

Smart Razor® **HEAT®**
With Smart Razor Technology™



Smart Razor™
BLAZE^{SPORT}
With Heated Blades



Smart Razor™
BLAZE®
With Heated Blades

Smart Razor, LLC Business Plan Executive Summary

Business Plan Copy Number _____ **1** _____

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SmartRazor®

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I. Background

Smart Razor, LLC is a business offering innovative shaving products which address the lifestyle of shaving. With the umbrella brand SmartRazor®, our products make shaving easier and better for all through technology and innovation. SmartRazors include an existing product line called ShaveMate® All-in-One® razors which have premium blades and real shaving cream inside their handles for a new level of shaving convenience. Simplify your Shaving, Simplify your Life!™. ShaveMate® All-in-One® razor models have six blades and are named Diva® for women and Titan® for men. The “Freedom®” Razor is our model for Military sales. US Soldiers were introduced to Freedom® Razors during the Iraq and Afghanistan wars and the Freedom® razor became very popular as the combination of blades and shaving cream proved easy to use in combat zones. ShaveMate® All-in-One® razors are currently in production and available online at www.shavematerazors.com. Our new second generation highly advanced SmartRazor® is the HEAT® product line including the HEAT6™ for men, and Blaze® and Blaze®Sport™ for women. SmartRazor® HEAT® products have the world’s first warming razor blade technology (Exhibit 1: SmartRazor® Products Overview and Exhibit 8: SmartRazor® Products Brochure).

SmartRazor® HEAT® is a revolutionary new product line that is ten years in the making. The blades are heated automatically throughout the entire shave. Warm blades provide for a warm comfortable shave and also dramatically increase shaving performance. Laboratory tests scientifically prove that SmartRazor® HEAT’s warm blades cut human hair up to 200% easier (or 3 X’s easier) than the leading brand’s best blade.

The development of the SmartRazor® HEAT® product line began in 2004. SmartRazor® HEAT® is designed, prototyped, and tested. An independent third party comprehensive consumer acceptance study was conducted and the results are presented in Exhibit 9. The SmartRazor® HEAT® has strong patent protection stemming from a comprehensive portfolio of 67 utility patents issued and pending in U.S. and internationally. More are coming, over 100 patents are planned.

This business plan has been developed to present Smart Razor, LLC, doing business under the trade name of “SmartRazor®”, (herein referred to as “SmartRazor®,” “Company,” “company,” “we,” “our,” and “us”) to assist in obtaining the financing needed to begin the production, marketing and sale of SmartRazor® HEAT® initial products and finish the development and expansion of Smart Razor, LLC’s complete product pipelines. (Exhibit 4 and 5).

II. The Company

Razors have had the same basic platform for a hundred years. Razors have not used modern advances in technology like many other products have. Razors are definitely ready for a redo. We know that razors and wet shaving can improve dramatically in performance, comfort, and convenience. For the last 17 years, LPI Consumer Products, Inc.¹ and its founder Louis D. Tomassetti have been researching and developing revolutionary wet shave technology. Smart Razor, LLC was founded to establish a separate company and exclusive brand for the expansion of

¹ LPI Consumer Products, Inc. wholly owned by Louis D. Tomassetti the Founder of Smart Razor, LLC.



its razor product offerings. Smart Razor, LLC's revolutionary wet-shave technology with warm blades innovation will forevermore define the highest level of shaving performance and comfort. Our intellectual property portfolio for SmartRazor® HEAT® is substantial and global. In the United States, 4 utility patents have been granted, 7 utility patents are pending, and internationally patents are pending in 44 countries. Recently granted patents provide patent protection through 2036. (Exhibit 3 & 6 & 7 for summary of intellectual property).

There are no heated or warm blades razors in existence, other than SmartRazor® HEAT®. For the shaving performance to increase, the cutting edge of the blades must be heated. The patented warm blades technology system developed by Smart Razor, LLC is the industry's first and only razor system that actually heats the blade and cutting edge which accounts for the dramatic increase in shaving performance. Smart Razor, LLC's portfolio of patents, trademarks, and service marks, are well conceived, developed, and include design features that we feel other brands would encounter significant challenges in any attempts to design around our intellectual property and/or launch any products that incorporate heated/warm blades. The Smart Razor, LLC offering is a Blue Ocean opportunity to be the technology leader in Wet Shave/Smart Razor market.

Smart Razor, LLC intends to be the leader in the wet shave/smart razor category and is committed to improving the daily personal lives of our customers by creating a shaving experience that will make them want to forget every razor that came before smart razor technology. The SmartRazor® heated/warm razor technology and product line is different from traditional shaving concepts. It is singularly focused on providing the user of razors with the most innovative, advanced and highest performance shaving experience via new Smart technology that requires 3 times less force to cut human hair per the independent lab test results (see Exhibit 9 ISO/IEC Laboratory Testing).

The SmartRazor® heated razor concept is undeniably the next major innovation for the future of shaving. Dating back to 1895 when King C. Gillette invented the first safety razor system and continuing through today, innovation has been at the heart of growth in shaving. While Gillette changed the way men and women perceived shaving and have dominated the market through incremental feature changes, i.e., number of blades, and vast advertising and distribution, true innovation in the market over the past decade has stagnated.

Essentially all market participants now offer multi-blade system razors and disposables with lubricant strips. First there were twin blades, then three blades, followed by incremental four, five and six blades and even seven blades (including trimmer blade) razor systems and cartridges. However, absent adding yet another blade, the only true shaving razor innovation in recent years was brought to market by ShaveMate® brand and its All-in-One® system which includes shaving cream in the handle of its multi-blade disposable systems – the world's first "Smart" razor. With its patented technology for the heated smart razor blade system and disposables, Smart Razor, LLC's new products and technology marks the next true innovation in shaving that will most certainly create a disruptive and positive influence in the marketplace.

Smart Razor, LLC's products and its patented technology are much more than disruptors. We believe they are the next phase in technical evolution of razors.

In today's 24/7/365 global economy, with smart phones, smart TV's, smart wristbands, smart watches, smart appliances, smart cars, and smart homes, the SmartRazor® heated smart razor system and "smart" functionality will be the game-changer in the shaving category globally. Finally Smart Technology has merged with razors. All mankind will benefit from easier and better shaving.

III. Market Overview

Global Shave market is \$33 Billion annual sales. Wet Razors and Blades within the Shave Market is \$14 Billion².

Shave is one of the few product categories that unite all of mankind as most adults around the world shave. Even people with beards shave in areas. Analysts forecast the Global Wet Shave market to grow at a Compound Annual Growth Rate (CAGR) of 6.88 percent over the period 2012–2016³. Some of this growth is attributed to general population increase and some is being seen from young upstart brands.

Though the CAGR is in a growth pattern, there is an interesting lack of true innovation from the large brands. Wet Razor market is very unique in that there are only a few brands producing razors to supply the global masses; and therefore the entrepreneur catalyst for innovation and technical advances has been subdued, until now with SmartRazor®.

The market leaders have primarily focused their product improvement initiatives by adding to the number of blades, the birth of lubrication strips and recent questionable gimmicks such as the battery-operated vibrating wet razors. In April of 2014, P&G/Gillette launched their "FlexBall™" innovation. Gillette reported they will spend \$200 million on the launch of this single pivot technology. Contrary to its name, there is no flexing in the true sense and it does not address the blades performance or shaving efficacy. In real terms the FlexBall™ feature is a single pivot on an axis point in the neck of the handle that is limited to only left and right swing. In contrast, we have our "Flex-Neck Technology™." During shaving, excessive pressure can be exerted on the skin as the user twists the razor handle so to follow the skin's natural curves. This can lead to irritation or possible nicks. So the better approach is our Flex-Neck innovation, which provides true flex action in all directions that counters the excess pressure with just the right amount of resistance. This acts like a shock absorber to smoothen the stroke. Our Flex-Neck Technology™ is protected by US 6,973,730 B2 patent entitled "Flexible Razor and Dispenser with Pivoting Head" and was issued on December 13, 2005 (Exhibit 3). Gillette's FlexBall™ only has a left and right swing, so they are missing the most important parts which are countering the downward pressure and twisting. Our Flex-Neck Technology™ feature has true flexing in all directions and is integrated into our ShaveMate® All-in-One® Diva® and Titan® razor models.

With lack of innovation coming from the large companies, they have resumed advertising of their old models in attempts to maintain market share.

² L.A. Times, January 2013

³ PR Newswire, 03 March 2014

P&G/Gillette last year resumed advertising its Mach3 razor brand (released in 1998); the three-blade razor that preceded the Fusion line (released 2006). Prior to last year, the Mach3 has not been promoted or advertised since 2006.

True innovation for technological superiority in the shaving experience continues to elude the product category, other than for some notable exceptions such as our ShaveMate razors with shaving cream inside razor's handle and true Flex-Neck Technology™.

Commonality in the big brands is persisting as patents expire and similar alternatives proliferate. Such market conditions present a fertile opportunity for the our heated blades razor products to seize market share through its evolutionary next generation SmartRazor® HEAT® products including the HEAT6™ for men, and Blaze® and Blaze®Sport™ for women. Upstarts like Dollar Shave Club and Harry's are growing and this further shows the old herd mentality is changing to personal choice and personalizing. SmartRazor® will capitalize on personal choice and differentiate itself by establishing a top brand, best in category product offering, and market strategy that will position SmartRazor® as the Apple® (iPhone) of razor innovation and technology, the true Game-Changer in Shave. (Exhibit 15).

From the start, innovation has been the core of our strategy. With the ShaveMate® product line, we were the first to combine shaving cream with blades for the World's only All-in-One® Razor (Exhibit 14). Now with the SmartRazor® Heat®, we believe we have "the next big thing" in Razors. Our patented technology for blade heating/warming has been scientifically proven to drastically improve hair cutting performance. SmartRazor® Heat® also significantly improves having comfort and reduces razor bumps/razor rash caused by cold blades drawing across the skin.

There is a technology vacuum in Shave Category and a need for bold new innovation to jump start the evolution of razors; to move into the "age of SmartRazor® Technology" and to greatly increase the performance and comfort of daily shaving. SmartRazor® is this evolutionary Game-Changer.

The appeal of new SmartRazor® Heat® product line is evident as the claim it is "an exciting new technology" is believable to the majority of respondents in the Consumer Research Impact Study "Evaluating the Acceptance of HEAT® and BLAZE® Among Manual Refillable Razor (MRR) Users (Exhibit 11).

