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

FORM 8-K/A

Amendment No. 1

CURRENT REPORT

Pursuant to Section 13 or 15 (d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): September 1, 2015

VOXX INTERNATIONAL CORPORATION
(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	**0-28839** (Commission File Number)

13-1964841
(IRS Employer Identification No.)

2351 J Lawson Boulevard, Orlando, Florida (Address of principal executive offices)	**32824** (Zip Code)

Registrant's telephone number, including area code (800) 645-7750

180 Marcus Boulevard
Hauppauge, NY 11788

(Former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of file following provisions:

[ ] Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
[ ] Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
[ ] Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
[ ] Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(e))

EXPLANATORY NOTE

Effective September 1, 2015, VOXX International Corporation (the "Company") successfully completed its acquisition of a 54% voting equity interest in all the intellectual property, substantially all other assets, as well as the assumption of certain liabilities of EyeLock, Inc. and its subsidiary EyeLock Corporation (collectively "EyeLock"). The Acquisition was reported in a Current Report on Form 8-K filed with the Securities and Exchange Commission on September 8, 2015. The Company is filing this Form 8-K/A (Amendment No. 1) to include the historical consolidated financial statements of EyeLock and pro forma financial information required by parts (a) and (b) of Item 9.01 of Form 8-K. Except as described above, all other information in and exhibits to the original Form 8-K remain unchanged.

Item 9.01 Financial Statements and Exhibits.

(a) Financial Statements of Business Acquired.

The following financial statements of EyeLock, Inc. and its Subsidiary are attached as Exhibit 99.2 and Exhibit 99.3 of this Report and are incorporated by reference herein:

- Audited consolidated balance sheet of EyeLock, Inc. and its Subsidiary as of December 31, 2014, and the related consolidated statement of operations, changes in shareholders' deficit and cash flows for the year ended December 31, 2014, and the related notes thereto.
- Unaudited consolidated balance sheets of EyeLock, Inc. and Subsidiary as of June 30, 2015 and December 31, 2014, and the consolidated statements of operations and cash flows for the six months ended June 30, 2015 and 2014, and the related notes thereto.

(b) Pro Forma Financial Information.

The following unaudited pro forma financial information is attached as Exhibit 99.4 of this Report and is incorporated by reference herein:

- Unaudited Pro Forma Combined Statements of Operations for the year ended ended February 28, 2015 and for the six months ended August 31, 2015.

(c) Not Applicable

(d) Exhibits

Exhibit 2.1	Asset Purchase Agreement among Eyelock, Inc., Eyelock Corporation, VOXX International Corporation and VOXX Security LLC dated as of July 29, 2015. (1)
Exhibit 2.2	Amendment No. 1 to the Asset Purchase Agreement by and among Eyelock, Inc., Eyelock Corporation, VOXX International Corporation and Eyelock LLC (f/k/a VOXX Security LLC) dated as of September 1, 2015. (1)
Exhibit 23.1	Consent of RSM Puerto Rico
Exhibit 99.1	Press Release, dated September 2, 2015, relating to VOXX International Corporation's acquisition of a controlling stake in EyeLock, Inc. and its subsidiary, EyeLock Corp. (2)
Exhibit 99.2	Audited consolidated balance sheet of EyeLock, Inc. and Subsidiary as of December 31, 2014, and the related consolidated statement of operations, changes in stockholders' deficit and cash flows for the year ended December 31, 2014, and the related notes thereto.
Exhibit 99.3	Unaudited consolidated balance sheets of EyeLock, Inc. and Subsidiary at June 30, 2015 and December 31, 2014, and the consolidated statements of operations and statements of cash flows for the six month ended June 30, 2015 and 2014, and the related notes thereto.
Exhibit 99.4	Unaudited Pro Forma Combined Statements of Operations for the year ended February 28, 2015 and for the six months ended August 31, 2015

(1) Filed with the Commission as an exhibit to our Quarterly Report on Form 10-Q on October 13, 2015.
(2) Filed with the Commission as an exhibit to our Current Report on Form 8-K on September 8, 2015.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

VOXX International Corporation (Registrant)

Date: June 10, 2016

BY: /s/ Charles M. Stoehr
Charles M. Stoehr
Senior Vice President and
Chief Financial Officer

CONSENT OF INDEPENDENT AUDITOR

We consent to the incorporation by reference in the Registration Statements (Nos. 333-138000 and 333-184365) on Form S-8 and No. 333-187427 on Form S-3 of Voxx International Corporation of our report dated March 22, 2016, relating to our audit of the consolidated financial statements of EyeLock, Inc. and its Subsidiary as of and for the year ended December 31, 2014, included in this Current Report on Form 8-K/A.

/s/ RSM Puerto Rico

San Juan, Puerto Rico
June 10, 2016

EyeLock, Inc. and its Subsidiary

Consolidated Financial Statements
December 31, 2014

RSM

RSM Puerto Rico

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INDEPENDENT AUDITORS' REPORT

To: The Board of Directors and Stockholders of
EyeLock, Inc. and its Subsidiary

We have audited the accompanying consolidated financial statements of EyeLock, Inc. and its Subsidiary, a Puerto Rico corporation (formerly known as Global Rainmakers, Inc.), which comprise the consolidated balance sheet as of December 31, 2014, and the related consolidated statements of operations, changes in stockholders' deficit and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of EyeLock, Inc. and its Subsidiary, as of December 31, 2014, and the results of its operations and its cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Emphasis of a Matter

As discussed in Note 16 to the accompanying financial statements, the Company restated the beginning balance of accumulated deficit to reflects the correction related to licensing revenue recognition amounting to $5,904,110 and to recognize an impairment in value of the intellectual property amounting to $30,830,000. Our opinion is not modified with respect to this matter.

