



CONFIDENTIAL

EMERGING WORLD LEADER IN FACIAL/OBJECT RECOGNITION & REMOTE SENSING TECHNOLOGY.
ADDRESSING HIGH-GROWTH GLOBAL MARKETS WITH VALUABLE, FIELD-PROVEN 4D LIDAR TECHNOLOGY.
MULTIPLE PERFORMANCE ADVANTAGES OVER LEGACY LIDAR APPROACHES.
EXTENSIVE INTELLECTUAL PROPERTY PORTFOLIO WITH 100+ WORLDWIDE PATENTS AND PATENTS PENDING.

Rock Creek Advisors (the “Sale Agent” or “Assignee”) is contacting you regarding the sale of the assets of StereoVision Imaging, Inc. (the “Company” or “SVI”).

The Sale Agent has been appointed as an Assignee in an Assignment for the Benefit of Creditors of the Company pursuant to a General Assignment that was made on September 21, 2021 in the State of California under California law (the “General Assignment”). Pursuant to the General Assignment, the Company transferred to the Assignee all the assets owned by the Company, subject to all liens, claims and encumbrances thereon in existence, as of the date of the Assignment.

As part of the Assignee’s duties in administering the Company’s assignment estate (the “Assignment Estate”), the Assignee is responsible for implementing a commercially reasonable sale process in connection with the sale (the “Sale”) of substantially all the Assignment Estate’s assets (the “Assets”).

This Offering and Executive Summary Memorandum (the “Memorandum”) provides information regarding the Overview, Market Information, Solutions and Intellectual Property, Previous Management Team, Available Assets, and an outline of the Sale Process.

Please note, this will be a 21-day sale process. The details and deadlines are set forth below.

Disclaimer

This Memorandum contains information regarding the Company’s business and operations, and the information contained herein has been prepared for the purpose of providing interested parties with general information to assist them in their evaluation of the Company’s business. Nothing contained in this Memorandum is, or shall be relied upon as, a promise or representation as to the past or future performance of the Company or their products. Interested parties must conduct their own due diligence, and any transaction will be made by the Assignee, “as is, where is”, and with no representations or warranties except as explicitly set forth in a signed asset purchase agreement.

OVERVIEW

StereoVision Imaging, Inc., headquartered in Calabasas, CA -- a global leader in the rapidly growing facial/object recognition and remote sensing technology space. Over \$100 million has been invested in research and development, with intellectual property protected by over 100 patents (granted and pending). Freedom To Operate (FTO) report shows that SVI has the earliest validated patent on continuous wave ("dual chirp") LiDAR, targeting deployment of best-in-class 4D LiDAR technology in governmental, commercial, and industrial sectors. Military contracts and orders expanded with the company as Sole-Source supplier.

Company: StereoVision Imaging, Inc.

Formed: 2000

HQ: Calabasas, CA

Industries: LiDAR Applications, Facial/Object Recognition, Remote Sensing Technology

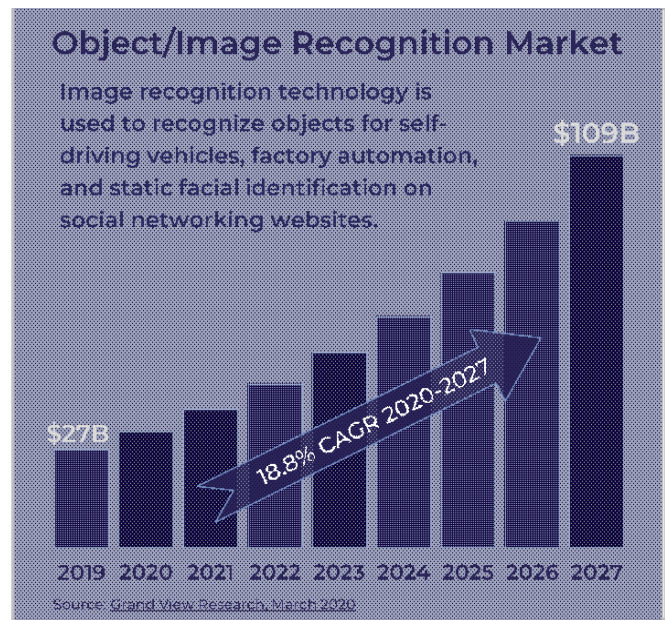
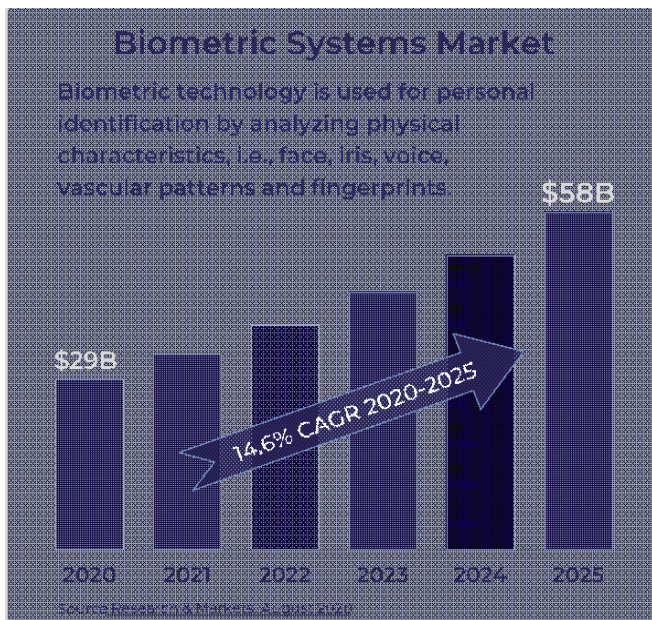
Other Industries: Automotive, Consumer and Defense

