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 Exchange Act of 1934

For the fiscal year ended: **June 30, 2017**

PROVISION HOLDING, INC.

(Exact name of registrant as specified in its charter)

Nevada	**333-127347**	**90-0457009**
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification Number)

9253 Eton Avenue, Chatsworth, California 91311
(Address of Principal Executive Office) (Zip Code)

(818) 775-1624
(Registrant’s telephone number, including area code)

Securities registered under Section 12(b) of the Exchange Act: **None**

Securities registered under Section 12(g) of the Exchange Act:
Common Stock, par value $0.001 per share

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 15(d) of the Exchange Act. ☐ Yes ☒ No

Indicate by checkmark whether the registrant (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 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 checkmark if disclosure of delinquent filers in response to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the 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. ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☒
		Emerging growth company	☐

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

As of December 31, 2016, the aggregate market value of the voting stock held by non-affiliates of the Registrant was approximately $11,169,597 based on a closing price of $0.12 per share of common stock as quoted on the OTC Markets on such date.

On October 13, 2017, we had 137,218,206 shares of common stock, par value $0.001 per share (the “Common Stock”) issued and outstanding.

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FORWARD-LOOKING STATEMENTS

Certain statements made in this Annual Report on Form 10-K are "forward-looking statements" regarding the plans and objectives of management for future operations. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements of Provision Holding, Inc. to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The forward-looking statements included herein are based on current expectations that involve numerous risks and uncertainties. The Company's plans and objectives are based, in part, on assumptions involving the continued expansion of business. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the control of the Company. Although the Company believes its assumptions underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate and, therefore, there can be no assurance the forward-looking statements included in this report will prove to be accurate. In light of the significant uncertainties inherent in the forward-looking statements included herein particularly in view of the current state of our operations, the inclusion of such information should not be regarded as a statement by us or any other person that our objectives and plans will be achieved. Factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements include, but are not limited to, the factors set forth herein under the headings "Description of Business". We undertake no obligation to revise or update publicly any forward-looking statements unless required by law.

PART I

Business History and Overview

Provision Holding, Inc. and its subsidiary, Provision Interactive Technologies, Inc. ("Provision"), is a purveyor of intelligent interactive 3D holographic display technologies, software, and integrated solutions for both commercial and consumer focused applications. Provision's 3D holographic display systems projects full color, high resolution videos into space detached from the screen, without any special glasses. Provision is currently a market leader in true 3D consumer advertising display products.

We are 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 and integrating them into Provision's 3D Savings Center kiosks.

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.

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. At the time of the reverse acquisition, MailTec was not engaged in any active business.

Our corporate headquarters are located in Chatsworth, California and our phone number is (818) 775-1624.

Products and Services

We believe we are well positioned to capitalize on advertisers' demands as ProVision's HoloVision™ display and 3D Savings Center kiosks offer 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.

ProVision's HoloVision™ display can be used for a number of applications, including:

Retail	Education	Medical	Entertainment	Consumer
Drug Stores / Convenience Stores	Primary / Secondary Schools	Doctors / Dentist Offices	Slot Machines, Pachinko	Home Game Consoles
Grocery Stores	Universities	Hospitals	Casinos	Computer Monitors
Banking	Museums	Imaging	Lottery	TV
Fast Food	Libraries		Movie Theaters	Cell Phones
Hotels / Hospitality	Science Centers		Video Games	
Electronics			Theme Parks	

Business Development

Launching our first products into grocery stores and retail pharmacies, we have developed a new patented application. Known as the "3D Savings Center", this ProVision device projects 3D video advertisements and allows consumers to print coupons as well as receive non-cash awards. The 3D Savings Center kiosk provides consumer product goods 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 3D Savings Center kiosks 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.

We have now aligned a retail chain, a hardware purchaser to buy 3D Savings Center kiosks to install into the retail chain and advertising agencies to sell ads for the 3D Savings Center kiosks. We generated revenues from hardware sales and advertising sales in the year ended June 30, 2017.

Rite Aid Pharmacies

We plan to build, own, and operate networks of 3D Savings Center kiosks. In April 2013, we had an agreement with Rite Aid Pharmacies ("Rite Aid") to install 3D Savings Centers kiosks in all participating Rite Aid stores throughout the United States. We successfully completed the pilot test phase with nine stores in Los Angeles, and have completed the manufacturing of, and received payment for, the first 200 3D Savings Center kiosks in March 2015. The Company began shipping the first 200 kiosks to be installed in stores at the end of March 2015, with installation and deployment continuing through October 2015. We commenced operations in these stores in June 2015 and started producing limited advertising revenue during the same fiscal quarter. With the successful incorporation of Rite Aid's wellness and loyalty program, now known as "Plenti" onto the 3D Savings Center kiosks in New York and Los Angeles and we have installed approximately 700 kiosks in Rite Aid's top 10 demographic markets. The Company plans to earn advertising revenue from advertisements in Rite Aid.

ProDava 3D

On June 30, 2014 the Company entered into an agreement with DB Dava, LLC ("DB") to help the Company launch the 3D network in Rite Aid. The agreement creates a newly-formed entity, ProDava 3D, LLC ("ProDava 3D"), to purchase Provision's 3D Savings Center kiosks for placement into Rite Aid stores. ProDava 3D may purchase up to $50 million in 3D Savings Center kiosks. The agreement calls for an initial purchase of $2 million of 3D Savings Center kiosks in the fiscal year ending in June 30, 2015. The Company generated revenues and gross profit from the sale of machines to ProDava 3D during the fiscal year ended June 30, 2017.

ProDava 3D is purchasing 3D Savings Center kiosks, manufactured by Provision. These will be placed in high traffic aisles of nationally recognized retail stores, initially Rite Aid, with advertisements of consumer packaged products, other consumer goods manufacturers along with local/regional advertisers. Ad sales inventory will include marquee 3D hologram images, coupons, and other rewards and transactions of products sold in the stores (focused on new product introductions).

Provision's contribution to ProDava 3D includes Provision's know-how, management, and its agreement with the national retail pharmacy that will be the first target for the 3D Savings Center kiosk launch. Provision will be responsible for manufacturing, installation, service, maintenance, technical support, network management, advertising, marketing, and accounting of each 3D Savings Center kiosk for the joint venture. Provision will be compensated for rendering and performing all of these services. The advertising and other revenues generated from the 3D Savings Center kiosks will be divided among Provision and DB.

For the year ended June 30, 2017 total revenue includes $1,263,008 revenue from a related party. Also, total unearned revenue as of June 30, 2017 includes $1,256,607 advance payments for sales orders received from a related party.

Lifestyle Ventures LLC

The Company also received a $900,000 deposit from Lifestyle Ventures LLC for the purchase and marketing of Provision's 3D Savings Center kiosk to be installed in approved retail store chains. Lifestyle Ventures LLC is required to deposit an additional $1.1 million with an option to increase its investment up to $20 million.

Coinstar LLC

On June 15, 2017, the Company entered into a five-year Strategic Alliance Agreement with Coinstar, LLC ("Coinstar"). Coinstar owns and operates approximately 17,000 self-service coin counting kiosks at retailer store locations in the United States. The Company and Coinstar will work jointly to develop and integrate the Company's free standing patented 3D holographic display systems, known as HoloVision™ (the "Systems") into Coinstar's kiosks, and will be installed and promoted at retailer store locations, the specifics of which will be mutually agreed to and summarized in a separate agreement (each a "Statement of Work"). The Systems will have a proprietary coupon/loyalty card software application and provide advertising and promotions through Coinstar kiosks. For all retailer store locations in which Coinstar kiosks are installed, Coinstar has been granted an exclusive first right of refusal to include such locations.

The Company shall pay to Coinstar, and Coinstar shall pay to participating retailers a specified percentage of monthly Net Advertising Revenues, per kiosk (the "Promotion Retailer Commission") included in a Statement of Work, which shall be determined by mutual agreement of Coinstar and Provision. "Net Advertising Revenues" is defined as gross advertising revenues from Systems less any operational expenses incurred in connection with such Systems (for example: cost of paper, service, network connectivity, network administration). The Company shall evenly divide the remaining monthly Net Advertising Revenues after deducting the Promotion Retailer Commission).

Under the agreement, Provision and Coinstar will integrate Provision's patented 3D "Holovision" display systems into Coinstar kiosks nationwide. The Provision 3D holographic display will "bolt-on" to the top of the existing Coinstar kiosk as a "topper". Our couponing and loyalty card system software will be integrated into the Coinstar touch-screen interface. The firms will evenly divide the monthly net advertising revenues, after deducting promotional retailer commissions. Provision believes that the monthly advertising revenue potential in this channel should exceed that of a retail pharmacy chain.

The Provision "topper" has been designed by an award winning industrial designer, and we plan to assemble the prototype beginning in August, 2017. The software teams have begun the required integration work, and we anticipate a working prototype in October, 2017. We have targeted up to 300 locations for rollout by December 31, 2017, with broader deployment scheduled for the 2018 calendar year.

Other Business Arrangements

The Company has signed a Master Collaboration Agreement with Intel Corporation to identify and collaborate on certain technical and marketing activities as contained in the agreement. Collaboration includes joint technical development and marketing activities as determined by the two companies.

The Company has signed a Master Service Agreement with Fujifilm Corporation to provide to Company and its customers with installation and maintenance serves to the Company's 3D Savings Center Kiosks inside Rite Aid retail stores.

Competition

Currently, Provision's competition is that no other 3D companies, which 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:

Employees

As of June 30, 2017, we have eight 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.

For the years ended June 30, 2017 and 2016, the Company incurred $300,905 and $311,798, respectively for research and development expense which are included in the consolidated statements of operations. Our research and development expense is primarily related to employees and contractors that provide specialized services.

Intellectual Property

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.

The following table summarizes the status of ProVision patents 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 and trademarks.

Patent/Registration #	Date	Status	Type	Note
US 7,568,803 B2	4-Aug-09	Issued	Utility	Aerial Display System with Low Cost Plastic Spherical Mirror
US D527,729 S	5-Sep-06	Issued	Design	Housing for an Interactive Aerial Display System
US D505,948 S	7-Jun-05	Issued	Design	Housing for an Interactive Aerial Display System
US D526,647 S	15-Aug-06	Issued	Design	Housing for an Interactive Aerial Display System
US D506,756 S	28-Jun-05	Issued	Design	Housing for a Wall-Mounted Aerial Display System
US D506,464 S	21-Jun-05	Issued	Design	Housing for a Hooded Interactive Aerial Display System
US 7,614,749 B2	10-Nov-09	Issued	Utility	Aerial-Image Display Systems with a Plastic Mirror
US 6,733,293 B2	11-May-04	Issued	Utility	Personal Simulator
US 6,808,268 B2	26-Oct-04	Issued	Utility	Projection System for Aerial Display of Three-Dimensional Video Images
US 8,279,268 B2	2-Oct-12	Issued	Utility	Projection System with Wall Structures for Aerial Display of Three-Dimensional Video Images
US 7,517,090 B2	14-Apr-09	Issued	Utility	Real Image Projection Device Having Plastic Curved Mirror for Improving Image and Correcting Aberrations
US 7,881,822 B2	1-Feb-11	Issued	Utility	System and Method for Dispensing Consumer Products
12/259,013	Oct-07	In Process	Utility	HLXX
PCT/US07/76554	Aug-07	In Process	Utility	Plastic Mirror Methods
PCT/US07/76574	Aug-07	In Process	Utility	Aerial Display System w/Plastic Optic
PCT/US07/76572	Aug-07	In Process	Utility	Apparatus with Aerial w/Plastic Optic
PCT/US07/76568	Aug-07	In Process	Utility	Apparatus for Image w/Plastic Optic
PCT/US07/76566	Aug-07	In Process	Utility	Aerial Image Display w/Plastic Optic
PCT/US07/76361	Aug-07	In Process	Utility	Projection System w/Plastic Optic
11/843,109	Aug-07	In Process	Utility	Plastic Mirror Methods
11/843,144	Aug-07	In Process	Utility	Aerial Display System w/Plastic Optic
11/843,139	Aug-07	In Process	Utility	Apparatus with Aerial. w/Plastic Optic
11/843,134	Aug-07	In Process	Utility	Apparatus for Image w/Plastic Optic
11/843,125	Aug-07	In Process	Utility	Aerial Image Display w/Plastic Optic
11/843,115	Aug-07	In Process	Utility	Projection System w/Plastic Optic
60/839,740	Aug-06	In Process	Utility	Low Cost Plastic Optic
12/287,226	May-04	In Process	Utility	Aerial Display System
11/059,575	Feb-04	In Process	Utility	Coupon/Product Dispensing Kiosk
PCT/US03/25506	Aug-03	In Process	Utility	Projection system for aerial display
78/917,286	Jun-06	Issued	Trademark	Holocasting
3,118,432	Apr-05	Issued	Trademark	Promotions You Experience
2,706,431	April-03	Issued	Trademark	PITI
2,699,733	Mar-03	Issued	Trademark	PEI
2,699,732	Mar-03	Issued	Trademark	Holosoft
76/342,406	Jan-00	Allowed	Trademark	Holovision: Common Law

At present, our patents 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 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

Not required for smaller reporting companies.

Item 1B. Unresolved Staff Comments.

Not Applicable.

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. Rent expense was $98,158 and $69,313 for the years ended June 30, 2017 and 2016, respectively. On March 2, 2016, the Company entered into an Amendment to Lease in order to extend the current lease through March 31, 2019. The lease calls for monthly rent of $6,988 per month for the period of April 1, 2017 through March 31, 2018. The monthly rent increases 4% for each of the year.

Item 3. Legal Proceedings.

From time to time, we may become involved in various lawsuits and legal proceedings that arise in the ordinary course of business. However, litigation is subject to inherent uncertainties, and an adverse result in these or other matters may arise from time to time that may harm our business. We are currently not aware of any such legal proceedings or claims that we believe will have a material adverse effect on our business, financial condition or operating results.

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. Subsequently, The Company filed a counter lawsuit and was awarded a default judgement in its favor, and as such removed the contingency loss during the year ended June 30, 2016.

In the best interests of shareholders and to reflect expenses paid on behalf of ProDava, the Company initiated an action against DB in November 2016 seeking declaratory judgment. After the execution of the LLC Agreement, both DB and the Company performed their respective duties. The Company caused numerous kiosks to be manufactured for placement in retail stores in accordance with the PSA, maintained and serviced these kiosks. DB provided funds to ProDava for, the production of kiosks and for expenses incurred by the Company in connection with the maintenance of servicing of the kiosks. In total, DB provided sums totaling $6.5 million. In the first quarter of 2016, DB ceased providing the funding required by the LLC Agreement. DB advised The Company that DB was analyzing information and that it would make a determination as to whether it would continue to provide funding in accordance with the LLC Agreement. The Company has been incurring the reimbursable expenses that were to be reimbursed by DB. The LLC Agreement provides that, in the event that DB fails to fund any portion of the total amount is was required to provide in accordance with the terms of the LLC Agreement, the LLC Agreement provides for the recalculation of the parties' membership interests in ProDava. The Company filed an action in the Supreme Court of the State of New York in New York County (Index No. 656127/2016) to seed to recalculate the ownership percentage of ProDava. DB filed a motion to dismiss and the Company filed an action opposing such motion. The court initially denied the recalculation of the ownership percentage but allowed the Company to proceed to collect monetary damages. Pro Dava and DB filed a counterclaim for breach of contract. The Company believes it has adequate defenses against any claims made by Pro Dava and DB.

On June 19, 2017, the Company received a letter from an attorney for Kiosk Information Systems ("KIS") demanding payment of $1,272,360 for the balance due on kiosks held by KIS including $231,182 in interest. We are negotiating with KIS. No suit has been filed and the Company has accrued the full amount of the demand from KIS.

On September 5, 2017 the Company received a letter from an attorney representing Rite Aid Hdqtrs. Corp's ("Rite Aid"), pursuant to which Rite Aid indicated its desire to terminate the Point of Sales Advertising Agreement ("Agreement") with the Company. The Company is disputing Rite Aid's ability to terminate the Agreement. Thereafter, on October 16, 2017, the Company initiated an arbitration before JAMS.

Item 4. Mining. Receivable

Not Applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Our common stock, from September 30, 2016, is quoted on the OTCQB market maintained by the OTC Market Group Inc. under the symbol "PVHO".

The following table sets forth the high and low bid and offer prices, as reported by OTCQB for the quarters in fiscal years ended June 30, 2017 and 2016:

	High	Low
Fiscal year ended June 30, 2017		
Quarter Ended June 30, 2017	$ 0.082	$ 0.054
Quarter Ended March 31, 2017	0.120	0.061
Quarter Ended December 31, 2016	0.215	0.080
Quarter Ended September 30, 2016	0.249	0.233
Fiscal year ended June 30, 2016		
Quarter Ended June 30, 2016	0.510	0.161
Quarter Ended March 31, 2016	0.288	0.055
Quarter Ended December 31, 2015	0.099	0.061
Quarter Ended September 30, 2015	0.330	0.170

On October 13, 2017, the closing bid quote for the Common Shares was $0.05 per share, and there were approximately 600 holders of record of Common Shares. TranShare Corporation, 15500 Roosevelt Blvd., Suite 301, Clearwater, FL 33556, is the transfer agent for the Company's common shares.

Penny Stock

The SEC has adopted rules that regulate broker-dealer practices in connection with transactions in penny stocks. Penny stocks are generally equity securities with a market price of less than $5.00, other than securities registered on certain national securities exchanges or quoted on the NASDAQ system, provided that current price and volume information with respect to transactions in such securities is provided by the exchange or system. The penny stock rules require a broker-dealer, prior to a transaction in a penny stock, to deliver a standardized risk disclosure document prepared by the SEC, that: (a) contains a description of the nature and level of risk in the market for penny stocks in both public offerings and secondary trading; (b) contains a description of the broker's or dealer's duties to the customer and of the rights and remedies available to the customer with respect to a violation of such duties or other requirements of the securities laws; (c) contains a brief, clear, narrative description of a dealer market, including bid and ask prices for penny stocks and the significance of the spread between the bid and ask price; (d) contains a toll-free telephone number for inquiries on disciplinary actions; (e) defines significant terms in the disclosure document or in the conduct of trading in penny stocks; and (f) contains such other information and is in such form, including language, type size and format, as the SEC shall require by rule or regulation.

The broker-dealer also must provide, prior to effecting any transaction in a penny stock, the customer with (a) bid and offer quotations for the penny stock; (b) the compensation of the broker-dealer and its salesperson in the transaction; (c) the number of shares to which such bid and ask prices apply, or other comparable information relating to the depth and liquidity of the market for such stock; and (d) a monthly account statement showing the market value of each penny stock held in the customer's account.

In addition, the penny stock rules require that prior to a transaction in a penny stock not otherwise exempt from those rules, the broker-dealer must make a special written determination that the penny stock is a suitable investment for the purchaser and receive the purchaser's written acknowledgment of the receipt of a risk disclosure statement, a written agreement as to transactions involving penny stocks, and a signed and dated copy of a written suitability statement.

These disclosure requirements may have the effect of reducing the trading activity for our Common Stock. Therefore, stockholders may have difficulty selling our securities.

Dividends

We have never declared or paid any cash dividends on our capital stock. The payment of dividends on our common stock in the future will depend on our earnings, capital requirements, operating and financial condition and such other factors as our Board of Directors may consider appropriate. We currently expect to use all available funds to finance the future development and expansion of our business and do not anticipate paying dividends on our common stock in the foreseeable future.

Securities Authorized for Issuance under Equity Compensation Plans

The Company does not have any equity compensation plans or any individual compensation arrangements with respect to its Common Stock or Preferred Stock. The issuance of any of our common or preferred stock is within the discretion of our Board of Directors, which has the power to issue any or all of our authorized but unissued shares without stockholder approval.

Recent Sales of Unregistered Securities

Neither the Registrant nor any person acting on its behalf offered or sold the securities of the Company by means of any form of general solicitation or general advertising. No services were performed by any purchaser as consideration for the shares issued.

Issuer Purchases of Equity Securities

None.

Item 6. Selected Financial Data.

Not applicable.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion and analysis provides information which management believes is relevant for an assessment and understanding of the results of operations and financial condition. Expectations of future financial condition and results of operations are based upon current business plans and may change. The discussion should be read in conjunction with the audited consolidated financial statements and notes thereto.