Other Matter

The auditors' report on the stand-alone financial statements of EyeLock, Inc. for the years ended December 31, 2008 through 2014, expressed a qualified opinion because the Company has not conducted a formal appraisal of its intellectual property with aggregate value of $35,000,000. Therefore, we were unable to satisfy ourselves as to the appropriateness of the recognition, measurement and disclosure of the intangible asset. During February 2016, the Company obtained a valuation opinion report that supports the fair market value of the intellectual property.

/s/ RSM Puerto Rico

San Juan, Puerto Rico
March 22, 2016.

Stamp No. E227277 was affixed to
the original of this report.

EYELOCK, INC. AND ITS SUBSIDIARY

CONSOLIDATED BALANCE SHEET

December 31, 2014

ASSETS		
CURRENT ASSETS:		
Cash	$	1,074,891
Accounts receivable-		
Trade, net of allowance for doubtful accounts of $55,638		108,425
Other		143,289
Inventories, net		739,453
Prepaid expenses		442,259
Deferred tax asset, net		54,000
		2,562,317
PROPERTY AND EQUIPMENT, net		247,917
INTANGIBLE ASSETS		4,195,000
OTHER ASSETS		30,428
	$	7,035,662
LIABILITIES AND STOCKHOLDERS' DEFICIT		
CURRENT LIABILITIES:		
Notes payable	$	20,350,000
Accounts payable		2,013,250
Accrued expenses		4,387,115
Deferred revenues		904,110
		27,654,475
LOAN PAYABLE TO A FORMER STOCKHOLDER		1,198,700
		28,853,175
STOCKHOLDERS' DEFICIT:		
Series B-1 Preferred stock, $0.01 par value; 50,000,000 shares authorized; 43,371,432 shares issued and outstanding		433,714
Series B Preferred stock, $0.01 par value; 75,000,000 shares authorized; 67,580,886 shares issued and outstanding		675,809
Series A Preferred stock, $0.01 par value; 50,000,000 shares authorized; 30,455,916 shares issued and outstanding		304,559
Additional paid in capital in excess of par value on preferred stock		26,489,395
Class A Common Stock, $1.00 par value; 500,000,000 authorized; 69,952,156 shares issued and outstanding		70,936,382
Less: Discount below par value on common stock		(38,173,709)
Additional paid in capital in excess of par value on common stock		2,400,000
Accumulated deficit, end of year		(84,094,731)
		(21,028,581)
Less: Treasury stock, 10,984,226 common shares, at cost		(788,932)
		(21,817,513)
	$	7,035,662

The accompanying notes are an integral part of this consolidated balance sheet.

EYELOCK, INC. AND ITS SUBSIDIARY

CONSOLIDATED STATEMENT OF OPERATIONS

For the year ended December 31, 2014

REVENUES:		
Net sales	$	762,958
Licensing fees		5,053,961
Royalties		1,968
Other		165
		5,819,052
COSTS AND OPERATING EXPENSES:		
Cost of sales		583,135
Salaries and employee benefits		5,707,231
Insurance		349,698
Rent		386,170
Depreciation and amortization		111,546
Professional services		3,031,646
Utilities		16,426
Research and development		3,815,428
Bad debt expense		322,836
Inventory obsolescence		288,375
Other		1,201,031
		15,813,522
LOSS FROM OPERATIONS		(9,994,470)
OTHER INCOME (EXPENSES):		
Royalty expense, net		(55,595)
Interest expense		(1,887,335)
Other, net		10,668
		(1,932,262)
NET LOSS BEFORE INCOME TAX EXPENSE		(11,926,732)
INCOME TAX EXPENSE		(197,418)
NET LOSS	$	(12,124,150)

The accompanying notes are an integral part of this consolidated statement.

EYELOCK, INC. AND ITS SUBSIDIARY

CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' DEFICIT

For the year ended December 31, 2014

	Number of Preferred Shares	Series B-1 Preferred Stock	Series B Preferred Stock	Series A Preferred Stock	Additional Paid-In Capital Preferred Shares	Number of Common Shares	Common Stock	Discount	Additional Paid-In Capital Common Shares	Accumulated Deficit	Treasury Stock	Total
BALANCE: December 31, 2013, as previously reported	141,408,234	$ 433,714	$ 675,809	$ 304,559	$ 26,489,395	57,715,732	$ 58,699,958	$ (26,062,247)	$ 2,400,000	$ (35,472,471)	$ (788,932)	$ 26,679,785
Less: Adjustments applicable to prior year resulting from the retroactive change of licensing revenue recognition and the impairment of value of intellectual property, net of related deferred taxes of $236,164										(36,498,110)		(36,498,110)
BALANCE: December 31, 2013, as restated	141,408,234	433,714	675,809	304,559	26,489,395	57,715,732	58,699,958	(26,062,247)	2,400,000	(71,970,581)	(788,932)	(9,818,325)
Exercise of common stock warrant ($0.01 per share)						3,626,753	3,626,753	(3,590,484)				36,269
Common stock grant ($0.01 per share)						8,349,983	8,349,983	(8,266,484)				83,499
Exercise of common stock warrant ($0.02 per share)						259,688	259,688	(254,494)				5,194
Net loss for the year ended December 31, 2014										(12,124,150)		(12,124,150)
BALANCE: December 31, 2014, as restated	**141,408,234**	**$ 433,714**	**$ 675,809**	**$ 304,559**	**$ 26,489,395**	**69,952,156**	**$ 70,936,382**	**$ (38,173,709)**	**$ 2,400,000**	**$ (84,094,731)**	**$ (788,932)**	**$ (21,817,513)**

The accompanying notes are an integral part of this consolidated financial statement.