Global Shaving Market – Competitor Analysis

- Global wet shaving market is forecasted to top \$33B by 2015 (source L.A. Times, Jan. '13)
- Global wet shave razors & blades (hardware) sales are more than \$14B annually (source L.A. Times, Jan. '13)
- The global wet shave market share breaks down as follows:
 - Gillette (62%)
 - Permanent (56%)
 - Disposables (34%)
 - Schick (16.2%)
 - Permanent (54%)
 - Disposable (46.2%)

- BIC (12.7%)
- Wilkinson-Sword (owned by Energizer/Schick) (4%)
- Other Brands 5.1%

IV. SmartRazor Financial Overview

Based on detailed financial projections, if the company receives the required funding outlined in this business plan, it will operate profitably within 24 months after launch. The following is a summary of projected financials for the U.S. market only:

Table 1: SmartRazor® U.S. Projected Financials (dollars in thousands)

	Year 1 - Start Up		Year 2		Year 3 1/2 Size Schick		Year 4		Year - 5	
	Total	MS%	Total	MS%	Total	MS%	Total	MS%	Total	MS%
Volume (000's)										
Gross Sales	\$1,253	0.1%	\$33,982	1.8%	\$210,399	10.9%	\$279,959	14.6%	\$298,767	15.5%
Net Sales	\$1,110		\$29,444		\$177,334		\$234,015		\$248,810	
TOTAL COGS [2]	\$371		\$12,265		\$77,691		\$102,586		\$108,333	
% of NET	33.4%		41.7%		43.8%		43.8%		43.5%	
GROSS MARGIN	\$739		\$17,179		\$99,642		\$131,429		\$140,477	
% of Net	66.6%		58.3%		56.2%		56.2%		56.5%	
MARKETING SUPPORT ACTIVITY										
Total Marketing Expense	\$525		\$3,401		\$23,050		\$26,020		\$26,162	
% of Net	47.3%		11.6%		13.0%		11.1%		10.5%	
Profit After Selling & Marketing Expenses	\$214		\$13,539		\$74,493		\$102,193		\$110,813	
% of Net	19.3%		46.0%		42.0%		43.7%		44.5%	
SG&A										
Total SG&A Expenses	\$2,598		\$2,718		\$2,939		\$3,076		\$3,220	
% of Net	234.1%		9.2%		1.7%		1.3%		1.3%	
Operating Contribution	(\$2,384)		\$10,821		\$71,554		\$99,116		\$107,593	
% of Net	-214.9%		36.8%		40.3%		42.4%		43.2%	
EBITDA	(\$2,384)		\$10,821		\$71,554		\$99,116		\$107,593	
% of Net	-214.9%		36.8%		40.3%		42.4%		43.2%	

These financial projections are for the U.S. market (Table 1). These financial projections represent a reasonably paced and “down the food chain” distribution rollout and assume SmartRazor® will just equal the category average of sell-thru (based on a historical rolling 12 months of Nielsen data). By Year 3 in the U.S., we expect to surpass Bic thus becoming the #3 brand and reaching half the size of Schick in terms of dollar value.

In addition to the U.S. market, Smart Razor, LLC's product lines have global expansion opportunities. With a staggered launch approach, first in developed English speaking markets, and then into other developed countries where Smart Razor, LLC has patents pending in 44 countries⁴, we project total U.S. and outside U.S. (O.U.S.) sales after year 5 to surpass \$500M. This number is derived from a reasonable 15.5% market share (#3 Brand) in the U.S., and 5% in developed countries and markets for a weighted market share average of 8%. These projections exclude Japan, Asia Pacific (except for Australia, New Zealand), and Middle Eastern and African countries as these markets require strategic go-to-market arrangements/partnerships.

Table 2: SmartRazor® Global Market Potential (dollars in thousands)

	Region	Retail (\$millions)	Invoice (\$millions)	SmartRazor Mkt Share	SmartRazor Invoice (\$millions)
Focused Distribution	NA	\$3,100 ¹	\$1,925	15.5%	\$298
	EU	\$4,300	\$2,795	5%	\$140
	LA	\$1,900	\$1,235	5%	\$62
	AUS/NZ	\$385	\$250	5%	\$13
	Total	\$8,570	\$6,205	8%	\$513
Rest of World	Japan	\$1,100	\$770		
	AP (ex AUS/Nz)	\$5,100	\$3,570		
	ROW (Mid East, Africa)	\$500	\$350		
	Total	\$6,700	\$4,690		

⁴ Core Smart Razor Heated Blades patent protection is applied for globally, filed November 2013: Foreign Patent Application PCT/US2012/038554; Status: Application is in National Phase in the following countries: Albania, Austria, Belgium, Brazil, Bulgaria, Canada, China, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Japan, Korea, Latvia, Liechtenstein, Lithuania, Luxembourg, Former Yugoslav Republic of Macedonia, Malta, Mexico, Monaco, Netherlands, Norway, Poland, Portugal, Romania, San Marino, Serbia, Slovakia, Slovenia, Spain, Sweden, Switzerland, Turkey, United Kingdom.

Table 3: SmartRazor® Business Plan Key Assumption & Unit Economics

Key Assumptions/Unit Economics

Key Assumptions

	Annual Total Expense	Annual Fixed Costs	Annual Variable Costs	Annual Volume of Units Sold	Annual Sales & Marketing Cost	Annual Total Sales	EBITDA	EBITDA %
Year 1	\$3,637,032	\$2,598,225	\$1,038,807	80,243	\$668,577	\$1,253,126	(\$2,383,907)	-190%
Year 2	\$23,160,696	\$2,720,986	\$20,439,710	2,877,479	\$8,178,306	\$33,982,060	\$10,821,364	32% Break-even in 18 months
Year 3	\$138,844,804	\$2,962,514	\$135,882,289	16,999,533	\$58,213,894	\$210,398,648	\$71,553,844	34%
Year 4	\$180,843,229	\$3,102,457	\$177,740,771	22,473,388	\$75,180,935	\$279,959,373	\$99,116,144	35%
Year 5	\$191,173,927	\$3,246,422	\$187,927,505	24,462,343	\$79,620,356	\$298,766,678	\$107,592,751	36%

Estimated Month Burn Rate Until Profitability = \$303,819 Per Month 33 Months Assuming BP sales projections and \$10,000,000 Raise in Round 1

	Monthly Total Expense	Monthly Fixed Costs	Monthly Variable Costs	Monthly Volume of Units Sold	Monthly Sales & Marketing Cost	Monthly Total Sales	Monthly EBITDA	Monthly EBITDA %
Year 1	\$303,086	\$216,519	\$86,567	6,687	\$55,715	\$104,427	(\$198,659)	-190%
Year 2	\$1,930,058	\$226,749	\$1,703,309	239,790	\$681,525	\$2,831,838	\$901,780	32% Break-even in 18 months
Year 3	\$11,570,400	\$246,876	\$11,323,524	1,416,628	\$4,851,158	\$17,533,221	\$5,962,820	34%
Year 4	\$15,070,269	\$258,538	\$14,811,731	1,872,782	\$6,265,078	\$23,329,948	\$8,259,679	35%
Year 5	\$15,931,161	\$270,535	\$15,660,625	2,038,529	\$6,635,030	\$24,897,223	\$8,966,063	36%

Unit Economics

	Month BEQ Units Sold	Annual BEQ Units Sold	Average Price per Unit	Fixed Cost Per Unit	Variable Cost Per Unit	Customer Acquisition Cost	Unit EBITDA	Unit EBITDA %
Year 1	81,067	972,802	\$15.62	\$32.38	\$12.95	\$8.33	(\$29.71)	-190%
Year 2	48,180	578,155	\$11.81	\$0.95	\$7.10	\$2.84	\$3.76	32% Break-even in 18 months
Year 3	56,320	675,843	\$12.38	\$0.17	\$7.99	\$3.42	\$4.21	34%
Year 4	56,841	682,094	\$12.46	\$0.14	\$7.91	\$3.35	\$4.41	35%
Year 5	59,707	716,489	\$12.21	\$0.13	\$7.68	\$3.25	\$4.40	36%

BEQ = Break even quantity

BEQ = Fixed costs/(average price per unit - average cost per unit)