Results of Operations

YEAR ENDED JUNE 30, 2017 COMPARED TO YEAR ENDED JUNE 30, 2016

	2017	2016
REVENUES		
Advertising revenues	$ 332,017	$ -
Hardware revenues	110,720	57,710
Hardware revenues – related party	1,196,552	4,313,046
Service related revenues – related party	-	506,695
Software revenues – related party	66,456	136,705
TOTAL REVENUES	1,705,745	5,014,156
COST OF REVENUES	1,922,611	4,488,001
GROSS PROFIT (LOSS)	(216,866)	526,155
EXPENSES		
General and administrative	3,162,229	2,153,432
Research and development	300,905	311,798
TOTAL EXPENSES	3,463,134	2,465,230
LOSS FROM OPERATIONS	(3,680,000)	(1,939,075)
OTHER INCOME (EXPENSE)		
Derivative liability expense – insufficient shares	-	(85,960)
Change in fair value of derivative	63,372	18,868
Gain on forgiveness of debt	-	597,312
Loss on settlement of debt	(48,000)	-
Loss on extinguishment of debt	-	(2,865,234)
Amortization of debt and warrant discount and financing costs	(2,468,355)	(913,544)
Other income (expense)	-	2,053
Interest expense	(1,192,145)	(1,017,236)
TOTAL OTHER INCOME (EXPENSE)	(3,645,128)	(4,263,741)
NET LOSS	$ (7,325,128)	$ (6,202,816)

REVENUES

The Company recognizes revenues from hardware sales, advertising and from licensing, distribution and marketing agreements. Revenues for the years ended June 30, 2017 were $1,705,745, a decrease from $5,014,156 generated in the year ended June 30, 2016. The decrease in revenues was primarily a result in the decrease of revenues from related party sales. The related party revenue is for sales to ProDava 3D, LLC to purchase Provision's 3D Savings Center kiosks for placement into retail stores. During the year ended June 30, 2017 the Company had two customers which accounted for more than 10% of the Company's revenues (74% and 19%, respectively). During the year ended June 30, 2016 the Company had one customer which accounted for more than 10% of the Company's revenues (98%).

COST OF REVENUES

Cost of revenues for the year ended June 30, 2017 was $1,922,611 from $4,488,001 incurred in the year ended June 30, 2016. Cost of revenues for the year ended June 30, 2017 was a result of the uncollectability of expenses paid on behalf of ProDava.

OPERATING EXPENSES

The Company incurred $3,463,134 in operating expenses for the year ended June 30, 2017, an increase from $2,465,230 incurred during the year ended June 30, 2017 primarily as a result of a $1,008,797 increase in general and administrative expenses and decrease in research and development expenses by $10,893. General and administrative expenses for the year ended June 30, 2017 increased primarily as a result of accounting and legal costs due to the Company completing several overdue SEC filings and additional travel expenses related to the supervision of the installations of kiosks during the year.

OTHER EXPENSES

The Company had various miscellaneous income and expenses. The largest gain was a gain of $597,312 during the year ended June 30, 2016 on extinguishment of debt of a previously recorded contingency loss after it filed a lawsuit and was awarded a default judgement in its favor from a dispute that started in 2004 with Betacorp Management, Inc.

During the year ended June 30, 2016 the Company recorded a charge of $85,960 for the derivative liability resulting from the Company having insufficient shares for issued and outstanding common stock equivalents. The Company authorized additional shares during the year ending June 30, 2016.

The Company recognized a gain of $63,372 and $18,868 during the years ended June 30, 2017 and 2016, respectively, from the change in fair value of derivative as a result of fluctuating market prices of the Company's common stock.

The Company recorded a $48,000 loss due to the settlement of a debt during the year ended June 30, 2017.

During the year ended June 30, 2016, the Company recorded expense in the amount of $2,865,234 related to the loss on extinguishment of certain debts.

The Company recorded amortization of debt and warrant discounts and financing costs in the amounts of $2,468,355 and $913,544 during the years ended June 30, 2017 and 2016, respectively.

The Company recorded interest expense of $1,192,145, primarily related to convertible notes in the amount of $960,963 as well as interest charged by a vendor for the storage of kiosks in the amount of $231,182, during the year ended June 30, 2017. This is a decrease of $56,273 compared to the interest expense of $1,017,236 recorded during the year ended June 30, 2016.

NET LOSS:

The Company had a net loss of $7,325,128 for the year ended June 30, 2017 compared to net loss of $6,202,816 for the year ended June 30, 2016. The higher net loss for the year ended June 30, 2017 was primarily a result of the gain on forgiveness of debt partially offset by the uncollectability of $320,073 of expenses paid on behalf of ProDava, higher interest expense and increased operating expenses.

LIQUIDITY AND CAPITAL RESOURCES

The consolidated financial statements in this Form 10-K 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 had accumulated deficit at June 30, 2017 of $42,083,390. The Company has negative working capital of $13,165,075 as of June 30, 2017. The largest balances in current liabilities are for current portion of convertible debt, net ($7,216,032) accrued interest ($2,557,435) and unearned revenue ($2,057,607). The Company is in the process of negotiating with noteholders to convert accrued interest into long-term notes to reduce current liabilities and plans to ship goods to reduce the unearned revenue.

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.

To raise cash on March 31, 2017, the Company accepted and entered into Subscription Agreements (the "Subscription Agreements") for 13,333,339 shares of Company's common stock with 15 accredited investors (the "Investors") for an aggregate purchase price of $800,000 at a price of $0.06 per share. Each Investor received warrants to purchase shares of Common Stock equal to 20% of the shares each purchased (the "Warrants"). The Warrants have an exercise price of $0.09 per share and are exercisable for three-years from the date of issuance of the Warrant. The Warrants are valued at $154,933. Net cash received after fees of $20,000, the warrant valuation of $154,933 and a subscription receivable of $50,000 was $575,067. Additionally, on June 19, 2017, the Company accepted and entered into a Subscription Agreement (the "Subscription Agreement") for 4,166,666 shares of Company's common stock with an accredited investor (the "Investor") for an aggregate purchase price of $250,000 at a price of $0.06 per share. The Investor received warrants to purchase shares of Common Stock equal to 20% of the shares each purchased (the "Warrants"). The Warrants have an exercise price of $0.12 per share and are exercisable for three-years from the date of issuance of the Warrant. The Warrants are valued at $ 37,250. Net cash received was $250,000.

The Company does have $310,749 in cash as of June 30, 2017 as a result of an issuance of convertible debt. The Company has sufficient cash to operate for the next 12 months. Failure to raise additional capital or improve its performance in the next 12 months, however, may cause the Company to curtail its business activities and expansion plans within the next twelve months.

During the year ended June 30, 2017, the Company used $3,497,999 of cash for operating activities compared to a use of $2,461,374 in the year ended June 30, 2016. The increase in cash used for operating activities was due a higher net loss and the use of cash to lower accounts payable and accrued liabilities and the effect of higher accounts receivable due to higher sales. Cash from financing activities was $1,633,205 in the year ended June 30, 2017 compared to cash from financing activities of $4,553,549 in the year ended June 30, 2016. The increase in cash provided by financing activities was primarily due to proceeds from the issuance of convertible notes. During the year ended June 30, 2016, the company used $45,600 in investing activities for the purchase of $27,500 fixed assets and $18,100 of intangible assets.

DB Dava LLC, a Delaware limited liability company ("DB"), and the Company agreed to engage in a venture for the purpose of exploiting the Company's technology and its agreement with a national pharmacy chain to place a number of its kiosks in stores. In June 2014, the Company and DB, caused ProDava LLC ("ProDava") to be formed, and the parties entered into the ProDava LLC Agreement (the "LLC Agreement") on June 30, 2014, which set out, among other things, the parties' respective rights and obligations with respect to ProDava.

The two members of ProDava are the Company and DB. At the time of the formation of ProDava, the LLC Agreement originally provided that DB owned 80 percent of the membership interests of ProDava and the Company owned 20 percent of the membership interests of ProDava, assuming a $50,000,000 capital contribution by DB. Pursuant to the LLC Agreement, the Company made a capital contribution of $12,500,000, which represented the agreed upon value of a certain agreements which granted the Company rights to place kiosks in retail stores. There are no overlapping members of management who control and manage both the Company and DB Dava LLC and there are no significant shareholders of the Company who also hold a significant interest in DB Dava LLC.

The Company's motivation to enter into the LLC Agreement was to use DB's financing to place kiosks into retail stores. Pursuant to LLC Agreement, DB agreed to make a capital contribution of up to US$50,000,000. It was understood and agreed between the parties that the Company's role in ProDava was to provide, among other things, the kiosks, the content, resources and the know-how as to the placement and maintenance of the kiosks in retail stores.

To that end, ProDava entered into a Professional Services Agreement, dated June 30, 2014 (the "PSA") with the Company, whereby ProDava engaged the Company to provide services for ProDava with respect to the sourcing, due diligence, acquisition, management, construction and marketing of the kiosks financed and purchased by ProDava. As full compensation for rendering and performing such services under the PSA, the Company was entitled to receive from ProDava, the unreimbursed expenses incurred by the Company. It was agreed and understood that DB's role in ProDava was to provide the funding necessary for the unreimbursable expenses and the production, manufacture and maintenance of the kiosks placed in stores. As a result of the ownership percentage in ProDava, DB would receive 80% of the profits of the ProDava from advertising related revenue less expenses.

In the best interests of shareholders and to reflect expenses paid on behalf of ProDava, the Company initiated an action against DB in November 2016 seeking declaratory judgment. After the execution of the LLC Agreement, both DB and the Company performed their respective duties. The Company caused numerous kiosks to be manufactured for placement in retail stores in accordance with the PSA, maintained and serviced these kiosks. DB provided funds to ProDava for, the production of kiosks and for expenses incurred by the Company in connection with the maintenance of servicing of the kiosks. In total, DB provided sums totaling $6.5 million. In the first quarter of 2016, DB ceased providing the funding required by the LLC Agreement. DB advised The Company that DB was analyzing information and that it would make a determination as to whether it would continue to provide funding in accordance with the LLC Agreement. The Company has been incurring the reimbursable expenses that were to be reimbursed by DB. The LLC Agreement provides that, in the event that DB fails to fund any portion of the total amount is was required to provide in accordance with the terms of the LLC Agreement, the LLC Agreement provides for the recalculation of the parties' membership interests in ProDava. The Company filed an action in the Supreme Court of the State of New York in New York County (Index No. 656127/2016) to seed to recalculate the ownership percentage of ProDava. DB filed a motion to dismiss and the Company filed an action opposing such motion. The court initially denied the recalculation of the ownership percentage but allowed the Company to proceed to collect monetary damages. Pro Dava and DB filed a counterclaim for breach of contract. The Company believes it has adequate defenses against any claims made by Pro Dava and DB.

On June 19, 2017, the Company received a letter from an attorney for Kiosk Information Systems ("KIS") demanding payment of $1,272,360 for the balance due on kiosks held by KIS including $231,182 in interest. We are negotiating with KIS. No suit has been filed and the Company has accrued the full amount of the demand from KIS.

On September 5, 2017 the Company received a letter from an attorney representing Rite Aid Hdqtrs. Corp's ("Rite Aid"), pursuant to which Rite Aid indicated its desire to terminate the Point of Sales Advertising Agreement ("Agreement") with the Company. The Company is disputing Rite Aid's ability to terminate the Agreement. Thereafter, on October 16, 2017, the Company initiated an arbitration before JAMS.

On February 6, 2017, the Company issued a $158,500 convertible debenture. The note bears interest at 12%, is due on November 12, 2017 and, if not paid by August 6, 2017, is convertible into shares of the Company's common stock at 61% of the average of the lowest three trading prices during the ten days prior to the conversion date.

On March 2, 2017, the Company issued a $225,000 convertible debenture. The note does not bear interest but was issued with $20,000 of original issue discount. The note is due on September 2, 2017 and, if not paid by September 2, 2017, is convertible into shares of the Company's common stock at 60% of the average of the lowest three trading prices during the twenty days prior to the conversion date.

On March 31, 2017, the Company accepted and entered into Subscription Agreements (the "Subscription Agreements") for 13,333,339 shares of Company's common stock with 15 accredited investors (the "Investors") for an aggregate purchase price of $800,000 at a price of $0.06 per share. Each Investor received warrants to purchase shares of Common Stock equal to 20% of the shares each purchased (the "Warrants"). The Warrants have an exercise price of $0.09 per share and are exercisable for three-years from the date of issuance of the Warrant. The Warrants are valued at $154,933. Net cash received after fees of $20,000, the warrant valuation of $154,933 and a subscription receivable of $50,000 was $575,067.

On April 19, 2017, the Company issued a $60,000 convertible debenture. The note bears interest at 12%, is due on April 19, 2019 and, is convertible into shares of the Company's common stock at $0.06 per share. On June 23, 2017, the holder converted the principal of $60,000 and accrued interest of $1,282 into 1,021,367 shares of the Company' common stock.

On June 19, 2017, the Company accepted and entered into a Subscription Agreement (the "Subscription Agreement") for 4,166,666 shares of Company's common stock with an accredited investor (the "Investor") for an aggregate purchase price of $250,000 at a price of $0.06 per share. The Investor received warrants to purchase shares of Common Stock equal to 20% of the shares each purchased (the "Warrants"). The Warrants have an exercise price of $0.12 per share and are exercisable for three-years from the date of issuance of the Warrant. The Warrants are valued at $37,250. Net cash received was $250,000.

During the year ended June 30, 2017, the Company entered into eleven promissory notes with investors pursuant to which the Company issued eleven promissory notes in the principal amount of $221,500. The notes accrue interest at a rate of 5% per annum and mature in 120 days. As additional consideration, the Company issued the investors 2,925,000 shares of common stock. The value of the stock consideration was limited to the value of the individual promissory notes, for a total of $173,000. The stock consideration was recorded as a discount against the notes. For the years ended June 30, 2017 and 2016, $98,179 and $-0-, respectively, was expensed in the statement of operations as amortization of debt discount related to the notes and show as interest expenses. The unamortized debt discount was $74,821 and $-0- at June 30, 2017 and 2016, respectively.

CRITICAL ESTIMATES AND JUDGMENTS

The preparation of the Company's financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Management evaluates its estimates and judgments, including those related to receivables and accrued expenses. Management bases its estimates and judgments on historical experience and on various other factors that are believed to be reasonable based on the circumstances. Actual results may differ from these estimates under different assumptions or conditions. The most significant accounting estimates inherent in the preparation of the Company's financial statements include estimates as to the appropriate carrying value of the Company's intangible assets, the amount of stock compensation, and the amount of accrued liabilities that are not readily attainable from other sources. These accounting policies are described at relevant sections in this discussion and analysis and in the notes to the consolidated financial statements.

CRITICAL ACCOUNTING POLICIES

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

Useful Life of Depreciable Assets – The Company is required to exercise judgment in determining the estimated useful life of depreciable assets. The useful life is determined based on management's judgement. The useful lives are reviewed on a regular basis to determine that the useful life is consistent with current economic events and historical events.

Share-based Payments and Warrants – The Company is required to exercise judgment in calculating the fair value of share based payments and warrants. The fair value calculation includes several inputs that are subject to management's judgement. Management reviews these inputs on a regular basis to determine that the values used in the calculation are consistent with current economic events and historical events.

Conversion Feature and Warrant Derivative Liability – The Company is required to exercise judgment in calculating the fair value of the conversion feature and warrant derivative liability. The fair value calculation includes several inputs that are subject to management's judgement. Management reviews these inputs on a regular basis to determine that the values used in the calculation are consistent with current economic events and historical events.

Contingent Liabilities - The Company is required to make judgments about contingent liabilities including the probability of pending and potential future litigation outcomes that, by their nature, are dependent on future events that are inherently uncertain. In making its determination of possible scenarios, management considers the evaluation of outside counsel knowledgeable about each matter, as well as known outcomes in case law.

Income Taxes - Significant judgement is involved in determining the Company's provision for income taxes, including any valuation allowance on deferred income tax assets. There are certain transactions and computations for which the ultimate tax determination is uncertain during the normal course of business. The Company recognizes liabilities for expected tax issues based upon estimates of whether additional taxes will be due. Where the final outcome of these matters is different from the amounts that were initially recognized, such difference will impact the income tax and deferred tax positions in the year in which such determination is made.

Going Concern - The Company is required to exercise judgement in determining the going concern analysis. The going concern analysis is determined based on management's future projected cash flows, management judgement, and future projected financings. Management reviews these inputs on a regular basis based on current and historic events.

Impairment of Long-Lived Assets - The Company is required to exercise judgement in evaluating the recoverability of the carrying value of long-lived assets, both tangible and intangible assets. The Company evaluates the current events of the Company and business and market conditions. Management reviews these events on a regular basis to determine if any events or circumstances have changed.

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.

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 Accounting Standards Codification ("ASC") 605, Revenue Recognition ("ASC 605"). Revenue from licensing, distribution and marketing agreements is recognized over the term of the contract. Revenue from the sale of hardware is recognized when the product is complete and the buyer has accepted delivery. Provisions for discounts and rebates to customers, estimated returns and allowances, and other adjustments are provided for in the same period the related sales are recorded.

Unearned Revenue. The Company bills customers in advance for certain of its services. If the customer makes payment before the service is rendered to the customer, the Company records the payment in a liability account entitled customer prepayments and recognizes the revenue related to the services when the customer receives and utilizes that service, at which time the earnings process is complete. The Company recorded $2,057,607 and $3,419,616 as of June 30, 2017 and 2016, respectively as deferred revenue.

Significant Customers. During the year ended June 30, 2017 the Company had two customers which accounted for more than 10% of the Company's revenues (74% and 19%, respectively). During the year ended June 30, 2016 the Company had one customer which accounted for more than 10% of the Company's revenues (98%). As of June 30, 2016, the Company had no accounts receivable balance. As of June 30, 2017, the Company had no accounts receivable balance.

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, 2017 and 2016. 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.

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	Fair Value Measurements Using Fair Value Hierarchy		
	Value	**Level 1**	**Level 2**	**Level 3**
Derivative liability – June 30, 2017	$ 408,286	$ -	$ -	$ 408,286
Derivative liability – June 30, 2016	$ 188,128	$ -	$ -	$ 188,128

Recent Accounting Pronouncements

Revenue from Contracts with Customers

In May 2014, the FASB issued ASU No. 2014-09, Revenue from Contracts with Customers (Topic 606) ("ASU 2014-09"), which provides guidance for revenue recognition. This ASU affects any entity that either enters into contracts with customers to transfer goods or services or enters into contracts for the transfer of non-financial assets. This ASU will supersede the revenue recognition requirements in Topic 605, Revenue Recognition, and most industry-specific guidance.

In August 2015, the FASB issued ASU No. 2015-14, Revenue from Contracts with Customers (Topic 606): Deferral of the Effective Date ("ASU 2015-14"), deferring the effective date of this standard. As a result, the ASU and related amendments will be effective for the Company for its fiscal year beginning July 1, 2018, including interim periods within that fiscal year. Early adoption is permitted, but not before the original effective date of the ASU, August 1, 2017.

Subsequently, the FASB issued ASU No. 2016-08, Principal Versus Agent Consideration (or Reporting Revenue Gross versus Net) ("ASU 2016-08") in March 2016, ASU No. 2016-10, Identifying Performance Obligations and Licensing in April 2016, and ASU No. 2016-12, Narrow-Scope Improvements and Practical Expedients in May 2016. These amendments clarified certain aspects of Topic 606 and have the same effective date as ASU 2014-09.

The Company will adopt these ASUs (collectively, Topic 606) on July 1, 2018. Topic 606 permits two methods of adoption: retrospectively to each prior reporting period presented (the "Full Retrospective Method"), or retrospectively with the cumulative effect of initially applying the guidance recognized at the date of initial application (the "Modified Retrospective Method"). The Company currently intends to apply the Modified Retrospective Method.

The Company is still evaluating the potential impact of Topic 606 on its revenue recognition policy and practices and has concluded that Topic 606 will impact the pattern of its revenue recognition associated with its contracts with customers. In conjunction with its evaluation of this new standard, the Company may need to revise its contracting practices and amending existing agreements with certain customers. Since fiscal 2016, a substantial majority of new contracts feature a longer than one year initial term.

The Company continues to evaluate the other potential impacts that Topic 606 will have on its consolidated financial statements, internal controls, business processes, and information technology systems including, for example, how to account for commission expense and revenue models acquired from recent acquisitions.

In January 2016, the FASB issued an accounting standard update which requires, among other things, that entities measure equity investments (except those accounted for under the equity method of accounting or those that result in consolidation of the investee) at fair value, with changes in fair value recognized in earnings. Under the standard, entities will no longer be able to recognize unrealized holding gains and losses on equity securities classified today as available for sale as a component of other comprehensive income. For equity investments without readily determinable fair values the cost method of accounting is also eliminated, however subject to certain exceptions, entities will be able to elect to record equity investments without readily determinable fair values at cost, less impairment and plus or minus adjustments for observable price changes, with all such changes recognized in earnings. This new standard does not change the guidance for classifying and measuring investments in debt securities and loans. The standard is effective for us on July 1, 2018 (the first quarter of our 2019 fiscal year). The Company is currently evaluating the anticipated impact of this standard on our financial statements.

In February 2016, the FASB issued ASU No. 2016-02, Leases (Topic 842) to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. Topic 842 affects any entity that enters into a lease, with some specified scope exemptions. The guidance in this Update supersedes Topic 840, Leases. The core principle of Topic 842 is that a lessee should recognize the assets and liabilities that arise from leases. A lessee should recognize in the statement of financial position a liability to make lease payments (the lease liability) and a right-of-use asset representing its right to use the underlying asset for the lease term. For public companies, the amendments in this Update are effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. We are currently evaluating the impact of adopting ASU No. 2016-02 on our consolidated financial statements.

