Office
904-771-6686 Fax

September 17, 2015

To IDEA Investment Group, LLC

Dear Mr. Cox;

Please accept this letter and the attached materials as a strong statement of interest on our part to work with you in an effort to bring our company, Skystar International Airlines ("Skystar"), to the Florida Panhandle area.

Skystar anticipates commencing operations in the fourth quarter of 2015 with an initial executive team of three individuals, growing quickly to ten and on to one hundred within the first six months as we implement our startup and certification process.

As aircraft are acquired and flying operations commence, we anticipate increasing the workforce to approximately 325 team members during the first twelve to eighteen months of operation. Further plans call for us to add from 100 to 150 team members in each of years 2 through 5 as we add additional aircraft and business contracts.

We are more than capable of providing private charter business service for the growing businesses at the Northwest Florida Beaches International Airport and anxious to work with you to implement that capability.

Nicholas Calio, president and CEO of the Air Transport Association, the trade group representing major U.S. airlines has stated "Every airline job drives and supports 13 to 15 other jobs on the periphery of the airline business". This extrapolates to the following potential job base created as a result of bringing Skystar to your area:

Anticipated Skystar Team Members		Secondary Jobs & total salary impact to the local economy using the 13 multiplier		Secondary Jobs & total salary impact to the local economy using the 15 multiplier	
Day one, startup	3	39	\$1,537,074	45	\$1,756,656
Within 30-45 days	10	130	\$5,123,580	150	\$5,855,520
Within @ 6 - 8 months	100	1,300	\$51,235,800	1,500	\$58,555,200
Year 1 ending	325	4,225	\$166,516,350	4,875	\$190,304,400
Year 2 ending	475	6,175	\$243,370,050	7,125	\$278,137,200
Year 3 ending	625	8,125	\$320,223,750	9,375	\$365,970,000
Year 4 ending	775	10,075	\$397,077,450	11,625	\$453,802,800
Year 5 ending	925	12,025	\$473,931,150	13,875	\$541,635,600
2013 Median					
Per Capita Income		\$36,597			
as per www.City-Data.com					

Following pages and attached material provide important and confidential information relative to Skystar for your consideration. We look forward to working with you in the immediate future to qualify our mutual interest in locating the Skystar operation in your area. Based upon mutual interest and capability, a strong equity interest in Skystar might be available.

The original Skystar was an International Special Purpose & Religious Pilgrimage Charter Airline utilizing Boeing 707 aircraft that I managed in the mid-1980s. Our primary client at that time was the world-wide tour operations of the Catholic Blue Army (a lay organization within the Catholic Church. (Overview of the Blue Arm is available via Wikipedia: http://en.wikipedia.org/wiki/Blue_Army_of_Our_Lady_of_F%C3%A1tima).

The new, re-formed, Skystar is an International Special Purpose & Religious Pilgrimage Charter Airline utilizing, primarily, Boeing 767 aircraft and catering to the same religious charter requirements of the Blue Army in addition to unique air charter and transportation industry requirements on a worldwide basis.

At startup, Skystar will effectively become “The” National Airline of Barbados due to recent agreements with and committed investment by the government of Barbados.

Skystar (through our alliance with Yun Capital, of New York City, Jung Yun, Managing Director) has been requested by the government of Barbados to help structure Skystar to effectively assume the role of the “National Airline of Barbados” with full service to the U.S., Europe, South & Latin America, China, Asia, and the World on behalf of the government of Barbados. (Further information about Yun Capital is available at <http://yuncapital.com/> and <http://www.yuncapitalam.com/management.html>).

Additional, committed startup business is the Catholic Blue Army, mentioned above. They enjoyed a membership of approximately 5,000,000 in the mid-1980s and provided enough tour business to keep three Boeing 707s busy full time, 365 days per year. Today (2015) their membership is over 20,000,000. They have substantially increased their international tour requirements and have requested Skystar be re-established to fulfill their air charter requirements. Air charter tours such as these are always paid in advance – including all profits and fees, thus insulating Skystar from the vagaries and risks of normal, scheduled airline operations.