Table 4: SmartRazor® Annual Sales & Volume

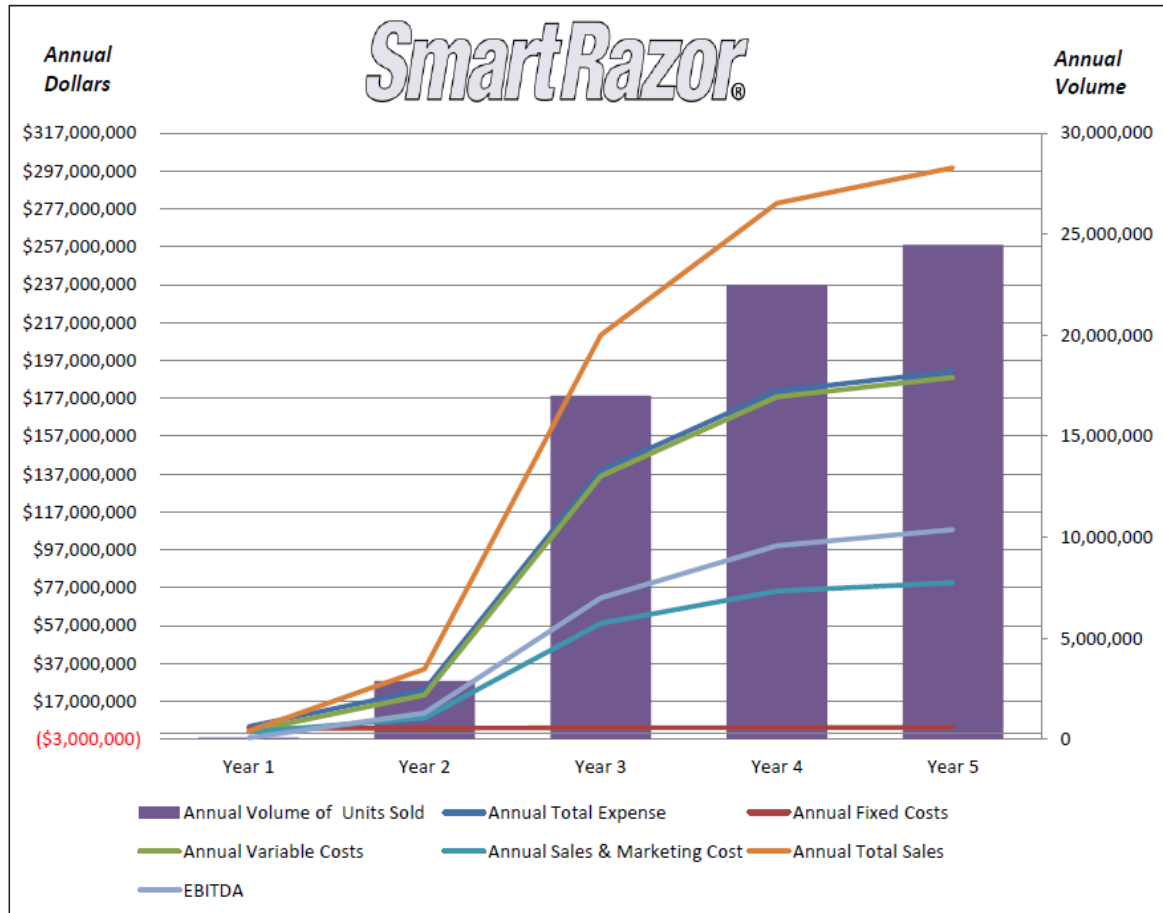


Table 5: SmartRazor® Monthly Sales & Volume

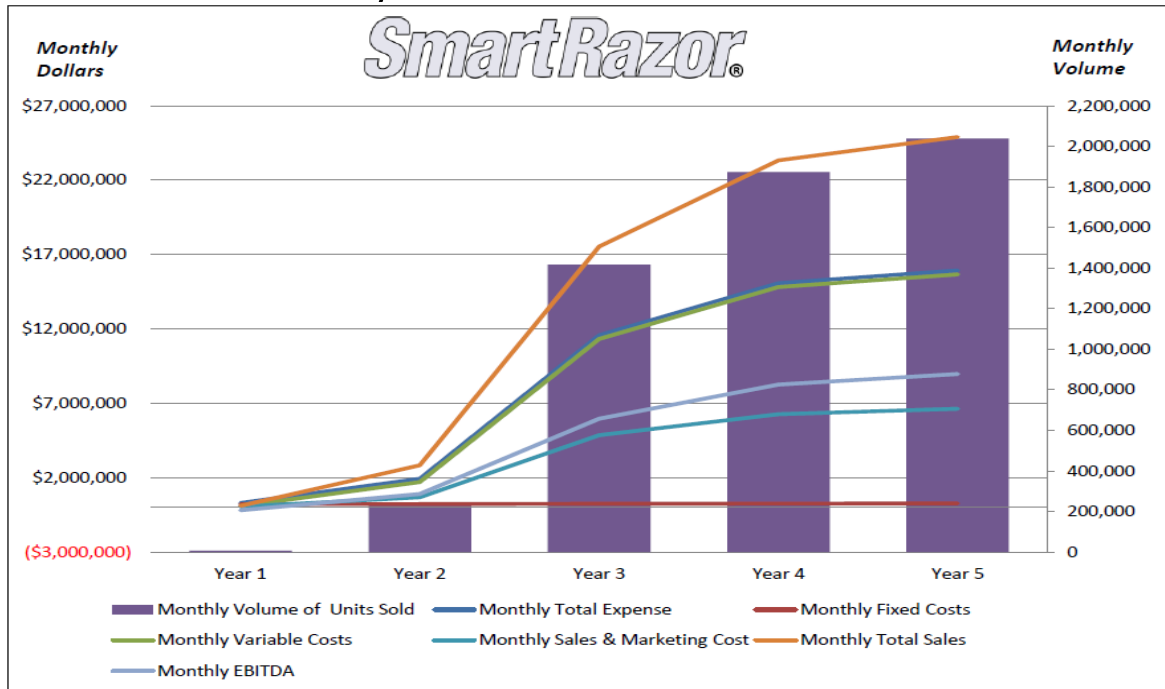


Table 6: SmartRazor® Unit Price/Cost & Break-Even Volume Analysis

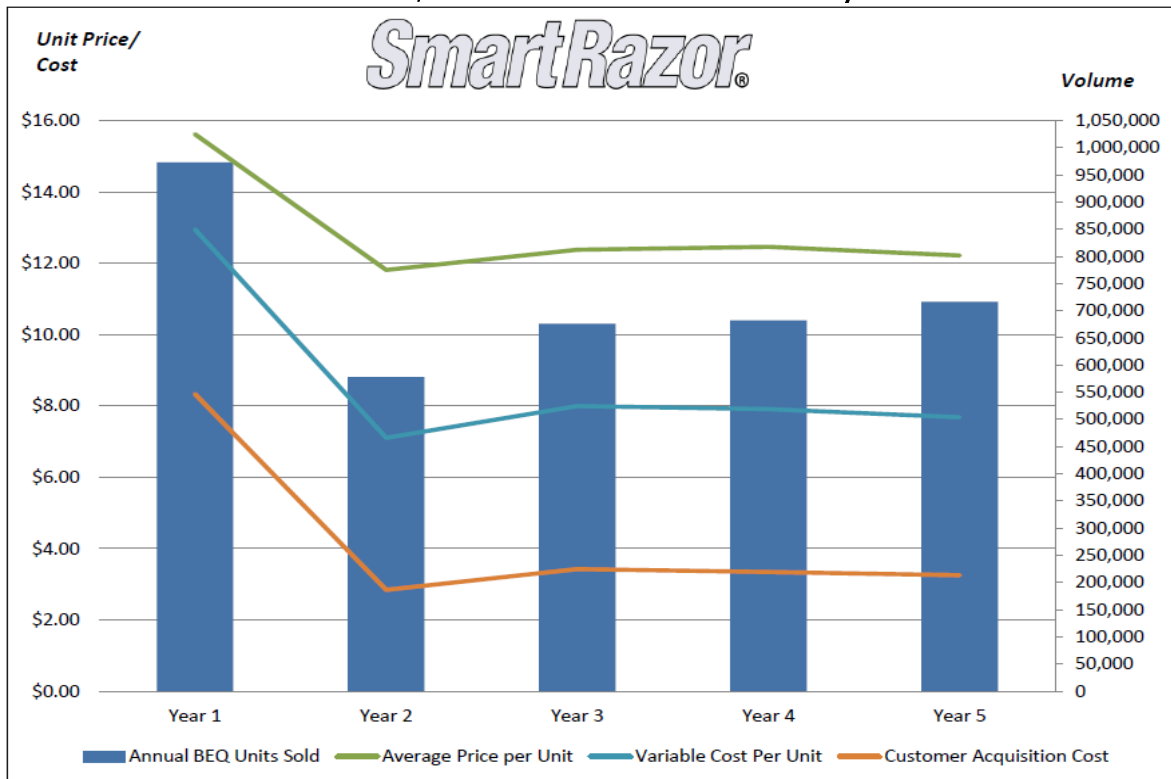
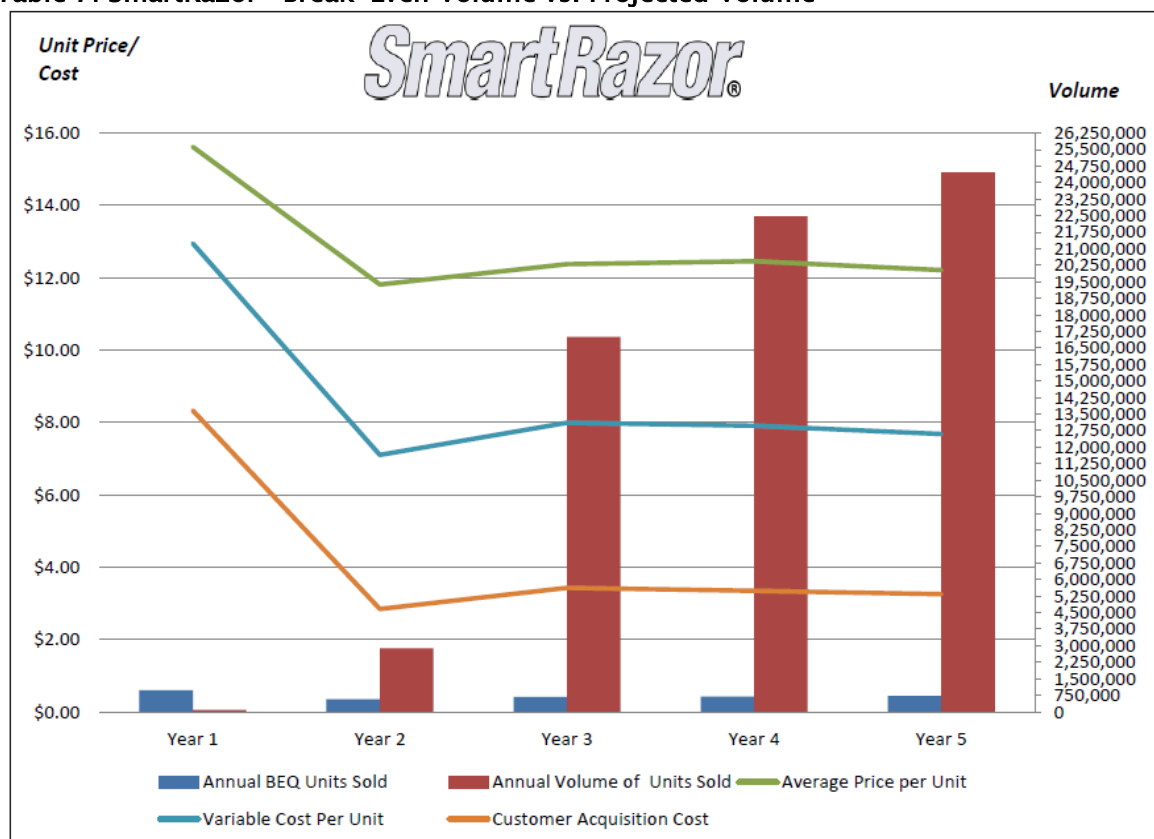


Table 7: SmartRazor® Break-Even Volume vs. Projected Volume



V. Products, Patents, Lab Testing, Consumer Research/Validation

Modern technology and innovation has made it possible to warm the blades of a razor automatically by a battery power source. To significantly increase the ease of cutting hair, the cutting edge of the blade must be warm. The shaving performance increase is scientifically proven through modern comprehensive laboratory testing (Exhibit 9, ISO/IEC Laboratory Performance Testing).

Warm blades cutting hair easier is also time-tested through generations of our forefathers stropping the blade of their straight razors just prior to shaving. The friction of the blade across the leather honed the blade to the sharpest point but also warmed the cutting edge.

Laboratory tests are conclusive that the stropping process on a straight razor blade does heat the blade's cutting edge (Exhibit 10, Laboratory Testing Heat Generation from Manual Stropping).

Heat has always been essential for a great shave. Manual stropping of a straight razor was part the daunting task of shaving generations ago, but it was needed for a close comfortable shave. Now with modern technology, SmartRazor's heated blades are as simple as pressing the button.