In March 2016, the FASB issued ASU 2016-08, *Revenue from Contracts with Customers (Topic 606): Principal versus Agent Considerations (Reporting Revenue Gross versus Net)* that clarifies how to apply revenue recognition guidance related to whether an entity is a principal or an agent. ASU 2016-08 clarifies that the analysis must focus on whether the entity has control of the goods or services before they are transferred to the customer and provides additional guidance about how to apply the control principle when services are provided and when goods or services are combined with other goods or services. The effective date for ASU 2016-08 is the same as the effective date of ASU 2014-09 as amended by ASU 2015-14, for annual reporting periods beginning after December 15, 2017, including interim periods within those years. The Company has not yet determined the impact of ASU 2016-08 on its consolidated financial statements.

In March 2016, the FASB issued ASU No. 2016-09, Compensation – Stock Compensation, or ASU No. 2016-09. The areas for simplification in this Update involve several aspects of the accounting for share-based payment transactions, including the income tax consequences, classification of awards as either equity or liabilities, and classification on the statement of cash flows. For public entities, the amendments in this Update are effective for annual periods beginning after December 15, 2016, and interim periods within those annual periods. Early adoption is permitted in any interim or annual period. If an entity early adopts the amendments in an interim period, any adjustments should be reflected as of the beginning of the fiscal year that includes that interim period. An entity that elects early adoption must adopt all of the amendments in the same period. Amendments related to the timing of when excess tax benefits are recognized, minimum statutory withholding requirements, forfeitures, and intrinsic value should be applied using a modified retrospective transition method by means of a cumulative-effect adjustment to equity as of the beginning of the period in which the guidance is adopted. Amendments related to the presentation of employee taxes paid on the statement of cash flows when an employer withholds shares to meet the minimum statutory withholding requirement should be applied retrospectively. Amendments requiring recognition of excess tax benefits and tax deficiencies in the income statement and the practical expedient for estimating expected term should be applied prospectively. An entity may elect to apply the amendments related to the presentation of excess tax benefits on the statement of cash flows using either a prospective transition method or a retrospective transition method. We are currently evaluating the impact of adopting ASU No. 2016-09 on our consolidated financial statements.

In April 2016, the FASB issued ASU 2016-10, *Revenue from Contracts with Customers (Topic 606): Identifying Performance Obligations and Licensing*, which provides further guidance on identifying performance obligations and improves the operability and understandability of licensing implementation guidance. The effective date for ASU 2016-10 is the same as the effective date of ASU 2014-09 as amended by ASU 2015-14, for annual reporting periods beginning after December 15, 2017, including interim periods within those years. The Company has not yet determined the impact of ASU 2016-10 on its consolidated financial statements.

In June 2016, the FASB Issued ASU 2016-12, “Revenue from Contracts with Customers (Topic 606): Narrow-Scope Improvements and Practical Expedients” and clarifies the objective of the collectability criterion, presentation of taxes collected from customers, non-cash consideration, contract modifications at transition, completed contracts at transition and how guidance in Topic 606 is retrospectively applied. The amendments do not change the core principle of the guidance in Topic 606. The effective dates are the same as those for Topic 606. The Company has not yet determined the impact of ASU 2016-12 on its consolidated financial statements.

In August 2016, the FASB issued ASU No. 2016-15, Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments, in an effort to reduce the diversity of how certain cash receipts and cash payments are presented and classified in the statement of cash flows. The amendments of this ASU are effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. Early adoption is permitted. The Company has not yet determined the impact of ASU 2016-15 on its consolidated financial statements.

In October 2016, the FASB issued ASU No 2016-16 - Income Taxes: Intra-Entity Transfers of Assets Other Than Inventory. ASU 2016-16 will require the tax effects of intercompany transactions, other than sales of inventory, to be recognized currently, eliminating an exception under current GAAP in which the tax effects of intra-entity asset transfers are deferred until the transferred asset is sold to a third party or otherwise recovered through use. The guidance will be effective for the first interim period of our 2019 fiscal year, with early adoption permitted. The Company has not yet determined the impact of ASU 2016-16 on its consolidated financial statements.

In January 2017, FASB issued ASU No. 2017-01, Business Combinations (Topic 805): Clarifying the Definition of a Business, in an effort to clarify the definition of a business with the objective of adding guidance to assist entities with evaluating whether transactions should be accounted for as acquisitions (or disposals) of assets or businesses. The amendments of this ASU are effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. The Company has not yet determined the impact of ASU 2017-01 on its consolidated financial statements.

In May 2017, the FASB issued ASU No. 2017-09, Scope of Modification Accounting (Topic 718) (“ASU 2017-09”), which amends the scope of modification accounting for share-based payment arrangements. ASU 2017-09 provides guidance on the types of changes to the terms or conditions of share-based payment awards to which an entity would be required to apply modification accounting under ASC 718. Specifically, an entity would not apply modification accounting if the fair value, vesting conditions, and classification of the awards are the same immediately before and after the modification. The new standard is effective for annual periods beginning after December 15, 2017 and interim periods within those years. Early adoption is permitted. The standard will be effective for the Company beginning August 1, 2018. The Company is currently evaluating the impact this update will have on its consolidated financial statements.

ECONOMY AND INFLATION

Except as disclosed herein, we have not experienced any significant cancellation of orders due to the downturn in the economy and only a small number of customers requested delays in delivery or production of orders in process. Our management believes that inflation has not had a material effect on our results of operations.

OFF-BALANCE SHEET AND CONTRACTUAL ARRANGEMENTS

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

Item 7A. Quantitative and Qualitative Disclosures About Market Risk.

Not Applicable.

Item 8. Financial Statements and Supplementary Data.

Our consolidated financial statements and the related notes begin on Page F-1, which are included in this Annual Report on Form 10-K.

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

None

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, 2017. 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, 2017:

Resources: As of June 30, 2017, we had eight 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 the fiscal quarter ended June 30, 2017 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 June 30, 2017 were as follows:

Name	Age	Position
Curt Thornton	61	Chief Executive Officer, Chairman, President, and Director(1)
Robert Ostrander	63	Vice President, Sales, Business Development, Secretary and Director
Jon Corfino	59	Director

(1) As of September 18, 2017, Curt Thornton is serving as the Company's Chief Operating Officer and has stepped down as Chief Executive Officer and President. The positions will be filled by Mark Leonard.

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 was chief executive officer, president, chairman and a director of the Company since Mach 2008 and as of September 18, 2017, was elected as the Company's chief operating officer. 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.

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.

Mark Leonard

Mark Leonard has been the Chief Executive Officer and President of the Company since September 18, 2017. Mr. Leonard's experience spans nearly 25 years and encompasses a variety of industries, including computer software, retail and prepaid payment solutions. He most recently served as Executive Vice President of Business Development/ Sales and Trade Marketing at InComm, Inc., a leader in prepaid and payment solutions, where he developed and led new revenue opportunities, ran all existing retail channels, and contributed to the firm's mergers and acquisitions activities. Previously, he spent five years at Blackhawk Networks, a publicly traded company that serves as the leader in the prepaid, gift card and payment industries, where he held the position of Group Vice President of Alliances at Blackhawk Network, overseeing both new and existing retail business across the US. Prior to Blackhawk, he served as President and Executive Vice President and of Astoria Software, a database management software company. He currently serves on the Advisory Board of KargoCard, China's largest prepaid card company. Prior to his distinguished business career, Mark played baseball professionally for over 10 years.

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

Jeff Vrachan has been Vice President Engineering and Chief Technology Officer 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.

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, 2017, 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, 2017 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 the Company's Chief Executive Officer and those individuals who received compensation in excess of $100,000 per year for the last three completed fiscal years.

SUMMARY COMPENSATION TABLE

Name & Principal Position	Fiscal Year Ended June 30,	Salary ($)(1)	Bonus ($)	All Other Compensation ($)	Total ($)
Curt Thornton	2017	144,000			144,000
Chief Executive Officer and	2016	144,000	-	-	144,000
Principal Financial Officer (2)	2015	144,000	-	-	144,000
Robert Ostrander	2017	125,000			125,000
Vice President, Sales and	2016	125,000	-	-	125,000
Business Development	2015	125,000	-	-	125,000
Jeff Vrachan	2017	125,000			125,000
Vice President Engineering	2016	125,000	-	-	125,000
Chief Technology Officer	2015	125,000	-	-	125,000

(1) In the fiscal years ended June 30, 2014 and June 30, 2015, none of the officers received all of their contractual salary included above. The balance due from each year was accrued as an amount payable. Curt Thornton received $37,692 and $78,669 for the fiscal years ended June 30, 2015 and 2014. Robert Ostrander received $33,654 and $70,708 for the fiscal years ended June 30, 2015 and 2014 and 2013. Jeff Vrachan received $33,654 and $65,900 for the fiscal years ended June 30, 2015 and 2014.

(2) As of September 18, 2017, Curt Thornton is serving as the Company's Chief Operating Officer and has stepped down as Chief Executive Officer and President. The positions will be filled by Mark Leonard.

Director Compensation

On August 17, 2017, the Company issued 8,899,908 stock options to employees and board members in consideration for performance goals and board remuneration. The options have an exercise price of $0.045 and a term of five years.

Employment Contracts, Termination of Employment and Change in Control

Curt Thornton, Robert Ostrander, and Jeff Vrachan have all entered into Employment Agreements, dated May 30, 2006.

Mark Leonard entered into an Employment Agreement providing for a salary of $144,000, the right to be reimbursed for health care and severance for termination without cause and resignation with cause, dated September 18, 2017. The Employment Agreement is incorporated in this Annual Report as Exhibit 10.13.

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

The following table sets forth certain information, as of October 13, 2017 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	7,075,200	5.2%
Robert Ostrander	2,725,000	2.0%
Jon Corfino	325,000	0.2%
All officers and directors as a group (3 persons owning stock)	10,125,200	7.4%

(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 137,218,206 shares of common stock outstanding as of October 13, 2017. 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 October 13, 2017 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.

ProDava 3D

DB Dava LLC, a Delaware limited liability company ("DB"), and the Company agreed to engage in a venture for the purpose of exploiting the Company's technology and its agreement with a national pharmacy chain to place a number of its kiosks in stores. In June 2014, the Company and DB, caused ProDava LLC ("ProDava") to be formed, and the parties entered into the ProDava LLC Agreement (the "LLC Agreement") on June 30, 2014, which set out, among other things, the parties' respective rights and obligations with respect to ProDava.

The two members of ProDava are the Company and DB. At the time of the formation of ProDava, the LLC Agreement originally provided that DB owned 80 percent of the membership interests of ProDava and the Company owned 20 percent of the membership interests of ProDava, assuming a $50,000,000 capital contribution by DB. Pursuant to the LLC Agreement, the Company made a capital contribution of $12,500,000, which represented the agreed upon value of a certain agreements which granted the Company rights to place kiosks in retail stores.

The Company's motivation to enter into the LLC Agreement was to use DB's financing to place kiosks into retail stores. Pursuant to LLC Agreement, DB agreed to make a capital contribution of up to US$50,000,000. It was understood and agreed between the parties that the Company's role in ProDava was to provide, among other things, the kiosks, the content and the know-how as to the placement and maintenance of the kiosks in retail stores.

To that end, ProDava entered into a Professional Services Agreement, dated June 30, 2014 (the "PSA") with the Company, whereby ProDava engaged the Company to provide services for ProDava with respect to the sourcing, due diligence, acquisition, management, construction and marketing of the kiosks financed and purchased by ProDava. As full compensation for rendering and performing such services under the PSA, the Company was entitled to receive from ProDava, the unreimbursed expenses incurred by the Company. It was agreed and understood that DB's role in ProDava was to provide the funding necessary for the unreimbursable expenses and the production, manufacture and maintenance of the kiosks placed in stores. As a result of the ownership percentage in ProDava, DB would receive 80% of the profits of the ProDava including advertising related revenue.

For the years ended June 30, 2017 and 2016 total revenue includes $1,263,008 and $4,956,446, respectively, revenue from a related party. Also, total unearned revenue as of June 30, 2017 of $2,057,607 includes $1,256,607 advance for sales order received from a related party.

Transactions with Officers and Directors

On December 30, 2015, the Company entered into a Purchase Agreement with Curt Thornton, the Company's President and Chief Executive Officer for the sale of 1,000 shares of "Super Voting Preferred Stock – Series A" for $0.10 per share and the closing price of the Company's Common Stock was $0.08 per share, as reported on the Over-the-Counter Markets (OTCQB) on the date prior to the date the Board approved the transaction. The Series A Preferred Shares does not have a dividend rate or liquidation preference and are not convertible into shares of common stock. The shares of the Series A Preferred Stock shall be automatically redeemed by the Company at $0.10 per share on the first to occur of the following triggering events: (i) 90 days following the date on which this Certificate of Designation is filed with the Secretary of State of Nevada or (ii) on the date that Mr. Thornton ceases, for any reason, to serve as officer, director or consultant of the Company. For so long as any shares of the Series A Preferred Stock remain issued and outstanding, the holders thereof, voting separately as a class, shall have the right to vote in an amount equal to 51% of the total vote (representing a majority voting power) effecting an increase in the authorized common stock of the Company. Such vote shall be determined by the holder(s) of the then issued and outstanding shares of Series A Preferred Stock. For example, if there are 10,000 shares of the Company's common stock issued and outstanding at the time of a shareholder vote, the holders of the Series A Preferred Stock, will have the right to vote an aggregate of 10,408 shares, out of a total number of 20,408 shares voting. The adoption of the Series A Preferred Stock and its issuance to Mr. Thornton was taken solely to allow the Company to increase the Company's authorized shares of common stock. As a result, the Company determined that there was no recorded a preferred stock control premium for the Preferred Stock – Series A that was issued to Mr. Thornton. The rights and preferences of the shares are described in Note 12 Equity. During the period ended December 31, 2016, the Company repurchase the said 1,000 Preferred Stock at par value of $100. Preferred shares issued and outstanding at June 30, 2017 were Nil.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES.

Our consolidated financial statements for the fiscal years ended June 30, 2017 and 2016 were audited by RBSM LLP.

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 RBSM LLP

The following is a summary of the fees for professional services rendered by RBSM LLP for the years ended June 30, 2017 and 2016.

Fee Category	**2017**	**2016**
Audit fees	$ 108,600	$ 68,250
Audit-related fees	-	-
Tax fees	-	-
Other fees	-	-
Total Fees	$ 108,600	$ 68,250

Audit fees. Audit fees represent fees for professional services performed by RBSM 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 RBSM LLP, other than the services covered in "Audit Fees" for the fiscal years ended June 30, 2017 or 2016.

Tax Fees. We did not incur any fees for tax services performed by RBSM LLP.

Other fees. RBSM LLP did not receive any other fees during for the fiscal years ended June 30, 2017 or 2016.

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)
3.1.1	Certificate of Amendment to Articles of Incorporation of Provision Holding, Inc. (incorporated by reference to the Form 8-K, as filed with the Securities and Exchange Commission on January 6, 2016)
3.1.2	Certificate of Amendment to Articles of Incorporation of Provision Holding, Inc. (incorporated by reference to the Form 8-K, as filed with the Securities and Exchange Commission on July 8, 2016)
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)
4.1	Series A Certificate of Designation of Provision Holding, Inc. Establishing the Designations, Preferences, Limitations and Relative Rights of Its Series A Preferred Stock (incorporated by reference to the Form 8-K, as filed with the Securities and Exchange Commission on January 6, 2016)
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 June 13, 2014, by and between Provision Interactive Technologies, Inc. and Curt Thornton.*
10.4	Employment Agreement, dated June 13, 2014, by and between Provision Interactive Technologies, Inc. and Robert Ostrander.*
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	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).
10.7	Convertible Promissory Note of Provision Holding, Inc. (incorporated by reference to the Form 8-K, as filed with the Securities and Exchange Commission on July 8, 2016)
10.8	12% Senior Secured Convertible Promissory Note of Provision Holding, Inc. (previously filed as an exhibit to Form 10-Q filed with the Securities and Exchange Commission on May 24, 2016)
10.9	Limited Liability Company Agreement of ProDava 3D, LLC, a Delaware Limited Liability Company, dated June 30, 2014 (incorporated by reference to the Form 10-Q, as filed with the Securities and Exchange Commission on February 16, 2016).
10.10	License Agreement, by and between Provision Holding, Inc. and ProDava 3D, LLC, dated June 30, 2014 (incorporated by reference to the Form 10-Q, as filed with the Securities and Exchange Commission on February 16, 2016).
10.11	Form of Subscription Agreement (including the Warrant), by and between Provision Holding, Inc. and various purchasers (incorporated by reference to the Form 8-K, as filed with the Securities and Exchange Commission on April 6, 2017).
10.12	Five-year Strategic Alliance Agreement between Coinstar, LLC and Provision Holding, Inc., dated June 15, 2019 (incorporated by reference to the Form 8-K, as filed with the Securities and Exchange Commission on June 22, 2017).
10.13	Employment Agreement, dated September 18, 2017, by and between Provision Holding, Inc. and Mark Leonard (incorporated by reference to the Form 8-K, as filed with the Securities and Exchange Commission on September 14, 2017).
10.14	Subordinated Promissory Note between the Company and the Holder for $500,000, dated September 13, 2017 (incorporated by reference to the Form 8-K, as filed with the Securities and Exchange Commission on September 14, 2017).
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	Certifications Pursuant to Securities Exchange Act Rule 13a-14(a)\15d-14(a)*
32.1	Certifications 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).
EX-101.INS	XBRL INSTANCE DOCUMENT*
EX-101.SCH	XBRL TAXONOMY EXTENSION SCHEMA DOCUMENT*
EX-101.CAL	XBRL TAXONOMY EXTENSION CALCULATION LINKBASE*
EX-101.DEF	XBRL TAXONOMY EXTENSION DEFINITION LINKBASE*
EX-101.LAB	XBRL TAXONOMY EXTENSION LABELS LINKBASE*
EX-101.PRE	XBRL TAXONOMY EXTENSION PRESENTATION LINKBASE*

* Filed herewith

Item 8. Financial Statements and Supplementary Data.