EYELOCK, INC. AND ITS SUBSIDIARY

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended December 31, 2014

CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$	(12,124,150)
Adjustments to reconcile net loss to net cash used in operating activities:		
Bad debt expense		322,836
Inventory obsolescence		288,375
Deferred tax asset		182,000
Depreciation and amortization		111,546
Changes in assets and liabilities:		
(Increase) decrease in assets -		
Accounts receivable trade		48,819
Other receivable		(95,536)
Inventories		50,484
Prepaid expenses		75,488
Other assets		1,898
Increase (decrease) in liabilities -		
Accounts payable		919,223
Accrued expenses		580,128
Deferred revenue		(5,000,000)
Net cash used in operating activities		(14,638,889)
CASH FLOWS USED IN INVESTING ACTIVITIES:		
Acquisition of property and equipment		(241,187)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net proceeds from issuance of notes payable		12,850,000
Proceeds from issuance of common stock		124,961
Net cash provided by financing activities		12,974,961
NET DECREASE IN CASH		(1,905,115)
CASH, beginning of year		2,980,006
CASH, end of year	$	1,074,891

The accompanying notes are an integral part of this consolidated statement.

1) **Operations and summary of significant accounting policies:**

A) Operations - The consolidated financial statements include the accounts of EyeLock, Inc. (formerly Global Rainmakers, Inc.) and EyeLock Corporation (together the Company). EyeLock, Inc. was incorporated under the laws of the Commonwealth of Puerto Rico on November 3, 2005 and is engaged in the development, manufacturing and marketing of biometric and computer related technologies. EyeLock, Inc. grants third parties, by geographic areas, exclusive rights and license to the intellectual property rights to market, promote, use, offer for sale and sell its products.

EyeLock Corporation, its Subsidiary, was organized on September 20, 2011, under the Laws of the State of Delaware. EyeLock Corporation provides technology consulting services, as well as sales and management services pursuant to a Technology Consulting, Management and Sales Agreement with EyeLock, Inc.

B) Summary of significant accounting policies - The Company's accounting policies conform to predominant practices followed by industry and are in accordance with accounting principles generally accepted in the United States of America. The most significant accounting policies followed by the Company are summarized below:

Adoption of recently issued amendment of pronouncement - In 2014, the Company adopted FASB Accounting Standard Update 2014-10 Development Stage Entities (Topic 915), which eliminate the requirement for development stage entities to (1) present inception to date information in the statements of operations, cash flows and shareholders equity, (2) label to financial statement as those of development stage entity, (3) disclose a description of the development stage activities in which the entity is engaged, and (4) disclosure in the first year in which the entity is no longer a development stage entity that in prior years it had been in the development stage. There was no impact on the Company's results of operations or financial condition upon adoption of the update.

Principles of consolidation - The consolidated financial statements include the accounts of EyeLock, Inc. and its Subsidiary, as described in Note 1A. All significant intercompany accounts and transactions have been eliminated in the consolidation.

Accounting estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

Fair value measurements - Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Market or observable inputs are the preferred source of value, followed by assumptions based on hypothetical transactions in the absence of market input.

The valuation techniques are based upon observable or unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Company's market assumptions. These two types of inputs create the following fair value hierarchy:

Level 1 - Quoted prices for identical instruments in active markets.

Level 2 - Quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active and model-derived valuations whose inputs are observable or whose significant value drivers are observable.

Level 3 - Significant inputs to the valuation model are unobservable.

The Company maintains policies and procedures to value financial instruments using the best and most relevant data available.

Allowance for doubtful accounts - Is determined based on the Company's analysis of the accounts receivable balance and the evaluation of the possibility of collection of each account.

Inventories - Are stated at the lower of cost (determined by the first-in, first-out basis) or market. Allowance for obsolescence is established by management based on past experience.

Property and equipment - Property and equipment are stated at cost. Depreciation and amortization is computed using the straight-line method over the estimated useful life of the related assets, as follows:

Description	Estimated useful life
Software	3 years
Computers	3 years
Tools and equipment	3 years
Leasehold improvements	Lease term

At the time property and equipment is sold, or otherwise disposed of, the cost and related accumulated depreciation or amortization are removed from the books and the resulting gain or loss, if any, is credited or charged to operations.

Intangible assets - Represents the acquisition of the following:

Intellectual property - Intellectual property represents an intangible asset recognized based on the acquisition price of the technology developed by a former stockholder in exchange of Company's stocks and based on intellectual property internally developed. At the date of the acquisition, the intellectual property value was determined based on an agreement between the stockholders of the Company. This intangible asset is considered to have an indefinite life and is not amortized.

License grant - A perpetual license to manufacture, use, lease, sell, import or practice certain licensed products. This intangible asset is considered to have an indefinite life and is not amortized.

Revenues and expenses recognition - Revenues and expenses are reported under the accrual method. Under this method, revenues are recognized in the period earned. Operating expenses are charged to expense when incurred.

Research and development costs - Are charged to expense as incurred unless they clearly have an alternative use or can be used in future research and development projects. The research and development costs charged to operations during 2014, amounted to approximately $3,815,000.

Income tax - The Company uses an asset and liability approach in the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been recognized in the Company's financial statements or tax returns. Deferred tax assets and liabilities are determined for differences between consolidated financial statements and tax bases of assets and liabilities that will result in taxable or deductible amounts in the future. The computation is based on enacted tax laws and rates applicable to periods in which the temporary differences are expected to be recovered or settled. Valuation allowances are established, when necessary, to reduce deferred tax assets to the amounts expected to be realized.