1. SmartRazor Products

SmartRazor® HEAT® blades automatically warm to the optimum temperature (the same warm blade feeling after being rinsed or held under hot tap water). Our patent protected technologies maintain that warm feeling throughout the entire shave. Summarized feature set:

- 6 blades for main shaving surface (for men and women). Open Architecture/Flow for comfort, closeness and easy cleaning.
- Trimmer blade as the 7th blade (can be heated, optional) for men.
- Power source allows for rechargeable or disposable batteries.
- Disposable smart razor cartridges (with batteries built in) are being developed. This disposable product will enable the company to expand its product line (Exhibit 5, SmartRazor® HEAT® Pipeline Products), in addition to providing the option of licensing the technology to competing brands... "SmartRazor® Technology Inside" licensing program... enabling existing products to be converted to offer Bolt-On SmartRazor® Technology with heated blade capabilities.
-

a. Initial Products & Product Pipeline

The initial SmartRazor® HEAT® product offering includes:

1. The HEAT® SmartRazor® System and Disposables – for men
2. The BLAZE® SmartRazor® Systems and Disposables – for women
3. The BLAZE®Sport™ SmartRazor® Systems and Disposables – for women

* In addition to the above, we have designed a premium-priced recharging docking station (Exhibit 5, SmartRazor® Heated Blade Pipeline Products). Testing shows HEAT® razors have on average 12 to 14 shaves/charge.



Figure 1: SmartRazor® HEAT® Expanded View

2. SmartRazor® Heated Blades Patents Portfolio

As summarized below (Also listed in Exhibit 6, SmartRazor® Heated Blade Product Specifications, Intellectual Property, & Exhibit 7, SmartRazor® Trademarks), we have strong and global I.P. covering heated wet-shave blades and smart technology for wet shave razors. The core patents are protected through 2036. There are 69 issued patents or patents pending (67 Utility Patents) in the US and other counties protecting both SmartRazor® and ShaveMate® innovation.

SMARTRAZOR® HEAT® PATENTS PORTFOLIO:

List of SmartRazor Heated Blades Technology Patents and Applications as of 9/27/2014

Table 8: SmartRazor® Heated Blades Technology – U.S. Issued Utility Patents

	Patent #:	Title:	Serial #:	Issue Date:
1)	US 6,817,101 B1	HOT BLADE RAZOR	09/560,997	11-16-2004
2)	US 8,533,958 B2	RAZOR WITH BLADE HEATING SYSTEM, BATTERY IN HANDLE	13/417,932	09-17-2013
3)	US 8,713,801 B2	RAZOR WITH BLADE HEATING SYSTEM	13/110,031	05-06-2014
4)	US 8,776,378 B2	RAZOR WITH BLADES HEATING SYSTEM, BATTERY ON CARTRIDGE	13/417,936	07-15-2014

Table 9: SmartRazor® Heated Blades Technology – U.S. Utility Patent Pending Applications

	Serial #:	Title:	File Date:
5)	14/222,191	RAZOR WITH BLADE HEATING SYSTEM	03-21-2014
6)	14/245,355	RAZOR WITH BLADE HEATING SYSTEM	04-16-2014
7)	14/254,251	RAZOR WITH HEATERS BEHIND BLADES	04-16-2014
8)	14/257,382	RAZOR CARTRIDGE WITH UNITARY HEATED BLADE ARRANGEMENT	04-21-2014
9)	14/306,802	HEATED RAZOR WITH POWER SWITCH ON CARTRIDGE	06-17-2014
10)	14/330,705	RAZOR WITH BLADE HEATING SYSTEM	07-14-2014
11)	14/080,903	METHOD AND SYSTEM FOR REGULATING ELECTRIC CURRENT FLOW FROM A POWER SOURCE TO A BLADE CARTRIDGE IN A WET SHAVE RAZOR	11-15-2013

Table 10: SmartRazor® Heated Blades Technology – Foreign Patent Pending Applications

	Application #:	44 Foreign Countries / Title:	Filed:
12)	12786700.0	(Albania, Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Former Yugoslav Republic of Macedonia, Malta, Monaco, Netherlands, Norway, Poland, Portugal, Romania, San Marino, Serbia, Slovakia, Slovenia, Spain, Sweden, Switzerland, Turkey, United Kingdom) RAZOR W/ BLADE HEATING SYSTEM	November 2013
13)	BR112013029602-0	(Brazil) RAZOR WITH BLADE HEATING SYSTEM	November 2013
14)	2836486	(Canada) RAZOR WITH BLADE HEATING SYSTEM	November 2013
15)	201280023885.6	(China) RAZOR WITH BLADE HEATING SYSTEM	November 2013
16)	2014-511579	(Japan) RAZOR WITH BLADE HEATING SYSTEM	November 2013
17)	10-2013-7033697	(Korea) RAZOR WITH BLADE HEATING SYSTEM	November 2013
18)	MX/a/2013/013515	(Mexico) RAZOR WITH BLADE HEATING SYSTEM	November 2013

3. Laboratory Testing & Results

On the SmartRazor® HEAT®, testing was successful with regard to all evaluation criteria established. Independent laboratory tests show our Heated Blade cuts human hair up to 200% (3X's) easier than the top unheated blade from the leading brand. (Exhibit 9: ISO/IEC Laboratory Testing, and Exhibit 11: Consumer Research Impact Study – Evaluating the acceptance of SmartRazor® HEAT® and SmartRazor® BLAZE® Among Manual Refillable Razor (MRR) Users).

a. Consumer Benefits/Value

- Warm blades cut hair 3X's easier providing for better performance.
- We anticipate the blades will last 3X's longer. This is supported by in-house testing.
- Warm blades provide unsurpassed shaving comfort.
- Warm blades eliminate most razor rash for men and women (we plan to conduct efficacy testing to validate warm blades will reduce the occurrence of razor rash).

4. Consumer Research/Validation

In addition, the company conducted a consumer validation test performed by Impact Consumer Research, 401 MMR Consumers, March 2014. The results of this test are included in Exhibit 11, Consumer Research Impact Study. Key findings:

- About three-fourths of Men and Women are likely to purchase the razor, and interest in the upgraded rechargeable docking station is also strong.
- Among Men, those age 18–49 are most likely to definitely purchase the razor. Strongest appeal for “smart” razor technology is age 18–34. This is a key finding as this age group is a younger prime demographic.
- About two-thirds of the manual refillable razor (MRR) users would switch from their current brand to the SmartRazors® presented in the study.
- Among both Gillette and Schick users, the SmartRazor® is perceived to be better than their current razor.
- Women are much more likely to find the SmartRazor® Blaze heated system to be much better than their current MRR.
- Over half the MRR users find the SmartRazor® to be a good value.

VI. Market Strategy

1. Pricing

- SmartRazor® HEAT® is the next generation and game-changer, pricing will be premium to Schick's Hydro brand and Gillette's Fusion® ProGlide® FlexBall® Manual and Battery Vibrating Razor Systems. However SmartRazor® will be priced far less than Gillette's Art of Shaving Fusion Chrome Manual and Battery Power Vibrating models (Exhibit 16 and 17). SmartRazor® Disposables will be premium priced to competing brands as technology and performance far exceeds any competing items. SmartRazor® Recharging Dock Set will be close to parity to Gillette's Fusion ProGlide Styler. Below are suggested retail price ranges. Higher retail prices initially are an option based on the new breakthrough technologies and the new fundamental benefits they provide, this is under consideration.

- SmartRazor® Retail Prices (High Retail and Direct/Dotcom to Mass):

- System w/Cart: (\$21.99 – \$16.99)
- Cartridges (4 Ct.): (\$20.99 – \$16.99)
- Disposables (3 Ct.): (\$13.99 – \$12.99)
- Recharging Dock w/Handle, Cart: (\$27.99 – \$24.99)

(This business plan is presented using the numbers above. Direct consumer feedback from the International CES show gives us reason to consider considerably higher retail price points for the premium system models with the Recharging Dock).

2. Distribution Roll-Out

The company plans to focus its sales efforts in three phases:

a. Phase 1 (Year 1):

Men's Heat® SmartRazor® – Direct to Consumers through our SmartRazor® website and then to dotcom's (Amazon, drugstore.com, Target.com, Walgreens.com, etc.) thus allowing SmartRazor to establish price points, educate the consumers, garner immediate feedback, and better control the messaging. Systems and Cartridges only.

Women's Blaze® SmartRazor® – Consideration to launching women's product offering online also in year 1 pending further marketing review, and user feasibility study – efficacy testing to validate warm blades have less skin irritation versus the competition and that warm blades will reduce the occurrence of razor rash.

b. Phase 2 (Year 2):

Men's Heat® SmartRazor® – Direct, Dotcoms, one key retailer in top three channels. Limited introduction of Disposables and Recharging Dock.

Women's Blaze® SmartRazor® – Direct and Dotcom's only with Systems and Carts. This again allows us to manage promotional price points, further educate the consumer and target our advertising/promotional spend.

c. Phase 3 (Years 3-5):

Direct, Dotcom's and Traditional Brick & Mortar distribution for both Men's and Women's and all products including Disposables and Recharging Dock. Year 3 covers all channels, years 4 and 5 maximize the number of stores doors. The retailers include the following, but not limited to:

Walmart	Kroger	Wegman's	Costco	
Target	SuperValu	Publix	BJ's	
Kmart	Albertson's	IGA	CVS	
Meijer	Safeway	HEB	Rite Aid	
Walgreens	Stop n Shop	Shopko	Shaw's	Food Lion

3. Distinctive Competitive Advantages

- Smart Razor, LLC is uniquely positioned to take advantage of the recent market trends and the desire for true innovation and class of “SMART®” razors that will forevermore define the highest level of shaving performance and comfort.
- The warm cutting edge of the blades enables the hair to be cut much more easily.
- Laboratory testing shows SmartRazor® patented technology warm blades produce improved shaving performance by cutting human hair up to 200% easier than the leading brand’s best unheated blade.
- The SmartRazor® technology provides unsurpassed comfort of warm shaving.
- Some wet shavers get Razor Rash from shaving off the tips of tiny goose bumps caused by cold blades moving across skin. SmartRazor®’s warm blades have the opposite effect; skin lays flat for warm smooth shaving.
- The SmartRazor® technology provides even more consumer value because the reduced force required to cut human hair enables the blades to last up to 3 times longer (pending validation testing).
- The efficient design and production model offers Smart Razor® low manufacturing cost.
- “SmartRazor® Technology Inside” is a proposed logo that will be placed on packaging and sales material and will be a symbol of innovation and quality for decades to come.

4. Reaction to-date from Distributors and Retailers

The SmartRazor® technology and proposed HEAT® product line has been exposed on a confidential basis to a small number of key retailers, distributors, and industry leaders. The accounts represent a significant percentage of industry sales and are crucial to our success.

CVS:

After discussion and review of its prototype, a company Shave Dept. Senior Buyer stated that the company would be interested in its product offering and would like to participate in the launch.

Target:

Shave Department Buyer said this is “The Game Changer” in Shave and stated that Target would “definitely like to partner in the product launch.”