FINANCIAL STATEMENTS

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RBSM LLP
Accountants & Advisors

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Larkspur, CA 94939
415-448-5061
www.rbsmllp.com

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of
Provision Holding, Inc.
Chatsworth, CA 91311

We have audited the accompanying consolidated balance sheet of Provision Holding, Inc. and its subsidiaries (the "Company") as of June 30, 2017 and 2016, and the related statements of operations, stockholders' deficit and cash flows for each of the two years in the period ended June 30, 2017. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements are free of material misstatement. We were not engaged to perform an audit of the Company's internal control over financial reporting. Our audits 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 also includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall consolidated financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Provision Holding, Inc. at June 30, 2017 and 2016 and the results of its operations and its cash flows for each of the two years in the period ended June 30, 2017, 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 Note 1 to the consolidated financial statements, the Company has suffered recurring losses from operations and has an accumulated deficit as of June 30, 2017, which raises substantial doubt about its ability to continue as a going concern. Management's plans in regards to these matters are also described in Note 1. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ RBSM LLP

Larkspur, California
October 13, 2017

New York City, Washington DC, San Francisco, CA, Las Vegas, NV Athens, GRE, Beijing, CHN, Mumbai and Pune IND
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FINANCIAL STATEMENTS

PROVISION HOLDING, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
AS OF JUNE 30, 2017 AND 2016

	2017	2016
ASSETS		
CURRENT ASSETS		
Cash	$ 310,749	$ 2,175,543
Inventory, net	2,201,759	3,521,739
Prepaid expenses	196,240	592,769
Other current assets	3,000	3,000
TOTAL CURRENT ASSETS	2,711,748	6,293,051
PROPERTY AND EQUIPMENT, net of accumulated depreciation	17,569	26,736
INTANGIBLES, net of accumulated amortization	170,229	172,725
TOTAL ASSETS	$ 2,899,546	$ 6,492,512
LIABILITIES AND STOCKHOLDERS' DEFICIT		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	$ 2,753,444	$ 2,651,657
Payroll taxes, interest and penalties	663,840	590,799
Accrued interest	2,557,435	2,476,036
Unearned revenue	2,057,607	3,419,616
Debt settlement payable	-	16,795
Derivative liability	408,286	188,128
Current portion of convertible debt, net of unamortized debt discount of $660,141 and $16,980 and net of unamortized warrant discount of $79,783 and $-0- and net of financing costs of $322,229 and $-0-, respectively	7,216,032	609,905
Notes payable, net of unamortized debt discount of $74,821 and $-0-, respectively	220,179	90,000
TOTAL CURRENT LIABILITIES	15,876,823	10,042,936
CONVERTIBLE DEBT, net of current portion and unamortized debt discount of $-0- and $1,291,892 and net of unamortized warrant discount of $-0- and $363,663 and net of financing costs of $-0- and $1,287,109, respectively	-	5,805,466
Nonconvertible series A preferred stock, related party	-	100
TOTAL LIABILITIES	15,876,823	15,848,502
STOCKHOLDERS' DEFICIT		
Preferred stock, par value $0.001 per share Authorized – 4,000,000 shares Designated 1,000 Series A preferred stock, Issued and outstanding – Nil and 1,000 shares, respectively	-	-
Common stock, par value $0.001 per share Authorized –300,000,000 shares - issued and outstanding – 134,431,613 and 89,242,624, respectively	134,432	89,242
Common stock to be issued for services, par value $0.001 per share, 641,667 and 1,249,998, respectively	34,250	262,166
Additional paid-in capital	28,987,431	25,100,864
Less receivable for stock	(50,000)	(50,000)
Accumulated deficit	(42,083,390)	(34,758,262)
TOTAL STOCKHOLDERS' DEFICIT	(12,977,277)	(9,355,990)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	$ 2,899,546	$ 6,492,512

The accompanying notes are an integral part of these consolidated financial statements

PROVISION HOLDING, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

	2017	2016
REVENUES		
Advertising revenues	$ 332,017	$ -
Hardware revenues	110,720	57,710
Hardware revenues – related party	1,196,552	4,313,046
Service related revenues – related party	-	506,695
Software revenues – related party	66,456	136,705
TOTAL REVENUES	1,705,745	5,014,156
COST OF REVENUES	1,922,611	4,488,001
GROSS (LOSS) PROFIT	(216,866)	526,155
EXPENSES		
General and administrative	3,162,229	2,153,432
Research and development	300,905	311,798
TOTAL OPERATING EXPENSES	3,463,134	2,465,230
LOSS FROM OPERATIONS	(3,680,000)	(1,939,075)
OTHER INCOME (EXPENSE)		
Derivative liability expense – insufficient shares	-	(85,960)
Change in fair value of derivative	63,372	18,868
Gain on forgiveness of debt	-	597,312
Loss on settlement of debt	(48,000)	-
Loss on debt extinguishment	-	(2,865,234)
Amortization of debt and warrant discount and financing costs	(2,468,355)	(913,544)
Other income	-	2,053
Interest expense	(1,192,145)	(1,017,236)
TOTAL OTHER EXPENSE	(3,645,128)	(4,263,741)
LOSS BEFORE INCOME TAXES	(7,325,128)	(6,202,816)
Income tax expense	-	-
NET LOSS	$ (7,325,128)	$ (6,202,816)
NET LOSS PER COMMON SHARE		
Basic and diluted	$ (0.07)	$ (0.08)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING		
Basic and diluted	105,726,140	80,098,932

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PROVISION HOLDING, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF STOCKHOLDERS' DEFICIT
FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

	Preferred A Stock		Common Stock		Additional Paid-in	Shares to be	Receivable for	Accumulated	Total Stockholders'
	Shares	Amount	Shares	Amount	Capital	Issued	Stock	Deficit	Deficit
Balance June 30, 2015	-	-	75,483,456	75,483	19,087,584	-	(50,000)	(28,555,446)	(9,422,379)
Issuance of common stock on conversion of debt and accrued interest	-	-	9,781,375	9,781	851,737	-	-	-	861,518
Issuance of common stock for services received	-	-	1,953,333	1,954	246,979	262,166	-	-	511,099
Issuance of common stock for warrants	-	-	1,399,460	1,399	(1,399)	-	-	-	-
Issuance of common stock in conjunction with warrant exercise for cash	-	-	625,000	625	24,375	-	-	-	25,000
Issuance of preferred A shares for services received	1,000	-	-	-	-	-	-	-	-
Derivative liability reclass to additional paid in capital upon share increase	-	-	-	-	85,960	-	-	-	85,960
Derivative liability reclass to additional paid in capital upon notes conversion	-	-	-	-	182,701	-	-	-	182,701
Fair value of warrants issued for finance costs	-	-	-	-	567,761	-	-	-	567,761
Fair value of warrants issued for deferred finance cost	-	-	-	-	685,250	-	-	-	685,250
Fair value of warrants issued in connection with convertible notes	-	-	-	-	19,183	-	-	-	19,183
Debt discount on convertible notes	-	-	-	-	1,310,900	-	-	-	1,310,900
Debt modification expenses	-	-	-	-	2,039,833	-	-	-	2,039,833
Net loss for the year ended June 30, 2016	-	-	-	-	-	-	-	(6,202,816)	(6,202,816)
Balance, June 30, 2016	1,000	$ -	89,242,624	$ 89,242	$25,100,864	$ 262,166	$ (50,000)	$ (34,758,262)	$ (9,355,990)
Issuance of common stock on conversion of debt and accrued interest	-	-	19,544,767	19,545	1,733,256	-	-	-	1,752,801
Issuance of common stock for services received	-	-	4,660,605	4661	715,106	(254,166)	-	-	465,601
Issuance of common stock in conjunction with promissory notes as financing costs	-	-	2,925,000	2,925	170,075	-	-	-	173,000
Issuance of common stock for cash, net	-	-	17,500,005	17,500	857,567	-		-	875,067
Relative fair value of warrants issued with stock for cash	-	-	-	-	154,933	-	-	-	154,933
Issuance of options for services received	-	-	-	-	16,909	-	-	-	16,909
Common stock issued for debt settlement	-	-	400,000	400	47,600	-	-	-	48,000
Common stock to be issued for services	-	-	-	-	-	26,250	-	-	26,250
Issuance of warrants and common stock issued upon exercise of warrants	-	-	158,612	159	30,467	-	-	-	30,626
Debt discount on convertible notes	-	-	-	-	34,944	-	-	-	34,944
Derivative liability reclass to additional paid in capital upon notes conversion	-	-	-	-	125,710	-	-	-	125,710
Repurchase of preferred stock	(1,000)	-	-	-	-	-	-	-	-
Net loss for the year ended June 30, 2017	-	-	-	-	-	-	-	(7,325,128)	(7,325,128)
Balance, June 30, 2017	-	$ -	134,431,613	$ 134,432	$28,987,431	$ 34,250	$ (50,000)	$ (42,083,390)	$ (12,977,277)

The accompanying notes are an integral part of these consolidated financial statements

PROVISION HOLDING, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (7,325,128)	$ (6,202,816)
Adjustments to reconcile net loss to net cash used in operating activities:		
Non-cash compensation	491,851	511,198
Loss on debt settlement	48,000	-
Debt modification expenses	-	2,865,234
Gain on forgiveness of debt	-	(597,312)
Inventory write-down	32,515	-
Depreciation expense	9,167	764
Amortization	2,496	2,496
Amortization of prepaid financing cost	993,380	514,207
Amortization of prepaid expenses	396,529	-
Amortization of debt discount	1,086,760	195,239
Amortization of warrant discount	283,880	204,098
Fair value of options expense	16,909	-
Fair value of warrants expense	30,626	-
Change in the fair value of derivative liability	(63,372)	(18,868)
Derivative liability expense – insufficient shares	-	85,960
Non-cash interest expenses	104,334	275,041
Changes in operating assets and liabilities:		
Accounts receivable	-	76,305
Inventory	1,287,465	(2,044,472)
Prepaid expenses	-	(592,769)
Prepaid financing costs	-	(93,246)
Accounts payable and accrued liabilities	101,787	648,068
Preferred stock liability	(100)	-
Payroll taxes, interest and penalties	73,041	(64,647)
Accrued interest	293,870	468,350
Unearned revenue	(1,362,009)	1,305,796
NET CASH USED IN OPERATING ACTIVITIES	(3,497,999)	(2,461,374)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of fixed assets	-	(27,500)
Purchase of intangible assets	-	(18,100)
NET CASH USED IN INVESTING ACTIVITIES	-	(45,600)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from convertible notes payable, net of fees	415,000	4,775,469
Payments on debt settlement	(16,795)	(201,420)
Proceeds from promissory notes	221,500	-
Proceeds from the sale of common stock, net of fees	1,030,000	-
Payments on convertible notes payable	-	(45,500)
Payments on promissory notes	(16,500)	
Stock issued for cash in conjunction with warrant exercise	-	25,000
NET CASH PROVIDED BY FINANCING ACTIVITIES	1,633,205	4,553,549
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(1,864,794)	2,046,575
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	2,175,543	128,968
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 310,749	$ 2,175,543

The accompanying notes are an integral part of these consolidated financial statements

PROVISION HOLDING, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS CONTINUED
FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

		2017		2016
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION				
Interest paid	$	666,548	$	254,444
Taxes paid	$	-	$	-
SCHEDULE OF NON-CASH INVESTING AND FINANCING ACTIVITIES:				
Issuance of shares of common stock for debt and accrued interest conversion	$	1,752,801	$	861,518
Debt discount on convertible notes	$	34,944	$	1,425,555
Fair value of warrant issued for debt discount and deferred financing cost	$	-	$	1,272,194
Derivative liability expense – insufficient shares	$	-	$	85,960
Common stock to be issued now issued	$	254,166	$	-
Initial derivative liability on the notes issuance date	$	409,240	$	389,697
Derivative liability reclass into additional paid in capital upon notes conversion	$	125,710	$	182,701
Proceed from convertible notes directly paid to accounts payable balance	$	-	$	96,581
Re-class accrued interest into convertible debt	$	-	$	368,947
Stock issued in conjunction with cashless warrant exercise	$	159	$	-
Stock issued in conjunction with promissory notes accounted for as financing costs	$	173,000	$	-

The accompanying notes are an integral part of these consolidated financial statements

NOTE 1 ORGANIZATION AND BASIS OF PRESENTATION

Business Description and Presentation

Provision Holding, Inc. ("Provision" or the "Company") 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 retail 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.

Corporate History

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.

Going Concern and Management Plans

These consolidated 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 had accumulated deficit at June 30, 2017 of $42,083,390. The Company has negative working capital of $13,165,075 as of June 30, 2017. Additionally, the Company has approximately $8,573,185 convertible debt and promissory notes currently due. 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.

There have been no significant changes in the Company's significant accounting policies during the year ended June 30, 2017 compared to what was previously disclosed in the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2016.

Basis of comparison

Certain prior-period amounts have been reclassified to conform to the current period presentation. None of the reclassification had an impact on net loss or shareholder equity.

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.

Management makes estimates that affect certain accounts including, deferred income tax assets, estimated useful lives of property and equipment, accrued expenses, fair value of equity instruments and reserves for any other commitments or contingencies. Any adjustments applied to estimates are recognized in the year in which such adjustments are determined.

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. As of June 30, 2017 and 2016, the Company's cash and cash equivalents were on deposit in federally insured financial institutions, and at times may exceed federally insured limits.

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.

Property and Equipment

Property and equipment are stated at cost. When retired or otherwise disposed, the related carrying value and accumulated depreciation are removed from the respective accounts and the net difference less any amount realized from disposition, is reflected in earnings. For financial statement purposes, property and equipment are recorded at cost and depreciated using the straight-line method over their estimated useful lives. Long-lived tangible assets are reviewed for impairment whenever events or changes in business circumstances indicate the carrying value of the assets may not be recoverable. Impairment losses are recognized based on estimated fair values if the sum of expected future undiscounted cash flows of the related assets is less than their carrying values.

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

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 during the years ended June 30, 2017 and 2016.

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 during the years ended June 30, 2017 and 2016.

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 Accounting Standards Codification ("ASC") 605, Revenue Recognition ("ASC 605"). Revenue from licensing, distribution and marketing agreements is recognized over the term of the contract. Revenue from the sale of hardware is recognized when the product is complete and the buyer has accepted delivery. Provisions for discounts and rebates to customers, estimated returns and allowances, and other adjustments are provided for in the same period the related sales are recorded.

Cost of Revenue

Cost of revenue in respect to sale of hardware consists of costs associated with manufacturing of 3D displays, Kiosk machine, transportation, and other costs that are directly related to a revenue-generating. Such expenses are classified as cost of revenue in the corresponding period in which the revenue is recognized in the accompanying income statement.

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.

The Company amortizes is intangible assets using the straight-line method with estimated useful lives of 80 years. For federal income tax purposes, amortization is computed using the straight-line 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.

Unearned Revenue

The Company bills customers in advance for certain of its services. If the customer makes payment before the service is rendered to the customer, the Company records the payment in a liability account entitled customer prepayments and recognizes the revenue related to the services when the customer receives and utilizes that service, at which time the earnings process is complete. The Company recorded $2,057,607 and $3,419,616 as of June 30, 2017 and 2016, respectively as unearned revenue.

Significant Customers

During the year ended June 30, 2017, the Company had two customers which accounted for more than 10% of the Company's revenues (74% and 19%, respectively). During the year ended June 30, 2016 the Company had one customer which accounted for more than 10% of the Company's revenues (98%). As of June 30, 2016, the Company had no accounts receivable balance. As of June 30, 2017, the Company had no accounts receivable balance.

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.

For the years ended June 30, 2017 and 2016, the Company incurred $300,905 and $311,798, respectively for research and development expense which are included in the consolidated statements of operations.

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, 2017 and 2016. 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.

The following table provides a summary of the carrying value of the Company's Promissory Notes, as of June 30, 2017:

Balance at June 30, 2015	$	3,112,943
Issuance of notes		5,417,800
Deferred financing and debt and warrants discount on convertible notes		(3,336,746)
Debt increase due to modification		825,401
Accretion of debt and warrant discount and prepaid financing costs		913,544
Re-class to accrued interest and customer deposit into convertible notes payable		368,947
Issuance of shares of common stock for convertible debt		(859,018)
Payments on convertible notes payable		(27,500)
Balance at June 30, 2016	$	6,415,371
Issuance of notes – net of financing costs		415,000
Deferred financing and debt and warrants discount on convertible notes		(304,906)
Debt discount on convertible notes		(34,944)
Accretion of debt and warrant discount and prepaid financing costs		2,265,841
Issuance of shares of common stock for convertible debt		(1,540,330)
Balance June 30, 2017	$	7,216,032

There is no active market for the debt and the fair value was based on the delayed payment terms, the warrants issued as consideration of the debt issuance, the interest rate and the common stock issued as consideration of the debt issuance in addition to other facts and circumstances at the end of June 30, 2017 and 2016. The Company did not recognize a gain or loss on the valuation of debt during the years ended June 30, 2017 and 2016.

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	Fair Value Measurements Using Fair Value Hierarchy Level 1	Level 2	Level 3
Derivative liability – June 30, 2017	$ 408,286	$ -	$ -	$ 408,286
Derivative liability – June 30, 2016	$ 188,128	$ -	$ -	$ 188,128

Derivative Financial Instruments

The Company evaluates our financial instruments to determine if such instruments are derivatives or contain features that qualify as embedded derivatives. For derivative financial instruments that are accounted for as liabilities, the derivative instrument is initially recorded at its fair value and is then re-valued at each reporting date, with changes in the fair value reported in the statements of operations. For stock-based derivative financial instruments, the Company uses the Black-Scholes-Merton pricing model to value the derivative instruments. The classification of derivative instruments, including whether such instruments should be recorded as liabilities or as equity, is evaluated at the end of each reporting period. Derivative instrument liabilities are classified in the balance sheet as current or non-current based on whether or not net-cash settlement of the derivative instrument could be required within 12 months of the balance sheet date.

Certain of the Company's embedded conversion features on debt and outstanding warrants are treated as derivative liabilities for accounting purposes under ASC 815 due to insufficient authorized shares to settle these outstanding contracts, or due to other rights connected with these contracts, such as registration rights. In the case of insufficient authorized share capital available to fully settle outstanding contracts, the Company utilizes the latest maturity date sequencing method to reclassify outstanding contracts as derivative instruments. These contracts are recognized currently in earnings until such time as the warrants are exercised, expire, the related rights have been waived and/or the authorized share capital has been amended to accommodate settlement of these contracts. These instruments do not trade in an active securities market.

The classification of derivative instruments, including whether such instruments should be recorded as liabilities or as equity, is re-assessed at the end of each reporting period. Derivative instruments that become subject to reclassification are reclassified at the fair value of the instrument on the reclassification date. Derivative instrument liabilities will be classified in the balance sheet as current or non-current based on whether or not settlement of the derivative instrument is expected within 12 months of the balance sheet date.

The Company estimates the fair value of these instruments using the Black-Scholes option pricing model and the intrinsic value if the convertible notes are due on demand.

We have determined that certain convertible debt instruments outstanding as of the date of these financial statements include an exercise price "reset" adjustment that qualifies as derivative financial instruments under the provisions of ASC 815-40, Derivatives and Hedging - Contracts in an Entity's Own Stock ("ASC 815-40"). Certain of the convertible debentures have a variable exercise price, thus are convertible into an indeterminate number of shares for which we cannot determine if we have sufficient authorized shares to settle the transaction with. Accordingly, the embedded conversion option is a derivative liability and is marked to market through earnings at the end of each reporting period. Any change in fair value during the period recorded in earnings as "Other income (expense) - gain (loss) on change in derivative liabilities."

The following table represents the Company's derivative liability activity for the period ended:

Balance at June 30, 2015.	$	–
Derivative liability – insufficient shares		85,960
Derivative liability – reclass into additional paid in capital due to sufficient shares		(85,960)
Initial measurement at issuance date of the notes		389,697
Derivative liability reclass into additional paid in capital upon notes conversion		(182,701)
Change in fair value of derivative at period end		(18,868)
Balance at June 30, 2016	$	188,128
Derivative liability reclass into additional paid in capital upon notes conversion		(125,710)
Initial measurement at issuance date of the notes		409,240
Change in fair value of derivative at year end		(63,372)
Balance June 30, 2017	$	408,286

Commitments and Contingencies:

In the normal course of business, the Company is subject to loss contingencies, such as legal proceedings and claims arising out of its business, that cover a wide range of matters, including, among others, government investigations, environment liability and tax matters. An accrual for a loss contingency is recognized when it is probable that an asset had been impaired or a liability had been incurred and the amount of loss can be reasonably estimated.

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 has adopted Accounting Standards Codification subtopic 740-10, *Income Taxes* ("ASC 740-10") which requires the recognition of deferred tax assets and liabilities for the expected 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 as of June 30, 2017. The Company remains subject to examination by the Federal and State tax authorities since inception through June 30, 2017.

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, 2017, the Company had debt instruments, options and warrants outstanding that can potentially be converted into approximately 116,551,949 shares of common stock.

Anti-dilutive securities not included in diluted loss per share relating to:	
Warrants outstanding	333,333
Options vested and outstanding	-
Convertible debt and notes payable including accrued interest	14,326,286

Material Equity Instruments

The Company evaluates stock options, stock warrants and other contracts (convertible promissory note payable) to determine if those contracts or embedded components of those contracts qualify as derivative financial instruments to be separately accounted for under the relevant sections of *ASC 815-40, Derivative Instruments and Hedging: Contracts in Entity's Own Equity ("ASC 815").* The result of this accounting treatment could be that the fair value of a financial instrument is classified as a derivative financial instrument and is marked-to-market at each balance sheet date and recorded as a liability. In the event that the fair value is recorded as a liability, the change in fair value is recorded in the statement of operations as other income or other expense. Upon conversion or exercise of a derivative financial instrument, the instrument is marked to fair value at the conversion date and then that fair value is reclassified to equity. Financial instruments that are initially classified as equity that become subject to reclassification under ASC 815 are reclassified to a liability account at the fair value of the instrument on the reclassification date.

Certain of the Company's embedded conversion features on debt and outstanding warrants are treated as derivative liabilities for accounting purposes under ASC 815-40 due to insufficient authorized shares to settle these outstanding contracts. Pursuant to SEC staff guidance that permits a sequencing approach based on the use of ASC 840-15-25 which provides guidance for contracts that permit partial net share settlement. The sequencing approach may be applied in one of two ways: contracts may be evaluated based on (1) earliest issuance date or (2) latest maturity date. In the case of insufficient authorized share capital available to fully settle outstanding contracts, the Company utilizes the earliest maturity date sequencing method to reclassify outstanding contracts as derivative instruments. These contracts are recognized currently in earnings until such time as the convertible notes or warrants are exercised, expire, the related rights have been waived and/or the authorized share capital has been amended to accommodate settlement of these contracts. These instruments do not trade in an active securities market.

Recent Accounting Pronouncements

In January 2016, the FASB issued an accounting standard update which requires, among other things, that entities measure equity investments (except those accounted for under the equity method of accounting or those that result in consolidation of the investee) at fair value, with changes in fair value recognized in earnings. Under the standard, entities will no longer be able to recognize unrealized holding gains and losses on equity securities classified today as available for sale as a component of other comprehensive income. For equity investments without readily determinable fair values the cost method of accounting is also eliminated, however subject to certain exceptions, entities will be able to elect to record equity investments without readily determinable fair values at cost, less impairment and plus or minus adjustments for observable price changes, with all such changes recognized in earnings. This new standard does not change the guidance for classifying and measuring investments in debt securities and loans. The standard is effective for us on July 1, 2018 (the first quarter of our 2019 fiscal year). The Company is currently evaluating the anticipated impact of this standard on our financial statements.

In February 2016, the FASB issued ASU No. 2016-02, Leases (Topic 842) to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. Topic 842 affects any entity that enters into a lease, with some specified scope exemptions. The guidance in this Update supersedes Topic 840, Leases. The core principle of Topic 842 is that a lessee should recognize the assets and liabilities that arise from leases. A lessee should recognize in the statement of financial position a liability to make lease payments (the lease liability) and a right-of-use asset representing its right to use the underlying asset for the lease term. For public companies, the amendments in this Update are effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. We are currently evaluating the impact of adopting ASU No. 2016-02 on our consolidated financial statements.

