**UNITED STATES**
**SECURITIES AND EXCHANGE COMMISSION**
**Washington, D.C. 20549**

# FORM 10-K

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES AND EXCHANGE ACT OF 1934**

**For the fiscal year ended June 30, 2010**

**or**

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**Commission file number: 333-127347**

**PROVISION HOLDING, INC.**
**(Exact name of registrant as specified in its charter)**

| State of Nevada | 20-0754724 |
|---|---|
| (State or other jurisdiction of incorporation or organization) | (I.R.S. Employer Identification No.) |
| 9253 Eton Avenue, Chatsworth, California | 91311 |
| (Address of principal executive officers) | (Zip Code) |

**Registrant's telephone number, including area code: (818) 775-1624**

**Securities registered pursuant to Section 12(b) of the Act: None.**

**Securities registered pursuant to Section 12(g) of the Act: Common Stock, par value $0.001**

Indicate by check mark if the registrant is a well known seasoned issuer, as defined in Rule 405 of the Securities Act. ☐ Yes ☒ No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. ☐ Yes ☒ No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Sections 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). ☐ Yes ☐ No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☒

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

| | |
|---|---|
| Large accelerated filer ☐ | Accelerated filer ☐ |
| Non-accelerated filer ☐ | Smaller reporting company ☒ |

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act.): ☐ Yes ☒ No

The aggregate market value of the voting and non-voting stock held by non-affiliates of the registrant, based on the closing price of these shares on the OTC Bulletin Board on December 31, 2009, was $3,714,635. For the purposes of this disclosure only, the registrant has assumed that its directors, executive officers and beneficial owners of 5% or more of the registrant's common stock are affiliates of the registrant.

As of November 4, 2010, there were 42,551,896 shares of the registrant's common stock outstanding.

Documents Incorporated by Reference: None

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## FORWARD LOOKING STATEMENTS

This Annual Report on Form 10-K contains forward-looking statements regarding our business, financial condition, results of operations and prospects. Words such as “expects,” “anticipates,” “intends,” “plans,” “believes,” “seeks,” “estimates” and similar expressions or variations of such words are intended to identify forward-looking statements, but are not deemed to represent an all-inclusive means of identifying forward-looking statements as denoted in this Annual Report on Form 10-K. Additionally, statements concerning future matters are forward-looking statements.

Although forward-looking statements in this Annual Report on Form 10-K reflect the good faith judgment of our management, such statements can only be based on facts and factors currently known by us. Consequently, forward-looking statements are inherently subject to risks and uncertainties and actual results and outcomes may differ materially from the results and outcomes discussed in or anticipated by the forward-looking statements. Such forward-looking statements are subject to a number of risks, assumptions and uncertainties that could cause the Company's actual results to differ materially from those projected in such forward-looking statements. These risks, assumptions and uncertainties include: the ability to develop customers and generate revenues; the ability to compete effectively in a rapidly evolving marketplace; the impact of technological change; our ability to protect our intellectual property in the United States and other countries; our ability to raise capital to implement our business plan; and other risks referenced from time to time in the Company's filings with the Securities and Exchange Commission.

We undertake no obligation to revise or update any forward-looking statements in order to reflect any event or circumstance that may arise after the date of this Annual Report on Form 10-K, except as required by law. Readers are urged to carefully review and consider the various disclosures made throughout the entirety of this Annual Report, which are designed to advise interested parties of the risks and factors that may affect our business, financial condition, results of operations and prospects.

## PART I

## ITEM 1. DESCRIPTION OF BUSINESS.

References to “we”, “us”, “our” and similar words refer to ProVision. References to “MailTec” refer to the Company and its business prior to the reverse acquisition.

**Business History and Overview**

We were incorporated in Nevada under the name MailTec, Inc. on February 9, 2004. Pursuant to an Agreement and Plan of Merger, dated February 14, 2008, which was amended and restated on February 27, 2008 (as amended and restated, the “Agreement”), MailTec, Inc. with ProVision Merger Corp., a Nevada corporation and wholly owned subsidiary of the Company (the “Subsidiary”) and Provision Interactive Technologies, Inc., a California corporation (“ProVision”), the Subsidiary merged into ProVision, and ProVision became a wholly owned subsidiary of the Company. As consideration for the merger of the Subsidiary into ProVision, the Company issued 20,879,350 shares of the Company’s common stock to the shareholders, creditors, and certain warrant holders of ProVision, representing approximately 86.5% of the Company’s aggregate issued and outstanding common stock, and the outstanding shares and debt, and those warrants whose holders received shares of the Company’s common stock, of ProVision were transferred to the Company and cancelled. Effective February 28, 2008, pursuant to the Agreement, ProVision became a wholly owned subsidiary of the Company. The acquisition of ProVision is treated as a reverse acquisition, and the business of ProVision became the business of the Company. At the time of the reverse acquisition, MailTec was not engaged in any active business.

We are located in Chatsworth and focused on the development and distribution of our patented three-dimensional, holographic interactive video displays focused at grabbing and holding consumer attention particularly and initially in the advertising and product merchandising markets. The systems display a moving 3D image size to forty inches in front of the display, projecting a digital video image out into space detached from any screen, rendering truly independent floating images featuring high definition and crisp visibility from far distances. The nearest comparable to this technology can be seen in motion pictures such as Star Wars and Minority Report, where objects and humans are represented through full-motion holograms. In addition to selling the hardware for our patented three-dimensional, holographic interactive video displays, we are building our business into a digital media company offering advertising on a network of our 3D holographic video displays.

We have a limited operating history upon which an investor can evaluate our business prospects, which makes it difficult to forecast our future operating results, in light of the risks, uncertainties and problems frequently encountered by companies with limited operating histories. These include, but are not limited to, competition, the need to develop customers and market expertise, market conditions, sales, and marketing and governmental regulation.

**Products and Services**

We believe we are well positioned to capitalize on the advertiser's demand. ProVision's HoloVision™ display offers advertisers and customers an opportunity to reach a highly sought-after, captive audience outside the home, in familiar settings like grocery stores, malls, convenience stores, gas stations, banks and other retail locations. We reach the consumer and business professional at the critical time - when they are away from their homes and businesses and when they are making their buying decisions.

ProVision is marketing our patented three-dimensional, holographic interactive video display and is also developing and marketing several new point-of-purchase, and other devices, tailored to specific industries with major international companies or readying to begin shortly; including the medical, entertainment, government and home markets. ProVision's floating image display technologies have multiple potential market applications across a broad spectrum of industries. In addition to hardware sales, we are initially focusing our efforts on the point-of-purchase and advertising markets.

**Business Development**

Launching our first products into grocery stores, we have developed a new patent pending application. Known as the "3DEO Rewards Center" or "3DEO", this ProVision device projects 3D video advertisements and allows consumers to print coupons as well as receive non-cash awards. The 3DEO device provides consumer product goods ~~food~~ companies and other advertisers with a new way of promoting their products at the point of purchase, where consumers are making 70% (seventy percent) of their buying decisions.

We tested our concept in Fred Meyer Stores, a division of The Kroger, Co., installing 3DEO Centers in the Pacific Northwest. We received advertising placements from some of the largest manufacturers in the country, including Unilever, Proctor & Gamble, Johnson & Johnson, BIC and Kimberly Clark. The Company has published a case study of this successful market trial which is available from the Company. The manufacturers' will advertise through digital coupons that customers will receive from Provision's 3DEO Media Centers.

We plan to build, own, and operate networks of 3DEO Rewards Centers. In March 2008 we signed three-year agreements with several independent Hispanic grocery store chains to install 3DEO Reward Centers in 47 locations in southern California. The term of these agreements do not begin until we have fully installed according to the terms of the contract. We commenced operations in these stores in 2010 and should start to produce advertising revenue during the fiscal year ended June 30, 2011.

We have signed contracts to install our patented 3D holographic displays in the following locations:

- we signed an agreement with the Long Island Gasoline Retailers Association ("LIGRA") to install our patented 3D holographic displays in up to 800 member stores throughout New York. Provision's displays will be located inside the independent convenience stores of major franchise gasoline retailers including Shell, ExxonMobil, Citgo, Sunoco, BP, Amoco and Gulf.

- we signed an agreement with Circle K Stores, Inc. to install our patented 3D holographic displays in up to 483 Circle K convenience stores throughout the western region of the United States. The Agreement is for three years with an option to extend the contract for an additional three years upon mutual agreement.

We signed a five-year agreement with ADCENTRICITY, Inc. to sell advertising on our digital signage network. We also signed a one year agreement with Charter Digital Media to support our local and regional advertising sales.

In April 2008, we announced that we sold an HL40D system to one of the nation's leading quick service restaurant chains, which will begin testing applications for the 3D holographic unit immediately. The quick service restaurant chain will be exploring everything from digital signage to interactive kiosk order stations, drive through uses, and the effects from various "marketing zones" within and around the store property. As of June 30, 2010, this testing is still in process.

Provision announced in May 2008 that is working with one of the world's largest coffee franchises to test a variety of in-store digital signage applications utilizing Provision's HL40D displays. Once successful, Provision will install up to 109 systems in the quick service chain's greater New York City area stores. Testing will include projecting full color, high definition 3D videos one meter in front of the display screen, through the front store window and onto the sidewalk. The system will also be tested as an indoor merchandiser and advertising screen to promote up-selling, launch new products and leverage advertising space in high traffic areas. As of June 30, 2010 this testing is still in process, however, studies have concluded that displaying the 3D screen in the front store window and onto the sidewalk is not a viable business solution at this time. In store digital signage will be one of the final options to be determined this coming year inside retail stores.

We will require significant additional funds to complete our business development. We cannot be certain that funding will be available on acceptable terms, or at all. To the extent that we raise additional funds by issuing equity securities, our stockholders may experience significant dilution. Any debt financing, if available, may involve restrictive covenants that impact our ability to conduct our business. If we are unable to raise additional capital on acceptable terms, or at all, we may have to significantly delay, scale back or discontinue the development and/or commercialization of one or more of our product candidates, restrict our operations or obtain funds by entering into agreements on unattractive terms.

**Competition**

Currently, Provision's competition is not other 3D companies that may exist in the marketplace, but traditional advertising media like television, radio, newspapers and magazines. We also compete with companies that operate outdoor and Digital Out-Of-Home (DOOH) advertising media networks that can be seen at malls, gas stations, and retailers containing traditional 2D (two dimensional) TV screens or flat screens. We also compete for overall advertising spending with other alternative advertising media companies, such as Internet, billboard and public transport advertising companies.

The competition for ProVision's patented (issued, approved and pending) and proprietary 3D floating image holographic technology includes alternative 3D displays currently in the marketplace:

***Autostereoscopic-Based Technology***

ProVision's floating image display systems project full-motion 3D digital streaming media 9"- 40" into space detached from the display unit into free space and should not be confused with autostereoscopic systems. Autostereoscopic 3D systems produced by various firms layer two or more LCD screens, or lenticular lens based screens, while utilizing filters and collumnators to provide the illusion of depth perception. Such systems are only capable of displaying digital content attached to layered screens with all images being contained within the actual display unit. . Due to the inherent nature of this technology approach the end result of their product line results in the following characteristics: eye strain, nausea, low resolution, low brightness and poor quality imagery, all resulting in poor/low customer acceptance. The cost to produce custom and special content for these screens are excessively expensive and time consuming becoming a major hurdle to overcome for mass adoption. Their major advantage might be characterized by their "flat screens" and slightly wider viewing angles, however consumer acceptance has been limited due to the limitations and poor visual experience. Companies attempting to launch these screens include 3D Magnetec, Alisoscopy, Tridelity, and 3D Fusion. Companies that have tried to launch these types of screens, and have failed or ceased operations, include: Phillips, Sharp, and Newsight.

***Other Displays***

IO2 Technology ("IO2") is a San Francisco technology-based development company exploring future display technologies for corporate customers, which includes one-of-a-kind displays for the defense industry. They in their second generation of "embryonic development". Their "Heliodisplay" product displays their imagery in mid-air. Heliodisplay ejects "modified air" from the system and is then illuminated to create the floating image. There is a market concern that something is added to the air which will change the room's environment, air quality or other condition unknown to the user.

**Employees**

As of September 30, 2010 we have 8 employees. None of our employees is represented by a labor union. We have not experienced any work stoppages and we consider relations with our employees to be good. The company also uses independent contractors to support administration, marketing, sales and field support activities.

**Research and Development**

*Research and Development Activities*

At present, Provision's patents and patent applications are supplemented by substantial intellectual property we are currently protecting as trade secrets and proprietary know-how. This includes matter related to all product lines. We expect to file additional patent applications on a regular basis in the future.

We believe that Provision's intellectual property and expertise constitutes an important competitive resource, and we continue to evaluate the markets and products that are most appropriate to exploit this expertise. In addition, we maintain an active program of intellectual property protection, both to assure that the proprietary technology developed by us is appropriately protected and, where necessary, to assure that there is no infringement of Provision's proprietary technology by competitive technologies.

Research and development expenses for the year ended June 30, 2010 increased 9% to $185,775from $170,986 for the year ended June 30, 2009. Our research and development expense is primarily related to two key employees that provide specialized services.