MARKET OPPORTUNITY

BIOMETRICS SYSTEMS AND OBJECT/IMAGE RECOGNITION MARKETS POISED FOR POWERFUL GROWTH

SVI's technology and expertise address 2 of the largest emerging global industries/markets.

- **Autonomous vehicles** projected to be a \$109B market by 2027
- **Facial recognition** projected to be \$58B by 2025



Investment in these sectors has been increasing geometrically in recent years, with 2020 seeing a proliferation of Special Purpose Acquisition Companies (SPACs) being used to fund growth.

- There have been a proliferation of startups in the sector, with heavy investment dollars deployed.
- Just in the last year, 6 SPACs were utilized to take LiDAR startups public, including Velodyne, Luminar, Ouster, Innoviz, AEye, and AEVA – all with market values individually in excess of \$1 billion.
- Although the overall market for LiDAR-enabled technologies is expected to grow substantially in the near future, companies in the sector are facing stiff competition due to their overlapping business models and technologies. The sector is poised for consolidation, with notable mergers/acquisitions already occurring.
- In order to justify current lofty valuations, companies will need to develop or acquire the most advanced technology to generate projected revenue streams.
- SVI's 4D LiDAR technology would be a key driver for many of these players.

SVI TECHNOLOGY ENABLES SOLUTIONS ACROSS AN ARRAY OF APPLICATIONS

BEST-IN-CLASS IP

Traditional 2D technology faces common, real-world conditions, including motion, pose, expression, lighting, distance, occlusions, and low image resolution. Its usefulness is limited to controlled conditions where the operator can instruct the subject to follow commands that permit the technology to be effective. This technology is rapidly becoming obsolete given adverse conditions that commonly come with today's security threats and image recognition needs. SVI's cutting-edge, patented 4D LiDAR technology solves for these challenges better than any competing technology.

SVI's core IP is its Dual Chirp Technology. The company performed a Freedom-To-Operate on this family of patents with Wilson-Sonsini and has the first IP in this area which "teaches" how to acquire range and velocity information of moving targets instantaneously. This technology has huge implications in a number of applications and industries.

The most exciting opportunity is in the autonomous vehicle industry space. Although many players claim they can instantaneously determine range and velocity using FMCW LiDAR, SVI has the patents to prove it which makes owning the company or its assets a very worthwhile investment in the rapidly growing space.

SVI'S TECHNOLOGY TARGETS THREE KEY MARKET SEGMENTS

Commercial/Consumer		Government		Industrial/Medical	
 Autonomous Vehicles	 Access Control	 Military	 Airports - TSA	 Energy Facilities	 Robotic Vision/Manufacturing
 Security Systems	 Smartphones	 Border Patrol	 Aerial Security	 Warehousing	 Vital Signs Monitoring
 Personal Online Security	 Banking Security/Identification	 Police / FBI	 Border Crossing/Vehicle Control Point	 Autonomous Transport	 Personnel Safety & Security

NEXT GENERATION TECHNOLOGY: SYSTEM-ON-A-CHIP

Breakthrough enabling technology: 4D FMCW LiDAR on a Silicon Chip

- Development plan -- estimated time to market of 12 to 18 months
- Product Cost & Size Reduction = Greater ROI, Gross Margins, Market Adoption
- Freedom-to-Operate (FTO) analysis conducted on key SVI patents

Current Implementation of Biometric Solution:

- About size of a small printer (12"x12"x14")
- Expensive
- Heavy
- Costly to produce

Next-Gen Chip-Based 4D LiDAR:

- Lowers cost by 'order of magnitude.' Estimated ~10x reduction.
- Drastic size reduction.
- Even glass mirrors can be replaced by fiberoptics & silicon chips.
- Allows broader product application.