In March 2016, the FASB issued ASU 2016-08, *Revenue from Contracts with Customers (Topic 606): Principal versus Agent Considerations (Reporting Revenue Gross versus Net)* that clarifies how to apply revenue recognition guidance related to whether an entity is a principal or an agent. ASU 2016-08 clarifies that the analysis must focus on whether the entity has control of the goods or services before they are transferred to the customer and provides additional guidance about how to apply the control principle when services are provided and when goods or services are combined with other goods or services. The effective date for ASU 2016-08 is the same as the effective date of ASU 2014-09 as amended by ASU 2015-14, for annual reporting periods beginning after December 15, 2017, including interim periods within those years. The Company has not yet determined the impact of ASU 2016-08 on its consolidated financial statements.

In March 2016, the FASB issued ASU No. 2016-09, Compensation – Stock Compensation, or ASU No. 2016-09. The areas for simplification in this Update involve several aspects of the accounting for share-based payment transactions, including the income tax consequences, classification of awards as either equity or liabilities, and classification on the statement of cash flows. For public entities, the amendments in this Update are effective for annual periods beginning after December 15, 2016, and interim periods within those annual periods. Early adoption is permitted in any interim or annual period. If an entity early adopts the amendments in an interim period, any adjustments should be reflected as of the beginning of the fiscal year that includes that interim period. An entity that elects early adoption must adopt all of the amendments in the same period. Amendments related to the timing of when excess tax benefits are recognized, minimum statutory withholding requirements, forfeitures, and intrinsic value should be applied using a modified retrospective transition method by means of a cumulative-effect adjustment to equity as of the beginning of the period in which the guidance is adopted. Amendments related to the presentation of employee taxes paid on the statement of cash flows when an employer withholds shares to meet the minimum statutory withholding requirement should be applied retrospectively. Amendments requiring recognition of excess tax benefits and tax deficiencies in the income statement and the practical expedient for estimating expected term should be applied prospectively. An entity may elect to apply the amendments related to the presentation of excess tax benefits on the statement of cash flows using either a prospective transition method or a retrospective transition method. We are currently evaluating the impact of adopting ASU No. 2016-09 on our consolidated financial statements.

In April 2016, the FASB issued ASU 2016-10, *Revenue from Contracts with Customers (Topic 606): Identifying Performance Obligations and Licensing*, which provides further guidance on identifying performance obligations and improves the operability and understandability of licensing implementation guidance. The effective date for ASU 2016-10 is the same as the effective date of ASU 2014-09 as amended by ASU 2015-14, for annual reporting periods beginning after December 15, 2017, including interim periods within those years. The Company has not yet determined the impact of ASU 2016-10 on its consolidated financial statements.

In June 2016, the FASB Issued ASU 2016-12, "Revenue from Contracts with Customers (Topic 606): Narrow-Scope Improvements and Practical Expedients" and clarifies the objective of the collectability criterion, presentation of taxes collected from customers, non-cash consideration, contract modifications at transition, completed contracts at transition and how guidance in Topic 606 is retrospectively applied. The amendments do not change the core principle of the guidance in Topic 606. The effective dates are the same as those for Topic 606. The Company has not yet determined the impact of ASU 2016-12 on its consolidated financial statements.

There have been four new ASUs issued amending certain aspects of ASU 2014-09, ASU 2016-08, "Principal versus Agent Considerations (Reporting Revenue Gross Versus Net)" was issued in March 2016 to clarify certain aspects of the principal versus agent guidance in ASU 2014-09. In addition, ASU 2016-10, "Identifying Performance Obligations and Licensing," issued in April 2016, amends other sections of ASU 2014-09 including clarifying guidance related to identifying performance obligations and licensing implementation. ASU 2016-12, "Revenue from Contracts with Customers - Narrow Scope Improvements and Practical Expedients" provides amendments and practical expedients to the guidance in ASU 2014-09 in the areas of assessing collectability, presentation of sales taxes received from customers, noncash consideration, contract modification and clarification of using the full retrospective approach to adopt ASU 2014-09. Finally, ASU 2016-20, "Technical Corrections and Improvements to Topic 606, Revenue from Contracts with Customers" was issued in December 2016, and provides elections regarding the disclosures required for remaining performance obligations in certain cases and also makes other technical corrections and improvements to the standard. With its evaluation of the impact of ASU 2014-09, the Company will also consider the impact on its financial statements related to the updated guidance provided by these four new ASUs.

In January 2017, the FASB issued ASU 2017-04 which removes Step 2 from the goodwill impairment test. It is effective for annual and interim periods beginning after December 15, 2019. Early adoption is permitted for an interim or annual goodwill impairment test performed with a measurement date after January 1, 2017. The Company does not anticpate any material impact from the adoption of ASU 2017-04 on its results of operations, statement of financial position or financial statement disclosures.

In May 2017, the FASB issued ASU No. 2017-09 "Compensation-Stock Compensation (Topic 718) Scope of Modification Accounting (ASU 2017-09)." ASU 2017-09 clarifies which changes to the terms or conditions of a share-based payment award require an entity to apply modification accounting in Topic 718. The standard is effective for interim and annual reporting periods beginning after December 15, 2017, with early adoption permitted. The Company is currently evaluating the impact of its adoption of this standard on its financial statements.

In July 2017, the FASB issued ASU No. 2017-11, "Earnings Per Share (Topic 260); Distinguishing Liabilities from Equity (Topic 480); Derivatives and Hedging (Topic 815): (Part I) Accounting for Certain Financial Instruments with Down Round Features; (Part II) Replacement of the Indefinite Deferral for Mandatorily Redeemable Financial Instruments of Certain Nonpublic Entities and Certain Mandatorily Redeemable Noncontrolling Interests with a Scope Exception". ASU 2017-11 allows companies to exclude a down round feature when determining whether a financial instrument (or embedded conversion feature) is considered indexed to the entity's own stock. As a result, financial instruments (or embedded conversion features) with down round features may no longer be required to be accounted for as derivative liabilities. A company will recognize the value of a down round feature only when it is triggered and the strike price has been adjusted downward. For equity-classified freestanding financial instruments, an entity will treat the value of the effect of the down round as a dividend and a reduction of income available to common shareholders in computing basic earnings per share. For convertible instruments with embedded conversion features containing down round provisions, entities will recognize the value of the down round as a beneficial conversion discount to be amortized to earnings. ASU 2017-11 is effective for fiscal years beginning after December 15, 2018, and interim periods within those fiscal years. Early adoption is permitted. The guidance in ASU 2017-11 can be applied using a full or modified retrospective approach. The Company has not yet determined the effect that ASU 2017-11 will have on its results of operations, statement of financial position or financial statement disclosures.

FASB ASU 2014-12, "Compensation - Stock Compensation (Topic 718), Accounting for Share-Based Payments When the Terms of an Award Provide That a Performance Target Could Be Achieved after the Requisite Service Period" was issued June 2014. This guidance was issued to resolve diversity in accounting for performance targets. A performance target in a share-based payment that affects vesting and that could be achieved after the requisite service period should be accounted for as a performance condition and should not be reflected in the award's grant date fair value. Compensation cost should be recognized over the required service period, if it is probable that the performance condition will be achieved. The guidance is effective for annual periods beginning after December 15, 2015 and interim periods within those annual periods. This update did not have a significant impact upon early adoption.

FASB ASU 2014-15, "Presentation of Financial Statements-Going Concern (Subtopic 205-40), Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern" was issued September 2014. This provides guidance on determining when and how to disclose going-concern uncertainties in the financial statements. The new standard requires management to perform interim and annual assessments of an entity's ability to continue as a going concern within one year of the date the financial statements are issued. An entity must provide certain disclosures if conditions or events raise substantial doubt about the entity's ability to continue as a going concern. The ASU applies to all entities and is effective for annual periods ending after December 15, 2016, and interim periods thereafter, with early adoption permitted. The Company does not have any significant impact upon adoption.

FASB ASU 2015-11, "Simplifying the Measurement of Inventory" was issued in July 2015. This requires entities to measure most inventory "at the lower of cost and net realizable value," thereby simplifying the current guidance under which an entity must measure inventory at the lower of cost or market. The ASU will not apply to inventories that are measured by using either the last-in, first-out method or the retail inventory method. For public business entities, the ASU is effective prospectively for annual periods beginning after December 15, 2016, and interim periods therein. Upon transition, entities must disclose the nature of and reason for the accounting change. The Company does not anticipate a significant impact upon adoption.

FASB ASU No. 2015-15, Interest—Imputation of Interest: Presentation and Subsequent Measurement of Debt Issuance Costs Associated with Line-of-Credit Arrangements" was issued in August 2015 which permits an entity to report deferred debt issuance costs associated with a line-of-credit arrangement as an asset and to amortize such costs over the term of the line-of-credit arrangement, regardless of whether there are any outstanding borrowings under the credit line. The ASU applies to all entities and is effective for public business entities for annual periods beginning after December 15, 2015, and interim periods thereafter, with early adoption permitted. The guidance should be applied on a retrospective basis. The Company did not have any significant impact upon adoption.

FASB ASU 2015-17, "Income Taxes Balance Sheet Classification of Deferred Taxes" was issued in November 2015. This requires entities to classify deferred tax liabilities and assets as noncurrent in a classified statement of financial position and applies to all entities that present a classified statement of financial position. For public entities, this update is effective for financial statements issued for annual periods beginning after December 15, 2016, and interim periods within those annual periods. The Company does not anticipate a significant impact upon adoption.

FASB ASU 2016-13, "Financial Instruments - Credit Losses (Topic 326)" was issued in June 2016. This ASU amends the Board's guidance on the impairment of financial instruments. Under the new guidance, an entity recognizes as an allowance its estimate of expected credit losses, which the FASB believes will result in more timely recognition of such losses. This ASU is effective for fiscal years beginning after December 15, 2019. Early adoption will be permitted. The Company does not anticipate a significant impact upon adoption.

NOTE 2 INVENTORY

Inventory consists of raw materials; work in process and finished goods. The Company's inventory is stated at the lower of cost or market on a First-in-First out basis.

The carrying value of inventory consisted of the following:

	June 30, 2017	June 30, 2016
Raw materials	$ 30,227	$ 26,619
Finished goods	2,328,897	3,652,485
	2,359,124	3,679,104
Less Inventory reserve	(157,365)	(157,365)
Total	$ 2,201,759	$ 3,521,739

At June 30, 2017 and 2016, the inventory reserve remained unchanged, respectively.

NOTE 3 PREPAID EXPENSES

During the year ended June 30, 2017, the Company prepaid certain expenses related to software licensing fees. At June 30, 2017 and 2016, $196,240 and $592,769, respectively, of these expenses remains to be amortized over the useful life through October 2017.

NOTE 4 PROPERTY and EQUIPMENT, net

Property and equipment consists of the following:

	June 30, 2017	June 30, 2016
Furniture and fixtures	$ 12,492	$ 12,492
Computer equipment	39,180	39,180
Equipment	4,493	4,493
	56,165	56,165
Less accumulated depreciation	(38,596)	(29,429)
Total	$ 17,569	$ 26,736

The aggregate depreciation charge to operations was $9,167 and $ 764 for years ended June 30, 2017 and 2016, respectively. The depreciation policies followed by the Company are described in Note 1.

NOTE 5 PREPAID FINANCING COSTS

The Company pays financing costs to consultants and service providers related to certain financing transactions. The financing costs are then amortized over the respective life of the financing agreements. As such, the Company has unamortized prepaid financing costs of $322,229 and $1,287,109 at June 30, 2017 and 2016, respectively. Prepaid financing costs are presented with the net convertible debt as appropriate.

The aggregate amortization of prepaid financing cost charged to operations was $993,380 and $514,207 for years ended June 30, 2017 and 2016, respectively.

NOTE 6 INTANGIBLES, net of accumulated amortization

Intangibles consist of the following:

	June 30, 2017	June 30, 2016
Patents in process	$ 142,116	$ 142,116
Patents issued	58,037	58,037
	200,153	200,153
Less accumulated amortization	(29,924)	(27,428)
Total	$ 170,229	$ 172,725

The aggregate amortization expense charged to operations was $2,496 and $2,496 for years ended June 30, 2017 and 2016, respectively. The amortization policies followed by the Company are described in Note 1.

As of June 30, 2017, the estimated future amortization expense related to finite-lived intangible assets was as follows:

Fiscal year ending,	
June 30, 2018	$ 2,496
June 30, 2019	2,496
June 30, 2020	2,496
June 30, 2021	2,496
June 30, 2022	2,496
Thereafter	157,749
Total	$ 170,229

NOTE 7 DEBT SETTLEMENT

During February 2015, the Company settled with a convertible note holder to repay the principal and accrued interest due with an interest free scheduled payment plan. On the date of the settlement the principal and accrued interest had a total value of $333,563. The scheduled payment plan calls for payments totaling $260,000. Accordingly, the Company recorded $73,563 of gain on debt extinguishment in June 2015. The Company repaid $16,795 on this debt during the year ended June 30, 2017. The remaining balance is $-0- and $16,795 at June 30, 2017 and 2016, respectively.

During January 2017, the Company settled a prior debt. According to the settlement agreement, the Company is required to issue 400,000 shares of common stock to the recipient. The shares were valued at $48,000 and the Company has recorded the same as expense in the statement of operations for the year ended June 30, 2017.

NOTE 8 CONVERTIBLE DEBT

Convertible debt consists of the following:

	June 30, 2017	June 30, 2016
Convertible notes payable, annual interest rate of 10% to 12%, due dates range from May 2010 to February 2019 and convertible into common stock at a rate of $0.04 to $1.00 per share. $1,306,855 of these notes are in default.	$ 7,528,185	$ 8,625,015
Convertible note payable, annual interest rate of 10%, convertible into common stock at a rate of $1.00 per share and due July 2017.	750,000	750,000
Unamortized prepaid financing costs	(322,229)	(1,287,109)
Unamortized warrants discount to notes	(79,783)	(363,663)
Unamortized debt discount	(660,141)	(1,308,872)
	7,216,032	6,415,371
Less current portion	(7,216,032)	(609,905)
Convertible debt, net of current portion and debt discount	$ -	$ 5,805,466

During the year ended June 30, 2017 holders of the Notes converted $1,752,801 including accrued interest value into 19,544,767 shares of the Company's common stock. The determined fair value of the debt derivatives of $125,710 was reclassified into equity during the year ended June 30, 2017.

As of June 30, 2016, the Company has $526,885 of convertible debt that is in default and past the due date. These debts are included in the $609,905 of current portion of notes payable, net of discounts.

During the year ended June 30, 2016, the Company issued $5,417,800 in 12% Series A Senior Secured Convertible Promissory Notes, convertible into shares of the Company's Common Stock at a conversion price of $0.10 per share. Each subscriber will receive, for every $1,000 in Promissory Notes purchase, Series A Warrants to purchase 2,000 shares of the Company's Common Stock at an exercise price of $0.15 per share. The Promissory Notes shall be secured by all current and future assets of the Company on a pro-rata basis. The Company received net proceeds of $4,775,468, balance $545,780 was shown as deferred financing cost and $96,552 was adjusted against the old accounts payable. In relation to the above note, the Company incurred $104,400 as additional deferred financing cost. During the year ended June 30, 2016, the Company issued warrants to placement agents at exercise price of $0.15 per share which was valued at $685,250 and recorded as deferred financing cost.

For the year ended June 30, 2016, the Company charged $514,207 as amortization of deferred financing cost.

On or after six months from the original issue date, the Subscriber will have the right, at the Subscriber's option, to convert all or any portion of the principal and any accrued but unpaid interest into shares of the Company's Common Stock at a Conversion Price of $0.10. The Conversion Price may be adjusted for any merger, stock split or dividend. Interest shall be payable at the rate of 12% per annum and shall be due and payable quarterly, in arrears, with the initial interest payment due September 30, 2015 (from the date of issuance), and continuing thereafter on each successive December 31, March 31, June 30 and September 30 and of each year. Standard events of default such as failure to pay interest or principal on the Notes, failure to convert the Notes, and certain events related to insolvency. The Exercise Price of each Warrant is $0.15 per share. Each Warrant expires five years after issuance. The Exercise Price may be adjusted for any merger, stock split or dividend.

The Company allocated the proceeds from the sale of the above promissory notes and related warrants based on the relative fair values at the time of issuance with the proceeds allocated to the warrants accounted for as additional paid-in-capital. The detachable Warrants were valued at $567,761 using Black- Scholes model, as the fair value of convertible promissory notes on commitment date was $567,761. The effective conversion price is calculated, which is lower than the stock price on issuance dates, and therefore, the Company determined that the instrument's effective conversion price was in-the-money at the instrument's commitment date (a "beneficial conversion feature"). The intrinsic value of the conversion option (beneficial conversion feature) is $1,310,900, and the Company recorded $1,310,900 beneficial conversion feature to additional paid in capital.

During the year ended June 30, 2016 the certain holders of the Note converted $579,500 including accrued interest value into 6,961,195 shares of the Company's common stock.

On May 6, 2016, the Company exchanged a debenture with an unpaid principal amount of $195,000 and unpaid interest of $94,839 for $7,821 in cash, a 12% Senior Secured Convertible Promissory Note for $282,018 convertible into the Company's common stock at $0.10 per share and a warrant to purchase 564,036 shares of the Company's common stock at $0.15 per share which expires on May 6, 2021. The Company determined fair value of new debt $535,834 and fair value of warrants $91,317 as a result was recorded $345,133 as a loss on debt extinguishment during the year ended June 30, 2016. On June 30, 2016 the holder of the Note converted $282,018 full face value into 2,820,180 shares of the Company's common stock. The balance on the Note as of June 30, 2016 is $-0-.

On June 30, 2016, the Company entered into an agreement, effective May 18, 2016, to exchange promissory notes held by two noteholders for promissory notes and warrants. The original notes ("Original Notes") had a principal balance of $140,000 with accrued interest of $84,599, subject to a substantial increase if default provisions of the Original Notes, which the Company disputed, were applied. The principal and interest total of $224,599, subject to a substantial increase if default provisions of the Original Notes which the Company disputed were applied was convertible at $0.03 per share. The Original Notes were exchanged for promissory notes ("New Notes") with a conversion price of $0.10 per share and interest rate of 12% and a principal balance of $1,050,000, a discount to the mandatory default amount of the Original Notes claimed by the noteholders, which the Company disputed,. The holders of the New Notes will also receive warrants to purchase the Company's common stock, equal to 20% of the initial convertible amount of the New Notes, at an exercise price of $0.15 per share. The Company determined fair value of new debt $2,310,000 and fair value of warrants $434,700 as a result was recorded $2,520,100 as a loss on debt extinguishment during the year ended June 30, 2016. The balance on the Note as of June 30, 2016 is $1,050,000 ($825,401 increase in principal notes balance was included in loss on debt extinguishment).

For the years ended June 30, 2017 and 2016, $283,880 and $204,098 were expensed in the statement of operation as amortization of warrant discount and shown as interest expenses, respectively. For the years ended June 30, 2017 and 2016, $988,581 and $195,239 was amortized of debt discount and shown as interest expenses, respectively.

The aggregate amortization of prepaid financing cost charged to operations was $993,380 and $514,207 for years ended June 30, 2017 and 2016, respectively.

Accrued and unpaid interest for convertible notes payable at June 30, 2017 and 2016 was $2,525,362 and $2,449,508, respectively.

For the years ended June 30, 2017 and 2016, $924,890 and $586,306, was charged as interest on debt and shown as interest expenses, respectively.

NOTE 9 DERIVATE LIABILITY

On June 10, 2016, the Company entered into a Loan Agreement with an investor pursuant to which the Company reissued a convertible promissory note from a selling investor in the principal amount of for up to $160,330. The Note is convertible into shares of common stock at an initial conversion price subject to adjustment as contained in the Note. The Conversion Price is the 80% of the average closing price of the last thirty trading days of the stock, not lower than $0.10. The Note accrues interest at a rate of 7% per annum and matures on December 10, 2017.

Due to the variable conversion price associated with this convertible promissory note, the Company has determined that the conversion feature is considered a derivative liability. The accounting treatment of derivative financial instruments requires that the Company record the fair value of the derivatives as of the inception date of the Convertible Promissory Note and to adjust the fair value as of each subsequent balance sheet date.

The initial fair value of the embedded debt derivative of $206,996 was allocated as a debt discount $76,163 was determined using intrinsic value with the remainder $130,833 charged to current period operations as interest expenses. The fair value of the described embedded derivative was determined using the Black-Scholes Model with the following assumptions:

(1) dividend yield of	0%;
(2) expected volatility of	164%,
(3) risk-free interest rate of	0.87%,
(4) expected life of	36 months
(5) fair value of the Company's common stock of	$0.26 per share.

During the year ended June 30, 2017, the above note was fully converted into shares and hence, now onwards no further derivative liability needs to accrue related to this note.