**Intellectual Property**

The following table summarizes the status of ProVision patents and patent applications, copyrights, and trademarks, as of the date hereof, in each instance, ProVision owns all right, title and interest, and no licenses, security interests, or other encumbrances have been granted on such patents, patent applications, copyrights, and trademarks. Our various pending patents involve sets of rules to eliminate boundary transgressions and maximize the clarity of a three dimensional aerial images. Additional patents are focused around various product applications, designs, and systems.

| Product Supported | Patent/ Registration No. | Title | Status | Type |
|---|---|---|---|---|
| HoloVision | D526, 647 | 3DEO | Issued | Design patent |
| HoloVision | D527, 729 | 3DEO | Issued | Design patent |
| HoloVision | 13226/2004 | N/A | Issued | Design patent |
| HoloVision | D506, 464 | Aerial Display System | Issued | Design patent |
| HoloVision | D505, 948 | Aerial Display System | Issued | Design patent |
| HoloVision | D506, 756 | Aerial Display System | Issued | Design patent |
| HoloVision | 6,808,268 | Projection system for aerial display | Issued | Utility patent |
| HoloVision | 3,118,432 | Promotions You Experience | Issued | Trademark |
| Corporate | 2,706,431 | PITI | Issued | Trademark |
| Corporate | 2,699,733 | PEI | Issued | Trademark |
| HoloVision | 2,699,732 | Holosoft | Issued | Trademark |
| HoloVision | TXu1-198-776 | Coupon Software | Issued | Copyright |
| HoloVision | VAu628-125 | Coupon GUI | Issued | Copyright |
| HoloVision | TXu1-180-982 | HoloSoft | Issued | Copyright |
| HoloVision | 60/984,340 | HLXX | Pending (provisional) | Utility patent |
| HoloVision | PCT/US07/76554 | Plastic Mirror Methods | Pending | Utility patent |
| HoloVision | PCT/US07/76574 | Aerial Display Systems with Plastic Optic | Pending | Utility patent |
| HoloVision | PCT/US07/76572 | Apparatus with Aerial with Plastic Optic | Pending | Utility patent |
| HoloVision | PCT/US07/76568 | Apparatus for Image with Plastic Optic | Pending | Utility patent |
| HoloVision | PCT/US07/76566 | Aerial Image Display with Plastic Optic | Pending | Utility patent |
| HoloVision | PCT/US07/76361 | Projection System with Plastic Optic | Pending | Utility patent |
| HoloVision | 11/843,109 | Plastic Mirror Methods | Pending | Utility patent |
| HoloVision | 11/843,144 | Aerial Display Systems with Plastic Optic | Pending | Utility patent |
| HoloVision | 11/843,139 | Apparatus with Aerial with Plastic Optic | Pending | Utility patent |
| HoloVision | 11/843,134 | Apparatus for Image with Plastic Optic | Pending | Utility patent |
| HoloVision | 11/843,125 | Aerial Image Display with Plastic Optic | Pending | Utility patent |
| HoloVision | 11/843,115 | Projection System with Plastic Optic | Pending | Utility patent |
| HoloVision | N/A | Apparatus for image | Pending | Utility patent (divisional) |
| HoloVision | 200620136608.8 | Aerial Display Systems with Plastic Optic | Pending | Utility patent |
| HoloVision | 200620136607.3 | Apparatus with Aerial with Plastic Optic | Pending | Utility patent |
| HoloVision | 200620137112.2 | Apparatus for Image with Plastic Optic | Pending | Utility patent |
| HoloVision | 200620136605.4 | Aerial Image Displaywith Plastic Optic | Pending | Utility patent |
| HoloVision | 200620136604.X | Projection System with Plastic Optic | Pending | Utility patent |

| Product Supported | Patent/ Registration No. | Title | Status | Type |
|---|---|---|---|---|
| HoloVision | 60/839,740 | Low Cost Plastic Optic | Pending | Utility patent |
| HoloVision | 78/917,316 | Built with Technology | Pending | Trademark |
| HoloVision | 78/917,306 | Technology | Pending | Trademark |
| HoloVision | 78/917,286 | Holocasting | Pending | Trademark |
| HoloVision | 78/663,888 | HoloMedia | Pending | Trademark |
| HoloVision | 29/260,118 | 3DEO | Pending | Design patent |
| HoloVision | 78/615,380 | 3DEO Rewards Program | Pending | Trademark |
| HoloVision | 78/615,364 | 3DEO | Pending | Trademark |
| HoloVision | 11/105,857 | Aerial Display System | Pending | Utility patent |
| HoloVision | 11/059,575 | Coupon/Product Dispensing Kiosk | Pending | Utility patent |
| HoloVision | PCT/US03/25506 | Projection system for aerial display | Pending | Utility patent |
| HoloVision | N/A | Holovision | Allowed | Common law trademark |

At present, our patents and patent applications are supplemented by substantial intellectual property we are currently protecting as trade secrets and proprietary know-how. This includes matter related to all three product lines. We expect to file additional patent applications on a regular basis in the future.

We believe that our intellectual property and expertise constitutes an important competitive resource, and we continue to evaluate the markets and products that are most appropriate to exploit this expertise. In addition, we maintain an active program of intellectual property protection, both to assure that the proprietary technology developed by us is appropriately protected and, where necessary, to assure that there is no infringement of our proprietary technology by competitive technologies.

We rely on a combination of patent, patent pending, copyright, trademark and trade secret laws, proprietary rights agreements and non-disclosure agreements to protect our intellectual properties. We cannot give any assurance that these measures will prove to be effective in protecting our intellectual properties. We also cannot give any assurance that our existing patents will not be invalidated, that any patents that we currently or prospectively apply for will be granted, or that any of these patents will ultimately provide significant commercial benefits. Further, competing companies may circumvent any patents that we may hold by developing products which closely emulate but do not infringe our patents. While we intend to seek patent protection for our products in selected foreign countries, those patents may not receive the same degree of protection as they would in the United States. We can give no assurance that we will be able to successfully defend our patents and proprietary rights in any action we may file for patent infringement. Similarly, we cannot give any assurance that we will not be required to defend against litigation involving the patents or proprietary rights of others, or that we will be able to obtain licenses for these rights. Legal and accounting costs relating to prosecuting or defending patent infringement litigation may be substantial.

We also rely on proprietary designs, technologies, processes and know-how not eligible for patent protection. We cannot give any assurance that our competitors will not independently develop the same or superior designs, technologies, processes and know-how.

While we have and will continue to enter into proprietary rights agreements with our employees and third parties giving us proprietary rights to certain technology developed by those employees or parties while engaged by us, we can give no assurance that courts of competent jurisdiction will enforce those agreements.

## Item 1A. RISK FACTORS

### Risks Relating to Our Business and Industry

### RISKS RELATED TO ORIGINAL'S BUSINESS AND FINANCIAL CONDITION

We are currently developing a new technology that has not yet gained full market acceptance. As such, it has a limited operating history upon which you can base an evaluation of its business and prospects. There are substantial risks, uncertainties, expenses and difficulties that we are subject to. To address these risks and uncertainties, we must do the following:

- Successfully execute our business strategy;
- Respond to competitive developments, if and when discovered; and
- Attract, integrate, retain and motivate qualified personnel.
- There can be no assurance that at this time we will operate profitably or that we will have adequate working capital to meet our obligations as they become due.

We cannot be certain that our business strategy will be successful or that we will successfully address these risks. In the event that we do not successfully address these risks, our business, prospects, financial condition, and results of operations could be materially and adversely affected.

Our independent auditors stated that our financial statements for the period ended June 30, 2010 were prepared assuming that we would continue as a going concern. Our ability to continue as a going concern is an issue raised as a result of recurring losses from operations and cash flow deficiencies since our inception. We continue to experience net losses. Our ability to continue as a going concern is subject to our ability to generate a profit and/or obtain necessary funding from outside sources, including obtaining additional funding from the sale of our securities, increasing sales or obtaining loans and grants from various financial institutions where possible. If we are unable to continue as a going concern, you may lose your entire investment.

As we transition our business model from primarily selling hardware to being more of a digital media company, We believe that a majority of all of our revenues will come from advertising revenues. As a result, we will continue to incur substantial operating losses until such time as we are able to generate revenues from our products and services. There can be no assurance that businesses and customers will fully adopt our technology, or that businesses and prospective customers will agree to pay to advertise on our products at the levels we forecast. In the event that we are not able to significantly increase the number of machines that carry advertising, or if we are unable to charge the necessary prices or fees, our financial condition and results of operations will be materially and adversely affected.

We are continuing to develop our technology as a commercial product, and have generated small amounts of revenue, and are unable to project when we will achieve profitability, if at all. As is the case with any new technology, we expect the development process to continue. We can also not assure that our product will gain market acceptance and that we will be able to successfully commercialize the technologies. The failure to commercialize the technologies would result in continued losses and may require us to curtail or cease operations.

Demand for advertising and the resulting advertising spending is particularly sensitive to changes in general economic conditions and advertising spending typically decreases during periods of economic downturn. Advertisers may reduce the money they spend to advertise on our networks for a number of reasons, including:

- a general decline in economic conditions;
- a decision to shift advertising expenditures to other available advertising media;
- a decline in advertising spending in general; or
- a decrease in demand for advertising media in general and for our advertising services in particular would materially and adversely affect our ability to generate revenue from our advertising services, and our financial condition and results of operations.

The amounts of fees we can charge advertisers for time slots on our 3D display networks depend on the size and quality of these networks and the demand by advertisers for advertising time on these networks. Advertisers choose to advertise on these networks in part based on the size of the networks and the desirability of the locations where we have placed our 3D displays. If we fail to maintain or increase the number of locations, displays and billboards in our networks, diversify advertising channels in our networks, or solidify our brand name and reputation as a quality provider of advertising services, advertisers may be unwilling to purchase time on our networks or to pay the levels of advertising fees we require to remain profitable.

## ITEM 2. PROPERTIES.

Our principal executive offices are located at 9253 Eton Avenue, Chatsworth, California 91311. The offices consist of approximately 7,500 square feet, which are leased on a month to month basis for approximately $6,200 per month for rent and related costs. We believe that our properties are adequate for our current and immediately foreseeable operating needs. We do not have any policies regarding investments in real estate, securities or other forms of property.

## ITEM 3. LEGAL PROCEEDINGS.

In 2007, we received a judgment against the Company amounting to approximately $592,000. This amount was recorded in the Company’s financial statements at June 30, 2007. Based on a subsequent judgment in favor of the Company, management does not believe the original judgment will be upheld.

There are no material legal proceedings, to our knowledge, pending against us or being pursued by us.

## ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

None.

## PART II

### ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES.

Our common stock is listed on the OTC Bulletin Board, under the symbol "PVHO" The following table sets forth the high and low bid and offer prices, as provided by OTCBB for the quarters in fiscal years 2010 and 2009:

| | FISCAL YEAR 2010 | | FISCAL YEAR 2009 | |
|---|---|---|---|---|
| | HIGH | LOW | HIGH | LOW |
| 1st Quarter | $ 0.22 | $ 0.11 | $ 2.80 | $ 0.55 |
| 2nd Quarter | $ 0.33 | $ 0.08 | $ 1.00 | $ 0.05 |
| 3rd Quarter | $ 0.43 | $ 0.15 | $ 0.40 | $ 0.06 |
| 4th Quarter | $ 0.25 | $ 0.08 | $ 0.24 | $ 0.08 |

There was no trading activity, other than one trade of 125 shares between July 1, 2007 and February 28, 2008, the effective date of our reverse merger. There is currently irregular trading in our common stock. Our stock price may fluctuate dramatically in the future in response to various factors, some of which are beyond our control:

As of November 4, 2010, there were approximately 547 holders of record of our common stock.

**Dividends**

We have never declared or paid any cash dividends on its common stock. We currently intend to retain future earnings, if any, to finance the expansion of its business. As a result, we do not anticipate paying any cash dividends in the foreseeable future.

**Securities Authorized for Issuance Under Equity Compensation Plans**

The following table shows information with respect to each equity compensation plan under which our common stock is authorized for issuance as of the fiscal year ended June 30, 2010.

**EQUITY COMPENSATION PLAN INFORMATION**

| Plan category | Number of securities to be issued upon exercise of outstanding options, warrants and rights (a) | Weighted average exercise price of outstanding options, warrants and rights (b) | Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a) (c) |
|---|---|---|---|
| **Equity compensation plans approved by security holders** | 665,851 | $ 1.40 | 3,334,149 |
| **Equity compensation plans not approved by security holders** | N/A | N/A | N/A |
| **Total** | 665,851 | $ 1.40 | 3,334,149 |

## ITEM 6. SELECTED FINANCIAL DATA

Not applicable.

## ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

*Forward-Looking Statements*

Some of the statements contained in this Form 10-K that are not historical facts are "forward-looking statements" which can be identified by the use of terminology such as "estimates," "projects," "plans," "believes," "expects," "anticipates," "intends," or the negative or other variations, or by discussions of strategy that involve risks and uncertainties. We urge you to be cautious of the forward-looking statements, that such statements, which are contained in this Form 10-Q, reflect our current beliefs with respect to future events and involve known and unknown risks, uncertainties and other factors affecting our operations, market growth, services, products and licenses. No assurances can be given regarding the achievement of future results, as actual results may differ materially as a result of the risks we face, and actual events may differ from the assumptions underlying the statements that have been made regarding anticipated events. Factors that may cause actual results, our performance or achievements, or industry results, to differ materially from those contemplated by such forward-looking statements include without limitation:

- Our ability to attract and retain management, and to integrate and maintain technical information and management information systems;
- Our ability to raise capital when needed and on acceptable terms and conditions;
- The intensity of competition; and
- General economic conditions.

All written and oral forward-looking statements made in connection with this Form 10-K that are attributable to us or persons acting on our behalf are expressly qualified in their entirety by these cautionary statements. Given the uncertainties that surround such statements, you are cautioned not to place undue reliance on such forward-looking statements.

*Business Overview*

On February 14, 2008, MailTec, Inc. (now known as Provision Holding, Inc.) (the "Company") entered into an Agreement and Plan of Merger, which was amended and restated on February 27, 2008 (as amended and restated, the "Agreement"), and closed effective February 28, 2008, with ProVision Merger Corp., a Nevada corporation and wholly owned subsidiary of the Company (the "Subsidiary") and Provision Interactive Technologies, Inc., a California corporation ("Provision"). Pursuant to the Agreement, the Subsidiary merged into Provision, and Provision became a wholly owned subsidiary of the Company. As consideration for the merger of the Subsidiary into Provision, the Company issued 20,879,350 shares of the Company's common stock to the shareholders, creditors, and certain warrant holders of Provision, representing approximately 86.5% of the Company's aggregate issued and outstanding common stock, and the outstanding shares and debt, and those warrants whose holders received shares of the Company's common stock, of Provision were transferred to the Company and cancelled.

The Company and Provision are focused on the development and distribution of Provision's patented three-dimensional, holographic interactive displays focused at grabbing and holding consumer attention particularly and initially in the advertising and product merchandising markets. The systems display a moving 3D image size to forty inches in front of the display, projecting a digital video image out into space detached from any screen, rendering truly independent floating images featuring high definition and crisp visibility from far distances. The nearest comparable to this technology can be seen in motion pictures such as Star Wars and Minority Report, where objects and humans are represented through full-motion holograms.

We are also developing and marketing several new point-of-purchase, and other devices, tailored to specific industries that are currently in Pilot Programs with major international companies or readying to begin shortly; including the medical, entertainment, government and home markets. In addition to selling the hardware for our patented three-dimensional, holographic interactive video displays, we are building our business into a digital media company offering advertising on a network of our 3D holographic video displays.

One of our new products is known as the "HL40 Diamond", an extraordinary 3D holographic video display system, to the retailing and advertising industries is smaller and lighter than its predecessor, the HL40C. Used to promote all type of products and services, the HL40D is a powerful tool to break through the clutter of traditional in store advertising and merchandising. Our other powerful 3D products can be used for a wide variety of interactive applications including order-taking and information retrieval.

*Significant Events and Trends*

Our 3D holographic, floating image display technologies have multiple market applications across a broad spectrum of industries. Extensive audience migration across and within media categories is driving major shifts in advertising spending, benefiting captive, auditable media vehicles. Traditional media vehicles like radio, TV, newspapers and magazines continue to lose audience share and advertising dollars to new media vehicles, which include the point-of-purchase or wherever there might be a captive audience. The current media and traditional displays (TV, LCD and Plasma screens) are stale and ubiquitous resulting in significant ineffectiveness.

Launching our first products into grocery stores, we have developed a new patent pending application. Known as the "3DEO Rewards Center" or "3DEO", this device projects 3D video advertisements and allows consumers to print coupons as well as receive non-cash awards. The 3DEO device provides consumer products goods ~~food~~ companies and other advertisers with a new way of promoting their products at the point of purchase, where consumers are making 70% (seventy percent) of their buying decisions.

We plan to build, own, and operate networks of 3DEO Rewards Centers. In March 2008 we signed three-year agreements with several independent Hispanic grocery store chains to install 3DEO Reward Centers in 47 locations in southern California. The term of these agreements do not begin until we have fully installed according to the terms of the contract.

In June 2008, we announced our signed three-year agreement with Fred Meyer Stores, a division of The Kroger, Co., to install Fred Meyer 3DEO Centers in 127 locations in the Pacific Northwest. Installation of the centers will begin this month in Portland, OR, in high traffic, high visibility locations close to the main entrance of the store. We have received advertising placements from some of the largest manufacturers in the country, including Unilever, Proctor & Gamble, Johnson & Johnson, BIC and Kimberly Clark. The Company has published a case study of this successful market trial which is available from the Company. This agreement has concluded and the Company is in the process of redeploying the 3DEO Rewards Centers in the Los Angeles grocery network of their Hispanic stores as stated elsewhere herein.

In September 2008, we signed an agreement with the Long Island Gasoline Retailers Association ("LIGRA") to install its patented 3D holographic displays in up to 800 member stores throughout New York. Provision's displays will be located inside the independent convenience stores of major franchise gasoline retailers including Shell, ExxonMobil, Citgo, Sunoco, BP, Amoco and Gulf. The term of this agreement does not begin until we have fully installed according to the terms of the contract. The Company plans to install this network following the installation of the first 500 convenience stores as part of the Circle K agreement.

In December 2008, we signed an agreement with ADCENTRICITY Inc. to sell advertising on its revolutionary 3D digital signage network. ADCENTRICITIY's advertisers will be able to feature their messaging on Provision's extraordinary network in a variety of forms, including 3D holographic videos and digital coupons.

In May 2010 we signed an agreement with Circle K Stores, Inc. to install our patented 3D holographic displays in up to 483 Circle K convenience stores throughout the western region of the United States. The Agreement is for three years with an option to extend the contract for an additional three years upon mutual agreement. The term of this agreement does not begin until we have fully installed according to the terms of the contract.

We also have continued hardware sales of our patented three-dimensional, holographic interactive video displays

*Research and Development Activities*

At present, Provision's patents and patent applications are supplemented by substantial intellectual property we are currently protecting as trade secrets and proprietary know-how. This includes matter related to all three product lines. We expect to file additional patent applications on a regular basis in the future.

We believe that Provision's intellectual property and expertise constitutes an important competitive resource, and we continue to evaluate the markets and products that are most appropriate to exploit this expertise. In addition, we maintain an active program of intellectual property protection, both to assure that the proprietary technology developed by us is appropriately protected and, where necessary, to assure that there is no infringement of Provision's proprietary technology by competitive technologies.

*Results of Operation – Year Ended June 30, 2010 as Compared to the Year Ended June 30, 2009*

| | June 30, 2010 | June 30, 2009 |
|---|---|---|
| Total Assets | $ 1,476,646 | $ 1,093,071 |
| Total Liabilities | $ 5,631,986 | $ 3,114,807 |
| Total Stockholders' Deficit | $ (4,155,340) | $ (2,021,736) |
| | | |
| Revenues | $ 209,354 | $ 438,772 |
| Cost of Revenues | 234,533 | 234,310 |
| Gross Profit (Loss) | (25,179) | 204,462 |
| Expenses | 2,196,653 | 1,987,719 |
| Loss from Operations | (2,221,832) | (1,783,257) |
| Other Income (Expense) | (2,716,556) | (701,581) |
| Net Loss | $ (4,939,988) | $ (2,486,438) |
| | | |
| Net Loss per Common Share | $ (0.16) | $ (0.10) |

*Revenue and Cost of Revenue*

Revenues for the year ended June 30, 2010 decreased 52% to $209,354 from $438,772 for the year ended June 30, 2009. Revenues for the year ended June 30, 2010 from the sale of our hardware products coming primarily from our international distributors. The decrease in revenues is a result of the world economic crisis and the transition of the company's business strategy from being a hardware provider to a digital media company. Advertising sales are expected to increase as the Company continues its roll out of its 3D Reward Center in the large top demographic markets of Los Angeles (#2) and New York (#1).We have entered into several agreements with media buying agencies and ad agencies to assist in the selling of 3D holographic ads and coupon promotions; expecting to continue the growth of ad sales on a quarter by quarter basis.

Our cost of revenues was $234,533 for the year ended June 30, 2010 as compared to $234,310 for the year ended June 30, 2009. This increase of $223 is a direct result of an increase to our obsolescence reserve of $131,000.

As discussed above, we expect advertising revenues to increase in the coming quarters as the Company begins to roll out its 3D Reward Center in the large top demographic markets of Los Angeles (#2) and New York (#1), in both our grocery store network, and soon to be launched convenience store network.

*Expenses*

General and administrative expenses for the year ended June 30, 2010 were $2,010,878 as compared to $1,816,733 for the year ended June 30, 2009.

During the year ended June 30, 2010 our Accounting Expense decreased $44,387 to $140,444 from $184,831 during the year ended June 30, 2009. The decrease was directly related to expenses incurred in 2009 involving the audit of two years of historical information.

During the year ended June 30, 2010 our Consulting Expense increased $39,553 to $82,950 from $43,397 during the year ended June 30, 2009. Consulting expenses increased during the year primarily due to the amortization of the fees paid to consultants by issuing stock.

During the year ended June 30, 2010 our Delivery and Freight Expense decreased $52,311 to $3,069 from $55,380 during the year ended June 30, 2009, as the company did fewer trade shows, road shows, and marketing events requiring these expenses, as a result of the economic downturn and the close watch of budget control.

During the year ended June 30, 2010 our Depreciation Expense decreased $58,306 to $57,262 from $115,568 during the year ended June 30, 2009. The decrease in depreciation expense is a result of lower equipment purchases and the Company's older assets becoming fully depreciated.

During the year ended June30, 2010 our Legal and Professional Fees Expense increased $25,434 to $89,370 from $63,936 during the year ended June 30, 2009, as the company has utilized the legal services for intellectual property and patent services related to its portfolio, including annual fees required by patent offices. The company has also incurred additional legal and professional services for its financing transactions during the fiscal year.

During the year ended June 30, 2010 our Marketing Expense decreased $56,280 to $66,814 from $123,094 during the year ended June 30, 2009, as the company spent less money on trade shows and marketing materials, including press releases, due to the economic downturn.

During the year ended June 30, 2010 our Office Staffing Expense decreased $29,231 to $2,386 from $31,617 during the year ended June 30, 2009, as the company chose not to replace staffing for a period time due to the economic downturn.

During the year ended June 30, 2010 our Equipment Rent Expense decreased $18,528 to $0 from $18,528 during the year ended June 30, 2009, as the company reduced its participation in trade shows, and factory upgrade expenditures due to reduction in budgets during the economic crisis.

During the year ended June 30, 2010 our General Supplies Expense decreased $36,450 to $1,770 from $38,220 during the year ended June 30, 2009, as the company reduced all its general supplies during the economic downturn.

During the year ended June 30, 2010 our Technical Support Expense decreased $14,333 to $807 from $15,140 during the year ended June 30, 2009. Technical Support decreased this year as the company completed our 3DEO market trial in Portland during the year and the technical support resources were no longer needed.

During the year ended June 30, 2010 our Travel Expense decreased $32,433 to $71,860 from $104,293 during the year ended June 30, 2009, as a result of budget cutbacks, less trade shows, and customer visits during the economic downturn.

During the year ended June 30, 2010 our Loss on Settlement of Debt Expense increased $111,472 to $111,472 from $0 during the year ended June 30, 2009. The increase is a result of the conversion of convertible notes to stock and the loss associated with the conversion.

During the year ended June 30, 2010 our Non-Cash Compensation Expense increased to $817,793 from $325,800 during the year ended June 30, 2009. Non-cash compensation relates to the value of common stock, warrants and options issued in exchange for services rendered, as the company brought in financial advisors and public relations contractors to assist the company. While we cannot guarantee it, we do not expect our non-cash compensation to continue this level of increase in the near future.

During the year ended June 30, 2010 we recorded $185,775 of Research and Development expenses as compared to $170,986 during the year ended June 30, 2009. Research and development expenses relate to the salary paid to two key employees who conduct ongoing technical engineering tasks for product improvements, cost reductions, new product development, and the like.

*Other Income (Expense)*

Interest expense increased 270% to $2,605,084 during the year ended June 30, 2010 from $704,306 during the year ended June 30, 2009. The increase is directly related to the increase in the beneficial conversion feature interest expense related to the issuance of new debt and the discount the note holder experiences.

*Net Loss*

As a result of the aforementioned, our net loss increased 99% or $2,453,550 to $4,939,988 during the year ended June 30, 2010 from $2,486,438 during the year ended June 30, 2009.

*Financial Condition, Liquidity and Capital Resources*

Management remains focused on controlling cash expenses. We have limited cash resources and plan our expenses accordingly.