Example: Next Gen 4D LiDAR Security Surveillance Systems

- Made possible by SVI System-on-a-Chip technology.
- Exponentially more capable than current 2D/3D.

Other System-on-a Chip Products & Licensing Opportunities

- Smartphones
- Hand Held Scanners
- Drone/Object Detection
- Autonomous Cars
- Industrial Inspection
- Robotics

SOLUTION: SVI MILITARY RECOGNITION BINOCULAR SYSTEM (FRBS)

Industry-leading facial recognition technology in a portable, camera-based binocular format

- AI/machine learning enables rapid subject identification at unmatched distance up to 200 meters
- Designed to support CoCOM (multi-service-arm command) missions:
 - Surveillance, reconnaissance, exploitation operations
 - Identity & Information Ops
 - Counter-terrorism, insurgency operations
- Sole-source supplier to US Army
- "Authority to Operate" approved
- Commercial export license granted
- Hardware sales + maintenance/training fees + SaaS revenue stream



SOLUTION: SVI 4D LiDAR BIOMETRIC RECOGNITION SYSTEM

The system, powered by SVI's patented technology, offers:

- Longest range, most accurate biometric security system in the world
- Proven system – currently deployed at US military bases
- System sale + engineering services revenue + SaaS recurring revenue

SVI CES-S400 4D LiDAR in Action

Best-in-Class Physical Security

- Person and vehicle entry point control.
- Smart City applications.

Flexible, Highly-Adaptable Deployment

- Fixed sensor with 15-30 meter range.
- Ceiling, wall, vehicle or covert mounting locations.
- Operates indoors or outdoors, day or night.

Uses 4D LiDAR & Video Synergistically

- Cooperative or non-cooperative subjects.
- Adapts to movement (running), angled positions, occlusions (glasses), lighting. Skin tone agnostic.
- Patented 'dual chirp' technology uniquely provides subject range & velocity of movement.
- Remote (contactless) biometric measurements: heart & breath rate, eye movement and voice — even through automobile glass.

Face/Identity Matching Database Software

- Cloud-based with easy 2D database integration.
- Highest performance available on the market, even w/ high traffic/volume conditions.
- Superior 90%+ accuracy.
- Realtime biometric analysis (heart & breath rate, eyes & body movement, and voice) assists with 'Insider Threat' detection.

INTELLECTUAL PROPERTY

One of the largest patent portfolios of LiDAR technologies – over 100 patents and patents pending.

- Wilson Sonsini completed a Freedom To Operate (FTO) report showing that SVI has the earliest validated patent on continuous wave (“dual chirp”) LiDAR.
- Potential infringement by several larger companies

100+ Patents & Patents Pending

57 Patents Issued
50+ Patents Pending
26 Patent Families

10 Countries with International Patents

Superior FMCW 4D LiDAR-based IP

Patents go beyond facial recognition to other biometrics and remote sensing technologies

MANAGEMENT TEAM AT THE TIME OF THE GENERAL ASSIGNMENT, AND FUTURE GROWTH DRIVERS

Senior Management



Gregory Steinthal, Founder President, Director: 25+ years’ defense contractor experience in program management and technology commercialization.



Curtis Anderson, CFO: 28 years’ cross functional, senior-level experience. Co-founded two companies acquired by public companies. Formerly w/ KPMG.

Future Growth Drivers

- Military sales ramping up.
- Existing license of IP for Acoustic Surveillance, plus potential licenses.
- Launch of commercial products.
- SVI LiDAR System-on-a-Chip technology reducing material cost while broadening use cases.
 - Makes SVI 4D LiDAR practical for smaller devices, like security cameras, smartphones, etc.
 - Extend Binocular System range from 200 to 1,000 meters.
- Joint ventures & strategic partnerships, i.e., system integrators.
- Strategic, complementary M&A.
- Expansive, highly attractive IP/patent portfolio.
- Strong industry tailwinds.