On February 7, 2017, the Company entered into a Loan Agreement with an investor pursuant to which the Company issued a convertible promissory note in the principal amount of for up to $158,500. The Note is convertible into shares of common stock at an initial conversion price subject to adjustment as contained in the Note. The Conversion Price is the 61% of the average closing price of the prior ten days. The Note accrues interest at a rate of 12% per annum and matures on November 12, 2017.

Due to the variable conversion price associated with this convertible promissory note, the Company has determined that the conversion feature is considered a derivative liability. The accounting treatment of derivative financial instruments requires that the Company record the fair value of the derivatives as of the inception date of the Convertible Promissory Note and to adjust the fair value as of each subsequent balance sheet date.

The initial fair value of the embedded debt derivative of $158,670 was allocated as a debt discount $101,336 was determined using intrinsic value with the remainder $57,334 charged to current period operations as interest expenses. The fair value of the described embedded derivative was determined using the Black-Scholes Model with the following assumptions:

(1) dividend yield of	0%;
(2) expected volatility of	149%,
(3) risk-free interest rate of	0.79%,
(4) expected life of	9 months
(5) fair value of the Company's common stock of	$0.09 per share.

On March 2, 2017, the Company entered into a Loan Agreement with an investor pursuant to which the Company issued a convertible promissory note in the principal amount of for up to $225,000. The Note is convertible into shares of common stock at an initial conversion price subject to adjustment as contained in the Note. The Conversion Price is the 60% of the average of the lowest three intra-day trading prices in the twenty days immediately preceding the applicable conversion. The Note accrues interest at a rate of 0% per annum and matures on September 2, 2017.

Due to the variable conversion price associated with this convertible promissory note, the Company has determined that the conversion feature is considered a derivative liability. The accounting treatment of derivative financial instruments requires that the Company record the fair value of the derivatives as of the inception date of the Convertible Promissory Note and to adjust the fair value as of each subsequent balance sheet date.

The initial fair value of the embedded debt derivative of $250,570 was allocated as a debt discount $203,571 was determined using intrinsic value with the remainder $46,999 charged to current period operations as interest expenses. The fair value of the described embedded derivative was determined using the Black-Scholes Model with the following assumptions:

(1) dividend yield of	0%;
(2) expected volatility of	134%,
(3) risk-free interest rate of	0.84%,
(4) expected life of	6 months
(5) fair value of the Company's common stock of	$0.08 per share.

On April 19, 2017, the Company issued a $60,000 convertible debenture. The note bears interest at 12%, is due on April 19, 2019 and, is convertible into shares of the Company's common stock at $0.06 per share along with 200,000 warrants issued. The Exercise Price of each Warrant is $0.09 per share. Each Warrant expires five years after issuance. The Exercise Price may be adjusted for any merger, stock split or dividend.

The Company allocated the proceeds from the sale of the above promissory notes and related warrants based on the relative fair values at the time of issuance with the proceeds allocated to the warrants accounted for as additional paid-in-capital. The detachable Warrants were valued at $7,449 using Black- Scholes model, as the fair value of convertible promissory notes on commitment date was $7,449. The effective conversion price is calculated, which is lower than the stock price on issuance dates, and therefore, the Company determined that the instrument's effective conversion price was in-the-money at the instrument's commitment date (a "beneficial conversion feature"). The intrinsic value of the conversion option (beneficial conversion feature) is $27,449, and the Company recorded $27,449 beneficial conversion feature to additional paid in capital.

On June 23, 2017, the holder converted the principal of $60,000 and accrued interest of $1,282 into 1,021,367 shares of the Company' common stock.

During the years ended June 30, 2017 and 2016, the Company recorded the loss (gain) in fair value of derivative $(63,372) and $(18,868), respectively.

For the years ended June 30, 2017 and 2016, $185,066 and $-0-, respectively, was expensed in the statement of operation as amortization of debt discount related to above notes and shown as interest expenses, respectively.

The following table represents the Company's derivative liability activity for the year ended:

Balance at June 30, 2015.	$	–
Derivative liability – insufficient shares		85,960
Derivative liability – reclass into additional paid in capital due to sufficient shares		(85,960)
Initial measurement at issuance date of the notes		389,697
Derivative liability reclass into additional paid in capital upon notes conversion		(182,701)
Change in fair value of derivative at period end		(18,868)
Balance at June 30, 2016	$	188,128
Derivative liability reclass into additional paid in capital upon notes conversion		(125,710)
Initial measurement at issuance date of the notes		409,240
Change in fair value of derivative at year end		(63,372)
Balance June 30, 2017	$	408,286

NOTE 10 NOTES PAYABLE

The following table provides a summary of the changes of the Company's Promissory Notes liabilities as of June 30, 2017:

Balance at June 30, 2015	$ 108,000
Repayments on promissory notes	(18,000)
Balance at June 30, 2016	$ 90,000
Issuance of notes –	221,500
Debt discount / finance cost on notes	(173,000)
Repayments on promissory notes	(16,500)
Accretion of debt discount /financing costs	98,179
Balance June 30, 2017	$ 220,179

During the year ended June 30, 2017, the Company entered into eleven promissory notes with investors pursuant to which the Company issued eleven promissory notes in the principal amount of $221,500. The notes accrue interest at a rate of 5% per annum and mature in 120 days. As additional consideration, the Company issued the investors 2,925,000 shares of common stock. The value of the stock consideration was limited to the value of the individual promissory notes, for a total of $173,000. The stock consideration was recorded as a discount against the notes. For the years ended June 30, 2017 and 2016, $98,179 and $-0-, respectively, was expensed in the statement of operations as amortization of debt discount related to the notes and show as interest expenses. The unamortized debt discount was $74,821 and $-0- at June 30, 2017 and 2016, respectively.

At June 30, 2017 and 2016, $295,000 and $90,000, respectively, of debt was outstanding with interest rates of 5% to 8%.

Accrued and unpaid interest for these notes payable at June 30, 2017 and 2016 were $32,074 and $26,528, respectively.

For the years ended June 30, 2017 and 2016, $6,046 and $6,450 was charged as interest on debt and shown as interest expenses, respectively.

NOTE 11 COMMITMENTS

Lease Agreement - The Company leases its office space under a month-to-month lease. Rent expense was $98,158 and $69,313 for the years ended June 30, 2017 and 2016, respectively. On March 2, 2016, the Company entered into an Amendment to Lease in order to extend the current lease through March 31, 2019. The lease calls for monthly rent of $6,719 per month for the period of April 1, 2016 through March 31, 2017. The monthly rent increases 4% for each of the next two years.

The future minimum payments under this lease are as follows:

Fiscal year ending, June 30:	
2018	$ 84,696
2019	65,412
Total	$ 150,108

The Company is delinquent in remitting its payroll taxes to the applicable governmental authorities. Total due, including estimated penalties and interest is $663,840 and $590,799 at June 30, 2017 and 2016, respectively.

On June 15, 2017, the Company entered into a five year Strategic Alliance Agreement (the "Agreement") with Coinstar, LLC ("Coinstar"). Coinstar owns and operates approximately 17,000 self-service coin counting kiosks at retailer store locations in the United States.

The Company and Coinstar will work jointly to develop and integrate the Company's free standing patented 3D holographic display systems, known as HoloVision™ (the "Systems") into Coinstar's kiosks, and will be installed and promoted at retailer store locations, the specifics of which will be mutually agreed to and summarized in a separate agreement (each a "Statement of Work"). The Systems will have a proprietary coupon/loyalty card software application and provide advertising and promotions through Coinstar kiosks. For all retailer store locations in which Coinstar kiosks are installed, Coinstar has been granted an exclusive first right of refusal to include such locations.

The Company shall pay to Coinstar, and Coinstar shall pay to participating retailers a specified percentage of monthly Net Advertising Revenues, per kiosk (the "Promotion Retailer Commission") included in a Statement of Work, which shall be determined by mutual agreement of Coinstar and Provision. "Net Advertising Revenues" is defined as gross advertising revenues from Systems less any operational expenses incurred in connection with such Systems (for example: cost of paper, service, network connectivity, network administration). The Company shall evenly divide the remaining monthly Net Advertising Revenues after deducting the Promotion Retailer Commission).

Under the agreement, Provision and Coinstar will integrate Provision's patented 3D "Holovision" display systems into Coinstar kiosks nationwide. The Provision 3D holographic display will "bolt-on" to the top of the existing Coinstar kiosk as a "topper". Our couponing and loyalty card system software will be integrated into the Coinstar touch-screen interface. The firms will evenly divide the monthly net advertising revenues, after deducting promotional retailer commissions. Provision believes that the monthly advertising revenue potential in this channel should exceed that of a retail pharmacy chain.

The Provision "topper" has been designed by an award winning industrial designer, and we plan to assemble the prototype beginning in August, 2017. The software teams have begun the required integration work, and we anticipate a working prototype in October, 2017. We have targeted up to 300 locations for rollout by December 31, 2017, with broader deployment scheduled for the 2018 calendar year.

NOTE 12 EQUITY

Preferred Stock

The Company is authorized to issue 4,000,000 shares of Preferred Stock with a par value of $0.001 per share as of December 31, 2016. Preferred shares issued and outstanding at June 30, 2017 and 2016 were Nil and 1,000 shares, respectively.

On December 30, 2015, the Company filed an amendment to the Company's Articles of Incorporation, as amended, in the form of a Certificate of Designation that authorized for issuance of up to 1,000 shares of Series A preferred stock, par value $0.001 per share, of the Company designated "Super Voting Preferred Stock" and established the rights, preferences and limitations thereof. The pertinent rights and privileges of each share of the Super Voting Preferred Stock are as follows:

(i) each share shall not be entitled to receive any dividends nor any liquidation preference;

(ii) each share shall not be convertible into shares of the Company's common stock;

(iii) shall be automatically redeemed by the Company at $0.10 per share on the first to occur of the following triggering events: (a) 90 days following the date on which this Certificate of Designation is filed with the Secretary of State of Nevada or (b) on the date that Mr. Thornton ceases, for any reason, to serve as officer, director or consultant of the Company; and

(iv) long as any shares of the Series A Preferred Stock remain issued and outstanding, the holders thereof, voting separately as a class, shall have the right to vote in an amount equal to 51% of the total vote (representing a majority voting power) effecting an increase in the authorized common stock of the Company. Such vote shall be determined by the holder(s) of the then issued and outstanding shares of Series A Preferred Stock. For example, if there are 10,000 shares of the Company's common stock issued and outstanding at the time of a shareholder vote, the holders of the Series A Preferred Stock, will have the right to vote an aggregate of 10,408 shares, out of a total number of 20,408 shares voting. The amount of voting rights is determined based on the common shares outstanding and at the record date for the determination of shareholders entitled to vote at each meeting of shareholders of the Company or action by written consent in lieu of meetings with respect to effecting an increase in the authorized shares as presented to the shareholders of the Company. Each holder of Super Voting Preferred Stock shall vote together with the holders of Common Stock, as a single class, except (i) as provided by Nevada Statutes and (ii) with regard to the amendment, alteration or repeal of the preferences, rights, powers or other terms with the written consent of the majority of holders of Super Voting Preferred Stock.

On December 31, 2015, the Company issued 1,000 shares of Super Voting Preferred Stock for $0.10 per share to Curt Thornton, President and Chief Executive Officer, and a director of the Company, as described in Note 13 Related Party Transactions.

The Preferred Stock – Series A has a mandatory redemption provision of $0.10 per share, accordingly it is classified as a liability in the balance sheet.

During the year ended June 30, 2017, the Company repurchase the said 1,000 Preferred Stock at par value of $100. Preferred shares issued and outstanding at June 30, 2017 were Nil.

Common Stock

On December 31, 2015, the Company amended its Articles of Incorporation by filing a Certificate of Amendment with the Secretary of State of Nevada to effect an increase in the number of the Company's authorized common shares from 100,000,000 to 200,000,000. The increase in the authorized number of shares of common stock was approved by the Board of Director of the Company on December 30, 2015 and holders of more than 50% of the voting power of the Company's capital stock on December 31, 2015.

On June 30, 2016, the Company amended its Articles of Incorporation by filing a Certificate of Amendment with the Secretary of State of Nevada to effect an increase in the number of the Company's authorized common shares from 200,000,000 to 300,000,000. The increase in the authorized number of shares of common stock was approved by the Board of Director of the Company on June 30, 2016 and holders of more than 50% of the voting power of the Company's capital stock. The Company's ticker symbol and CUSIP remain unchanged.

As of June 30, 2017 and 2016, there were 134,431,613 and 89,242,624 shares of common stock issued and outstanding, respectively.

During the year ended June 30, 2017, the Company issued 7,585,605 shares of common stock in exchange for consulting services valued at $892,767, out of which $254,166 relates to prior period services and stock to be issued 541,667 shares of common stock in exchange for services valued at $36,250.

During the year ended June 30, 2017 the Company issued 19,544,767 shares of its common stock in conversion of $1,752,801 debt and accrued interest.

During January 2017 the Company settled a prior debt. According to the settlement agreement, the Company is required to issue 400,000 shares of common stock to the recipient. The shares were valued at $48,000 and the Company has recorded the same as expense in the statement of operations for the year ended June 30, 2017.

On March 31, 2017, the Company accepted and entered into Subscription Agreements (the "Subscription Agreements") for 13,333,339 shares of Company's common stock with 15 accredited investors (the "Investors") for an aggregate purchase price of $800,000 at a price of $0.06 per share. Each Investor received warrants to purchase shares of Common Stock equal to 20% of the shares each purchased (the "Warrants"). The Warrants have an exercise price of $0.09 per share and are exercisable for three-years from the date of issuance of the Warrant. The Warrants are valued at $154,933. Net cash received after fees of $20,000, the warrant valuation of $154,933 was $625,067.

On June 19, 2017, the Company accepted and entered into a Subscription Agreement (the "Subscription Agreement") for 4,166,666 shares of Company's common stock with an accredited investor (the "Investor") for an aggregate purchase price of $250,000 at a price of $0.06 per share. The Investor received warrants to purchase shares of Common Stock equal to 20% of the shares each purchased (the "Warrants"). The Warrants have an exercise price of $0.12 per share and are exercisable for three-years from the date of issuance of the Warrant. The Warrants are valued at $37,250. Net cash received was $250,000.

During the year ended June 30, 2017 the Company issued 158,612 shares of its common stock per the exercise of cashless warrants.

During the year ended June 30, 2016, the Company issued 1,953,333 shares of common stock in exchange for consulting services valued at $248,933 and stock to be issued 1,249,997 shares of common stock in exchange for services valued at $262,166.

During the year ended June 30, 2016 the Company issued 9,781,375 shares of its common stock in payment of $861,518 debt and accrued interest.

During the year ended June 30, 2016 the Company issued 625,000 shares of its common stock per the exercise of warrants for $25,000.

During the year ended June 30, 2016 the Company issued 1,399,460 shares of its common stock per the exercise of cashless warrants.

Warrants

Warrant activity during the years ended June 30, 2017 and 2016, is as follows:

	Warrants	Weighted-Average Exercise Price	Aggregate Intrinsic Value
Outstanding and exercisable at June 30, 2015	8,751,189	$ 0.14	$ 406,131
Granted	20,529,386	0.13	-
Exercised	(2,883,616)	0.06	-
Expired	-	-	-
Outstanding and exercisable at June 30, 2016	26,396,958	$ 0.14	$ 3,695,574
Granted	4,075,000	0.09	-
Exercised (1)	(375,000)	0.07	-
Expired	(1,050,000)	0.05	-
Outstanding and exercisable at June 30, 2017	29,046,958	$ 0.14	$ 4,011,963

(1) Consists of cashless exercise of 375,000 warrants in exchange for 158,612 shares of Common Stock.

During the year ended June 30, 2017, the Company issued 375,000 warrants and recorded $30,626 of stock compensation expense.

On March 31, 2017, the Company accepted and entered into Subscription Agreements (the "Subscription Agreements") for 13,333,339 shares of Company's common stock with 15 accredited investors (the "Investors"). Each Investor received warrants to purchase shares of Common Stock equal to 20% of the shares each purchased (the "Warrants"). The Warrants have an exercise price of $0.09 per share and are exercisable for three-years from the date of issuance of the Warrant. The Company issued 2,666,667 warrants are valued at $154,933.

On June 19, 2017, the Company accepted and entered into a Subscription Agreement (the "Subscription Agreement") for 4,166,666 shares of Company's common stock with an accredited investor (the "Investor"). The Investor received warrants to purchase shares of Common Stock equal to 20% of the shares each purchased (the "Warrants"). The Warrants have an exercise price of $0.12 per share and are exercisable for three-years from the date of issuance of the Warrant. The Company issued 833,333 warrants are valued at $37,250.

On April 19, 2017, the Company issued a $60,000 convertible debenture. The note bears interest at 12%, is due on April 19, 2019 and, is convertible into shares of the Company's common stock at $0.06 per share along with 200,000 warrants issued (see Note 9).

The fair value of the described above warrants during the year ended June 30, 2017, was determined using the Black-Scholes Model with the following assumptions:

(1) risk free interest rate of	0.44%;
(2) dividend yield of	0%;
(3) volatility factor of	151%;
(4) an expected life of the conversion feature of	3 months, and
(5) estimated fair value of the company's common stock of	$0.12 per share.

During the year ended June 30, 2016, the Company issued warrants to purchase 13,499,636 shares of common stock in connection with convertible notes. These warrants have an exercise price of $0.06 to $0.15 per share and expire within three to five years from the date of issue and the same was accounted as warrant discount and valued $567,761 as of June 30, 2016 (see Note 8).

During the year ended June 30, 2016, the Company issued warrants to purchase 6,732,800 shares of common stock for professional fees related to the issuances of convertible notes. These warrants have an exercise price of $0.07 to $0.10 per share and expire within three years from the date of issue and the same was accounted as deferred financing cost and valued $685,250 as of June 30, 2016 (see Note 8).

During the year ended June 30, 2016, the Company issued warrants to purchase 296,950 shares of common stock for non-cash interest fees. These warrants have an exercise price of $0.06 and expire within five years from the date of issue and the same was accounted for as interest expense and valued at $19,183 as of June 30, 2016.

During the year ended June 30, 2016, the Company issued 1,399,460 shares of common stock in order to fulfill the cashless exercise of 2,258,616 warrants. Due the nature of the exercise, the Company did not receive any funds.

During the year ended June 30, 2016 the Company issued 625,000 shares of its common stock per the exercise of 625,000 warrants for $25,000.

The fair value of the described above warrants during the year ended June 30, 2016, was determined using the Black-Scholes Model with the following assumptions:

(1) risk free interest rate of	0.82% to 1.1%;
(2) dividend yield of	0%;
(3) volatility factor of	138%-158%;
(4) an expected life of the conversion feature of	3 to 5 years, and
(5) estimated fair value of the company's common stock of	$0.07 to $0.10 per share.

Stock Option Plan

Stock option activity during the years ended June 30, 2017 is as follows:

	Stock Options	Weighted-Average Exercise Price	Aggregate Intrinsic Value
Outstanding at June 30, 2016	-	$ -	$ -
Granted	150,000	0.26	38,500
Exercised	-	-	-
Expired	-	-	-
Outstanding June 30, 2017	150,000	$ 0.26	$ 38,500
Exercisable at June 30, 2017	121,000	$ 0.26	$ 31,050
Un-exercisable at June 30, 2017	29,000	$ 0.26	$ 7,440

The Company has one stock option plan: The Provision Interactive Technologies, Inc. 2002 Stock Option and Incentive Plan, (the "Plan"). As of June 30, 2017, there were 3,324,149 shares available for issuance under the Plan. The Plan is administered by the Company's Board of Directors, (the "Board").

As of June 30, 2017, 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 the years ended June 30, 2017 and 2016, the Company issued 150,000 and -0- options and recorded $16,909 and $-0- of stock compensation expense, respectively.

The fair value of options exercised in the years ended June 30, 2017 and 2016 was approximately $-0- and $-0-, respectively.

As of June 30, 2017, there was $4,138 of total unrecognized compensation cost related to non-vested share-based compensation arrangements granted under existing stock option plans.

There were no new options granted or exercised during the year ended June 30, 2016. There were no stock options outstanding as of June 30, 2016.

Restricted Stock

On June 1, 2016, the Company issued 1,500,000 restricted shares of its Common Stock, vesting in equal amounts over six (6) months to its consultant as partial compensation for services.

The fair value of the restricted stock granted during the year ended June 30, 2017 was stated at market price on the date of vested.

During the years ended June 30, 2017 and 2016, the Company recorded expenses of $255,000 and $45,000, respectively, related to restricted stock vested to non-employees.

NOTE 13 RELATED ENTITY ACTIVITIES

ProDava 3D

DB Dava LLC, a Delaware limited liability company ("DB"), and the Company agreed to engage in a venture for the purpose of exploiting the Company's technology and its agreement with a national pharmacy chain to place a number of its kiosks in stores. In June 2014, the Company and DB, caused ProDava LLC ("ProDava") to be formed, and the parties entered into the ProDava LLC Agreement (the "LLC Agreement") on June 30, 2014, which set out, among other things, the parties' respective rights and obligations with respect to ProDava.