We had cash of $161,962 at June 30, 2010 compared to cash of $19,339 at June 30, 2009. Our working capital deficit increased to $4,292,934 at June 30, 2010 from a deficit of $2,543,076 at June 30, 2009. The reason for the increase in the working capital deficit was the increase in our cash and a decrease in our inventory of approximately $142,000 and $64,000, respectively, along with the increase in our accounts payable, payroll taxes and accrued expenses and our accrued interest of approximately $708,000.

During the year ended June 30, 2010, we used $723,536 of cash for operating activities versus $847,473 during the year ended June 30, 2009.  The primary difference was the reduction of liabilities and purchases of inventory in 2009 and the increase in accrued interest during 2008 on the increased debt.

Cash used in investing activities during the year ended June 30, 2010 and 2009 was $35,941 and $80,579, respectively.  During the year ended June 30, 2010 we used $35,941 secure additional patents.  During the year ended June 30, 2009, we used $40,990 to purchase additional equipment to support our infrastructure and $39,589 to secure additional patents.

Cash provided by financing activities during the year ended June 30, 2010 was $902,100 as a result of the proceeds from notes payable, net of fees, in the amount of $883,500 offset by the repayment of notes payable totaling $2,000.  Additionally Stock was issued totaling $20,600.  Cash provided by financing activities during the year ended June 30, 2009 was $659,750 as a result of the proceeds from notes payable net of fees.

Given our plans and expectation that we will need additional capital, we will need to issue additional shares of capital stock or securities convertible or exercisable for shares of capital stock, including preferred stock, options or warrants. The issuance of additional capital stock may dilute the ownership of the current stockholders.

*Off Balance Sheet Arrangements*

We do not engage in any off balance sheet arrangements that are reasonably likely to have a current or future effect on our financial condition, revenues, results of operations, and liquidity or capital expenditures.

*Critical Accounting Policies*

**Use of Estimates —** The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make certain estimates and assumptions that affect the reported amounts and timing of revenues and expenses, the reported amounts and classification of assets and liabilities, and the disclosure of contingent assets and liabilities.  These estimates and assumptions are based on the Company's historical results as well as management's future expectations.  The Company's actual results could vary materially from management's estimates and assumptions.

**Revenue Recognition —** We recognize revenue when persuasive evidence of an arrangement exists, title transfer has occurred, the price is fixed or readily determinable, and collectability is probable. We recognize revenue in accordance with Staff Accounting Bulletin No. 104, "Revenue Recognition." Sales are recorded net of sales returns and discounts, which are estimated at the time of shipment based upon historical data.

**Impairment of Long-Lived Assets —** We review the recoverability of the carrying value of long-lived assets using the methodology prescribed in Financial Accounting Standards Board Accounting Standards Codification ("FASB ASC") 360,, "Accounting for the Impairment and Disposal of Long-Lived Assets" whenever events or changes in circumstances indicate that the carrying value of such assets may not be recoverable. Upon such an occurrence, recoverability of these assets is determined by comparing the forecasted undiscounted net cash flows to which the assets relate, to the carrying amount. If the asset is determined to be unable to recover its carrying value, it is written down to fair value. Fair value is determined based on discounted cash flows, appraised values or other information available in the market, depending on the nature of the assets. Methodologies for determining fair value are inherently based on estimates that may change, such as the useful lives of assets and our cash flow forecasts associated with certain assets. A change in these estimates may result in impairment charges, which would impact our operating results.

**Going Concern**

These financial statements are presented on the basis that the Company is a going concern. Going concern contemplates the realization of assets and the satisfaction of liabilities in the normal course of business over a reasonable length of time. The Company has incurred a loss of approximately $5,000,000 in the current period and has negative working capital of approximately $4,300,000.. These matters raise substantial doubt about the Company's ability to continue as a going concern. The consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. The Company's continuation as a going concern is dependent upon its ability to generate sufficient cash flow to meet its obligations on a timely basis, to obtain additional financing or refinancing as may be required and, ultimately, to attain profitable operations. Management's plan to eliminate the going concern situation include, but are not limited to, the raise of additional capital through issuance of debt and equity, improved cash flow management, aggressive cost reductions, and the creation of additional sales and profits across its product lines.

**Accounting for Stock Option Based Compensation**

In accordance with FASB ASC 718 the Company calculates compensation costs for all share-based awards to employees based on the grant date fair value of those awards and recognized over the period during which the employee is required to perform services in exchange for the award (generally over the vesting period of the award).

**Recent Accounting Pronouncements**

Recent accounting developments and their impact on our financial position, results of operations and cash flows are described in Note 1 to the consolidated financial statements.

**ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.**

Our financial statements and related financial notes, together with the report from Farber Hass Hurley LLP, are set forth immediately following the signature page to this report.

**ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.**

Not Applicable

**ITEM 9A. CONTROLS AND PROCEDURES.**

*(a) Evaluation of Disclosure Controls and Procedures*

Our principal executive and principal financial officers have evaluated the effectiveness of our disclosure controls and procedures, as defined in Rules 13a – 15(e) and 15d – 15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act") that arc designed to ensure that information required to be disclosed in our reports under the Exchange Act, is recorded, processed, summarized and reported within the time periods required under the SEC's rules and forms and that the information is gathered and communicated to our management, including our principal executive officer and principal financial officer, as appropriate, to allow for timely decisions regarding required disclosure.

Our principal executive officer and principal financial officer evaluated the effectiveness of our disclosure controls and procedures (as defined in Exchange Act Rule 13a-15(c) as of the end of the period covered by this report. Based on this evaluation, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures were not effective as of the end of the period covered by this report.

This annual report does not include an attestation report of our registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by our registered public accounting firm pursuant to temporary rules of the Securities and Exchange Commission.

**Management's Report on Internal Control Over Financial Reporting**

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(t) under the Exchange Act. Our internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Our internal control over financial reporting includes those policies and procedures that:

1. Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of our assets;

2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with U.S. GAAP, and that our receipts and expenditures are being made only in accordance with the authorization of our management and directors; and

3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management assessed the effectiveness of our internal control over financial reporting as of June 30, 2010. Based on this assessment, management concluded that the Company did not maintain effective internal controls over financial reporting as a result of the identified material weakness in our internal control over financial reporting described below. In making this assessment, management used the framework set forth in the report entitled Internal Control--Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission, or COSO. The COSO framework summarizes each of the components of a company's internal control system, including (i) the control environment, (ii) risk assessment, (iii) control activities, (iv) information and communication. and (v) monitoring.

*Identified Material Weakness*

A material weakness in our internal control over financial reporting is a control deficiency, or combination of control deficiencies, that results in more than a remote likelihood that a material misstatement or the financial statements will not be prevented or detected.

Management identified the following material weakness during its assessment of internal controls over financial reporting as of June 30, 2010:

*Resources:* As of June 30, 2010, we had six full-time employees in general management and no full-time employees with the requisite expertise in the key functional areas of finance and accounting. As a result, there is a lack of proper segregation of duties necessary to insure that all transactions are accounted for accurately and in a timely manner.

*Written Policies & Procedures:* We need to prepare written policies and procedures for accounting and financial reporting to establish a formal process to close our books monthly on an accrual basis and account for all transactions, including equity transactions, and prepare, review and submit SEC filings in a timely manner.

*Management's Remediation Initiatives*

As our resources allow, we will add financial personnel to our management team. We plan to prepare written policies and procedures for accounting and financial reporting to establish a formal process to close our books monthly on an accrual basis and account for all transactions, including equity transactions.

(b) Changes In Internal Control Over Financial Reporting

There were no changes in our internal controls over financial reporting during this fiscal quarter that materially affected, or is reasonably likely to have a materially affect, on our internal control over financial reporting.

## ITEM 9B. OTHER INFORMATION

None.

## PART III

## ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE.

Our executive officers, directors and significant employees and their ages and their respective positions as of November 2, 2009 were as follows:

| Name | Age | Position |
| --- | --- | --- |
| Curt Thornton | 55 | Chief Executive Officer, Chairman, President, and Director |
| Robert Ostrander | 57 | Vice President, Sales, Business Development, Secretary and Director |
| Jeff Vrachan | 56 | Vice President, Engineering and Chief Technology Officer, and Director |
| Jon Corfino | 52 | Director |

Officers are elected annually by the Board of Directors (subject to the terms of any employment agreement), at our annual meeting, to hold such office until an officer's successor has been duly appointed and qualified, unless an officer sooner dies, resigns or is removed by the Board.

**Background of Executive Officers and Directors**

**Curt Thornton**

Curt Thornton has been chief executive officer, president, chairman and a director of the Company since Mach 2008. Mr. Thornton is the founder of ProVision and has been chief executive officer, president, chairman and director of ProVision since our inception in December 2000. Mr. Thornton has over 20 years of international executive experience in operations, manufacturing, engineering and sales driven companies. He has held senior executive positions at Iwerks Entertainment Corp., Northern Telecom and Tandon Computers. Mr. Thornton earned an MBA from Pepperdine University and a Bachelor's degree in Engineering from Western Illinois University. Mr. Thornton's executive experience provides value to the Board of Directors.

**Robert Ostrander**

Robert Ostrander has been Vice President, Sales, Business Development, secretary, and a director of the Company since March 2008. Mr. Ostrander has been President, Sales, Marketing, Business Development, secretary, and a director for ProVision since March 2001. Mr. Ostrander has 20 years of sales and business development experience, both domestic and international. He has held senior positions in sales at Allied Domecq, Kraft Foods, Sara Lee and Welch Foods. He holds an MBA from Pepperdine University, and a B.S. from the State University of New York. Mr. Ostrander's sales experience provides value to the Board of Directors.

**Jeff Vrachan**

Jeff Vrachan has been Vice President Engineering, Chief Technology Officer, and a director of the Company since March 2008. Mr. Vrachan has been Vice President Engineering and Chief Technology Officer, and a director of ProVision since our inception in December 2000. Prior to joining Provision, Mr. Vrachan served as a Project Manager, Engineering Manager and Operations Manager for high-tech companies such as Allied Signal, Mitsubishi Electronics and Southwestern Industries. Mr. Vrachan has a Bachelor's degree in Electrical Engineering from the University of California and a second Bachelor's degree in Business Management from the University of Phoenix. Mr. Vrachan's technical experience provides value to the Board of Directors.

**Jon Corfino**

Jonathan Corfino has been a director of the Company since March 2008. Mr. Corfino has been a director of ProVision since 2003. Mr. Corfino is a senior executive with 20 years experience in the theme park, location-based and interactive entertainment industry. Mr. Corfino is the founder of Attraction Media & Entertainment, Inc. and has been its chief executive officer since 2001. Mr. Corfino was president, location-based entertainment for Stan Lee Media, Inc. from 1999 to 2000. He was senior vice president in charge of production at Iwerks Entertainment, from 1993 to 1999, where he supervised the production and/or acquisition of over 30 specialty films for Simulation, Attraction and Large Format venues. Prior to Iwerks, from 1978 to 1991, Mr. Corfino worked in the Planning and Development group at MCA/Universal as a Project Manager. He was directly involved in the creative development and construction of a variety of projects and attractions, including "The Star Trek Adventure", "Back to the Future - The Ride", "ET the Extraterrestrial" and studio center expansion plus special effects stages. Mr. Corfino holds a Bachelor of Arts degree from UCLA. Mr. Corfino's experience with media companies and ventures provides value to the Board of Directors.

**Term of Office**

Our directors are appointed for a one-year term to hold office until the next annual meeting of our shareholders or until removed from office in accordance with our bylaws.

Our executive officers are appointed by our board of directors and hold office until removed by the board.

**Significant Employees**

We have no significant employees other than our officers and directors.

**Family Relationships**

There are no family relationships between or among the directors, executive officers or persons nominated or chosen by us to become directors or executive officers.

**Involvement in Certain Legal Proceedings**

To the best of our knowledge, during the past five years, none of the following occurred with respect to a present director, person nominated to become director, executive officer, or control person: (1) any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time; (2) any conviction in a criminal proceeding or being subject to a pending criminal proceeding (excluding traffic violations and other minor offenses); (3) being subject to any order, judgment or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, permanently or temporarily enjoining, barring, suspending or otherwise limiting his or her involvement in any type of business, securities or banking activities; and (4) being found by a court of competent jurisdiction (in a civil action), the SEC or the Commodities Futures Trading Commission to have violated a federal or state securities or commodities law, and the judgment has not been reversed, suspended or vacated.

**Audit Committee**

We do not have a separately-designated standing audit committee. The entire board of directors performs the functions of an audit committee, but no written charter governs the actions of the board of directors when performing the functions of that would generally be performed by an audit committee. The board of directors approves the selection of our independent accountants and meets and interacts with the independent accountants to discuss issues related to financial reporting. In addition, the board of directors reviews the scope and results of the audit with the independent accountants, reviews with management and the independent accountants our annual operating results, considers the adequacy of our internal accounting procedures and considers other auditing and accounting matters including fees to be paid to the independent auditor and the performance of the independent auditor.

We do not have an audit committee financial expert because of the size of our company and our board of directors at this time. We believe that we do not require an audit committee financial expert at this time because we retain outside consultants who possess these attributes. .