The Company follows the guidance on accounting for uncertainty in income taxes issued by the Financial Accounting Standards Board (FASB). Calculation related to income taxes contains uncertainties due to judgment issued over the application of tax regulations in other jurisdiction. The analysis of unrecognized tax benefits contains uncertainties based on judgment used to apply to more likely than not recognition and measurements thresholds. Management do not believe there is a reasonable likelihood there will be a material change in the tax related balances or valuation allowances. However, due to these uncertainties, the ultimate resolution may result in a payment that is materially different from the current estimates of the tax liabilities. The Company is subject to examination on its fiscal years ended December 2010 through December 2014.

All applicable returns in Puerto Rico have been appropriately filed.

2) **Concentrations of credit risk:**

Financial instruments, which potentially subject the Company to concentrations of credit risk, consist principally of cash deposits. The cash deposits at times may exceed the amount insured by the Federal Deposit Insurance Corporation (FDIC). As of December 31, 2014, the FDIC insured cash deposits up to $250,000 per financial institution. As of December 31, 2014, the Company's cash deposits that exceeded the FDIC's insured limits amounted approximately $740,000.

As of December 31, 2014, the Company had one (1) major client which account for 86%, of the Company's total revenues. The amount due by such customer as of December 31, 2014, amounted to approximately $2,000.

3) **Inventories:**

As of December 31, 2014, inventories consisted of the following:

Description		Amount
Raw material	$	116,511
Finished goods		697,786
		814,297
Less: Allowance for obsolescence		(74,844)
	$	739,453

4) **Property and equipment:**

As of December 31, 2014, property and equipment consisted of the following:

Description		Amount
Software	$	145,000
Computers		119,047
Tools and equipment		243,905
Leasehold improvements		61,681
		569,633
Less: Accumulated depreciation and amortization		(321,716)
	$	247,917

5) **Notes payable:**

As of December 31, 2014, notes payable are as follows:

Description		Amount
Senior secured promissory notes payable to various investors, bearing interest at 12% maturing on June 30, 2015.	$	4,000,000
Senior promissory notes payable to various investors bearing interest at 12%, maturing on December 31, 2014. During November 2014, the due date of notes amounting to $3,200,000 was extended to March 31, 2015, with an extension option to June 30, 2015.		3,500,000
Convertible promissory notes payable to various investors, bearing interest at 10%, maturing on June 30, 2015. The notes are convertible into either: a) a similar class to be created during a qualified financing of at least $5 million, b) a class similar to series B-1 Preferred.		10,000,000
Senior promissory notes payables to various investors, bearing interest at 12%, maturing on March 31, 2015, with an extension option to June 30, 2015.		2,850,000
	$	20,350,000

Certain balances of these promissory notes, which expired through June 30, 2015, were converted into Company's equity, as discussed in Note 17.

6) **Loan payable to a former stockholder:**

The loan payable to a former stockholder bears no interest and is subordinated to all other indebtedness of the Company and to the redemption of all outstanding shares of the Company's preferred stock.

As of December 31, 2014, the outstanding balance of loan was approximately $1,200,000.

7) **Related party transactions:**

The Company, in its ordinary course of business, conducts certain transactions with related parties. As of and during the year ended December 31, 2014, a member of the Company's board of directors serves as a Managing Partner of a related party that is the major holder of the outstanding preferred stock, including additional paid-in-capital.

In addition, in July 2010 the Company entered into a Management and Consulting Agreement with the related party above, whereby the related party provides the Company with financial advisory services, including analysis and advice relating to business management, financial planning and the identification and sourcing of capital. Management and consulting fees for services provided during the year ended December 31, 2014, amounted to $240,000.

8) **Stockholders' deficit:**

As of December 31, 2014, the Company's authorized capital is as follows:

Class of Stock	Number of Shares		Par Value
Series B-1 Preferred Stock	50,000,000	$	0.01
Series B Preferred Stock	75,000,000	$	0.01
Series A Preferred Stock	50,000,000	$	0.01
Class A Common Stock	500,000,000	$	1.00
Total shares authorized	675,000,000		

All issued shares of the Company's former Participating Preferred Stock, par value $0.01, were redesignated as the Series A Preferred Stock.

Each holder of outstanding shares of Participating Preferred Stock and Class A Common Stock are entitled to one vote per share.

Dividends - Series B-1 Preferred Stock, Series B Preferred Stock, Series A Preferred Stock, and Class A Common Stock are entitled to receive dividends per share declared on such stock out of any assets legally available for such purpose as set forth below.

The record holders of Series B-1 Preferred Stock, in preference to the holders of any shares of Series B Preferred Stock, Series A Preferred Stock, or Class A Common Stock, are entitled to receive, "pari passu", dividends on each share of Series B-1 Preferred Stock accrued at a rate per annum equal to the Series B-1 original issue price multiplied by (i) 15% for the first 12 months following the original issue date of the Series B-1 Preferred Stock, and (ii) 10% for all periods thereafter. The Series B-1 Preferred Stock dividends are cumulative whether or not declared.

After payment in full or setting aside for payment in full of the Series B-1 Preferred Stock liquidation amount, the record holders of Series B Preferred Stock, in preference to the holders of any shares of Series A Preferred Stock or Class A Common Stock, are entitled to receive, "pari passu", dividends on each share of Series B Preferred Stock accrued at a rate per annum equal to the Series B Preferred Stock original issue price multiplied by 10%. The Series B Preferred Stock dividends are cumulative whether or not declared.