The two members of ProDava are the Company and DB. At the time of the formation of ProDava, the LLC Agreement originally provided that DB owned 80 percent of the membership interests of ProDava and the Company owned 20 percent of the membership interests of ProDava, assuming a $50,000,000 capital contribution by DB. Pursuant to the LLC Agreement, the Company made a capital contribution of $12,500,000, which represented the agreed upon value of a certain agreements which granted the Company rights to place kiosks in retail stores.

The Company's motivation to enter into the LLC Agreement was to use DB's financing to place kiosks into retail stores. Pursuant to LLC Agreement, DB agreed to make a capital contribution of up to US$50,000,000. It was understood and agreed between the parties that the Company's role in ProDava was to provide, among other things, the kiosks, the content and the know-how as to the placement and maintenance of the kiosks in retail stores.

To that end, ProDava entered into a Professional Services Agreement, dated June 30, 2014 (the "PSA") with the Company, whereby ProDava engaged the Company to provide services for ProDava with respect to the sourcing, due diligence, acquisition, management, construction and marketing of the kiosks financed and purchased by ProDava. As full compensation for rendering and performing such services under the PSA, the Company was entitled to receive from ProDava, the unreimbursed expenses incurred by the Company. It was agreed and understood that DB's role in ProDava was to provide the funding necessary for the unreimbursable expenses and the production, manufacture and maintenance of the kiosks placed in stores. As a result of the ownership percentage in ProDava, DB would receive 80% of the profits of the ProDava including advertising related revenue.

For the years ended June 30, 2017 and 2016 total revenue includes $1,263,008 and $4,956,446, respectively, revenue from a related party. Also, total unearned revenue as of June 30, 2017 of $2,057,607 includes $1,256,607 advance for sales order received from a related party.

Transactions with Officers and Directors

On December 30, 2015, the Company entered into a Purchase Agreement with Curt Thornton, the Company's President and Chief Executive Officer for the sale of 1,000 shares of "Super Voting Preferred Stock – Series A" for $0.10 per share and the closing price of the Company's Common Stock was $0.08 per share, as reported on the Over-the-Counter Markets (OTCQB) on the date prior to the date the Board approved the transaction. The Series A Preferred Shares does not have a dividend rate or liquidation preference and are not convertible into shares of common stock. The shares of the Series A Preferred Stock shall be automatically redeemed by the Company at $0.10 per share on the first to occur of the following triggering events: (i) 90 days following the date on which this Certificate of Designation is filed with the Secretary of State of Nevada or (ii) on the date that Mr. Thornton ceases, for any reason, to serve as officer, director or consultant of the Company. For so long as any shares of the Series A Preferred Stock remain issued and outstanding, the holders thereof, voting separately as a class, shall have the right to vote in an amount equal to 51% of the total vote (representing a majority voting power) effecting an increase in the authorized common stock of the Company. Such vote shall be determined by the holder(s) of the then issued and outstanding shares of Series A Preferred Stock. For example, if there are 10,000 shares of the Company's common stock issued and outstanding at the time of a shareholder vote, the holders of the Series A Preferred Stock, will have the right to vote an aggregate of 10,408 shares, out of a total number of 20,408 shares voting. The adoption of the Series A Preferred Stock and its issuance to Mr. Thornton was taken solely to allow the Company to increase the Company's authorized shares of common stock. As a result, the Company determined that there was no recorded a preferred stock control premium for the Preferred Stock – Series A that was issued to Mr. Thornton. The rights and preferences of the shares are described in Note 12 Equity. During the period ended December 31, 2016, the Company repurchase the said 1,000 Preferred Stock at par value of $100. Preferred shares issued and outstanding at June 30, 2017 were Nil.

NOTE 14 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, 2017 and 2016, deferred income tax assets, which are fully reserved, were comprised primarily of the net operating loss carryforwards of approximately $9,545,198 and $7,414,742, respectively.

The valuation allowance increased by $2,130,456 and $816,559 during the years ended June 30, 2017 and 2016, respectively, 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 $23,862,995 as of June 30, 2017 that expire through 2037, $18,536,854 as of June 30, 2016 that expire through 2036. Additionally, the ultimate utilization of net operating losses may be limited by change of control provision under section 382 of the Internal Revenue Code.

Taxing jurisdictions related to income taxes are the Unites States Federal Government and the State of California. The provision for income taxes is as follows:

	Year Ended June 30,	
	2017	**2016**
Current tax benefit		
Federal	$ 1,810,888	$ 694,075
State	319,568	122,484
	2,130,456	816,559
Deferred tax benefit		
Federal	-	-
State	-	-
Change in valuation allowance	(2,130,456)	(816,559)
	-	-
Total tax expense	$ -	$ -

Deferred taxes are a result of differences between income tax accounting and GAAP with respect to income and expenses. The following is a summary of the components of deferred taxes recognized in the financial statements as of June 30, 2017 and 2016:

	As of June 30, 2017	As of June 30, 2016
Deferred tax assets		
Net operating loss carryforward	$ 9,128,164	$ 7,213,462
Stock-based compensation	417,034	201,280
	-	-
Other	-	-
Total deferred tax assets	9,545,198	7,414,742
Valuation allowance	(9,545,198)	(7,414,742)
Net deferred taxes	$ -	$ -

The valuation allowance was established because the Company had not reported earnings in order to support the recognition of the deferred tax asset. The Company has net operating loss carryforwards of approximately $23,862,995 for federal and $23,862,995 for state income tax purposes. Federal and state net operating loss carryforwards, to the extent not used, will expire starting in 2037. Under provisions of the Internal Revenue Code, section 382, substantial changes in the Company’s ownership may result in limitations on the amount of net operating loss carryforwards that can be utilized in future years. As of June 30, 2017, approximately $23,862,995 of the net operating loss carryforwards are subject to IRS limitations. The Company is no longer subject to income tax examinations for federal income taxes before 2011 and for California before 2010.

The income tax provision differs from the amount of income tax determined by applying the U.S. federal income tax rate of 34% to pretax loss for the following periods, due to the following:

	Year Ended June 30, 2017	Year Ended June 30, 2016
Computed “expected” tax expense (benefit)	$ (2,490,544)	$ (2,108,957)
Change in income taxes from:		
Permanent differences	(1,638,900)	(2,869,020)
Stock based compensation	539,386	503,200
Amortization of debt and warrant discounts	1,370,640	399,337
Fair value change of derivatives	(63,372)	67,092
Debt settlement	48,000	32,330
Revaluation of derivatives	104,334	275,042
Modification expenses	-	2,865,234
Cashless interest	-	19,183
Change in valuation allowance	2,130,456	816,559
	$ -	$ -

NOTE 15 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. A contingency loss of $592,312 was charged to operations during the year ended June 30, 2007. Subsequently, The Company filed a counter lawsuit and was awarded a default judgement in its favor, and as such removed the contingency loss during the year ended June 30, 2016.

Litigation

From time to time, we may become involved in various lawsuits and legal proceedings which arise in the ordinary course of business. However, litigation is subject to inherent uncertainties, and an adverse result in these or other matters may arise from time to time that may harm our business. We are currently not aware of any such legal proceedings that we believe will have, individually or in the aggregate, a material adverse effect on our business, financial condition or operating results.

The Company initiated an action against DB in November 2016 seeking declaratory judgment. After the execution of the LLC Agreement, both DB and the Company performed their respective duties. The Company caused numerous kiosks to be manufactured for placement in retail stores in accordance with the PSA, maintained and serviced these kiosks. DB provided funds to ProDava for, the production of kiosks and for expenses incurred by the Company in connection with the maintenance of servicing of the kiosks. In total, DB provided sums totaling $6.5 million. In the first quarter of 2016, DB ceased providing the funding required by the LLC Agreement. DB advised The Company that DB was analyzing information and that it would make a determination as to whether it would continue to provide funding in accordance with the LLC Agreement. The Company has been incurring the reimbursable expenses that were to be reimbursed by DB. The LLC Agreement provides that, in the event that DB fails to fund any portion of the total amount is was required to provide in accordance with the terms of the LLC Agreement, the LLC Agreement provides for the recalculation of the parties' membership interests in ProDava. The Company filed an action in the Supreme Court of the State of New York in New York County (Index No. 656127/2016) to seed to recalculate the ownership percentage of ProDava. DB filed a motion to dismiss and the Company filed an action opposing such motion.The court initially denied the recalculation of the ownership percentage but allowed the Company to proceed to collect monetary damages. Pro Dava and DB filed a counterclaim for breach of contract. The Company believes it has adequate defenses against any claims made by Pro Dava and DB.

On June 19, 2017, the Company received a letter from an attorney for Kiosk Information Systems ("KIS") demanding payment of $1,272,360 for the balance due on kiosks held by KIS including $231,182 in interest. We are negotiating with KIS. No suit has been filed and the Company has accrued the full amount of the demand from KIS.

On September 5, 2017 the Company received a letter from an attorney representing Rite Aid Hdqtrs. Corp's ("Rite Aid"), pursuant to which Rite Aid indicated its desire to terminate the Point of Sales Advertising Agreement ("Agreement") with the Company. The Company is disputing Rite Aid's ability to terminate the Agreement. Thereafter, on October 16, 2017, the Company initiated an arbitration before JAMS.

NOTE 16 SUBSEQUENT EVENTS

Common Stock

During August 2017, the Company issued 375,000 shares of common stock pursuant a consulting agreement.

During August 2017, the Company issued 2,995,969 shares of common stock for the conversion of debt and accrued interest in the amount of $100,000.

On September 29, 2017, the Company issued 200,000 shares of common stock pursuant to a subscription agreement and received $10,000.

Stock Options

On August 17, 2017, the Company issued 8,899,908 stock options to employees and board members in consideration for performance goals and board remuneration. The options have an exercise price of $0.045 and a term of five years.

On October 3, 2017, the Company issued 4,000,000 stock options to an employee. The options have an exercise price of $0.045 and a term of five years.

Convertible Promissory Note

The Company entered into a convertible promissory note (the "Note") on July 20, 2017 to obtain funding for working capital purposes. The Note is issued as a convertible promissory note in the principal amount of $50,000 (the "Note"). The principal amount under the Note accrues interest at a rate of 12% per annum and is due on July 20, 2018. The conversion price of the common stock into which the principal amount, or the then outstanding interest due thereon, of this note is convertible shall be the lesser of (i) $0.06 per share or (ii) 70% of the price per share of the Company's next equity or convertible debt issuance greater than $250,000. The note holder also received a warrant to purchase the Company's common stock equal to 50% of the shares of common stock issuable upon conversion of the note with the exercise price per share of common stock of the lesser of $0.06 per share or 70% of the price per share of the Company's next equity or convertible debt issuance greater than $250,000.

Promissory Notes

On August 23, 2017, the Company entered into three promissory notes with investors pursuant to which the Company issued three promissory notes in the principal amount of $40,000. The notes accrue interest at a rate of 5% per annum and mature in 120 days. As additional consideration, the Company issued the investors 700,000 shares of common stock. The value of the stock consideration was limited to the value of the individual promissory notes, for a total of $35,000. The stock consideration will be recorded as a discount against the notes.

On August 25, 2017, the Company entered into a promissory note with an investor pursuant to which the Company issued a promissory note in the principal amount of $20,000. The note accrues interest at a rate of 5% per annum and mature in 120 days. As additional consideration, the Company issued the investor 300,000 shares of common stock. The value of the stock consideration was limited to the value of the individual promissory note, for a total of $15,000. The stock consideration will be recorded as a discount against the note.

The Company entered into a promissory note (the “Note”) on September 13, 2017 to obtain funding for working capital purposes. The Note is issued as an unsecured, non-convertible promissory note in the principal amount of $500,000 (the “Note”). The principal amount under the Note accrues interest at a rate of 12% per annum and is due on May 13, 2018. The holder of the Note shall receive the right to buy 1.25 million shares of the Company’s common stock on September 13, 2017 and an additional 1.25 million shares for each month that the Note is outstanding up to a maximum of 10 million shares, all at a purchase price of $0.06 per shares and expiring on September 13, 2019.

Agreements

On August 28, 2017, the Company entered into a consulting agreement with a software services consultant. The Company agreed to issue 800,000 shares of common stock in payment of services under this agreement.

On September 18, 2017, the Company entered into an employment agreement with Mark Leonard providing for a salary of $144,000, the right to be reimbursed for health care and severance for termination without cause and resignation with cause.

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: October 13, 2017

By /s/ *Curt Thornton*
Name: Curt Thornton
Title: Chairman and Chief Operating Officer
(Principal Executive Officer and
Principal Financial Officer)

In accordance with the Exchange Act, this report has been signed below by the following persons on October 13, 2017, on behalf of the registrant and in the capacities Indicated.

Signature	Title
/s/ Curt Thornton Curt Thornton	Chief Operating Officer Chairman of the Board and Director
/s/ Mark Leonard Mark Leonard	, Chief Executive Officer and Director
/s/ Jon Corfino Jon Corfino	Director

Exhibit 10.3

EMPLOYMENT AGREEMENT

This Employment Agreement ("Agreement") is made this 13th of June, 2014 between **Provision Interactive Technologies, Inc.,** (PITI) a California Corporation, located at 9253 Eton Avenue, Chatsworth, California, a wholly owned subsidiary of Provision Holding Inc., (PVHO) a Nevada Corporation hereinafter referred to as the "Employer" or "Company", and **Curt Thornton,** hereinafter referred to as the "Employee" or "Executive".

WHEREAS, the Executive was the founder of PITI and has acted as the CEO and Chairman of the Board of Directors of PITI and PVHO, and serves as its Chief Executive Officer and Chairman; and

WHEREAS, the Executive has substantial experience and expertise in business segments integral to the management and operations of PITI and PVHO; and

WHEREAS, the Company recognizes that the Executive's talents and abilities are unique, and have been integral to the success of the Company and thus wishes to secure the ongoing services of the Executive as Chairman and CEO of PITI and PVHO on the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the premises and the mutual covenants set forth below, the parties hereby agree as follows:

Article 1. Term of Employment

1) The Employer hereby employs Employee and Employee agrees to extend employment with Employer for a period of five years beginning on June 13th, 2014.

2) This agreement may be terminated earlier as hereinafter provided.

Article 2. Duties and Obligations of Employee

1) Employee shall serve as Chairman and CEO of PITI, and PVHO, and will serve as a corporate officer therein. In that capacity, Employee shall do and perform all services, acts, or things necessary or advisable to fulfill the duties thereof. However, Employee shall at all times be subject to the policies established by the Board of Directors.

2) Employee agrees that to the best of his ability and experience he will at all times loyally and conscientiously perform all of the duties and obligations required of him either expressly or implicitly by the terms of this agreement.

3) Employee shall devote his entire productive time, ability, and attention to the business of Employer during the term of this contract.

4) This agreement shall not be interpreted to prohibit Employee from making passive personal investments or conducting private business affairs if those activities do not materially interfere with the services required under this agreement. However, Employee shall not, directly or indirectly, acquire, hold, or retain any interest in any business competing with or similar in nature to the business of Employer.

5) During the term of this contract Employee shall not, directly or indirectly, either as an employee, employer, consultant, agent, principal, partner, stockholder, corporate officer, director, or in any other individual or representative capacity, engage or participate in any 3D business that is in direct competition with the business of Employer.

6) The parties acknowledge and agree that during the term of this agreement and in the course of the discharge of his duties hereunder, Employee shall have access to and become acquainted with information concerning the operation of Employer including without limitation, financial, personnel, sales, planning, and other information that is owned by Employer and regularly used in the operation of Employer's business and that this information constitutes Employer's trade secrets.

7) Employee agrees that he shall not disclose any such trade secrets, directly or indirectly, to any other person or use such trade secrets in any way, either during the term of this agreement or at any other time thereafter, except as is required in the course of his employment with Employer.

8) Employee further agrees that all files, records, documents, equipment, and similar terms relating to Employer's business, whether prepared by Employee or others, are and shall remain exclusively the property of Employer.

<u>Article 3. Obligations of Employer</u>

1) Employer shall provide Employee with the compensation, incentives, benefits, and business expense reimbursement specified elsewhere in this agreement.

2) Employer shall indemnify Employee for all losses sustained by Employee in direct consequence of the discharge of his duties on Employer's behalf.

<u>Article 4. Compensation of Employee - Cash/Base Salary</u>

1) As compensation for the services to be rendered by Employee hereunder, Employer shall pay Employee a minimum annual base salary ("Base Salary") at the rate of $144,000 per year. The Employee's base salary shall be paid in approximately equal installments in accordance with the Company's customary payroll practices. If the Employee's base salary is increased by the Company, such increased base salary shall then constitute the Base Salary for all purposes of this Agreement.

2) Employee shall receive such annual increases in salary as may be determined by Employer's Board of Directors sole discretion at least annually on or about each anniversary of the execution of this contract.

3) Employer shall have the right to deduct or withhold from the compensation due to Employee hereunder any and all sums required for federal income and Social Security taxes and all state or local taxes now applicable or that may be enacted and become applicable in the future.

Article 5. Employee Incentives - Bonus/Equity Participation Programs

1) For each full fiscal year of the Company that begins and ends during the employment period, the Employee shall be eligible to earn an annual cash bonus in such amount as will be determined by the Compensation Committee of the Board of Directors. The amount of the annual bonus shall be based on the achievement by the Employee and the Company of performance goals established by the Compensation Committee for each such fiscal year. The annual bonus programs developed will be set forth in 'Addendums' attached to and incorporated into this Agreement at the beginning of each fiscal year.

2) For each full fiscal year of the Company that begins and ends during the employment period, the Employee shall be eligible for equity participation in shares of Employer's common stock based upon the achievement by the Employee and the Company of performance goals established by the Compensation Committee for each such fiscal year. The annual equity participation programs developed will be set forth in 'Addendums' attached to and incorporated into this Agreement at the beginning of each fiscal year.

Article 6. Employee Benefits

1) Employee shall be entitled to four weeks' vacation time each year with full pay. If Employee is unable for any reason to take the total amount of authorized vacation time during any year, he may accrue that time and add it to vacation time for any following year or may receive a cash payment in an amount equal to the amount of annual salary attributable to that period.

2) Employer agrees to provide Employee and spouse with group medical/dental benefits in accordance with the benefit program/s and policy/ies offered the salaried Employees of the Company or as approved by the Board of Directors.

3) Employer agrees to provide or reimburse Executive for executive Term Life Insurance and Disability policy in an amount up to 10x the annual salary of Executive, wherein; the named beneficiary of said policy shall be designated by the Executive.

4) Employer agrees to reimburse Executive for up to $2,000 each year for an executive physical.

Article 7. Business Expenses

1) Employer shall promptly reimburse Employee for all reasonable business expenses incurred by Employee in promoting the business of Employer.

2) Each such expenditure shall be reimbursable only if it is of a nature qualifying it as a proper deduction on the federal and state income tax return of Employer.

3) Executive will be entitled to a mid-sized automobile appropriate for carrying out the business activities of the company including all maintenance and expenses.

4) Employer shall reimburse Executive for tuition and related expenses for education obtained, during Employee's employment with the Company, commensurate with the Executive's position with the Company.

Article 8. Termination of Employment

1) Termination. The Employee's employment hereunder may be terminated during the employment period under the following circumstances:

   a) Death. The Employee's employment hereunder shall terminate upon his death.

   b) Disability. If, as a result of the Employee's incapacity due to physical or mental illness as determined by a physician selected by the Employee, and reasonably acceptable to the Company, I) the Employee shall have been substantially unable to perform his duties hereunder for six consecutive months, or for an aggregate of 180 days during any period of twelve consecutive months, and (ii) within 30 days after written Notice of Termination is given to the Employee after such six or twelve month period, the Employee shall not have returned to the substantial performance of his duties on a full-time basis, the company shall have the right to terminate the Employee's employment hereunder for "Disability".

   c) Cause. The Company shall have the right to terminate the Employee's employment for "cause." For purposes of this Agreement, the Company shall have "cause" to terminate the Employee's employment only upon the Employee's:

      i) Conviction of a felony or willful gross misconduct that, in either case, results in material and demonstrable damage to the business or reputation of the Company; or
      ii) Willful and/or continued failure to perform his duties hereunder (other than such failure resulting from the Employee's incapacity due to·physical or mental illness).

2) Notice of Termination. Any termination of the Employee's employment by the Company or by the Employee during the Employment Period (other than pursuant to Article 8.1.a) shall be communicated by written Notice of Termination to the other party.

For purposes of this Agreement, a "Notice of Termination" shall mean a notice indicating the specific termination provision in this Agreement relied upon and setting forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Employee's employment under that provision.

3) Date of Termination. "Date of Termination" shall mean (I) if the Employee's employment is terminated by his death, the date of his death, (ii) if the Employee's employment is terminated pursuant to Article 8.1.b., thirty (30) days after the date of receipt of the Notice of Termination (provided that the Employee does not return to the substantial performance of his duties on a full time basis during such thirty (30) day period), and (iii) if the Employee's employment is terminated for any other reason, the date on which a Notice of Termination is given or any later date (within thirty (30) days after the giving of such notice) set forth in such Notice of Termination.