**Nominating Committee**

We do not have a nominating committee. The board of directors acts as the nominating committee and members of the board participate in the discussions. If the size of the board expands, the board will reconsider the need or desirability of a nominating committee.

**Compensation Committee**

We do not have a compensation committee. If the size of the board expands, the board will reconsider the need or desirability of a compensation committee.

For the fiscal year ending June 30, 2010, the board of directors:

1. Reviewed and discussed the audited financial statements with management, and

2. Reviewed and discussed the written disclosures and the letter from our independent auditors on the matters relating to the auditor's independence.

Based upon the board of directors' review and discussion of the matters above, the board of directors authorized inclusion of the audited financial statements for the year ended June 30, 2010 to be included in this Annual Report on Form 10-K and filed with the Securities and Exchange Commission.

**Code of Ethics Disclosure**

We adopted a Code of Ethics for Financial Executives, which include our principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions. The code of ethics was filed as an exhibit to the Annual Report on Form 10-KSB for the fiscal year ended March 31, 2006, as filed with the SEC on July 14, 2006.

**ITEM 11. EXECUTIVE COMPENSATION.**

The following table sets forth all compensation paid in respect of ProVision's Chief Executive Officer and those individuals who received compensation in excess of $100,000 per year (collectively, the "Named Executive Officers") for the last three completed fiscal years.

**SUMMARY COMPENSATION TABLE**

| Name & Principal Position | Fiscal Year Ended June 30, | Salary ($) | Bonus ($) | Stock Awards ($) | Option Awards ($) | Non-Equity Incentive Plan Compensation ($) | All Other Compensation ($) | Total ($) |
|---|---|---|---|---|---|---|---|---|
| **Curt Thornton** | 2010 | $ 140,000 | 0 | 20,000 | 0 | 0 | 0 | $ 160,000 |
| Chief Executive | 2009 | $ 140,000 | 0 | 0 | 0 | 0 | 0 | $ 140,000 |
| Officer | 2008 | $ 144,000 | 0 | 299,600 | 0 | 0 | 0 | $ 443,600 |
| and Director | 2007 | $ 144,000 | 0 | 0 | 0 | 0 | 0 | $ 144,000 |
| | | | | | | | | |
| **Robert Ostrander** | 2010 | $ 125,000 | 0 | 20,000 | 0 | 0 | 0 | $ 145,000 |
| Vice President, | 2009 | $ 125,000 | 0 | 0 | 0 | 0 | 0 | $ 125,000 |
| Sales,Business | 2008 | $ 125,000 | 0 | 214,000 | 0 | 0 | 0 | $ 339,000 |
| Development | 2007 | $ 125,000 | 0 | 0 | 0 | 0 | 0 | $ 125,000 |
| | | | | | | | | |
| **Jeff Vrachan** | 2010 | $ 125,000 | 0 | 20,000 | | | | $ 145,000 |
| Vice President | 2009 | $ 125,000 | 0 | 0 | 0 | 0 | 0 | $ 125,000 |
| Engineering and | 2008 | $ 125,000 | 0 | 0 | 0 | 0 | 0 | $ 125,000 |
| Chief Technology Officer | 2007 | $ 125,000 | 0 | 0 | 0 | 0 | 0 | $ 125,000 |

**Employment Agreements**

We are party to an employment agreement with Curt Thornton, dated May 30, 2006, pursuant to which Mr. Thornton serves as our chief executive officer, president and chairman. Pursuant to the terms of the agreement, Mr. Thornton receives a minimum annual base salary of $144,000, subject to increases in the sole discretion of our board of directors. Mr. Thornton is also eligible to receive an annual cash bonus in an amount determined by the board of directors, and is eligible to participate in ProVision's annual equity participation program. The agreement has a term of five years, unless terminated earlier in accordance with the terms thereof. ProVision may terminate the agreement for cause. If ProVision terminates the agreement without cause, Mr. Thornton will receive one year's annual salary for each full year of employment completed, the amount of the previous year's bonus, and continuance of medical/dental benefits for a period of one year.

We are party to an employment agreement with Robert Ostrander, dated May 30, 2006, pursuant to which Mr. Ostrander serves as our vice president. Pursuant to the terms of the agreement, Mr. Ostrander receives a minimum annual base salary of $125,000, subject to increases in the sole discretion of our board of directors. Mr. Ostrander is also eligible to receive an annual cash bonus in an amount determined by the board of directors, and is eligible to participate in ProVision's annual equity participation program. The agreement has a term of five years, unless terminated earlier in accordance with the terms thereof. ProVision may terminate the agreement for cause.

We are party to an employment agreement with Jeff Vrachan, dated May 30, 2006, pursuant to which Mr. Vrachan serves as our vice president. Pursuant to the terms of the agreement, Mr. Vrachan receives a minimum annual base salary of $125,000, subject to increases in the sole discretion of our board of directors. Mr. Vrachan is also eligible to receive an annual cash bonus in an amount determined by the board of directors, and is eligible to participate in ProVision's annual equity participation program. The agreement has a term of five years, unless terminated earlier in accordance with the terms thereof. ProVision may terminate the agreement for cause.

**Director Compensation**

No director of ProVision received any compensation for services as director for the year ended June 30, 2010.

## ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The following table sets forth certain information, as of November 4, 2010 with respect to the beneficial ownership of the outstanding common stock by (i) any holder of more than five (5%) percent; (ii) each of our executive officers and directors; and (iii) our directors and executive officers as a group. Except as otherwise indicated, each of the stockholders listed below has sole voting and investment power over the shares beneficially owned.

| Name of Beneficial Owner (1) | Common Stock Beneficially Owned | Percentage of Common Stock (2) |
|---|---|---|
| Curt Thornton | 6,950,200 | 16.33% |
| Robert Ostrander | 2,600,000 | 6.11% |
| Jeff Vrachan | 2,361,774 | 5.55% |
| Jon Corfino | 200,000 | 0.47% |
| | | |
| Catalpa Enterprises, Ltd.<br>155 Edgehill Drive Kitchener, On N2P 2C6 Canada | 3,394,800 | 12.83% |
| | | |
| Socius Capital Group, LLC<br>11150 Santa Monica Boulevard Suite 1500 Santa Monica, Ca 90017 | 2,445,688 | 5.75% |
| | | |
| | 17,952,462 | 47.04% |
| | | |
| All officers and directors as a group (4 persons owning stock) | 12,111,974 | 28.46% |

(1) Except as otherwise indicated, the address of each beneficial owner is c/o Provision Holding, Inc. 9253 Eton Avenue, Chatsworth, California 91311.

(2) Applicable percentage ownership is based on 42,51,896 shares of common stock outstanding as of November 3, 2010, together with securities exercisable or convertible into shares of common stock within 60 days of November 3, 2010 for each stockholder. Beneficial ownership is determined in accordance with the rules of the Securities and Exchange Commission and generally includes voting or investment power with respect to securities. Shares of common stock that are currently exercisable or exercisable within 60 days of November 3, 2010 are deemed to be beneficially owned by the person holding such securities for the purpose of computing the percentage of ownership of such person, but are not treated as outstanding for the purpose of computing the percentage ownership of any other person.

**ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE.**

None.

**ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES.**

Our financial statements for the fiscal year ended June 30, 2010 and June 30, 2009 were audited by Farber Hass Hurley LLP (“Farber Hass Hurley”).

Since we do not have a formal audit committee, our board of directors serves as our audit committee. We have not adopted pre-approval policies and procedures with respect to our accountants. All of the services provided and fees charged by our independent registered accounting firms were approved by the board of directors.

Services rendered by Farber Hass Hurley

The following is a summary of the fees for professional services rendered by Farber Hass Hurley for the year ended June 30, 2010.

| Fee Category | |
|---|---|
| Audit fees | $ 82,835 |
| Audit-related fees | |
| Tax fees | |
| Other fees | |
| Total Fees | $ 82,835 |

*Audit fees.* Audit fees represent fees for professional services performed by Farber Hass Hurley LLP for the audit of our annual financial statements and the review of our quarterly financial statements, as well as services that are normally provided in connection with statutory and regulatory filings or engagements.

Audit-related fees. We did not incur any other fees for services performed by Farber Hass Hurley LLP, other than the services covered in "Audit Fees" for the fiscal year ended June 30, 2010.

*Tax Fees*. We did not incur any fees for tax services performed by Farber Hass Hurley LLP.

*Other fees*. Farber Hass Hurley LLP did not receive any other fees during 2010.

## PART IV

### ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES.

| Exhibit Number | Description |
|---|---|
| 3.1 | Certificate of Amendment to Articles of Incorporation of MailTec, Inc. (incorporated by reference to the Form 8-K, as filed with the Securities and Exchange Commission on March 20, 2008) |
| 3.2 | Restated Bylaws of Provision Holding, Inc. (incorporated by reference to the Form 8-K, as filed with the Securities and Exchange Commission on March 20, 2008) |
| 10.1 | Agreement and Plan of Merger by and among MailTec, Inc., ProVision Merger Corp and Provision Interactive Technologies, Inc. (previously filed as an exhibit to Amendment No.1 to Form 8-K filed with the Securities and Exchange Commission on March 3, 2008) |
| 10.2 | Amended and Restated Agreement and Plan of Merger by and among MailTec, Inc., ProVision Merger Corp and Provision Interactive Technologies, Inc. (previously filed as an exhibit to Amendment No. 2 to Form 8-K filed with the Securities and Exchange Commission on March 5, 2008) |
| 10.3 | Employment Agreement, dated May 30, 2006, by and between Provision Interactive Technologies, Inc. and Curt Thornton (incorporated by reference to the Form 8-K, as filed with the Securities and Exchange Commission on March 20, 2008). |
| 10.4 | Employment Agreement, dated May 30, 2006, by and between Provision Interactive Technologies, Inc. and Robert Ostrander (incorporated by reference to the Form 8-K, as filed with the Securities and Exchange Commission on March 20, 2008). |
| 10.5 | Employment Agreement, dated May 30, 2006, by and between Provision Interactive Technologies, Inc. and Jeff Vrachan (incorporated by reference to the Form 8-K, as filed with the Securities and Exchange Commission on March 20, 2008). |
| 10.6 | Provision Interactive Technologies, Inc. 2002 Stock Option and Incentive Plan (incorporated by reference to the Form 8-K, as filed with the Securities and Exchange Commission on March 20, 2008). |
| 10.8 | Joint Venture Contract, by and between Provision Interactive Technologies, Inc. and Guoshengruiming Co., Ltd. (incorporated by reference to the Form 8-K, as filed with the Securities and Exchange Commission on March 20, 2008). |
| 10.9 | International Distributor Agreement, dated August 7, 2006, by and between Provision Interactive Technologies, Inc. and Datavoice Solutions Corporation (incorporated by reference to the Form 8-K, as filed with the Securities and Exchange Commission on March 20, 2008). |
| 10.10 | Distributor Agreement, dated July 7, 2005, by and between Provision Interactive Technologies, Inc. and National Data Japan Co., Ltd. (incorporated by reference to the Form 8-K, as filed with the Securities and Exchange Commission on March 20, 2008). |
| 10.14 | International Distributor Agreement, dated June 26, 2007, by and between Provision Interactive Technologies, Inc. and Nam Tien New Technology Joint Stock Company (incorporated by reference to the Form 8-K, as filed with the Securities and Exchange Commission on March 20, 2008). |
| 10.15 | Marketing Agreement, dated February 28, 2007, by and between Intel Corporation and Provision Interactive Technologies, Inc. (incorporated by reference to the Form 8-K, as filed with the Securities and Exchange Commission on March 20, 2008). |
| 10.16 | International Distributor Agreement, dated July 21, 2006, by and between Provision Interactive Technologies, Inc. and 3 Boyut Tanitim Ve Refklamcilik Hizmetler (incorporated by reference to the Form 8-K, as filed with the Securities and Exchange Commission on March 20, 2008). |
| 10.17 | International Distributor Agreement, dated July 22, 2006, by and between Provision Interactive Technologies, Inc. and Beyaz Ileisim Teknolojileri Yazihm Insaat Sanayi Ve Dis Ticaret Limited Sirketi (incorporated by reference to the Form 8-K, as filed with the Securities and Exchange Commission on March 20, 2008). |
| 10.20 | International Distributor Agreement, dated June 20, 2006, by and between Provision Interactive Technologies, Inc. and Trendform Ou (incorporated by reference to the Form 8-K, as filed with the Securities and Exchange Commission on March 20, 2008). |
| 10.21 | International Distributor Agreement, dated July 3, 2007, by and between Provision Interactive Technologies, Inc. and Mas Dimensiones Sociedad Cooperativa De Responsabilidad Limitada (incorporated by reference to the Form 8-K, as filed with the Securities and Exchange Commission on March 20, 2008). |
| 10.22 | International Distributor Agreement, dated June 26, 2007, by and between Provision Interactive Technologies, Inc. and Nam Tien New Technology Joint Stock Company (incorporated by reference to the Form 8-K, as filed with the Securities and Exchange Commission on March 20, 2008). |
| 10.24 | Strategic Alliance and Purchase Agreement, dated October 19, 2006, by and among Provision Interactive Technologies, Inc., Studio One Media, Inc., and Xtreme Technologies and Media Groups, Inc. (incorporated by reference to the Form 8-K, as filed with the Securities and Exchange Commission on March 20, 2008). |
| 10.25 | Sales and Marketing Agreement, dated February 1, 2006, by and between Provision Interactive Technologies, Inc. and The Benites Group, Inc. (incorporated by reference to the Form 8-K, as filed with the Securities and Exchange Commission on March 20, 2008). |
| 10.26 | Sales and Marketing Agreement, dated November 9, 2006, by and between Provision Interactive Technologies, Inc. and Kimmelman Neil Group (incorporated by reference to the Form 8-K, as filed with the Securities and Exchange Commission on March 20, 2008). |
| 10.30 | Sales and Marketing Agreement, dated October 27, 2006, by and between Provision Interactive Technologies, Inc. and Wonderworks Media Limited (incorporated by reference to the Form 8-K, as filed with the Securities and Exchange Commission on March 20, 2008). |
| 16.1 | Letter from Jasper & Hill, PC, dated April 30, 2008 (incorporated by reference to the Form 8-K, as filed with the Securities and Exchange Commission on May 6, 2008) |
| 21 | List of Subsidiaries (incorporated by reference to the Form 8-K, as filed with the Securities and Exchange Commission on March 20, 2008). |
| 31.1 | Certification of Chief Executive Officer and Chief Financial Officer Pursuant to Securities Exchange Act Rule 13a- |

| | |
|---|---|
| | 14(a)\15d-14(a) |
| 32.1 | Certification of Chief Financial Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934 |
| 99.1 | Pro forma financial information (incorporated by reference to the Form 8-K, as filed with the Securities and Exchange Commission on March 20, 2008). |