After payment in full or setting aside for payment in full of the Series B-1 Preferred Stock liquidation amount and the Series B Preferred Stock liquidation amount, the record holders of Series A Preferred Stock, in preference to the holders of any shares of Class A Common Stock, are entitled to receive, "pari passu", dividends on each share of Series A Preferred Stock accrued at a rate per annum equal to the Series A Preferred Stock original issue price multiplied by 10%. The Series A Preferred Stock dividends are cumulative whether or not declared. With respect to Series A Preferred Stock originally issued as Participating Preferred Stock upon conversion of convertible promissory notes previously issued by the Company, the original issue price for such shares is equal to the dollar amount of notes per share so converted.

Subject to the dividend rights of the holders of the Series B-1 Preferred Stock, the Series B Preferred Stock, and the Series A Preferred Stock, the holders of the Class A Common Stock is entitled to receive dividends out of any funds of the Company at the time legally available for such purpose, when, as, and if declared by the Board of Directors.

As of December 31, 2014, total dividends in arrears on all series of preferred stock were approximately $10,047,000.

Preferential Payments - In the event of any voluntary or involuntary liquidation, dissolution, or winding up of the Company, the holders of shares of the Series B-1 Preferred Stock then outstanding, on a "pari passu" basis, are entitled to be paid out of the assets of the Company legally available for distribution to its stockholders before any other payment is made to the holders of the Series B Preferred Stock, the Series A Preferred Stock, the Class A Common Stock, or any other class or series of capital stock ranking on liquidation junior to the Series B-1 Preferred Stock by reason of their ownership thereof, an amount per share equal to the greater of (a) the Series B-1 Preferred Stock liquidation amount, plus any accrued and unpaid Series B-1 Preferred Stock dividends to the extent not included in the Series B-1 Preferred Stock liquidation amount, plus any other dividend declares but unpaid thereon, or (b) such amount per share as would have been payable had all shares of Series B-1 Preferred Stock been converted into Class A Common Stock immediately prior to such liquidation, dissolution or winding up.

Thereafter, the Company shall not make any other payments or issue any shares of Series A Preferred Stock or Class A Common Stock until the holders of Series B Preferred Stock have received the Series B Preferred Stock liquidation amount; and thereafter, the Company shall not make any other payments on any shares of Class A Common Stock until the holders of Series A Preferred Stock have received the Series A Preferred Stock liquidation amount.

Voting - Each holder of outstanding shares of Series B-1 Preferred Stock and Series B Preferred Stock are entitled to cast the number of votes equal to the number of whole shares of Class A Common Stock into which the shares of Series B-1 Preferred Stock and the Series B Preferred Stock held by such holder are convertible as of the record date for determining stockholders entitled to vote on such matter. On any matter requiring a vote of stockholders by class or series of capital stock, the holders of the Series B-1 Preferred Stock and the Series B Preferred Stock shall vote together as a single class. Each holder of outstanding shares of Series A Preferred Stock are entitled to cast the number of votes equal to the number of whole shares of Class A Common Stock into which the shares of Series A Preferred Stock held by such holder are convertible as of the record date for determining stockholders entitled to vote on such matter. Holders of Series A Preferred Stock shall vote together with the holders of Class A Common Stock as a single class.

To protect the holders of all Series of the Preferred Stock against dilution, the Company shall issue additional shares of each Series of the Preferred Stock to such holders as and when required.

Redemption - At any time following the fourth (4^{th}) anniversary of the Series B-1 Preferred Stock issue date, upon the written request of any holder of shares of Series B-1 Preferred Stock, all or any part of the shares of Series B-1 Preferred Stock of such holder shall be redeemed by the Company , at a price per share equal to the greater of (a) the Series B-1 Preferred Stock liquidation amount thereof, as of the date of payment, or (b) the Fair Market Value per share of the Series B-1 Preferred Stock with respect to each such share on the date of the redemption.

At any time after the redemption in full of the Series B-1 Preferred Stock, and upon the written request of any holder of shares of Series B Preferred Stock and Series A Preferred Stock, in the same preferential order explained above, all or any part of the shares of each Series of such holder shall be redeemed by the Company, out of funds of the Company, at a price per share equal to the greater of (a) the Series liquidation amount thereof, as of the date of payment or (b) the Fair Market Value per share of the Series Preferred Stock with respect to each such share on the date of the redemption.

Conversion of Preferred Stock - The shares of any Series of the Preferred Stock outstanding may be converted by the holder thereof into a like number of fully paid and non-assessable shares of Class A Common Stock.

Class A Common Stock

Shares of common stock issued for other than cash consideration have been valued using amounts equivalent to the fair value of the service rendered or the assets received in exchange.

In 2005, the Company issued shares of common stock below par value by $15,000,000. The Company recorded the capital stock account for the par value and an offsetting discount for the difference between par value and the fair value of the service rendered or assets received in exchange.

Treasury Stock

On November 17, 2006, the Company purchased 16,785,000 shares of common stock held by the stockholders for $0.70 per share, or a total of $11,749,500. Treasury stock is shown at cost and consists of 10,984,226 shares of common stock as of December 31, 2014.

Stock Warrants

As of December 31, 2014, the Company has issued one hundred forty-four (144) stock warrants certificates. Stock warrants outstanding as of December 31, 2014, are as follows:

Warrant Number	Description
Warrant Certificate 1	Provides to acquire at $0.01 per share up to 2.0% of the Company's common stock issued and outstanding, at the exercise date, expiring on December 9, 2016.