Article 9. Change in Control

1) Change in control program is defined as the occurrence of any one of the following:

   a. Incumbent directors cease to constitute a majority of the Board, unless the election was approved by at least two-thirds of the incumbent directors then on the Board, or

   b. The acquisition of thirty three (33%) percent or more of the combined voting shares of the Company's then outstanding securities, or

   c. A merger, consolidation, statutory share exchange or similar form of corporate transaction involving the Company or any of its subsidiaries that requires the approval of the Company's shareholders.

2) In the event of the occurrence of a., b., or c. above, constituting a change in control of the Company the Employee shall be entitled to the following:

   a. The immediate vesting of any and all issued common stock held by the Employee, with the removal of all, if any, restrictions, in compliance with the rules and regulations set forth under the State of California Department of Corporations and US Securities and Exchange Commission.

   b. Any and all warrants held by the Employee shall be immediately exercised on a cashless basis.

   c. Employee shall receive a one lump sum payment equal the amount of his or her salary times for every 4 years of (full and partial) of employment which have been completed.

Article 10. General Provisions

1) Any notices to be given by either party to the other shall be in writing and may be transmitted either by personal delivery or by mail, registered or certified, postage prepaid with return receipt requested. Mailed notices shall be addressed to the parties at the addresses appearing in the introductory paragraph of this agreement, but each party may change that address by written notice in accordance with this section. Notices delivered personally shall be deemed communicated as of the date of actual receipt, mailed notices shall be deemed communicated as of the date of mailing.

2) Any controversy between Employer and Employee involving the construction or application of any terms, provisions, or conditions of this agreement shall be on the written request of either party served on the other be submitted to arbitration. Arbitration shall comply with and be governed by the provisions of the California Arbitration Act.

3) Employer and Employee shall each appoint one person to hear and determine the dispute. If the two persons so appointed are unable to agree, then those persons shall select a third impartial arbitrator whose decision shall be final and conclusive upon both parties.

4) The cost of arbitration shall be borne by the losing party or in such proportions as the arbitrators decide.

5) If any legal action based in contract law is necessary to enforce or interpret the terms of this agreement, the prevailing party shall be entitled to reasonable attorneys' fees, costs, and necessary disbursements in addition to any other relief to which that party may be entitled. This provision shall be construed as applicable to the entire contract.

6) This agreement supercedes any and all other agreements, either oral or in writing, between the parties hereto with respect to the employment of Employee by Employer, and contains all of the convenants and agreements between the parties with respect to that employment in any manner whatsoever.

Each party to this agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party that are not embodied herein, and that no other agreement, statement, or promise not contained in this agreement shall be valid or binding.

7) Any modification of this agreement will be effective only if it is in writing signed by the party to be charged.

8) The failure of either party to insist on strict compliance with any terms, covenants, or conditions of this agreement by the other party shall not be deemed a waiver of that term, covenant, or condition, nor shall any waiver or relinquishment of any right or power at any one time or times be deemed a waiver or relinquishment of that right or power for all or any other times.

9) If any provision in this agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

10) This agreement shall be governed by and construed in accordance with the laws of the State of California.

11) If Employee dies prior to the expiration of the term of his employment, any sums that may be due him from Employer under this agreement as of the date of death shall be paid to Employee's executors, administrators, heirs, personal representatives, successors, and assigns.

12) Company's Successors. No rights or obligations of the Company under this Agreement may be assigned or transferred, except that the Company shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. As used in this Agreement, "Company" shall include any successor to its business and/or assets (by merger, purchase or otherwise) which executes and delivers the agreement provided for in this section or which otherwise becomes bound by all the terms and provisions of this Agreement by operation of law.

13) Employee's Successors. No rights or obligations of the Employee under this Agreement may be assigned or transferred by the Employee other than his rights to payments or benefits hereunder, which may be transferred only by will or the laws of descent and distribution.

Upon the Executive's death, this Agreement and all rights of the Employee hereunder shall inure to the benefit of and be enforceable by the Employee's beneficiary or beneficiaries, personal or legal representatives, or estate, to the extent any such person succeeds to the Employee's interests under this Agreement. If the Employee should die following his Date of Termination while any amounts would still be payable to him hereunder if he had continued to live, all such amounts unless otherwise provided herein shall be paid in accordance with the terms of this Agreement to such person or persons so appointed in writing by the Employee, or otherwise to his legal representatives or estate.

Executed on June 13, 2014, at Chatsworth, California

EMPLOYER

Provision Interactive Technologies, Inc.

/s/ Curt Thornton / /s/ Robert Ostrander

EMPLOYEE

/s/ Curt Thornton

Addendum Fiscal Year 2015 (July 1, 2014 – June 30, 2015)

Performance Goals for Cash Bonus: Up to 50% of annual Salary upon successful completion of the following goals.

Goals:
1) Secure financing for first 1000 Rite Aid Savings Center installs.
2) Build first 200 Rite Aid Savings Centers.
3) Achieve revenues of $2MM or greater.
4) Secure contracts with agencies for national and local advertising.

Performance Goals for Equity Participation: 100,000 shares of stock options for every $0.02 increase in share price above $0.08.

Addendum Fiscal Year 2016 (July 1. 2015 – June 30, 2016)

Performance Goals for Cash Bonus: Up to 50% of annual Salary upon successful completion of goals.

Goals:

1) Build and install 2000+ wellness Plus with Plenti Savings Centers.
2) Complete comprehensive financial audit to become fully reporting to SEC.
3) Achieve revenues of $10MM or greater.
4) Secure contract with 1 additional national retailer.
5) Secure contract with an additional agency for national and local ad sales.
6) Secure and close on a minimum private placement of $4 million.

Performance Goals for Equity Participation: 100,000 shares of stock options for every $0.02 increase in share price above $0.10.

Addendum Fiscal Year 2017 (July 1, 2016 – June 30, 2017)

Performance Goals for Cash Bonus: Up to 50% of annual Salary upon successful completion of goals.

Goals:
1) Build and install 1000+ 3D Savings Centers.
2) Achieve revenues of $10MM or greater.
3) Secure contract with a minimum of 2 additional national retailers.
4) Secure contract with Investment banker
5) Conclude secondary offering and up-listing to national stock exchange

Performance Goals for Equity Participation: 100,000 shares of stock options for every $0.02 increase in share price above $0.25.

Exhibit 10.4

EMPLOYMENT AGREEMENT

This Employment Agreement ("Agreement") is made this 13th of June, 2014 between **Provision Interactive Technologies, Inc.,** a California Corporation, located at 9253 Eton Avenue, Chatsworth, California, a wholly owned subsidiary of Provision Holding Inc., (PVHO) a Nevada Corporation hereinafter referred to as the "Employer" or "Company", and **Robert Ostrander,** hereinafter referred to as the "Employee" or "Executive".

WHEREAS, the Executive has substantial experience and expertise in business segments integral to the management and operations of Provision Interactive Technologies, Inc., and

WHEREAS, the Company recognizes that the Executive's talents and abilities are unique, and have been integral to the success of the Company and thus wishes to secure the ongoing services of the Executive as an Executive Vice President of the Company on the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the premises and the mutual covenants set forth below, the parties hereby agree as follows:

Article 1. Term of Employment

1) The Employer hereby employs Employee and Employee agrees to extend employment with Employer for a period of five years beginning on June 13th, 2014.

2) This agreement may be terminated earlier as hereinafter provided.

Article 2. Duties and Obligations of Employee

1) Employee shall serve as an Executive Vice President of Provision Interactive Technologies, Inc. and will serve as a corporate officer therein. In that capacity, Employee shall do and perform all services, acts, or things necessary or advisable to fulfill the duties thereof. However, Employee shall at all times be subject to the policies established by the President and Board of Directors.

2) Employee agrees that to the best of his ability and experience he will at all times loyally and conscientiously perform all of the duties and obligations required of him either expressly or implicitly by the terms of this agreement.

3) Employee shall devote his entire productive time, ability, and attention to the business of Employer during the term of this contract.

4) This agreement shall not be interpreted to prohibit Employee from making passive personal investments or conducting private business affairs if those activities do not materially interfere with the services required under this agreement. However, Employee shall not, directly or indirectly, acquire, hold, or retain any interest in any business competing with or similar in nature to the business of Employer.

5) During the term of this contract Employee shall not, directly or indirectly, either as an employee, employer, consultant, agent, principal, partner, stockholder, corporate officer, director, or in any other individual or representative capacity, engage or participate in any 3D business that is in direct competition with the business of Employer.

6) The parties acknowledge and agree that during the term of this agreement and in the course of the discharge of his duties hereunder, Employee shall have access to and become acquainted with information concerning the operation of Employer, including without limitation, financial, personnel, sales, planning, and other information that is owned by Employer and regularly used in the operation of Employer's business and that this information constitutes Employer's trade secrets.

7) Employee agrees that he shall not disclose any such trade secrets, directly or indirectly, to any other person or use such trade secrets in any way, either during the term of this agreement or at any other time thereafter, except as is required in the course of his employment with Employer.

8) Employee further agrees that all files, records, documents, equipment, and similar terms relating to Employer's business, whether prepared by Employee or others, are and shall remain exclusively the property of Employer.

Article 3. Obligations of Employer

1) Employer shall provide Employee with the compensation, incentives, benefits, and business expense reimbursement specified elsewhere in this agreement.

2) Employer shall indemnify Employee for all losses sustained by Employee in direct consequence of the discharge of his duties on Employer's behalf.

Article 4. Compensation of Employee - Cash/Base Salary

1) As compensation for the services to be rendered by Employee hereunder, Employer shall pay Employee a minimum annual base salary ("Base Salary") at the rate of $125,000 per year. The Employee's base salary shall be paid in approximately equal installments in accordance with the Company's customary payroll practices. If the Employee's base salary is increased by the Company, such increased base salary shall then constitute the Base Salary for all purposes of this Agreement.

2) Employee shall receive such annual increases in salary as may be determined by Employer's Board of Directors sole discretion at least annually on or about each anniversary of the execution of this contract.

3) Employer shall have the right to deduct or withhold from the compensation due to Employee hereunder any and all sums required for federal income and Social Security taxes and all state or local taxes now applicable or that may be enacted and become applicable in the future.

Article 5. Employee Incentives - Bonus/Equity Participation Programs

1) For each full fiscal year of the Company that begins and ends during the employment period, the Employee shall be eligible to earn an annual cash bonus in such amount as will be determined by the Compensation Committee of the Board of Directors. The amount of the annual bonus shall be based on the achievement by the Employee and the Company of performance goals established by the Compensation Committee for each such fiscal year. The annual bonus programs developed will be set forth in 'Addendums' attached to and incorporated into this Agreement at the beginning of each fiscal year.

2) For each full fiscal year of the Company that begins and ends during the employment period, the Employee shall be eligible for equity participation in shares of Employer's common stock based upon the achievement by the Employee and the Company of performance goals established by the Compensation Committee for each such fiscal year. The annual equity participation programs developed will be set forth in 'Addendums' attached to and incorporated into this Agreement at the beginning of each fiscal year.

Article 6. Employee Benefits

1) Employee shall be entitled to four weeks' vacation time each year with full pay. If Employee is unable for any reason to take the total amount of authorized vacation time during any year, he may accrue that time and add it to vacation time for any following year or may receive a cash payment in an amount equal to the amount of annual salary attributable to that period.

2) Employer agrees to provide Employee with group medical/dental benefits in accordance with the benefit program/s and policy/ies offered the salaried Employees of the Company or as approved by the Board of Directors.

3) Employer agrees to provide or reimburse Executive for executive Term Life Insurance and Disability policy in an amount up to 10x the annual salary of Executive, wherein; the named beneficiary of said policy shall be designated by the Executive.

4) Employer agrees to reimburse Executive for up to $2,000 each year for an executive physical.

Article 7. Business Expenses

1) Employer shall promptly reimburse Employee for all reasonable business expenses incurred by Employee in promoting the business of Employer.

2) Each such expenditure shall be reimbursable only if it is of a nature qualifying it as a proper deduction on the federal and state income tax return of Employer.

3) Executive will be entitled to a mid-sized automobile appropriate for carrying out the sales and business activities of the company including all maintenance and expenses.

Article 8. Termination of Employment

1) Termination. The Employee's employment hereunder may be terminated during the employment period under the following circumstances:

   a) Death. The Employee's employment hereunder shall terminate upon his death.

   b) Disability. If, as a result of the Employee's incapacity due to physical or mental illness as determined by a physician selected by the Employee, and reasonably acceptable to the Company, I) the Employee shall have been substantially unable to perform his duties hereunder for six consecutive months, or for an aggregate of 180 days during any period of twelve consecutive months, and (ii) within 30 days after written Notice of Termination is given to the Employee after such six or twelve month period, the Employee shall not have returned to the substantial performance of his duties on a full-time basis, the company shall have the right to terminate the Employee's employment hereunder for "Disability".

   c) Cause. The Company shall have the right to terminate the Employee's employment for "cause." For purposes of this Agreement, the Company shall have "cause" to terminate the Employee's employment only upon the Employee's:

      i) Conviction of a felony or willful gross misconduct that, in either case, results in material and demonstrable damage to the business or reputation of the Company; or

      ii) Willful and/or continued failure to perform his duties hereunder (other than such failure resulting from the Employee's incapacity due to physical or mental illness).

2) Notice of Termination. Any termination of the Employee's employment by the Company or by the Employee during the Employment Period (other than pursuant to Article 8.1.a) shall be communicated by written Notice of Termination to the other party.

For purposes of this Agreement, a "Notice of Termination" shall mean a notice indicating the specific termination provision in this Agreement relied upon and setting forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Employee's employment under that provision.

3) Date of Termination. "Date of Termination" shall mean (I) if the Employee's employment is terminated by his death, the date of his death, (ii) if the Employee's employment is terminated pursuant to Article 8.1.b., thirty (30) days after the date of receipt of the Notice of Termination (provided that the Employee does not return to the substantial performance of his duties on a full-time basis during such thirty (30) day period), and (iii) if the Employee's employment is terminated for any other reason, the date on which a Notice of Termination is given or any later date (within thirty (30) days after the giving of such notice) set forth in such Notice of Termination.

Article 9. Change in Control

Change in control program is defined as the occurrence of any one of the following:

   a. Incumbent directors cease to constitute a majority of the Board, unless the election was approved by at least two-thirds of the incumbent directors then on the Board, or

   b. The acquisition of thirty three (33% percent or more of the combined voting shares of the Company's then outstanding securities, or

c. A merger, consolidation, statutory share exchange or similar form of corporate transaction involving the Company or any of its subsidiaries that requires the approval of the Company's shareholders.

2) In the event of the occurrence of a., b., or c. above, constituting a change in control of the Company the Employee shall be entitled to the following:

a. The immediate vesting of any and all issued common stock held by the Employee, with the removal of all, if any, restrictions, in compliance with the rules and regulations set forth under the State of California Department of Corporations and US Securities and Exchange Commission.

b. Any and all warrants held by the Employee shall be immediately exercised on a cashless basis.

c. Employee shall receive a one lump sum payment equal the amount of his or her salary times for every 4 years of (full and partial) of employment which have been completed.

<u>Article 10. General Provisions</u>

1) Any notices to be given by either party to the other shall be in writing and may be transmitted either by personal delivery or by mail, registered or certified, postage prepaid with return receipt requested. Mailed notices shall be addressed to the parties at the addresses appearing in the introductory paragraph of this agreement, but each party may change that address by written notice in accordance with this section. Notices delivered personally shall be deemed communicated as of the date of actual receipt, mailed notices shall be deemed communicated as of the date of mailing.

2) Any controversy between Employer and Employee involving the construction or application of any terms, provisions, or conditions of this agreement shall be on the written request of either party served on the other be submitted to arbitration. Arbitration shall comply with and be governed by the provisions of the California Arbitration Act.

3) Employer and Employee shall each appoint one person to hear and determine the dispute. If the two persons so appointed are unable to agree, then those persons shall select a third impartial arbitrator whose decision shall be final and conclusive upon both parties.

4) The cost of arbitration shall be borne by the losing party or in such proportions as the arbitrators decide.

5) If any legal action based in contract law is necessary to enforce or interpret the terms of this agreement, the prevailing party shall be entitled to reasonable attorneys' fees, costs, and necessary disbursements in addition to any other relief to which that party may be entitled. This provision shall be construed as applicable to the entire contract.

6) This agreement supercedes any and all other agreements, either oral or in writing, between the parties hereto with respect to the employment of Employee by Employer, and contains all of the convenants and agreements between the parties with respect to that employment in any manner whatsoever.

Each party to this agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party that are not embodied herein, and that no other agreement, statement, or promise not contained in this agreement shall be valid or binding.

7) Any modification of this agreement will be effective only if it is in writing signed by the party to be charged.

8) The failure of either party to insist on strict compliance with any terms, covenants, or conditions of this agreement by the other party shall not be deemed a waiver of that term, covenant, or condition, nor shall any waiver or relinquishment of any right or power at any one time or times be deemed a waiver or relinquishment of that right or power for all or any other times.

9) If any provision in this agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

10) This agreement shall be governed by and construed in accordance with the laws of the State of California.

11) If Employee dies prior to the expiration of the term of his employment, any sums that may be due him from Employer under this agreement as of the date of death shall be paid to Employee's executors, administrators, heirs, personal representatives, successors, and assigns.

12) Company's Successors. No rights or obligations of the Company under this Agreement may be assigned or transferred, except that the Company shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. As used in this Agreement, "Company" shall include any successor to its business and/or assets (by merger, purchase or otherwise) which executes and delivers the agreement provided for in this section or which otherwise becomes bound by all the terms and provisions of this Agreement by operation of law.

13) Employee's Successors. No rights or obligations of the Employee under this Agreement may be assigned or transferred by the Employee other than his rights to payments or benefits hereunder, which may be transferred only by will or the laws of descent and distribution.

Upon the Executive's death, this Agreement and all rights of the Employee hereunder shall inure to the benefit of and be enforceable by the Employee's beneficiary or beneficiaries, personal or legal representatives, or estate, to the extent any such person succeeds to the Employee's interests under this Agreement. If the Employee should die following his Date of Termination while any amounts would still be payable to him hereunder if he had continued to live, all such amounts unless otherwise provided herein shall be paid in accordance with the terms of this Agreement to such person or persons so appointed in writing by the Employee, or otherwise to his legal representatives or estate.

Executed on June 13, 2014, at Chatsworth, California

EMPLOYER

Provision Interactive Technologies, Inc.

/s/ Curt Thornton

EMPLOYEE

/s/ Robert Ostrander

Addendum Fiscal Year 2015 (July 1, 2014 – June 30, 2015)

Performance Goals for Cash Bonus: Up to 50% of annual Salary upon successful completion of the following goals.

Goals:

1) Secure financing for first 1000 Rite Aid Savings Center installs.
2) Build first 200 Rite Aid Savings Centers.
3) Achieve revenues of $2MM or greater.
4) Secure contracts with agencies for national and local advertising.

Performance Goals for Equity Participation: 100,000 shares of stock options for every $0.02 increase in share price above $0.08.

Addendum Fiscal Year 2016 (July 1, 2015 – June 30, 2016)

Performance Goals for Cash Bonus: Up to 50% of annual Salary upon successful completion of goals.

Goals:

1) Build and install 2000+ wellness Plus with Plenti Savings Centers.
2) Complete comprehensive financial audit to become fully reporting to SEC.
3) Achieve revenues of $10MM or greater.
4) Secure contract with 1 additional national retailer.
5) Secure contract with an additional agency for national and local ad sales
6) Secure and close on a minimum private placement of $4 million.

Performance Goals for Equity Participation: 100,000 shares of stock options for every $0.02 increase in share price above $0.10.

Addendum Fiscal Year 2017 (July 1, 2016 – June 30, 2017)

Performance Goals for Cash Bonus: Up to 50% of annual Salary upon successful completion of goals.

Goals:

1) Build and install 1000+ 3D Savings Centers.
2) Achieve revenues of $10MM or greater.
3) Secure contract with a minimum of 2 additional national retailers.
4) Secure contract with Investment banker
5) Conclude secondary offering and up-listing to national stock exchange

Performance Goals for Equity Participation: 100,000 shares of stock options for every $0.02 increase in share price above $0.25.

Exhibit 31.1

CERTIFICATION

I, Curt Thornton, certify that:

1. I have reviewed this Annual Report on Form 10-K of Provision Holding, Inc.:

2. Based on my knowledge, this 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 report;

3. Based on my knowledge, the financial statements, and other financial information included in this 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 report.

4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a–15(e) and 15d–15(e)) and internal control 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 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; and

5. 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 functions):

   (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 control over financial reporting.

/s/ Curt Thornton
Curt Thornton
Title: Chairman and Chief Operating Officer
(Principal Executive Officer and
Principal Financial Officer)
Date: October 13, 2017

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 of Provision Holding, Inc. (the “Company”) for the years ended June 30, 2017, as filed with the Securities and Exchange Commission (the “Report”), I, Curt Thornton, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(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

/s/ Curt Thornton
Curt Thornton
Title: Chairman and Chief Operating Officer
(Principal Executive Officer and
Principal Financial Officer)
Date: October 13, 2017