## SIGNATURES

In accordance with the requirements of Section 13 or 15(d) of the Exchange Act, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**PROVISION HOLDING, INC.**

Dated: November 15, 2010

By: /s/ *Curt Thornton*
Name: Curt Thornton
Title: Chief Executive Officer

In accordance with the Exchange Act, this report has been signed below by the following persons on November 15, 2010, on behalf of the registrant and in the capacities Indicated.

| Signature | Title |
| --- | --- |
| /s/ Curt Thornton<br>Curt Thornton | Chief Executive Officer, Chairman of the Board,<br>President and Director<br>(Principal Executive Officer and Principal Financial Officer) |
| /s/ Robert Ostrander<br>Robert Ostrander | Vice President, Sales, Business Development,<br>Secretary and Director |
| /s/ Jeff Vrachan<br>Jeff Vrachan | Vice President, Engineering,<br>Chief Technology Officer and Director |
| /s/ Jon Corfino<br>Jon Corfino | Director |

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

**TO THE BOARD OF DIRECTORS AND STOCKHOLDERS OF PROVISION HOLDING, INC.:**

We have audited the accompanying consolidated balance sheets of Provision Holding, Inc. (the "Company") as of June 30, 2010 and 2009, and the related statements of operations, stockholders' deficit, and cash flows for the years ended June 30, 2010 and 2009. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, based on our audits, such financial statements present fairly, in all material respects, the financial position of the Company as of June 30, 2010 and 2009, and the results of its operations and its cash flows for the years ended June 30, 2010 and 2009, in conformity with accounting principles generally accepted in the United States of America.

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in the notes to the financial statements, the Company has incurred significant losses in 2010 and 2009 and has negative working capital of approximately $4,300,000. These matters raise substantial doubt about the Company’s ability to continue as a going concern. Management’s plans concerning these matters are also described in the notes to the consolidated financial statements. The consolidated financial statements do not include adjustments that might result from the outcome of this uncertainty.

/s/ Farber Hass Hurley LLP

Camarillo, California
November 12, 2010

**PROVISION HOLDING, INC.**
**CONSOLIDATED BALANCE SHEETS**
**JUNE 30, 2010 AND 2009**

| | 2010 | 2009 |
|---|---|---|
| **ASSETS** | | |
| **CURRENT ASSETS** | | |
| Cash | $ 161,962 | $ 19,339 |
| Inventory, net | 130,168 | 222,712 |
| Prepaid expenses | 160,704 | 106,875 |
| Other current assets | 4,050 | 3,000 |
| **TOTAL CURRENT ASSETS** | 456,884 | 351,926 |
| **EQUIPMENT**, net of accumulated depreciation | 313,445 | 472,715 |
| **PREPAID FINANCING COSTS** | 498,223 | 93,781 |
| **INTANGIBLES**, net of accumulated amortization | 208,094 | 174,649 |
| **TOTAL ASSETS** | $ 1,476,646 | $ 1,093,071 |
| **LIABILITIES AND STOCKHOLDERS' DEFICIT** | | |
| **CURRENT LIABILITIES** | | |
| Accounts payable and accrued expenses | $ 523,302 | $ 486,999 |
| Payroll taxes, interest and penalties | 277,867 | 112,836 |
| Accrued interest | 881,208 | 571,417 |
| Unearned revenue | 94,640 | 71,557 |
| Loss contingency payable | 592,312 | 592,312 |
| Current portion of convertible debt, net of debt discount of $21,011 | 2,277,489 | 921,881 |
| Notes payable | 103,000 | 138,000 |
| **TOTAL CURRENT LIABILITIES** | 4,749,818 | 2,895,002 |
| **CONVERTIBLE DEBT,** net of current portion and debt discount of $525,332 | 882,168 | 219,805 |
| **TOTAL LIABILITIES** | 5,631,986 | 3,114,807 |
| **STOCKHOLDERS' DEFICIT** | | |
| Preferred stock, par value $0.001 per share | | |
| Authorized – 4,000,000 shares | | |
| Issued and outstanding – 0 shares | - | - |
| Common stock, par value $0.001 per share | | |
| Authorized – 100,000,000 shares | | |
| Issued and outstanding – 39,097,845 and 26,465,372, respectively | 39,098 | 26,465 |
| Additional paid-in capital | 14,992,205 | 12,198,454 |
| Less receivable for stock | (50,000) | (50,000) |
| Accumulated deficit | (19,136,643) | (14,196,655) |
| **TOTAL STOCKHOLDERS' DEFICIT** | (4,155,340) | (2,021,736) |
| **TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT** | $ 1,476,646 | $ 1,093,071 |

The accompanying notes are an integral part of the financial statements

**PROVISION HOLDING, INC.**
**CONSOLIDATED STATEMENTS OF OPERATIONS**
**FOR THE YEARS ENDED JUNE 30, 2010 AND 2009**

| | 2010 | 2009 |
|---|---|---|
| **REVENUES** | $ 209,354 | $ 438,772 |
| **COST OF REVENUES** | 234,533 | 234,310 |
| **GROSS PROFIT (LOSS)** | (25,179) | 204,462 |
| **EXPENSES** | | |
| General and administrative | 2,010,878 | 1,816,733 |
| Research and development | 185,775 | 170,986 |
| **TOTAL EXPENSES** | 2,196,653 | 1,987,719 |
| **(LOSS) FROM OPERATIONS** | (2,221,832) | (1,783,257) |
| **OTHER INCOME (EXPENSE)** | | |
| **Loss on debt conversion** | (111,472) | - |
| Unrealized loss on securities | - | (3,000) |
| Gain on disposal of fixed asset | - | 5,725 |
| Interest expense | (2,605,084) | (704,306) |
| **TOTAL OTHER INCOME (EXPENSE)** | (2,716,556) | (701,581) |
| **(LOSS) BEFORE INCOME TAXES** | (4,938,388) | (2,484,838) |
| Income tax expense | 1,600 | 1,600 |
| **NET (LOSS)** | $ (4,939,988) | $ (2,486,438) |
| **NET (LOSS) PER COMMON SHARE** | | |
| Basic and diluted | $ (0.16) | $ (0.10) |
| **WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING** | | |
| Basic and diluted | 30,696,613 | 25,101,493 |

The accompanying notes are an integral part of the financial statements

**PROVISION HOLDING, INC.**
**CONSOLIDATED STATEMENT OF STOCKHOLDERS' DEFICIT**
**FOR THE YEARS ENDED JUNE 30, 2010 AND 2009**

| | Common Stock | | Additional Paid-in | Receivable | Accumulated | Total Stockholders' |
|---|---|---|---|---|---|---|
| | Shares | Amount | Capital | for Stock | Deficit | Deficit |
| Balance, June 30, 2008 | 24,446,353 | $ 24,446 | $ 11,317,575 | $ (50,000) | $ (11,710,217) | $ (418,196) |
| Issuance of common stock for Services | 2,019,019 | 2,019 | 430,656 | | - | 432,675 |
| Non-cash compensation | - | - | 43,266 | | - | 43,266 |
| Debt discount | - | - | 406,957 | | - | 406,957 |
| Net (loss) for the year Ended June 30, 2009 | - | - | - | | (2,486,438) | (2,486,438) |
| Balance, June 30, 2009 | 26,465,372 | $ 26,465 | $ 12,198,454 | $ (50,000) | $ (14,196,655) | $ (2,021,736) |
| Issuance of common stock for Services | 9,339,184 | $ 9,339 | $ 1,622,751 | | - | $ 1,632,090 |
| Issuance of Common Stock for Debt | 3,172,670 | 3,173 | 341,304 | | - | 344,477 |
| Issuance of warrants for services | | | 7,080 | | | 7,080 |
| Exercise of Warrants | 7,000 | 7 | 693 | | - | 700 |
| Issuance of Common Stock | 113,619 | 114 | 19,786 | | - | 19,900 |
| Loss on Debt Conversion | - | - | 111,472 | | - | 111,472 |
| Beneficial Conversion | - | - | 427,925 | | - | 427,925 |
| Debt discount | - | - | 262,740 | | - | 262,740 |
| Net (loss) for the year Ended June 30, 2010 | - | - | - | | (4,939,988) | (4,939,988) |
| Balance, June 30, 2010 | 39,097,845 | $ 39,098 | $ 14,992,205 | $ (50,000) | $ (19,136,643) | $ (4,155,340) |

The accompanying notes are an integral part of the financial statements

**PROVISION HOLDING, INC.**
**CONSOLIDATED STATEMENTS OF CASH FLOWS**
**FOR THE YEARS ENDED JUNE 30, 2010 AND 2009**

| | 2010 | 2009 |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES:** | | |
| Net (loss) | $ (4,939,988) | $ (2,486,438) |
| Adjustments to reconcile net (loss) to net cash | | |
| (used) by operating activities: | | |
| Stock option expense | - | 36,700 |
| Non-cash compensation | 817,793 | 325,800 |
| Depreciation expense | 57,262 | 115,568 |
| Inventory Reserve | 131,000 | - |
| Amortization | 2,496 | 2,496 |
| Gain on disposal of fixed asset | - | (5,725) |
| Unrealized loss on securities | - | 3,000 |
| Amortization of debt discount | 1,947,635 | 342,950 |
| Loss on debt conversion | 111,472 | - |
| Changes in operating assets and liabilities: | | |
| Other current assets | (1,050) | - |
| Inventory | 63,552 | 100,081 |
| Other assets | 407,283 | 99,933 |
| Accounts payable and accrued liabilities | 157,806 | 187,889 |
| Payroll taxes, interest and penalties | 165,031 | 112,794 |
| Accrued interest | 333,089 | 245,922 |
| Unearned revenue | 23,083 | 71,557 |
| **NET CASH (USED) BY OPERATING ACTIVITIES** | (723,536) | (847,473) |
| **CASH FLOWS FROM INVESTING ACTIVITIES:** | | |
| Purchase of equipment | - | (40,990) |
| Patents | (35,941) | (39,589) |
| **NET CASH (USED) BY INVESTING ACTIVITIES** | (35,941) | (80,579) |
| **CASH FLOWS FROM FINANCING ACTIVITIES:** | | |
| Proceeds from notes payable, net of fees | 883,500 | 659,750 |
| Payments on notes payable | (2,000) | - |
| Exercise of Warrants | 700 | - |
| Stock Issued | 19,900 | - |
| **NET CASH PROVIDED BY FINANCING ACTIVITIES** | 902,100 | 659,750 |
| **NET (DECREASE) IN CASH AND CASH EQUIVALENTS** | 142,623 | (268,302) |
| **CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD** | 19,339 | 287,641 |
| **CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD** | $ 161,962 | $ 19,339 |

The accompanying notes are an integral part of the financial statements

**PROVISION HOLDING, INC.**
**CONSOLIDATED STATEMENTS OF CASH FLOWS CONTINUED**
**FOR THE YEARS ENDED JUNE 30, 2010 AND 2009**

| | 2010 | 2009 |
|---|---|---|
| **SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION** | | |
| Interest paid | $ - | $ 12,500 |
| Taxes paid | $ 1,600 | $ 1,600 |
| **SCHEDULE OF NON-CASH INVESTING AND FINANCING ACTIVITIES:** | | |
| Issuance of 3,172,670 shares of common stock for debt conversion | $ 344,477 | $ - |

## PROVISION HOLDING, INC.
## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
## FOR THE YEARS ENDED JUNE 30, 2010 AND 2009

### NOTE 1 ORGANIZATION AND BASIS OF PRESENTATION

*Business Description and Presentation*

On February 14, 2008, MailTec, Inc. (now known as Provision Holding, Inc.) (the "Company") entered into an Agreement and Plan of Merger, which was amended and restated on February 27, 2008 (as amended and restated, the "Agreement"), and closed effective February 28, 2008, with ProVision Merger Corp., a Nevada corporation and wholly owned subsidiary of the Company (the "Subsidiary") and Provision Interactive Technologies, Inc., a California corporation ("Provision"). Pursuant to the Agreement, the Subsidiary merged into Provision, and Provision became a wholly owned subsidiary of the Company. As consideration for the merger of the Subsidiary into Provision, the Company issued 20,879,350 shares of the Company's common stock to the shareholders, creditors, and certain warrant holders of Provision, representing approximately 86.5% of the Company's aggregate issued and outstanding common stock, and the outstanding shares and debt, and those warrants whose holders received shares of the Company's common stock, of Provision were transferred to the Company and cancelled.