Warrant Certificates 2 and 3	Provide to acquire at $0.01 per share up to 1.5% of the Company's common stock issued and outstanding, at the exercise date, expiring on December 9, 2016.
Warrant Certificate 4	Provides to acquire at $0.26 per share up to 1.25% of the Company's common stock issued and outstanding, at the exercise date, expiring on May 30, 2019.
Warrant Certificate 5	Provides to acquire at $0.26 per share up to 0.25% of the Company's common stock issued and outstanding, at the exercise date, expiring on May 30, 2019.
Warrant Certificates 6, 12 and 22	Provide to acquire at $0.01 per share up to .50% of the Company's common stock issued and outstanding, at the exercise date, expiring on December 9, 2016.
Warrant Certificates 7 and 13	Provide to acquire at $0.01 per share, up to 0.125% of the Company's common stock issued and outstanding, at the exercise date, expiring on December 9, 2016.
Warrant Certificates 8 and 15	Provide to acquire at $0.01 per share, up to 0.25% of the Company's common stock issued and outstanding, at the exercise date, expiring on December 9, 2016.
Warrant Certificate 9	Provides to acquire at $0.01 per share, up to 0.0625% of the Company's common stock issued and outstanding, at the exercise date, expiring on December 9, 2016.
Warrant Certificate 10	Provides to acquire at $0.01 per share, up to 0.55% of the Company's common stock issued and outstanding, at the exercise date, expiring on December 9, 2016.
Warrant Certificate 11	Provides to acquire at $0.01 per share, up to 0.1375% of the Company's common stock issued and outstanding, at the exercise date, expiring on December 9, 2016.
Warrant Certificate 14	Provides to acquire at $0.01 per share, up to 1.0% of the Company's common stock issued and outstanding, at the exercise date, expiring on December 9, 2016.
Warrant Certificate 17	Provides to acquire at $0.01 per share, up to 1.2% of the Company's common stock issued and outstanding, at the exercise date, expiring on December 9, 2016.
Warrant Certificate 18	Provides to acquire at $0.01 per share, up to 0.3% of the Company's common stock issued and outstanding, at the exercise date, expiring on December 9, 2016.
Warrant Certificate 21	Provides to acquire at $0.01 per share, up to 0.25% of the Company's common stock issued and outstanding, at the exercise date, expiring on December 9, 2016.
Warrant Certificate 23	Provides to acquire at $0.26 per share, up to 0.034115% of the Company's common stock issued and outstanding, at the exercise date, expiring on May 30, 2019.
Warrant Certificate 24	Provides to acquire at $0.05 per share, up to 1.38%, of the Company's common stock issued and outstanding, at the exercise date, expiring on December 9, 2016.

Warrant Certificate 25	Provides to acquire at $0.01 per share up to 4,371,429 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on November 30, 2016.
Warrant Certificate 26	Provides to acquire at $0.01 per share up to 1,542,857 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on November 30, 2016.
Warrant Certificate 27	Provides to acquire at $0.01 per share up to 1,617,081 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on November 30, 2016.
Warrant Certificate 31	Provides to acquire at $0.01 per share up to 51,429 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on November 30, 2016.
Warrant Certificate 33	Provides to acquire at $0.01 per share up to 214,315 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on November 30, 2016.
Warrant Certificate 37	Provides to acquire at $0.01 per share up to 308,571 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on November 30, 2016.
Warrant Certificate 41	Provides to acquire at $0.01 per share up to 20,571 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on November 30, 2016.
Warrant Certificate 42	Provides to acquire at $0.01 per share up to 265,373 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on November 30, 2016.
Warrant Certificate 43	Provides to acquire at $0.01 per share up to 390,857 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on November 30, 2016.
Warrant Certificate 44	Provides to acquire at $0.01 per share up to 23,657 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on November 30, 2016.
Warrant Certificate 45	Provide to acquire at $0.01 per share up to 102,857 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on November 30, 2016.
Warrant Certificate 46	Provides to acquire at $0.01 per share up to one percent (1.00%) of the aggregate number of common stock deemed outstanding at the exercise date, expiring on November 30, 2016.
Warrant Certificate 47	Provides to acquire at $0.01 per share up to 9,613 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on November 30, 2016.
Warrant Certificate 48	Provides to acquire at $0.01 per share up to 3,542 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on November 30, 2016.
Warrant Certificate 52	Provides to acquire at $0.01 per share up to 284,736 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on December 31, 2017.
Warrant Certificate 57	Provides to acquire at $0.01 per share up to 654 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on December 31, 2017.

Warrant Certificate 59	Provides to acquire at $0.01 per share up to 121,288 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on December 31, 2017.
Warrant Certificate 62	Provides to acquire at $0.01 per share up to 592 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on December 31, 2017.
Warrant Certificate 63	Provides to acquire at $0.01 per share up to 108,290 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on December 31, 2017.
Warrant Certificate 66	Provides to acquire at $0.01 per share up to 129,261 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on December 31, 2017.
Warrant Certificate 67	Provides to acquire at $0.01 per share up to 370,748 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on December 31, 2017.
Warrant Certificate 68	Provides to acquire at $0.01 per share up to 18,982 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on December 31, 2017.
Warrant Certificate 69	Provides to acquire at $0.01 per share up to 806,751 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on December 31, 2017.
Warrant Certificate 72	Provides to acquire at $0.01 per share up to 3,796 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on December 31, 2017.
Warrant Certificate 74	Provides to acquire at $0.01 per share up to 27,118 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on December 31, 2017.
Warrant Certificates 76, 83 and 85	Provide to acquire at $0.01 per share up to 18,078 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on December 31, 2017.
Warrant Certificate 80	Provides to acquire at $0.01 per share up to 235,019 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on December 31, 2017.
Warrant Certificate 81	Provides to acquire at $0.01 per share up to 23,348 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on December 31, 2017.
Warrant Certificates 82 and 88	Provide to acquire at $0.01 per share up to 36,157 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on December 31, 2017.
Warrant Certificate 84	Provides to acquire at $0.01 per share up to 216,942 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on December 31, 2017.
Warrant Certificate 86	Provides to acquire at $0.01 per share up to 54,235 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on December 31, 2017.