- Additional cornerstones in the financial and operational structure of Skystar that indicate initial and ongoing success are:
 1. Private investors in Barbados (Hotels & Beach Clubs) will provide \$10 million in equity.
 2. The Barbados Government will deed up to \$35 million U.S. in land around the airport for development (approximately 100 acres which Skystar may use and develop at its’ discretion).
 3. Barbados will provide initial airline operational rights and certifications (which Skystar will immediately follow with U.S. Certification, making Skystar the only dual-certified commercial air charter operation in the world, providing access to destinations & schedules denied other U.S. airlines.)
 4. The tourism arm of the Barbados Government and representatives of China have both stated their commitments to a minimum weekly flight between Beijing, China and Barbados on Skystar.
 5. Skystar will become, essentially, the “National” airline of Barbados and will be commissioned to expand the Barbados influence throughout the Caribbean, the U.S., Central/South America, Asia, and Europe.

6. Yun Capital will take the company public after approximately 12 – 18 months of operation to pay off debt, provide further expansion capital, and an early out to investors desiring such.

Yun Capital, who will remain as a equity participant in Skystar has plans to build an International Transportation Conglomerate around the basis of Skystar, to incorporate several ongoing and committed projects they have on the international scene.

We foresee this being the start of a major, international endeavor, producing IDEA's *in Production* sales, operations and profits in several world and industrial markets.

We have a majority of the assets, people, organization, and funding in place at this time (and can easily substantiate that to your satisfaction via documentation, telephonic, and face-to-face meetings at your convenience).

We are seeking an additional U.S. equity investment to ensure that we have the required structure to obtain US certifications. We are offering ownership in Skystar, a seat on our Board of Directors, and a strong voice in the management of our company for this investment. These funds will be used for fuel, insurance deposits, and working capital, along with the \$10 million equity investment from Barbados.

We anticipate you and your associates being our partners in this project. We hope that you will want to stay in for future financings and enjoy the profits from your investment. Should, however, you decide that you want to take your profits early by cashing out at the IPO that can also be arranged. Typically Investors in Jet Blue and other small airlines have multiplied their original investment from 5-10 times at the IPO.

Our operation in NW Florida International would include headquarters staff and a maintenance facility which will be expanded to include maintenance for other scheduled operators. Skystar will create a hub and spoke for North-South and East-West traffic, a mini Atlanta Hartsfield without all the confusing terminals.

The expansion we intend to install includes jobs ranging from maintenance, flight operations, reservations facilities, catering, baggage handling, cargo facilities and avionics repair. Three airlines are established under the Yun Capital holding company. These are Skystar; a S. Korean airline currently operating through a US carrier sub service arrangement; and a Chinese Airline operating out of Hainan. Skystar will be contracted to provide complete operational and maintenance support for the other two lines while moving into the Pilgrimage charter business. The following is a late update on the funding for these operations and facilities. \$100 million is being funded by a major Wall Street investment banker. Yun Capital has created a holding company, which the funds will flow through to IDEA's in Progress and Skystar. The investment bank has committed to a second round of funding for \$2-3 hundred-million, at the 18 month mark, since that is about the time all airline elements will be fully functional.

Further existing facilities will be expanded for fueling, terminal, parking and other existing businesses. As noted above we would open charter and other types of operations to the current users of these facilities.

Upon Skystar's certification it will train and operate additional crews and maintenance personnel and provide feed to those other entities here in the US. That means Skystar would hub and spoke out of NW Florida International Airport. The Barbados operation will start almost immediately. We will be operating under their flag and the Asian, European Markets will flow through the US and into the Caribbean. It is now a far larger operation than the original Skystar.

I hope this fuels your interest in Skystar as a partner in your IDEA's *in Progress* operations in Panama City. We will be happy to arrange a conference call to answer any questions. Based upon a conditional investment commitment, we would be happy to meet with you at your convenience.

Sincerely,

A handwritten signature in black ink, appearing to read "Fred Catchpole", is centered within a light gray rectangular box.

Fred Catchpole, President
Skystar II International Airways, Inc.
5449 Marcia Circle
Jacksonville Fl 32210
904-708-5541 - Cell
904-771-6852 - Office