The Company is focused on the development and distribution of Provision's patented three-dimensional, holographic interactive displays focused at grabbing and holding consumer attention particularly and initially in the advertising and product merchandising markets. The systems display a moving 3D image size to forty inches in front of the display, projecting a digital video image out into space detached from any screen, rendering truly independent floating images featuring high definition and crisp visibility from far distances. The nearest comparable to this technology can be seen in motion pictures such as Star Wars and Minority Report, where objects and humans are represented through full-motion holograms.

Provision's proprietary and patented display technologies and software, and innovative solutions aim to attract consumer attention. Currently THE Company has multiple contracts to place Provision's products into large California grocery stores, independent Hispanic grocery stores, as well as signed agreements with advertising agents to sell ad space to Fortune 500 customers. Given the technology's potential in the advertising market, the Company is focused on creating recurring revenue streams from the sale of advertising space on each unit.

*Going Concern and Management Plans*

These financial statements are presented on the basis that the Company is a going concern. Going concern contemplates the realization of assets and the satisfaction of liabilities in the normal course of business over a reasonable length of time. The Company has incurred a loss of approximately $5,000,000 in the current period andhas negative working capital of approximately $4,300,000 . These matters raise substantial doubt about the Company's ability to continue as a going concern. The consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. The Company's continuation as a going concern is dependent upon its ability to generate sufficient cash flow to meet its obligations on a timely basis, to obtain additional financing or refinancing as may be required and, ultimately, to attain profitable operations. Management's plan to eliminate the going concern situation include, but are not limited to, the raise of additional capital through issuance of debt and equity, improved cash flow management, aggressive cost reductions, and the creation of additional sales and profits across its product lines.

*Principles of Consolidation and Reporting*

The consolidated financial statements include the financial statements of the Company and its wholly owned subsidiary. All significant inter-company balances and transactions have been eliminated in consolidation. The Company uses a fiscal year end of June 30.

*Basis of comparison*

Certain prior-year amounts have been reclassified to conform to the current year presentation.

*Use of Estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make certain estimates and assumptions that affect the reported amounts and timing of revenues and expenses, the reported amounts and classification of assets and liabilities, and the disclosure of contingent assets and liabilities. These estimates and assumptions are based on the Company's historical results as well as management's future expectations. The Company's actual results could vary materially from management's estimates and assumptions.

*Cash and Cash Equivalents*

The Company considers all highly liquid investments, with an original maturity of three months or less when purchased, to be cash equivalents.

*Accounts Receivable*

Accounts receivable are not collateralized and interest is not accrued on past due accounts. Periodically, management reviews the adequacy of its provision for doubtful accounts based on historical bad debt expense results and current economic conditions using factors based on the aging of its accounts receivable. After management has exhausted all collection efforts, management writes off receivables and the related reserve. Additionally, the Company may identify additional allowance requirements based on indications that a specific customer may be experiencing financial difficulties. Actual bad debt results could differ materially from these estimates.

*Inventories*

Inventories are stated at the lower of cost (first-in, first-out) or market. The Company periodically reviews its inventories for indications of slow movement and obsolescence and records an allowance when it is deemed necessary.

*Intangibles*

Intangibles represent primarily costs incurred in connection with patent applications. Such costs are amortized using the straight-line method over the useful life of the patent once issued, or expensed immediately if any specific application is unsuccessful.

*Impairment of Long-Lived Assets and Goodwill*

Intangible assets that are not subject to amortization shall be tested for impairment annually, or more frequently if events or changes in circumstances indicate that the asset might be impaired. The impairment test shall consist of a comparison of the fair value of an intangible asset with its carrying amount, as defined. If the carrying amount of an intangible asset exceeds its fair value, an impairment loss shall be recognized in an amount equal to that excess. There was no impairment loss recognized in 2010 or 2009.

The carrying value of long-lived assets, including amortizable intangibles and property and equipment, are evaluated whenever events or changes in circumstances indicate that a potential impairment has occurred relative to a given asset or assets. Impairment is deemed to have occurred if projected undiscounted cash flows associated with an asset are less than the carrying value of the asset. The estimated cash flows include management's assumptions of cash inflows and outflows directly resulting from the use of that asset in operations. The amount of the impairment loss recognized is equal to the excess of the carrying value of the asset over its then estimated fair value. There was no impairment loss recognized in 2010 or 2009.

*Revenue Recognition*

The Company recognizes gross sales when persuasive evidence of an arrangement exists, title transfer has occurred, the price is fixed or readily determinable, and collection is probable. It recognizes revenue in accordance with Staff Accounting Bulletin No. 104, "Revenue Recognition." Revenue from licensing, distribution and marketing agreements is recognized over the term of the contract.

*Significant Customers*

During 2010 three customers accounted for more than 10% of the Company's revenues (23%, 15% and 13%). No single customer accounted for more than 10% of the Company's revenues in 2009.

*Research and Development Costs*

The Company charges all research and development costs to expense when incurred. Manufacturing costs associated with the development of a new process or a new product are expensed until such times as these processes or products are proven through final testing and initial acceptance by the customer.

*Depreciation and Amortization*

The Company depreciates its property and equipment using the straight-line method with estimated useful lives from three to seven years. For federal income tax purposes, depreciation is computed using an accelerated method.

*Shipping and Handling Costs*

The Company's policy is to classify shipping and handling costs as a component of Costs of Revenues in the Statement of Operations.

*Advertising Costs*

Advertising costs are expensed as incurred. Advertising expense was $59,814 and $123,094 in 2010 and 2009, respectively.

*Fair Value of Financial Instruments*

Fair value estimates discussed herein are based upon certain market assumptions and pertinent information available to management as of June 30, 2010 and 2009. The respective carrying value of certain on-balance-sheet financial instruments, approximate their fair values. These financial instruments include cash, accounts receivable, accounts payable, accrued expenses and notes payable. Fair values were assumed to approximate carrying values for these financial instruments because they are short term in nature and their carrying amounts approximate fair values or they are receivable or payable on demand.

*Fair Value of Financial Instruments*

The Company uses fair value measurements under the three-level valuation hierarchy for disclosures of fair value measurement and enhances disclosure for fair value measures. The three levels are defined as follows:

- Level 1 inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2 inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the assets or liability, either directly or indirectly, for substantially the full term of the financial instruments.
- Level 3 inputs to the valuation methodology are unobservable and significant to the fair value.

| | Carrying Value June 30, 2010 | Fair Value Measurements June 30, 2010 Using Fair Value Hierarchy | | |
|---|---|---|---|---|
| | | Level 1 | Level 2 | Level 3 |
| Convertible notes (net of discount) | $ 3,159,657 | $ -- | $ -- | $ 3,159,657 |

The following table provides a summary of the changes in fair value of the Company's Promissory Notes, which are both Level 3 liabilities as of June 30, 2010:

| | Promissory Notes |
|---|---|
| Balance at June 30, 2009 | $ 1,141,686 |
| Issuance of notes– net | 70,336 |
| Accretion of debt discount | 1,947,635 |
| Balance June 30, 2010 | $ 3,159,657 |

The Company determined the value of its convertible notes using a market interest rate and the value of the warrants and beneficial conversion feature issued at the time of the transaction less the accretion. There is no active market for the debt and the value was based on the delayed payment terms in addition to other facts and circumstances at the end of June 2010.

*Accounting for Stock Option Based Compensation*

The Company calculates compensation costs for all share-based awards to employees based on the grant date fair value of those awards and recognized over the period during which the employee is required to perform services in exchange for the award (generally over the vesting period of the award).

*Income Taxes*

The Company recognizes deferred tax assets and liabilities for the future tax consequences attributable to differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax bases. They are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period the enactment occurs. A valuation allowance is provided for certain deferred tax assets if it is more likely than not that the Company will not realize tax assets through future operations.

The Company records uncertain tax positions when they become evident. The Company recognizes in the consolidated financial statements only those tax positions determined to be more likely than not of being sustained upon examination, based on the technical merits of the positions. Under these provisions, the Company must assume that the taxing authority will examine the income tax position and will have full knowledge of all relevant information. For each income tax position that meets the more likely than not recognition threshold, the Company then assesses the largest amount of tax benefit that is greater than 50 percent likely of being realized upon effective settlement with the taxing authority. Unrecognized tax positions, if ever recognized in the financial statements, are recorded in the statement of operations as part of the income tax provision. The Company's policy is to recognize interest and penalties accrued on uncertain tax positions as part of income tax provision. The Company did not identify any uncertain tax positions in 2010 or 2009. The Company remains subject to examination by the Federal and State tax authorities since inception through June 30, 2010.

*Basic and Diluted Income (Loss) per Share*

Basic income (loss) per common share is computed by dividing net income (loss) available to common stockholders by the weighted average number of common shares outstanding. Diluted income (loss) per common share is computed similar to basic income per common share except that the denominator is increased to include the number of additional common shares that would have been outstanding if the potential common shares had been issued and if the additional common shares were dilutive. As of June 30, 2010, the Company had debt instruments, options and warrants outstanding that can potentially be converted into approximately 38,000,000 shares of common stock. Inclusion of these shares is not incorporated in the computation as their effect would be anti-dilutive

*Recent Accounting Pronouncements*

In January 2010, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2010-06, an update that improves the requirements related to Fair Value Measurements and Disclosures Subtopic 820-10 of the FASB Accounting Standards Codification ("ASC") originally issued as FASB Statement 157. This update requires disclosures about transfers between Level 1, Level 2 and Level 3 assets and the disaggregated activity in the roll forward for level 3 Fair Value measurements. The Company adopted the measurement requirements of this guidance for the year ended June 30, 2010 with no impact to the consolidated financial statements.

There were no other recent pronouncements which would have an impact on the Company's consolidated financial statements.

**NOTE 2 INVENTORY**

Inventory consists of the following:

| | June 30, 2010 | June 30, 2009 |
|---|---|---|
| Raw materials | $ 186,447 | $ 128,388 |
| Work in process | 74,721 | 94,324 |
| Finished goods | - | - |
| | 261,168 | 222,712 |
| Less Inventory Reserve | (131,000) | - |
| Total | $ 130,168 | $ 222,712 |

**NOTE 3 EQUIPMENT, net**

Equipment consists of the following:

| | June 30, 2010 | June 30, 2009 |
|---|---|---|
| Furniture and fixtures | $ 17,018 | $ 17,018 |
| Computer equipment | 30,579 | 30,579 |
| Equipment | 166,602 | 166,602 |
| Demo units | 208,516 | 69,943 |
| 3DEO Kiosks | 196,672 | 438,912 |
| | 619,387 | 723,054 |
| Less accumulated depreciation | (305,942) | (250,339) |
| Total | $ 313,445 | $ 472,715 |

**NOTE 4 INTANGIBLES, net of accumulated amortization**

Intangibles consist of the following:

| | June 30, 2010 | June 30, 2009 |
|---|---|---|
| Patents in process | $ 162,509 | $ 126,569 |
| Patents issued | 58,037 | 58,037 |
| | 220,546 | 184,606 |
| Less accumulated amortization | (12,452) | (9,957) |
| Total | $ 208,094 | $ 174,649 |

**NOTE 5 CONVERTIBLE DEBT**

Convertible debt consists of the following:

| | June 30, 2010 |
|---|---|
| Convertible notes payable, annual interest rate of 10%, due dates range from May 2010 to December 2010 and convertible into common stock at a rate of $0.06 to $1.00 per share. | $ 2,956,000 |
| Convertible note payable, annual interest rate of 10%, convertible into common stock at a rate of $1.00 per share and due June 2012. . | 750,000 |
| | |
| Unamortized debt discount | (456,197) |
| | 3,159,657 |
| Less current portion | (2,277,489) |
| | |
| Convertible debt, net of current portion and debt discount | $ 882,168 |

During 2010, $846,500 of convertible debt was issued with 3,869,791 warrants which expire within five years of the date of issue, through October 2014, with exercise prices of $0.20 to $0.50 per share.

**NOTE 6 NOTES PAYABLE**

At June 30, 2010, $103,000 of debt was outstanding with interest rates of 8% to 10%.