Walmart:

Division Merchandise Manager in charge of shaving products said they would be very interested in the initial product launch, and would like to be notified first.

5. Public Relations, Advertising, Sales Promotion, and Packaging/Point of Sale Material

The marketing program and summary of strategic tactics are outlined below.

1. **Public Relations.** SmartRazor®'s principals plan to begin public relations efforts by appearing on television advertising networks, trade publications and both short and long-lead consumer publications (both print and digital). These efforts will be formalized further so that the SmartRazor® story can be appropriately developed and positioned in the media to generate significant ongoing coverage.

These programs will incorporate the uniqueness of the innovation, the superior performance delivering on the metrics of closeness of shave and comfort, the health promoting qualities of the products, and the scientific and consumer validation, and the evolutionary significance. The objective will be to increase awareness of the relationship between SmartRazor® technology and superior shaving experience.

2. **Advertising.** Content and materials will be developed that will promote the uniqueness and yet intuit nature of the innovation, and the quality of the SmartRazor® products. SmartRazor® expects that the majority of its advertising will take the form of digital (content distribution, Search Engine Optimization, paid search), social (Facebook, Twitter, Tumblr, bloggers, etc.) and print advertisements in men's and women's lifestyle, personal care and consumer products mediums.

The publications and on-line magazines, for each consumer group, may include:

Men: GQ, Men's Health, Wired, Sports Illustrated, ESPN magazine, Elle Men, Men's Fitness, Man's World, Esquire, Men's Journal, Shave, For Men

Women: Family Circle, Redbook, Cosmopolitan, Elle, InStyle, First for Women, Essence, Oxygen, Ladies Home Journal, InTouch, Ms. O: the Oprah Magazine, Shape, Women's Day, Women's Health, Women's Day, Vogue, Self

3. **Sales Promotion.** Marketing on popular social media sites to educate on SmartRazor® innovation and direct consumers to website for online sales. Appropriate incentive programs for retail stores will be developed that will gain and keep attention of the trade and the consumer. Initial emphasis will be placed on trial to garner a sustained installed base leading to repeat purchases of cartridges.
4. **Packaging and Point-of-Sale Material.** Look, feel and messaging will be of the highest quality and designed to educate the consumer about the innovative technology and unsurpassed performance. These materials will also include posters and display units. In addition the company plans to offer literature about the products and the patented new technology.

VII. Operational Plan

1. Product Development Snapshot

Louis D. Tomassetti and his team have led the creation of SmartRazor® HEAT® from concept to working prototypes. Much of the time and effort by Smart Razor, LLC to date have been spent on research, product development/prototyping and acquiring intellectual property rights. The company's SmartRazor® HEAT® design and prototyped work is by Black Llama Inc., Pompano Beach, FL., and the SmartRazor® laboratory performance testing is by Datapoint Laboratories, Ithaca, NY. The intellectual property counsel is Robert M. Downey, P.A., Boca Raton, FL. The consumer testing was conducted by Impact Consumer Research, Fort Mitchell, KY, USA.

a. Major Product Milestones

1. In year 2000, LPI Consumer Products, Inc. starts its shaving business with ShaveMate® being launched and selling into retail and health care distributors. Internet sales and large retail accounts as Walmart followed. In 2002, sales of ShaveMate® "FREEDOM®" Razor begin with the U.S. Military distributing to U.S. soldiers in the war combat zones of Afghanistan and Iraq.
2. In 2004, Display Matrix Corporation receive first heated razor blade patent from USPTO.
3. In 2007, LPI Consumer Products Inc. and Display Matrix Corporation together start applying for many heated blade patents for comprehensive patents portfolio protection.
4. In April 2010, LPI Consumer Products Inc. principals and ShaveMate® profiled in NY Times.
5. In 2010, ShaveMate® line of razors receives very positive reviews from national TV programs including *The View* (ABC), *Today Show* (NBC), *Business Traveler* (CNN), Fox Business (FOX) and in national print (USA TODAY, GLAMOUR, GOOD HOUSEKEEPING, O – The Oprah Magazine, etc.)
6. In 2011, LPI Consumer Products Inc. principals and ShaveMate® profiled on the DISCOVERY Channel in an hour long television show.
7. In 2013, LPI Consumer Products Inc. launches on-line Shave Club product offering and expanded website.
8. In February 2013 Laboratory Testing data reports our Heated Blades shave human hair up to 3 times better than other brand's top blades.
9. In April 2013, the first HEAT6® SmartRazor® working production models start in shaving use. Testers report incredible warm shaving in both performance and comfort.

10. In November 2013, LPI Consumer Products Inc. files for global heated razor blade patent in 44 foreign countries.
11. June 2014, SmartRazor® HEAT® I.P. has grown considerably. Current US Patent portfolio on heated blades shaving is at 4–patents granted or approved, 7–patents pending.
12. October 2014, SmartRazor® both ShaveMate® and new HEAT® are previewed at Techmanity Show in San Jose, CA (Silicon Valley). and
13. January 2015, New SmartRazor® HEAT® is previewed at the International Consumer Electronics Show. ShaveMate® is also is shown.
14. July 2015, Smart Razor, LLC chooses Panasonic to be their power source. Panasonic has proven to be a great partner for supplying batteries and general electronic information.

b. Product Development Phases & Milestones

SmartRazor® HEAT® is in Stage 7 & 8 of its product development phases, Table 11.

Table 11: SmartRazor® Product Development Phases

STAGE	PRODUCT DEVELOPMENT	MILESTONE STATUS
Stage 1	<ul style="list-style-type: none"> • Innovation • Relevance • Concept 	Completed
Stage 2	<ul style="list-style-type: none"> • Invention and Design 	Completed
Stage 3	<ul style="list-style-type: none"> • Patent Protection • Intellectual Property 	Completed
Stage 4	<ul style="list-style-type: none"> • Working Prototypes 	Completed
Stage 5	<ul style="list-style-type: none"> • Laboratory Testing 	Completed and On-Going
Stage 6	<ul style="list-style-type: none"> • Consumer Acceptance Study 	Completed
Stage 7	<ul style="list-style-type: none"> • Assembly of SmartRazor Team 	In Process
Stage 8	<ul style="list-style-type: none"> • Funding • Production • Marketing • Sales 	In Process

2. Physical Plant & Office Facilities

Smart Razor, LLC corporate headquarters and related facilities will be located at the LPI Consumer Products, Inc. offices in Pompano Beach, Florida. LPI Consumer Products has been in business since 1986. This facility will have sufficient capacity to handle all initial space requirements.

3. Manufacturing

Smart Razor, LLC plans to subcontract the production and packaging of its products to Dorco. LPI Consumer Products, Inc. has a long business relationship with Dorco shaving company for its ShaveMate® razor products. Dorco, headquartered in Seoul, Korea, has been in business since 1955 with projected annual sales of \$300M. They have facilities in Korea (Center of Shaving Excellence), U.S.A. (in San Diego, California under Pace Shave) Mexico and China. They are the world's 2nd largest supplier of private label razors and were the first to introduce a 6th blade with open architecture/flow. They are also known for their patented universal docking system which can be adopted for SmartRazor® products.

Smart Razor, LLC Team will oversee the initial production runs to ensure quality control prior to final release to the market. Highest priority is for quality in craftsmanship and appropriate quality control (QC) protocol to assure the very best quality in manufacturing. These subcontractors have sufficient capacity to handle the expected growth.

4. Production Costs

Through its own research and discussion with contractors, Smart Razor, LLC has estimated its cost of sales. SmartRazor® obtained verbal price quotes from manufacturers in order to determine production costs. The subcontractors will be responsible for controlling material and labor costs, excluding the battery source. These estimates have been incorporated into the costs projections in the attached financial projections.

5. Sales and Distribution

Smart Razor, LLC will manage and sell large brick and mortar retail accounts, direct-to-consumer, and dotcoms. For regional and other diverse and key accounts we will subcontract sales and distribution functions to a company such as Acosta Sales Group. The principals of Smart Razor, LLC will oversee the development of all sales & distribution plans and collateral to ensure quality control and messaging. These subcontractors have sufficient experience and capacity to handle the growth expected and will handle sales directly with their designated retailers.

VIII. Company, Organization, Management, Advisors

This section outlines Smart Razor, LLC's ownership prior to raising additional capital, key management personnel, the company's outside advisors for legal, marketing/sales, accounting/financial, and the company's expected organization. Each of these brings unique competence to the SmartRazor® venture.

1. Company

Smart Razor, LLC ownership structure prior to raising additional capital is as follows:

Louis D. Tomassetti, LPI Consumer Products, Inc. (100%)

Includes all ShaveMate® razor patents and intellectual property.

Heated Blades Holding Company Inc. (HBHC) owns the Heated Blades razor patents. Heated Blades Holding Company (HBHC) has granted an Exclusive License to Smart Razor LLC. to use all Heated Blades Razor Patents for 9% royalty on sales of products using HBHC's I.P. HBHC is owned by Display Matrix Corporation (50%) and LPI Consumer Products, Inc. (50%).

2. Management

Initially, Smart Razor, LLC will operate with a small staff that will include the company principals and current contributors from key disciplines:

Table 12: Smart Razor, LLC Management Team

NAME	POSITION
Louis D. Tomassetti	President & CEO
Peter C. Tomassetti	Executive Vice President & COO
Michael Blanchard	Sr. Vice President of Strategic Planning and Organizational Development
David Gomez	Vice President, Design & Engineering

Louis D. Tomassetti, President & CEO

Louis D. Tomassetti has 25+ years of experience as a successful Inventor, President and Chief Executive Officer. Lou has owned and operated his own consumer goods companies since 1986, having manufactured and distributed innovative quality products (most are Lou's inventions) to the world's largest retailers including Walmart, Target, and Walgreens. Lou was also president of the student governments in his high school and college.

As President and Chief Executive Officer of his manufacturing and distribution companies, Lou's leadership skill set continues to grow and inspire through his profession. Lou is passionate and very knowledgeable about razors. He has invented produced and marketed

his own razor lines for over 17 years, first with ShaveMate® and then the HEAT® product lines. Lou has done extensive work on SmartRazor® HEAT® from concept through testing and brand identity. He has led the research and development and contributed much to the patents and I.P. His vision for SmartRazor® is to make shaving effortless and actually enjoyable for the masses, and to turn a daily task into a stress-free spa moment shave.

Peter C. Tomassetti, Executive Vice President & COO

Peter Tomassetti has been Vice President of LPI Consumer Products, Inc. for 20 years and has been instrumental in Research and Development of the Safety-Sport® Brand air horn line and also on ShaveMate® brand razors and marketing. Peter works with the outside Sales Representatives and has proven marketing skills and has experience in many aspects of product creation and production from invention through marketing and sales. Peter is in charge of Web Sites design and has led the online business efforts, in-house large account sales, and supported Military sales and marketing. He successfully secured the national stock number with the Department of Defense (DOD) to distribute ShaveMate® to all branches of the military and special units including Presidential Airlift Group (PAG) – Air Force One.