SALE PROCESS

Assets Available for Sale consist of substantially all SVI assets, including, without limitation (the “Assets”):

- All SVI intellectual property, including patent portfolio, formulations, URLs and trademarks associated with its name and brands
- All existing product inventory

Bidding Procedures:

These bidding procedures (the “Bidding Procedures”) set forth the terms by which the Assignee may effectuate the Sale of the Assets, subject to the terms and conditions and in accordance with the process and procedures set forth herein.

i. Important Dates

The following dates and deadlines apply to the proposed Sale.

General Bid Deadline: October 18, 2021 at 5 p.m. (EDT)

Closing of Sale Transaction: Within 2 Business Days after the Approval of the Sale

The key dates in the sale process may be modified by the Assignee in consultation with the Consultation Parties (defined below).

“Consultation Parties” means, collectively, the Assignee, the Secured Lender, and their professional advisors.

“Secured Lender” means Horizon Technology Finance Corporation.

ii. Due Diligence and Participation

To participate in the sale process as a potential purchaser, conduct due diligence upon the Assets and subsequently submit a bid for the Assets, a party (each an “Interested Party”) must deliver the following to the Rock Creek Advisors:

- (A) executed confidentiality agreement in form and substance substantially similar to the form confidentiality agreement attached hereto as composite Exhibit A and incorporated herein by reference (the “Confidentiality Agreement”);
- (B) a statement and other factual support demonstrating to the Assignee’s reasonable satisfaction, after consultation with the Consultation Parties, that the Interested Party has a *bona fide* interest in purchasing the Assets;
- (C) sufficient information, as determined by the Assignee in consultation with the Consultation Parties, to confirm that the Interested Party has the financial wherewithal and any required corporate, legal or other authorization necessary to close the Sale, including, but not limited to, an acceptable form of financial disclosure; and

(D) a signed Asset Purchase Agreement in a form to be distributed to any Interested Party that signs and returns the Confidentiality Agreement. The Interested Party shall also include a redline comparing the Interested Party's Asset Purchase Agreement to the form attached hereto as Exhibit B.

Upon satisfactory receipt of the items above (except (D), which shall be provided on or before the Bid Deadline), as determined by the Assignee in consultation with the Consultation Parties, an Interested Party will be deemed a "Potential Bidder," and the Assignee will deliver to such Potential Bidder: (A) an information package containing information and financial data with respect to the Assets (the "Information Package"); and (B) access to information from the Assignee's confidential electronic data room concerning the Assets (the "Data Room"). The identity of each Potential Bidder may be disclosed to any other Potential Bidders. The Assignee will deliver a list of all current Potential Bidders to the Consultation Parties as each Potential Bidder is added.

Until the business day immediately preceding the Bid Deadline, the Assignee will provide any Potential Bidder such due diligence access or additional information as the Assignee determines to be reasonably requested and appropriate under the circumstances. If any such due diligence material is in written form and has not previously been provided to any other Potential Bidder, the Assignee will provide such materials to all Potential Bidders to the extent practicable, as well as to the Consultation Parties.

Unless otherwise determined by the Assignee, in consultation with the Consultation Parties, the availability of additional due diligence to a Potential Bidder will cease if (A) the Potential Bidder does not become a Qualified Bidder (as hereinafter defined) or (B) the bidding process is terminated. Except as provided above with respect to the Information Package and access to the Data Room, neither the Assignee nor its representatives will be obligated to furnish any information of any kind whatsoever relating to the Assets to any party.

The Secured Lender will be deemed a Potential Bidder for the purposes of participating in the Sale Process. A party may participate in the bidding process by submitting a bid to purchase all the Assets. In addition, parties may participate in the bidding process by submitting a joint bid to purchase all the Assets. For the avoidance of doubt, Bids submitted to acquire less than all the Assets will not be deemed a Qualified Bid (as defined herein).

iii. General Bid Deadline

A Potential Bidder that desires to make a bid shall deliver electronic copies of its Asset Purchase Agreement as outlined above in both PDF and WORD format to hlipton@rockcreekfa.com and tpeach@rockcreekfa.com to be received no later than 5:00 p.m. (EDT) on October 18, 2021 (the "General Bid Deadline").

iv. Qualified Bids

A Potential Bidder will not be entitled to purchase the Assets, unless such bidder shall have submitted a Qualified Bid by the General Bid Deadline in accordance with these Bidding Procedures that includes all of the following items (the "Bid Package"):