Warrant Certificate 89	Provides to acquire at $0.01 per share up to 90,392 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on December 31, 2017.
Warrant Certificates 90 and 91	Provide to acquire at $0.01 per share up to 591 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on December 31, 2017.
Warrant Certificates 92 and 106	Provide to acquire at $0.01 per share up to 12,938 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on December 31, 2017.
Warrant Certificate 93	Provides to acquire at $0.01 per share up to 194,071 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on December 31, 2017.
Warrant Certificate 97	Provides to acquire at $0.01 per share up to 445 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on December 31, 2017.
Warrant Certificate 99	Provides to acquire at $0.01 per share up to 33,380 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on December 31, 2017.
Warrant Certificate 102	Provides to acquire at $0.01 per share up to 49,165 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on December 31, 2017.
Warrant Certificate 107	Provide to acquire at $0.01 per share up to 549,869 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on December 31, 2017.
Warrant Certificate 110	Provide to acquire at $0.01 per share up to 2,588 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on December 31, 2017.
Warrant Certificate 111	Provide to acquire at $0.01 per share up to 15,914 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on December 31, 2017.
Warrant Certificate 112	Provide to acquire at $0.01 per share up to 203,407 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on December 31, 2017.
Warrant Certificate 113	Provide to acquire at $0.02 per share up to 831,000 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on December 31, 2017.
Warrant Certificates 114, 116, 117, 125, 135, 140 and 142	Provide to acquire at $0.02 per share up to 207,750 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on December 31, 2017.
Warrant Certificates 115, 121, 123 and 126	Provide to acquire at $0.02 per share up to 51,938 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on December 31, 2017.
Warrant Certificate 119	Provide to acquire at $0.02 per share up to 2,077,500 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on December 31, 2017.
Warrant Certificate 120	Provide to acquire at $0.02 per share up to 17,313 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on December 31, 2017.

Warrant Certificate 122	Provide to acquire at $0.02 per share up to 34,625 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on December 31, 2017.
Warrant Certificate 124	Provide to acquire at $0.02 per share up to 103,875 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on December 31, 2017.
Warrant Certificates 127 and 129	Provide to acquire at $0.02 per share up to 69,250 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on December 31, 2017.
Warrant Certificate 128	Provide to acquire at $0.02 per share up to 155,813 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on December 31, 2017.
Warrant Certificates 130, 132, 133, 139 and 144	Provide to acquire at $0.02 per share up to 138,500 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on December 31, 2017.
Warrant Certificate 131	Provide to acquire at $0.02 per share up to 415,500 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on December 31, 2017.
Warrant Certificates 134 and 138	Provide to acquire at $0.02 per share up to 103,875 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on December 31, 2017.
Warrant Certificate 141	Provide to acquire at $0.02 per share up to 1,038,750 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on December 31, 2017.
Warrant Certificate 143	Provide to acquire at $0.02 per share up to 259,688 shares of the Company's common stock issued and outstanding, at the exercise date, expiring on December 31, 2017.

During the year ended December 31, 2014, the Company issued approximately 3,627,000 and 260,000 shares of Class A common stock, at $.01 and $.02 per share, respectively, for warrants exercised. Total discount recognized during the year ended December 31, 2014, related to these warrants, was approximately $3,845,000.

Share Incentive Plan

On July 2, 2012, the Company approved and adopted a Share Incentive Plan (the Plan) intended to provide incentives which will attract, retain and motivate highly competent persons such as directors, officers, employees and consultants of the Company and its subsidiary, by providing them opportunities to acquire shares of the Company's common stock, par value $1.00 per share. Subject to the provisions of the Plan, the maximum numbers of shares of common stock that may be delivered to participants and their beneficiaries under the Plan is twenty-five million (25,000,000) shares of common stock which are restricted for this purpose.

The Company has granted 25,000,000 shares of restricted stocks. According to the Plan, the restricted common stocks are vested in equal installments on each of the first three (3) anniversaries of the date of grant. As of December 31, 2014, 15,224,973 shares of restricted common stock were vested, respectively, of which 14,724,974 were issued and outstanding.

9) **Licensing fees:**

On May 9, 2014, the Company entered into a license and distribution agreement to grant a third party a license to distribute, resell and supply chain management partner of the licensed products in the distribution channel and on enterprise sales, in accordance with the terms and conditions of the agreement. The third party shall pay the Company a royalty for each licensed product sold in the distribution channel or enterprise sales. During the year ended December 31, 2014, the Company received $1,968 in royalties for licensed products sold.

On October 11, 2013, the Company entered into a license agreement to grant a third party, a license to market and resell the Company's products in accordance with the terms and conditions of the agreement. The Company received $50,000 during the year ended December 31, 2013 and within ten (10) days of the end of each calendar quarter during the period beginning upon July 1, 2014 through December 31, 2015, unless otherwise agreed by the parties in writing, the third party shall pay the Company an amount equal to twenty percent (20%) of third party's gross sales in the preceding quarter, up to an aggregate maximum amount of $900,000. During the year ended December 31, 2014, the Company recognized license fee revenues of approximately $54,000 related to this agreement.