Michael Blanchard, Sr. Vice President of Strategic Planning and Organizational Development

Mr. Blanchard has over 25 years of experience leading and managing people and businesses as Executive Director, Chief Operating Officer and Management Consultant. He has a demonstrated record of driving the development and implementation of solutions to multidimensional and complex operational problems. Mr. Blanchard is experienced in the assessment of organizational challenges and the design of critical programs and initiatives necessary for reaching key strategic objectives.

David Gomez, Vice President of Design and Engineering

Mr. Gomez is Graduate of Industrial Design from UPB Colombia. David has a passion for innovation and design. He has over 12 years of experience in the product design and manufacturing industry. David has been the head of the design department for the world's leader in ultra-high pressure water blasting industry. David has been the lead in many projects in a wide range of consumer products, small electronics, automotive, medical wearable devices, drones, and innovative razors.

3. Professional Staff & Advisors

In addition to the management team, Smart Razor, LLC has identified key legal and business professional advisors. They include:

Table 13: Professional Staff & Advisors

NAME	POSITION
William Bohmer	Engineering, design, and patents. Consultant, Advisor
Robert M. Downey, P.A.	The patent and trademark attorneys are the firm Robert M. Downey, P.A. and have handled all intellectual property matters to date for the company's current IP portfolio.
Belden Hill Partners, LLC	Corporate Finance & Investment Banking Advisor
James Kilts, former CEO of Gillette	Special Advisor
Bravo Accounting Services, Inc.	Accounting services

a) William Bohmer

Bill Bohmer is the inventor and author of the 2004 Display Matrix Corporation patent. Bill has been an inventor and contributor on the additional patents as well and will serve as an advisor and consultant going forward.

b) Legal

The firm of Robert M. Downey, P.A. is the patent and trademark attorneys. They have been very successful on intellectual property matters for the company's I.P. portfolio.

c) Corporate Finance & Investment Banking Advisor

Independent corporate finance & investment banking advisory services will be provided by Belden Hill Partners LLC, New York, NY.

d) Accounting

Accounting services will be provided by Bravo Accounting Services, Inc. 650 NW 180 Terrace, Suite 103, Pembroke Pines, Florida 33029.

e) James Kilts

Jim Kilts is the former CEO of Gillette, former CEO of Nabisco, former President of Kraft, former President of Oscar Mayer, and former CEO of RJR Corp.

f) Advertising and Promotions

We will hire the best suited firm that specializes in PR and Advertising production and social media and media buying for new ventures in personal care consumer products. The management team has years of experience managing and working with these type of firms.

g) Staffing

As the company grows, additional professional staffing needed will include the following:

NAME	POSITION
New Position	Marketing Director
New Position	E-Commerce Manager
New Position	Rep. Sales & Distribution (Outsourced) Commission
New Position	CFO/Controller
New Position	Supply Chain Analyst
New Position	EDI/Executive Assistant

IX. Smart Razor, LLC Funding

1. Investment / Funding (Round 1)

Initial funding for this new SmartRazor® business venture is \$10,000,000. Projected distribution of funds: \$5M Preproduction, Manufacturing and Initial Inventory; \$2M PR and Marketing; \$3M Working Capital, Professional Services, and Continuing Research and Development (R&D).

2. Investment / Funding (Round 2)

We anticipate a second round of funding in the amount of \$10,000,000. These funds will be initiated in order to fulfill reorders, ramp up for expanded distribution, and provide adequate Advertising and Promotion (A&P) development and working media to influence brand engagement and high-profit sell through as the business grows. This business plan assumes, for financial planning and projection purposes, that all future financing required to fund its expansion plans will be obtained through institutional lending sources or private placement, if necessary, in accordance with the scheduled roll-out forecast of its SmartRazor® HEAT® products over five years.

We are looking forward to meaningful discussions on this investment opportunity for this new business venture.

Round 1 Funds will be used as follows:

PR & Marketing (SmartRazor® HEAT® & ShaveMate®, including internet)	\$ 2,000,000
Preproduction, Manufacturing & Initial Inventory	\$ 5,000,000
Intellectual Property/Legal	\$ 300,000
Professional Services	\$ 300,000
Working Capital	<u>\$ 2,400,000</u>
Total	\$ 10,000,000

Round 2 Funds will be used as follows:

Inventory	\$ 5,000,000
Marketing & Operating Working Capital	<u>\$ 5,000,000</u>
Total	\$ 10,000,000

X. SmartRazor® Licensing

The option to license the technology is available immediately and will be implemented at the appropriate time to increase brand and value to shareholders. Additional revenues resulting from a licensing program are not included in the company's financial projections. The specific terms of the licensing program will be developed during the third year of operations and may include offers of strategic alliances or partnerships with battery companies and other razor companies.

EXAMPLE: Gillette Fusion

Figure 2 below shows our patented “battery mounted on cartridge” application.

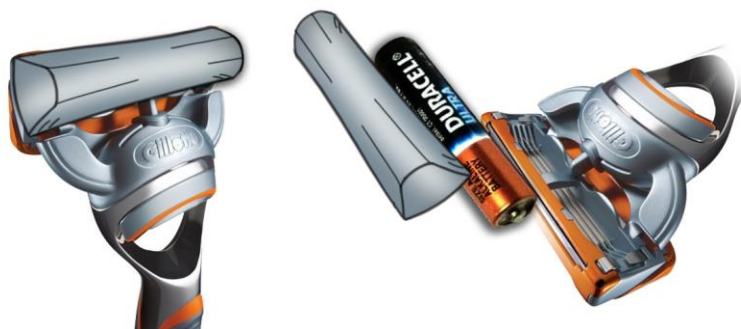


Figure 2: Patented “battery mounted on cartridge”

XI. Exit Strategies

The company believes that its smart razor competitive advantage, coupled with the anticipated rapid sales growth, will yield solid alternative exit strategies for the company, including but not limited to:

1. Strong Takeover Candidate

Smart Razor, LLC will be years ahead of potential competitors in the shaving innovation cycle and will have been in successful operation for at least 5 years. Because of this situation, Smart Razor, LLC believes that the company will be a strong takeover candidate for global personal care vendors such as Proctor & Gamble (Gillette), Energizer (Schick) and Unilever (Axe), Harry's, Reckitt Benckiser Group, Beiersdorf AG (Nivea) that can benefit from gaining access to smart razor technology and associated intellectual property.

2. Initial Public Offering

To become the market leader in shave technology, obtaining several hundred million dollars or more through an initial public or private offering that would allow the company to expand beyond the initial regions and product lines and launch its products and licensing program globally. Razors and Smart Technology excites consumers and this Smart Razor Technology innovation combining both would attract investors through an IPO.

The financial projections estimate U.S. only annual net sales of \$248M for year five (we believe this is a conservative estimate) and global net sales of \$513M. It is not unrealistic to put a market value of \$1 Billion or more on the company in year five considering the EBITDA projections, market size, the SmartRazor® game-changing innovation, the very extensive patents protection out to year 2036, and the complete SmartRazor® I.P. portfolio.

3. Sell SmartRazor® manufacturing and operations to competitor and retain licensing programs

Given this product category's size and make up, SmartRazor® innovation and products lends itself to having strategic options to maximize growth and profit for founders, partners, and shareholders.

XII. Exhibits to Business Plan

Exhibit 1. SmartRazor® Products Overview

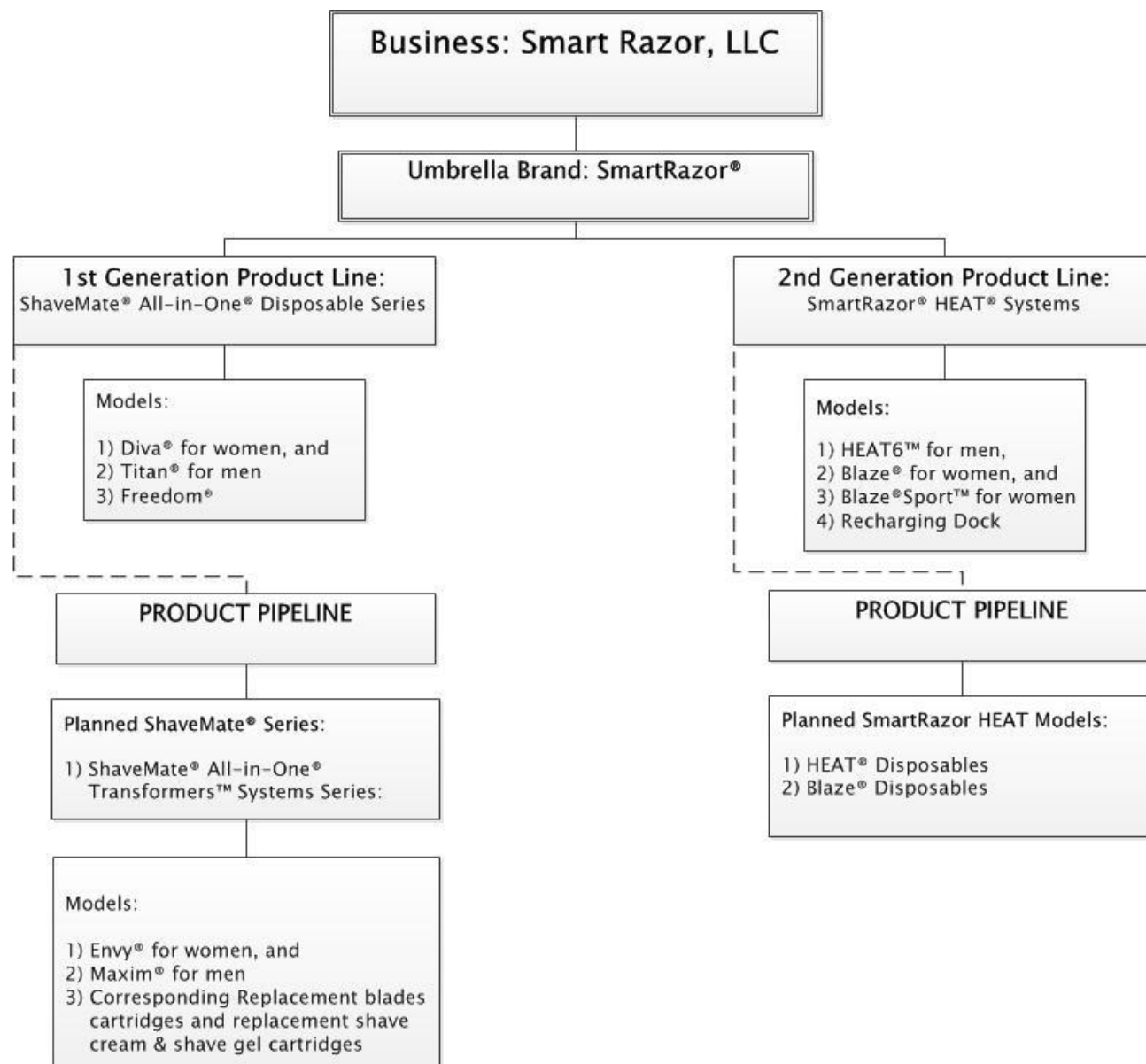


Exhibit 2. Pro forma Financial Statement Summary (Five-Year Forecast)