- (A) Executed confidentiality agreements in form and substance reasonably satisfactory to the Assignee, after consultation with the Consultation Parties;
- (B) The true identity of the party submitting the bid and details regarding any other parties participating in the bid;

- (C) A written acknowledgment by the Qualified Bidder and each participant in such bid that it/they agrees to all the terms set forth in these Bidding Procedures;
- (D) Written evidence that the Qualified Bidder has obtained authorization and approval from its board of directors (or comparable governing body) with respect to the submission of its bid and acceptance of the terms set forth in these Bidding Procedures, or representation that no such authorization or approval is required;
- (E) Audited (if in existence) or unaudited financial statements and/or other written evidence of a financing commitment or other evidence, satisfactory to the Assignee, in consultation with the Consultation Parties, of the financial ability to close under an asset purchase agreement within the deadline described above;
- (F) A signed asset purchase agreement (“APA”), in form and substance substantially similar to the form APA, which shall be distributed to the Potential Bidder upon the execution of the Confidentiality Agreements;
- (G) A statement that the bid is formal, binding and unconditional (except for those conditions expressly set forth in the applicable APA, including expressly stating any conditions relating to the assumption and assignment of contracts and leases) and is not subject to any due diligence or financing contingency and is irrevocable until 48 hours after the sale of the Assets has closed;
- (H) The bid provides for an allocation of purchase price for each subset of Assets;
- (I) The bid is accompanied by the Good Faith Deposit (defined below);
- (J) The bid is received by the Bid Deadline; and
- (K) The bid contemplates a purchase of all or specified Assets payable in cash on the closing date of the sale of the Assets.

A Potential Bidder must deposit with the Assignee a cash deposit equal to ten percent (10%) of the bidder’s purchase price (any such deposit, a “Good Faith Deposit”). For the avoidance of doubt, the Good Faith Deposit must be made by wire transfer simultaneously with the Potential Bidder’s submission of the Bid Package and will be held by the Assignee. Wire instructions will be provided upon request.

If a bid is received and, in the Assignee’s judgment, after consultation with the Consultation Parties, it is not clear whether the bid is a Qualified Bid, the Assignee may consult with the Potential Bidder and seek additional information in an effort to establish whether a bid is a Qualified Bid.

The Assignee shall provide to the Consultation Parties copies of each Bid Package received. A Bid Package received from a Potential Bidder that is determined by the Assignee, after consultation with the Consultation Parties, to meet the above requirements (or any modifications to the above requirements made after consultation with the Consultation Parties) will be considered a “Qualified Bid” and each Potential Bidder that submits a Qualified Bid will be considered a “Qualified Bidder.” The Secured Lender will be deemed a Qualified Bidder without the requirement of any deposit or submission of financial statements but subject in all respects to the Credit Bidding section set forth below.

A Qualified Bid may be valued by the Assignee, after consultation with the Consultation Parties, based upon factors such as: (A) the purported amount of the Qualified Bid, including the bid's impact on all constituents of the Assignment Estates; (B) the value to be provided to the Assignment Estates under the Qualified Bid,

including the net economic effect upon the Assignment Estates; (C) contingencies with respect to the Sale and the ability to close the proposed Sale without delay; and (D) any other factors the Assignee, after consultation with the Consultation Parties, may deem relevant.

The Assignee, in consultation with the Consultation Parties, reserves the right to impose additional terms and conditions with respect to all Qualified Bidders.

v. Credit Bid

For the purposes of these Bidding Procedures, the Secured Lender shall be deemed a Potential Bidder and Qualified Bidder and shall have the right to submit a credit bid up to the full amount of its allowed claim for all the Assets. In the event that a party in interest brings a claim or proceeding against the Secured Lender contesting the nature, extent, validity, or priority of or seeking to avoid or subordinate any of the Secured Lender's claims or any liens securing same, the Secured Lender shall have the right by written notice to the Consultation Parties to cancel or postpone the sale.

vi. Determination of Successful Bid

The Assignee, after consultation with the Consultation Parties, will: (A) review and evaluate each Qualified Bid on the basis of financial and contractual terms and other factors relevant to the sale process, including those factors affecting the speed and certainty of consummating the Sale; (B) identify the highest or otherwise best offer or collection of offers (the "Successful Bid"); (C) determine which Qualified Bid is the Successful Bid and which is the next highest or otherwise best bid (the "Next Highest Bid") for the Assets; and (D) notify all Qualified Bidders of the successful bidder(s) (the "Successful Bidder(s)"), the amount and other material terms of the Successful Bid(s) and the identity of the party that submitted the Next Highest Bid (the "Next Highest Bidder").