**NOTE 7 COMMITMENTS**

Lease Agreement - The Company leases its office space under a month-to-month lease.  Rent expense for 2010 and 2009 was $73,824 and $73,824, respectively.

Royalty Fees - The Company has entered into a royalty agreement with another company. The other entity's technology has certain characteristics and properties used in conjunction with the Company's products. The agreement requires royalties to be paid at 4% of applicable sales. The Company is currently in contract negotiations to purchase the other entity's patent. Royalty expense for 2010 and 2009 was $1,964 and $5,942 respectively.

The Company is delinquent in remitting its payroll taxes to the applicable governmental authorities. Total due at June 30, 2010, including estimated penalties and interest is $277,867.

**NOTE 8 EQUITY**

**Common Stock**

During July 2009 - June 2010, the Company issued 2,162,255shares of its common stock to consultants for services rendered. The underlying shares had a fair market value of $439,153on the date of issuance. As such, the Company has included $388,744 of non-cash compensation expense in the statement of operations for the year ended June 30, 2010.

During August 2009 - June 2010, the Company issued 603,441 shares of its common stock to its legal counsel for services rendered. The underlying shares had a fair market value of $111,481 on the date of issuance. As such, the Company has included $105,996 of non-cash compensation expense in the statement of operations for the year ended June 30, 2010.

During December 2009, the Company issued 540,000 shares of its common stock to lenders for various borrowings. The underlying shares had a fair market value of $85,600 on the date of issuance. As such, the Company has included $58,400 on interest expense and $27,200 of non-cash compensation expense in the statement of operations for the year ended June 30, 2010.

During February 2010, the Company received cash proceeds totaling $19,900 in connection with the issuance of 113,619 shares of its common stock to investors for common stock subscriptions.

During February - June 2010, the Company issued 3,172,670 shares of its common stock to note holder's for the relief of outstanding debt. The underlying shares had a fair market value of $455,948 on the date of issuance. As such, the Company has included $111,472 of loss on settlement of debt expense in the statement of operations for the year ended June 30, 2010.

During May 2010, the Company issued 2,445,688 shares of its common stock in connection with the preferred stock purchase agreement (The "Purchase Agreement") with Socius Capital Group, LLC as a condition to the Commitment Closing. . The underlying shares had a fair market value of $366,853 on the date of issuance. As such, the Company has capitalized $366,853 of prepaid financing costs as of June 30, 2010.

During May 2010, the Company issued 550,000 shares of its common stock to employees for services rendered. The underlying shares had a fair market value of $110,000 on the date of issuance. As such, the Company has included $110,000 of non-cash compensation expense in the statement of operations for the year ended June 30, 2010.

During August - December 2009, the Company issued 3,000,000 shares of its common stock to financial advisors for services rendered. The underlying shares had a fair market value of $504,000 on the date of issuance. As such, the Company has included $145,873 of non-cash compensation expense in the statement of operations for the year ended June 30, 2010.

**Warrants**

During the year ended June 30, 2010, the Company issued warrants to purchase 24,444,791 shares of common stock in connection with convertible notes. These warrants have an exercise price of $0.10 to $0.75 per share and expire three years from the date of issue.

In connection with the Series B Preferred Stock purchase agreement, the Company granted 20,000,000 warrants to Socius Capital Group, LLC with an exercise price of $0.1022 per share. The warrants are exercisable in tranches ("Warrant Tranche") with a separate tranche being created upon each delivery of notice under the Series B Preferred Stock purchase agreement. The warrants grant the holder the right, for a five-year period, to exercise the warrant and purchase up to a number of shares of Common Stock equal to 135% of the purchase price of the applicable tranche. As of June 30, 2010, Socius Capital Group, LLC had not purchased any Series B Preferred Stock.

The outstanding warrants for the purchase of the Company's Common Stock as of June 30, 2010, are listed below. None of the warrants are owned by a director, officer or employee of the Company.

| Strike Price | | Number of Warrants | Exercise Period |
|---|---|---|---|
| $ | 0.10 | 177,000 | February 2009 through March 2012 |
| $ | 0.11 | 20,000,000 | May 2010 through May 2015 |
| $ | 0.15 | 500,000 | October 2009 through October 2012 |
| $ | 0.20 | 3,716,666 | July 2009 through March 2014 |
| $ | 0.50 | 153,125 | October 2009 through November 2014 |
| $ | 0.75 | 75,000 | May 2010 through May 2013 |
| $ | 1.00 | 19,900 | December 2008 through December 2011 |
| $ | 1.50 | 694,653 | May 2008 through November 2011 |
| | | 25,336,344 | |

If these warrants were exercised, the Company would receive $5.4 million in additional capital. The fair value of the warrants is determined on a using the Black Scholes Valuation Model.

In 2010, the Company retired 500,000 warrants with a $1.00 strike price and 500,000 warrants with a $1.50 strike price for a total of 1,000,000 warrants from the Senior Convertible debt holders. The following table is a summary of the warrants calculation:

| | 2010 | | | | | 2009 | | | 2008 |
|---|---|---|---|---|---|---|---|---|---|
| Strike Price | $ 0.11 | $ 0.15 | $ 0.20 | $ 0.50 | $ 0.75 | $ 0.10 | $ 1.00 | $ 1.50 | $ 1.50 |
| Share price | $ 0.10 | $ 0.17 | $ 0.21 | $ 0.17 | $ 0.17 | $ 0.12 | $ 0.11 | $ 1.17 | $ 1.51 |
| Warrants outstanding | 20,000,000 | 500,000 | 3,716,666 | 153,125 | 75,000 | 177,000 | 19,900 | 291,324 | 403,329 |
| Remaining days | 1,277 | 842 | 1,277 | 1,550 | 998 | 525 | 544 | 454 | 328 |
| Volatility | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| Interest rate | 1.20% | 1.44% | 1.39% | 1.43% | 1.69% | 1.35% | 1.04% | 2.50% | 2.73% |
| Black-Scholes value | $ 0.07 | $ 0.11 | $ 0.14 | $ 0.10 | $ 0.06 | $ 0.08 | $ 0.02 | $ 0.68 | $ 0.95 |

**Series B Preferred Stock**

In May 2010, the Company agreed to sell up to 500 shares of Series B Preferred Stock to Socius Capital Group, LLC at a purchase price of $10,000 per share, for an aggregate purchase price of up to $5,000,000. The Preferred Shares shall, with respect to dividend, rights upon liquidation, winding-up or dissolution, rank senior to the Company's common stock and any other class or series of preferred stock of the Company unless otherwise noted and junior to the Series A Preferred stock and all existing and future indebtedness of the Corporation. In addition, the Preferred Shares shall accrue dividends at a rate of 10% per annum, payable in Preferred Shares, shall not have voting rights except as required by applicable law, and may be redeemed at the Company's option, commencing 4 years from the issuance date at a price per share of $10,000 per share plus accrued but unpaid dividends, or, at a price per share of 127% of the Series B Liquidation Value if redeemed on or after the first anniversary but prior to the second anniversary of the initial issuance date, 118% of the Series B Liquidation Value if redeemed on or after the second anniversary but prior to the third anniversary of the initial issuance date, and 109% of the Series B Liquidation Value if redeemed on or after the third anniversary but prior to the fourth anniversary of the initial Issuance Date. At this time, no Preferred Shares have been purchased by the Investor.

In connection with the Series B Preferred Stock purchase agreement, the Company agreed to pay to Socius Capital Group, LLC a commitment fee of $250,000 (the "Commitment Fee"), at the earlier of the closing of the first Tranche, the effectiveness of a registration statement, or the six month anniversary of the Effective Date, payable at the Company's election in cash or common stock valued at 82% of the volume weighted average price of the Company's common stock on the five trading days preceding the payment date.

**Stock Option Plan**

The Company has one stock option plan: The Provision Interactive Technologies, Inc. 2002 Stock Option and Incentive Plan, (the "Plan"). As of June 30, 2010, there were 3,334,149 shares available for issuance under the Plan. The Plan is administered by the Company's Board of Directors, (the "Board").

As of June 30, 2010, the Plan provides for the granting of non-qualified and incentive stock options to purchase up to 5,000,000 shares of common stock. Options vest at rates set by the Board, not to exceed five years and are exercisable up to ten years from the date of issuance. The option exercise price is set by the Board at time of grant. Options and restricted stock awards may be granted to employees, officers, directors and consultants.

During 2010, no new options were granted to employees or consultants. Employee options outstanding as of June 30, 2010 were 665,851. The weighted average grant-date fair value of options granted under the Company's Option Plan during 2010 and 2009 was $0 and $0, respectively.

Stock option transactions for 2010 and 2009 are summarized as follows:

| | Shares | Weighted Average Exercise Price | Weighted Average Remaining Term | Aggregate Intrinsic Value |
|---|---|---|---|---|
| **Outstanding, June 30, 2008** | 675,851 | $ 1.40 | 2.5 | |
| Granted | - | - | | |
| Exercised | - | - | | |
| Expired | | | | |
| **Outstanding, June 30, 2009** | 675,851 | 1.40 | 1.5 | |
| Granted | - | - | | |
| Exercised | - | - | | |
| Expired | (10,000) | 1.07 | | |
| **Outstanding, June 30, 2010** | 665,851 | | .5 | |
| Exercisable, June 30, 2010 | 665,851 | $ 1.40 | .5 | |

The fair value of options exercised in fiscal years 2010 and 2009 was approximately $0 and $0, respectively.

The Company recorded $0 and $36,700 of stock compensation expense in our consolidated statements of operations for the years ended 2010 and 2009, respectively.

As of June 30, 2010, there was $0 of total unrecognized compensation cost related to non-vested share-based compensation arrangements granted under existing stock option plans.

**NOTE 9 INCOME TAXES**

Deferred income tax assets and liabilities are computed annually for differences between the financial statement and income tax bases of assets and liabilities. Such deferred income tax asset and liability computations are based on enacted tax laws and rates applicable to periods in which the differences are expected to reverse. Valuation allowances are established, when necessary, to reduce deferred income tax assets to the amounts expected to be realized. Income tax expense is the tax payable or refundable for the period plus or minus the change during the period in deferred income tax assets and liabilities.

Deferred income taxes result from temporary differences in the recognition of revenues and expenses for financial and tax reporting purposes. At June 30, 2010 and 2009, deferred income tax assets, which are fully reserved, were comprised primarily of the net operating loss carryforwards of $5,600,000 and $4,400,000, respectively.

The valuation allowance increased by $1,200,000 and $880,000during 2010 and 2009, as a result of the increase in the net operating carryforwards.

For federal income tax purposes, the Company has net operating loss carryforwards of approximately $14,000,000 as of June 30, 2010 that expire through 2030. Additionally, the ultimate utilization of net operating losses may be limited by change of control provision under section 382 of the Internal Revenue Code.

Income tax expense for 2010 and 2009 consists of the minimum state franchise tax.

**NOTE 10 LEGAL PROCEEDINGS**

On August 26, 2004, in order to protect its legal rights and in the best interest of the shareholders at large, the Company filed, in the Superior Court of California, a complaint alleging breach of contract, rescission, tortuous interference and fraud with Betacorp Management, Inc. In an effort to resolve all outstanding issues, the parties agreed, in good faith, to enter into arbitration in the State of Texas, domicile of the defendants. On August 11, 2006, a judgment was awarded against the Company in the sum of $592,312. The Company believes the judgment is without merit and has filed an appeal. A contingency loss of $592,312 was charged to operations during the year ended June 30, 2007.

**NOTE 11 SUBSEQUENT EVENTS (UNAUDITED)**

<u>Convertible Debt</u>

During July through November, 2010, the Company received $70,000 proceeds from the issuance of convertible notes payable. The convertible notes bear interest at 8% and are due twenty four months from the date of issuance. In connection with the convertible notes, the Company issued 350,000 warrants to the note holders with an exercise price of $0.20.

<u>Warrants</u>

During July through November, 2010, the Company issued 166,667 warrants to various parties with an exercise price of $0.06

**Exhibit 31.1**

## CERTIFICATION

I, Curt Thornton, certify that:

1. I have reviewed the annual report on Form 10-K for the period ended June 30, 2010 of Provision Holding, Inc.;

2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;

3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this annual report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal controls over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting;

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: November 15, 2010

By: /s/ Curt Thornton
Chief Executive Officer, Chairman of the Board,
President and Director
(Principal Executive Officer and Principal
Financial Officer)

**Exhibit 32.1**

**CERTIFICATION PURSUANT TO**
**18 U.S.C. SECTION 1350,**
**AS ADOPTED PURSUANT TO**
**SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the annual report on Form 10-K for the period ended June 30, 2010 of Provision Holding, Inc. (the “Company”) as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Curt Thornton, Chief Executive Officer and President of the Company, certify, pursuant to 18 U.S.C. Section 1350 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

The foregoing certification is being furnished solely to accompany the Report pursuant to 18 U.S.C. section 1350 and is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

Date: November 15, 2010

By: /s/ Curt Thornton
Chief Executive Officer, Chairman of the Board,
President and Director
(Principal Executive Officer and Principal
Financial Officer)