SmartRazor - Wet Shave
Consolidated Pro Forma P&L
5 Year - SUMMARY

	Year 1 - Start Up						Year 2						Year 3						Year 4						Year - 5					
	Mass	Food	Drug	Direct	eCom	Total	Mass	Food	Drug	Direct	eCom	Total	Mass	Food	Drug	Direct	eCom	Total	Mass	Food	Drug	Direct	eCom	Total	Mass	Food	Drug	Direct	eCom	Total
Gross Sales	\$0	\$0	\$0	\$356	\$897	\$1,253	\$16,061	\$8,983	\$3,186	\$1,336	\$4,415	\$33,982	\$91,559	\$48,719	\$59,977	\$2,221	\$7,923	\$210,399	\$105,821	\$82,459	\$79,001	\$3,029	\$9,650	\$279,959	\$102,650	\$98,340	\$81,845	\$3,976	\$11,956	\$298,767
Trade Rebates - NSR [1]	\$0	\$0	\$0	\$0	\$144	\$144	\$1,238	\$1,797	\$797	\$0	\$706	\$4,538	\$7,059	\$9,744	\$14,994	\$0	\$1,268	\$33,065	\$8,159	\$16,492	\$19,750	\$0	\$1,544	\$45,945	\$7,914	\$19,668	\$20,461	\$0	\$1,913	\$49,957
% of ILC	#DIV/0!	#DIV/0!	#DIV/0!	0.0%	16.0%	11.5%	7.7%	20.0%	25.0%	0.0%	16.0%	13.4%	7.7%	20.0%	25.0%	0.0%	16.0%	15.7%	7.7%	20.0%	25.0%	0.0%	16.0%	16.4%	7.7%	20.0%	25.0%	0.0%	16.0%	16.7%
Net Sales	\$0	\$0	\$0	\$356	\$754	\$1,110	\$14,823	\$7,187	\$2,390	\$1,336	\$3,709	\$29,444	\$84,500	\$38,976	\$44,983	\$2,221	\$6,655	\$177,334	\$97,662	\$65,967	\$59,251	\$3,029	\$8,106	\$234,015	\$94,735	\$78,672	\$61,384	\$3,976	\$10,043	\$248,810
TOTAL COGS [2]	\$0	\$0	\$0	\$78	\$293	\$371	\$6,422	\$3,002	\$1,124	\$290	\$1,426	\$12,265	\$36,896	\$16,770	\$21,088	\$481	\$2,456	\$77,691	\$42,616	\$28,383	\$27,944	\$654	\$2,988	\$102,586	\$40,995	\$33,850	\$28,953	\$856	\$3,680	\$108,333
% of NET	#DIV/0!	#DIV/0!	#DIV/0!	21.9%	38.8%	33.4%	43.3%	41.8%	47.0%	21.7%	38.5%	41.7%	43.7%	43.0%	46.9%	21.7%	36.9%	43.8%	43.6%	43.0%	47.2%	21.6%	36.9%	43.8%	43.3%	43.0%	47.2%	21.5%	36.6%	43.5%
GROSS MARGIN	\$0	\$0	\$0	\$278	\$461	\$739	\$8,401	\$4,184	\$1,266	\$1,046	\$2,282	\$17,179	\$47,603	\$22,206	\$23,894	\$1,739	\$4,199	\$99,642	\$55,046	\$37,584	\$31,306	\$2,375	\$5,118	\$131,429	\$53,740	\$44,823	\$32,431	\$3,120	\$6,363	\$140,477
% of Net	#DIV/0!	#DIV/0!	#DIV/0!	78.1%	61.2%	66.6%	56.7%	58.2%	53.0%	78.3%	61.5%	58.3%	56.3%	57.0%	53.1%	78.3%	63.1%	56.2%	56.4%	57.0%	52.8%	78.4%	63.1%	56.2%	56.7%	57.0%	52.8%	78.5%	63.4%	56.5%
Broker Commissions [3]	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$180	\$60	\$0	\$0	\$239	\$0	\$974	\$1,125	\$0	\$0	\$2,099	\$0	\$1,649	\$1,481	\$86	\$0	\$3,216	\$0	\$1,967	\$1,535	\$0	\$0	\$3,501
PROFIT After Selling/Broker Commissions	\$0	\$0	\$0	\$278	\$461	\$739	\$8,401	\$4,005	\$1,206	\$1,046	\$2,282	\$16,940	\$47,603	\$21,231	\$22,770	\$1,739	\$4,199	\$97,543	\$55,046	\$35,935	\$29,825	\$2,289	\$5,118	\$128,213	\$53,740	\$42,856	\$30,896	\$3,120	\$6,363	\$136,975
% of Net	#DIV/0!	#DIV/0!	#DIV/0!	78.1%	61.2%	66.6%	56.7%	55.7%	50.5%	78.3%	61.5%	57.5%	56.3%	54.5%	50.6%	78.3%	63.1%	55.0%	56.4%	54.5%	50.3%	75.6%	63.1%	54.8%	56.7%	54.5%	50.3%	78.5%	63.4%	55.1%
MARKETING SUPPORT ACTIVITY																														
Marketing Promotions						\$25						\$75						\$700						\$790						\$810
Sampling						\$50						\$164						\$500						\$540						\$583
Advertising						\$250						\$2,700						\$20,000						\$22,620						\$22,620
PR						\$100						\$304						\$850						\$990						\$1,069
Other Marketing						\$0						\$50						\$500						\$540						\$540
Brand Support Activity						\$100						\$108						\$500						\$540						\$540
Total Marketing Expense	\$0	\$0	\$0	\$0	\$0	\$525	\$0	\$0	\$0	\$0	\$0	\$3,401	\$0	\$0	\$0	\$0	\$0	\$23,050	\$0	\$0	\$0	\$0	\$0	\$26,020	\$0	\$0	\$0	\$0	\$0	\$26,162
% of Net	#DIV/0!	#DIV/0!	#DIV/0!	0.0%	0.0%	47.3%	0.0%	0.0%	0.0%	0.0%	0.0%	11.6%	0.0%	0.0%	0.0%	0.0%	0.0%	13.0%	0.0%	0.0%	0.0%	0.0%	0.0%	11.1%	0.0%	0.0%	0.0%	0.0%	0.0%	10.5%
Profit After Selling & Marketing Expenses	\$0	\$0	\$0	\$278	\$461	\$214	\$8,401	\$4,005	\$1,206	\$1,046	\$2,282	\$13,539	\$47,603	\$21,231	\$22,770	\$1,739	\$4,199	\$74,493	\$55,046	\$35,935	\$29,825	\$2,289	\$5,118	\$102,193	\$53,740	\$42,856	\$30,896	\$3,120	\$6,363	\$110,813
% of Net	#DIV/0!	#DIV/0!	#DIV/0!	78.1%	61.2%	19.3%	56.7%	55.7%	50.5%	78.3%	61.5%	46.0%	56.3%	54.5%	50.6%	78.3%	63.1%	42.0%	56.4%	54.5%	50.3%	75.6%	63.1%	43.7%	56.7%	54.5%	50.3%	78.5%	63.4%	44.5%
SG&A																														
Staffing & Benefits						\$1,612						\$1,692						\$1,777						\$1,866						\$1,959
Manufacturing/Design						\$100						\$105						\$110						\$116						\$122
Legal/Professional Services						\$200						\$210						\$221						\$232						\$243
Human Resources						\$20						\$21						\$22						\$23						\$24
Customer/Consumer Service						\$20						\$21						\$22						\$23						\$24
T&E						\$200						\$210						\$117						\$132						\$149
Other SG&A (plus Outside Services)						\$446						\$458						\$471						\$485						\$499
Total SG&A Expenses	\$0	\$0	\$0	\$0	\$0	\$2,598	\$0	\$0	\$0	\$0	\$0	\$2,718	\$0	\$0	\$0	\$0	\$0	\$2,939	\$0	\$0	\$0	\$0	\$0	\$3,076	\$0	\$0	\$0	\$0	\$0	\$3,220
% of Net	#DIV/0!	#DIV/0!	#DIV/0!	0.0%	0.0%	234.1%	0.0%	0.0%	0.0%	0.0%	0.0%	9.2%	0.0%	0.0%	0.0%	0.0%	0.0%	1.7%	0.0%	0.0%	0.0%	0.0%	0.0%	1.3%	0.0%	0.0%	0.0%	0.0%	0.0%	1.3%
Operating Contribution	\$0	\$0	\$0	\$278	\$461	(\$2,384)	\$8,401	\$4,005	\$1,206	\$1,046	\$2,282	\$10,821	\$47,603	\$21,231	\$22,770	\$1,739	\$4,199	\$71,554	\$55,046	\$35,935	\$29,825	\$2,289	\$5,118	\$99,116	\$53,740	\$42,856	\$30,896	\$3,120	\$6,363	\$107,593
% of Net	#DIV/0!	#DIV/0!	#DIV/0!	78.1%	61.2%	-214.9%	56.7%	55.7%	50.5%	78.3%	61.5%	36.8%	56.3%	54.5%	50.6%	78.3%	63.1%	40.3%	56.4%	54.5%	50.3%	75.6%	63.1%	42.4%	56.7%	54.5%	50.3%	78.5%	63.4%	43.2%
EBITDA	\$0	\$0	\$0	\$278	\$461	(\$2,384)	\$8,401	\$4,005	\$1,206	\$1,046	\$2,282	\$10,821	\$47,603	\$21,231	\$22,770	\$1,739	\$4,199	\$71,554	\$55,046	\$35,935	\$29,825	\$2,289	\$5,118	\$99,116	\$53,740	\$42,856	\$30,896	\$3,120	\$6,363	\$107,593
% of Net	#DIV/0!	#DIV/0!	#DIV/0!	78.1%	61.2%	-214.9%	56.7%	55.7%	50.5%	78.3%	61.5%	36.8%	56.3%	54.5%	50.6%	78.3%	63.1%	40.3%	56.4%	54.5%	50.3%	75.6%	63.1%	42.4%	56.7%	54.5%	50.3%	78.5%	63.4%	43.2%

[1] Set as percent (4% for walmart, 7% for Target, 20%/25% food & Drug, 0% for Direct, 16% for eCOMM (Indirect)

[2] Standard landed costs from DORCO

[3] Average broker fee across Acosta

Exhibit 3. ShaveMate® All-in-One Products, Intellectual Property

All-In-One® **ShaveMate®** All-in-One® Combo Razors



Pictured above are our premium consumable/disposable current models.