EACH BID - INCLUDING BIDS CONTAINED IN THE BID PACKAGES - SHALL CONSTITUTE AN IRREVOCABLE OFFER AND BE BINDING ON THE QUALIFIED BIDDER(S) FROM THE TIME THE BID IS SUBMITTED UNTIL 48 HOURS AFTER THE SALE OF THE ASSETS HAS CLOSED.

vii. Acceptance of Qualified Bids

The Assignee presently intends to consummate the Sale with the Successful Bidder, or if the Successful Bidder cannot or refuses to consummate the Sale because of the breach or failure on the part of the Successful Bidder, then with the Next Highest Bidder.

If for any reason the Successful Bidder fails to consummate the purchase of the Assets, the Next Highest Bid may be deemed by the Assignee, after consultation with the Consultation Parties, to be the highest or best bid, and the Assignee and the Next Highest Bidder will thereafter effect the sale of the Assets to the Next Highest Bidder as soon as is commercially reasonable. If such failure to consummate the purchase is the result of a breach by the Successful Bidder, the Assignee shall have the right to retain the Good Faith Deposit.

viii. Terms of Sale; "As Is, Where Is"

Any Sale shall be on an "as is, where is" basis with all faults and without representations or warranties of any kind, nature or description by the Assignee, its successors or assigns, whether written or verbal, whether express, implied or by operation of law, except and solely to the extent expressly set forth in the APA of the

Successful Bidder or the Next Highest Bidder, as applicable. Each Qualified Bidder shall be deemed to acknowledge and represent that it has had an opportunity to conduct any and all due diligence regarding the Assets prior to making its bid, that it has relied solely upon its own independent review and investigation in making its bid. Except as otherwise provided in the APA of the Successful Bidder or the Next Highest Bidder, as applicable, the Assignee's right, title and interest in the Assets shall be sold subject to the liens, claims, interests and encumbrances.

ix. Closing

Except to the extent of any contrary provision in the APA of the Successful Bidder or the Next Highest Bidder, as applicable, the closing (the "Closing") shall occur within two (2) business day of the approval of the Sale, subject to the right of the Assignee and the Successful Bidder or the Next Highest Bidder, as applicable, to extend such date consistent with such party's APA and these Bidding Procedures.

x. General

The Assignee may, after consultation with the Consultation Parties, amend these Bidding Procedures or the bidding process at any time and from time to time in any manner that the Assignee determine will best promote the goals of the Bidding Procedures, including extending or modifying any of the dates described herein. The Assignee shall promptly notify parties in interest and Potential Bidders of any such modifications. No bidder has any rights against the Assignee or any of their affiliates, the Assignment Estates, the Companies, any of the Companies' professionals or agents by virtue of any modification of these Bidding Procedures. Each Qualified Bidder will sign an acknowledgment of no rights or claims against the Assignee or any of their affiliates, the Assignment Estates, the Companies, any of the Companies' professionals or agents for the foregoing.

xi. Return of Good Faith Deposit

The Good Faith Deposits of all Qualified Bidders will be held in escrow by the Assignee and while held in escrow will not become property of the Assignment Estates, unless released from escrow pursuant to terms of the applicable escrow agreement. The Assignee will retain the Good Faith Deposits of the Successful Bidder and the Next Highest Bidder until the Closing of the Sale. The Good Faith Deposits of the other Qualified Bidders will be returned within two (2) business days of the Closing of the Sale. At the Closing of the Sale contemplated by the Successful Bid, the Successful Bidder will be entitled to a credit for its Good Faith Deposit. The Good Faith Deposit of the Next Highest Bidder will be released by the Assignee two (2) business days after the Closing of the Sale. Upon the return of the Good Faith Deposits, their respective owners will receive any and all interest that will have accrued thereon.

SAFE HARBOR STATEMENT

This Memorandum contains forward-looking statements. These statements are made under the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements can be identified by words or phrases such as "will," "expects," "anticipates," "future," "intends," "plans," "believes," "estimates" and similar statements. Among other things, the business outlook and statements provided by management contain forward-looking statements. Statements that are not historical facts, including statements about the Company's beliefs and expectations, are forward-looking statements. Forward-looking statements involve inherent risks and uncertainties. A number of important factors could cause actual results to differ materially from those contained in any forward-looking statement. The Assignee or any of its affiliates do not undertake any obligation to update any forward-looking statement, except as required under applicable law.

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