ShaveMate® All-in-One® Razors have significant innovation, most notably and most visibly the shaving cream inside each razor for All-in-One® convenience.

ShaveMate® All-in-One® Razors are available in two consumer models, Titan® for men and Diva® for women. Both razors have six premium blades and enough shaving cream inside for more than a week of great shaves. By adding the shaving cream inside the razor's handle, there are fewer steps for shaving. Everything you need to shave is in the palm of your hand. Simplify your Shaving, Simplify your Life!™

ShaveMate® is designed to excel in Comfort, Performance, & Convenience all in one easy to use razor. ShaveMate® Titan® & Diva® also has unique and patented features like our patented “Flex-Neck Technology™” that helps maintain even pressure against the skin for extra smoothness and nick-free comfort. There is also the “Aqua-Flow Blade Rinse™” that channels the water through the blades to flush the stubble out. ShaveMate® Titan® has a metallic silver finish with rich thick white shaving cream inside, while the Diva® razor is pastel pink, and has soft pink shaving cream inside its handle. They both have enriched moisturizing glide strips to enhance shaving comfort with every stroke. ShaveMate® Razors are airline safe and TSA approved, making ShaveMate® Razors also the ultimate travel companion.

Prior to Titan® and Diva® models, ShaveMate® developed an All-in-One® razor for the US Military called the “Freedom®”. This razor was reviewed by Secretary of Defense Donald Rumsfeld and sent to US Military procurement for US Soldiers during the Iraq and Afghanistan wars. ShaveMate® razors went through extensive Department of Defense (DOD) testing and were rewarded a National Stock Number for Military procurement and distribution.

It is also our honor that ShaveMate® TITAN® has the Presidential Seal and has been procured by the Presidential Airlift Group (PAG) to serve on Air Force One since 2004.

ShaveMate® All-in-One® Razors Patents Portfolio

Table 14: ShaveMate® All-in-One® Razors, U.S. Utility Patents

Patent #	Title	Issue Date	Serial #
US 6,946,624 B1	HEATED TRAY FOR RAZOR	09-20-2005	11/004,200
US 6,973,730 B2	FLEXIBLE RAZOR AND DISPENSER WITH PIVOTING HEAD	12-13-2005	10/982,468
US 7,051,439 B2	RAZOR WITH REPLACEABLE SHAVE PRODUCT DISPENSER CANISTER	06-30-2006	11/023,606
US 7,788,809 B2	DISPOSABLE RAZOR WITH INTEGRATED SHAVING CREAM DISPENSER	09-07-2010	11/985,683
US 7,814,661 B2	RAZOR WITH REPLACEABLE SHAVE PRODUCT DISPENSER CARTRIDGE	10-19-2010	12/077,767

Table 15: ShaveMate® All-in-One® Razors, U.S. Design Patents

Patent #	Title	Issue Date	Serial #
US D495,246 S	MEN'S RAZOR PACKAGE	06-31-2004	29/194,827
US D496,267 S	LADY'S RAZOR PACKAGE	09-21-2004	29/194,802

Table 16: ShaveMate® All-in-One® Razors, Foreign Patents

Foreign Patent #	Foreign Countries / Title	Issue Date
2279063	Europe) RAZOR WITH REPLACEABLE SHAVE PRODUCT DISPENSER CARTRIDGE, Effective in France, Germany, Italy, Poland, Spain, United Kingdom	09-25-2013
ZL200980114108.0	(China) RAZOR WITH REPLACEABLE SHAVE PRODUCT DISPENSER CARTRIDGE	06-19-2013

Exhibit 4. ShaveMate® All-in-One® Pipeline Products

Our current ShaveMate® Diva® & Titan® All-in-One® Razors are Consumable / Disposable. The next generation line extension is the Systems with replaceable cartridges. Systems are also referred to in the razor industry as Manual Refillable Razors (MMR). Our ShaveMate® systems are called "Transformers™" series and they will have a permanent handle but replaceable Blade cartridges and also Shave cream and Shave gel cartridges. We plan on Men's and Women's models named "Maxim®" for Men and "Envy®" for Women.

Our Transformers™ series will lend to multiple new SKU options with different shave cream and shave gel cartridge offerings, as is Regular or Sensitive Skin or Scented and Non-scented versions.

The ShaveMate® Transformers™ Series System Razors are patented (US 7,814,661 B2) issued October 19, 2010 and also in many foreign countries including China, France, Germany, Italy, Poland, Spain, and United Kingdom.

Exhibit 5. SmartRazor® HEAT® Pipeline Products

Our plan is to launch the SmartRazor® HEAT® Systems first. Systems have the permanent handle and replaceable blade cartridges sold separately. Systems are also referred to in the razor industry as Manual Refillable Razors (MMR). The name for the men's model will be either HEAT®, HEAT6™, or H6™ (with the 6 referring to 6 blades). We plan on launching two Women's models called Blaze® and Blaze®Sport™. We will also have the optional Recharging Dock. The Recharging Dock is sold in an upgrade package or can be sold as a separate SKU.

Next we plan on expanding our family SmartRazor® HEAT® products to include Men's and Women's Disposables. We have both designs and patents for the battery to be in the handle or on the blade cartridge. This battery on the blade cartridge innovation is especially important because now you can put your heated blades on any razor handle, a razor handle with shaving cream inside perhaps?

Because of our extensive patents protection and advanced designs for SmartRazor® warm blades shaving, we have a blue ocean opportunity to produce the world's most advanced shaving razors in both systems and disposables.

Exhibit 6. SmartRazor® Heated Blade Intellectual Property

SMARTRAZOR® HEAT® PATENTS PORTFOLIO:

List of SmartRazor Heated Blades Technology Patents and Applications as of 9/27/2014

Table 17: SmartRazor® Heated Blades Technology – U.S. Issued Utility Patents

	Patent #:	Title:	Serial #:	Issue Date:
1)	US 6,817,101 B1	HOT BLADE RAZOR	09/560,997	11-16-2004
2)	US 8,533,958 B2	RAZOR WITH BLADE HEATING SYSTEM, BATTERY IN HANDLE	13/417,932	09-17-2013
3)	US 8,713,801 B2	RAZOR WITH BLADE HEATING SYSTEM	13/110,031	05-06-2014
4)	US 8,776,378 B2	RAZOR WITH BLADES HEATING SYSTEM, BATTERY ON CARTRIDGE	13/417,936	07-15-2014

Table 18: SmartRazor® Heated Blades Technology – U.S. Patent Pending Applications

	Serial #:	Title:	File Date:
5)	14/080,903	METHOD AND SYSTEM FOR REGULATING ELECTRIC CURRENT FLOW FROM A POWER SOURCE TO A BLADE CARTRIDGE IN A WET SHAVE RAZOR	11-15-2013
6)	14/222,191	RAZOR WITH BLADE HEATING SYSTEM	03-21-2014
7)	14/245,355	RAZOR WITH BLADE HEATING SYSTEM	04-16-2014
8)	14/254,251	RAZOR WITH HEATERS BEHIND BLADES	04-16-2014
9)	14/257,382	RAZOR CARTRIDGE WITH UNITARY HEATED BLADE ARRANGEMENT	04-21-2014
10)	14/306,802	HEATED RAZOR WITH POWER SWITCH ON CARTRIDGE	06-17-2014
11)	14/330,705	RAZOR WITH BLADE HEATING SYSTEM	07-14-2014

Table 19: SmartRazor® Heated Blades Technology – Foreign Patent Pending Applications

	Application #:	44 Foreign Countries / Title:	Filed:
12)	12786700.0	(Albania, Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Former Yugoslav Republic of Macedonia, Malta, Monaco, Netherlands, Norway, Poland, Portugal, Romania, San Marino, Serbia, Slovakia, Slovenia, Spain, Sweden, Switzerland, Turkey, United Kingdom) RAZOR W/ BLADE HEATING SYSTEM	November 2013
13)	BR112013029602-0	(Brazil) RAZOR WITH BLADE HEATING SYSTEM	November 2013
14)	2836486	(Canada) RAZOR WITH BLADE HEATING SYSTEM	November 2013
15)	201280023885.6	(China) RAZOR WITH BLADE HEATING SYSTEM	November 2013
16)	2014-511579	(Japan) RAZOR WITH BLADE HEATING SYSTEM	November 2013
17)	10-2013-7033697	(Korea) RAZOR WITH BLADE HEATING SYSTEM	November 2013
18)	MX/a/2013/013515	(Mexico) RAZOR WITH BLADE HEATING SYSTEM	November 2013

Exhibit 7. SmartRazor® Trademarks

Table 20: SmartRazor® Trademarks

	SmartRazor® Trademarks
1)	SmartRazor®
2)	SRT®
3)	Smart Razor Technology®
4)	Smart®
5)	Heat®
6)	Blaze®
7)	Blaze®Sport™
8)	Heat6™
9)	H6™
10)	HeatShave™
11)	ShaveMate®
12)	All-in-One®
13)	Diva®
14)	Titan®
15)	Flex-Neck Technology™
16)	Aquaflow Blade Rinse™
17)	Freedom®
18)	Envy®
19)	Maxim®
20)	Medi-Shave®
21)	Simply your Shaving...Simplify your Life!™
22)	The Heat is On®
23)	The Future of Shaving is Here!®

- Exhibit 8. SmartRazor® Products Brochure**
- Exhibit 9. ISO/IEC Laboratory Performance Testing**
- Exhibit 10. Laboratory Testing Heat Generation from Manual Stropping**
- Exhibit 11. Consumer Research Impact Study – Evaluating the Acceptance of HEAT® and BLAZE® Among Manual Refillable Razor (MRR) Users**
- Exhibit 12. Shave Market Overview (PowerPoint Slide Presentation)**
- Exhibit 13. SmartRazor® HEAT® Presentation – Introduction & Product Specific Details (PowerPoint Slide Presentation)**
- Exhibit 14. Simplify your Shaving, Simplify your Life!™ Ad**
- Exhibit 15. SmartRazor® HEAT® and BLAZE® Renders**
- Exhibit 16. Gillette® Fusion® Art of Shave® Product Ad \$195 Retail Price**
- Exhibit 17. Gillette® Fusion Art of Shave® Shaving Kit Ad \$445 Retail Price**