During March 2013, the Company entered into a license agreement with a third party, whereby the Company grants a third party the right and license to the IP Rights, as defined in the agreement, and the improvements to market, use, offer for sale and sell the licensed products in accordance with the terms and conditions of the agreement. The Company received $10,000,000 upon the execution of the Agreement in March 2013. Subject to the agreement, the third party shall have a continuing option, up to March 2015, to commence a Definitive Period, as defined in the agreement. The option was not exercised at the end of the option period and parties are negotiating a non-exclusive master reseller agreement. During the year ended December 31, 2014, the Company recognized licensing fee revenues of $5,000,000 related to this agreement and deferred approximately $904,000. As described in Note 16, the prior year financial statements of EyeLock, Inc. were restated to reflect the correction related to this licensing agreement.

10) **Income tax:**

On March 19, 2012, the Company received a tax exemption grant for income, property and municipal taxes, of EyeLock, Inc., under the provisions of Act No. 73 of May 28, 2008, known as the Economic Incentives for the Development of Puerto Rico Act to cover. The grant covers a fifteen-year (15) period and provides for a flat tax rate of 4% on taxable income, 90% exemption on property taxes and 60% exemption on municipal taxes. The tax exemption was effective on January 1, 2011.

For Puerto Rico tax purposes, the Company provides for income tax using applicable Puerto Rico statutory rates. However, the provision for income tax differs from the amount obtained by applying the Puerto Rico applicable tax rates due to expenses recorded for financial statement purposes, which are not currently deductible for income tax purposes.

For federal tax purposes, the Company file an income tax return for the operations of EyeLock, Corporation.

Significant component of the deferred tax asset as of December 31, 2014, is approximately as follows:

Description		Amount
Operating loss carry-forward	$	8,314,000
Less: Valuation allowance		(8,314,000)
Deferred revenue		36,000
Allowance for doubtful accounts		3,000
Allowance for obsolescence		15,000
	$	54,000

The income tax (expense) benefit charged to operations for the year ended December 31, 2014, consisted of the following:

Description	Amount
Income tax benefit:	
Income tax deductibles at statutory rates	$ 1,218,000
Nondeductible expenses	(42,000)
Nontaxable income	200,000
Other	(28,000)
Deferral of operating loss carry-forward	(1,333,000)
Current	15,000
Deferred	182,000
	$ 197,000

Description	Amount
Deferred income tax expense:	
Benefit from deferral of operating loss carry-forward	$ 1,333,000
Impairment loss	1,233,000
	2,566,000
Valuation allowance	(2,566,000)
	$ —

Operating losses carry-forward for tax purposes as of December 31, 2014, have the following expiration dates:

Incurred		Used		Available	Expiration
Year	Amount	Year	Amount	Amount	Year
2005	$ 4,000	—	$ —	$ 4,000	2017
2006	585,000	—	—	585,000	2018
2007	8,099,000	—	—	8,099,000	2019
2008	5,115,000	—	—	5,115,000	2020
2009	5,898,000	—	—	5,898,000	2021
2010	7,590,000	—	—	7,590,000	2022
2011	6,955,000	—	—	6,955,000	2023
2012	7,312,000	—	—	7,312,000	2024
2013	2,031,000	—	—	2,031,000	2023
2014	16,284,000	—	—	16,284,000	2024
	$ 59,873,000		$ —	$ 59,873,000	

10) **Operating lease agreement:**

The Company entered into two (2) lease agreements for its facilities. One (1) of the lease agreements is for a lease term of three years starting on January 1, 2013, with monthly rental payments of $2,152 in the first year, and $2,399 thereafter. The second lease agreement is for a lease term of three years starting on August 1, 2013, with monthly rental payments of $2,140, in the first year, and $28,533 thereafter.

Minimum lease commitments under the active lease agreement for the years subsequent to December 31, 2014, are as follows.

Year ending December 31,		Amount
2015	$	371,000
2016		200,000
	$	571,000

Rental expense for the year ended December 31, 2014, was approximately $354,000.

12) **Savings plan:**

Effective January 1, 2013, the Company entered into a 401(k) Savings Plan that covers all employees who have reached 21 years of age. Under this plan, participants can make pre-tax contributions of not less than 1% of compensation nor exceed the pre-tax contribution limit allowed under PR-Code Section 1081.01(d). For each plan year in which the plan is in effect, the Company can make contributions to the plan in one or more installments, in such amounts as the Company determines (if any). Participants hired prior to January 1, 2013 are 100% vested at all times, all other participants are vested in accordance to a determined vesting schedule.

The Company also entered into a 401 (k) Savings Plan that covers all United States employees who have reached 21 years of age, effective May 28, 2013. Under this plan, participants can make a maximum elective deferral contribution of a hundred percent (100%) of compensation. Elective deferrals made under the plan may not exceed, during any taxable year, the dollar limitation contained in IRS Code Section 402 (g) in effect at the beginning of such taxable year. Qualified non-elective contributions can be made by the Company on behalf of participants eligible to make elective deferrals and who are non-highly compensated employees. These qualified non-elective contributions, if any, shall be allocated based on a pro rata in the ration that such participant compensation bears to the compensation of all eligible participants. Participants hired prior to May 28, 2013 are 100% vested at all times, all other participants are vested in accordance to a determinated vesting schedule.

During the year ended December 31, 2014, the Company did not make contributions to the Plan.

13) **Commitment:**

On August 27, 2009 (effective date), the Company and various related parties (collectively, the Parties) signed a Settlement Agreement and Mutual General Release (the Agreement). In connection with the Agreement, the Parties agreed to pay to a third party, royalties of 8.5% of their net revenues, earned during five (5) years, starting on the effective date, from all Iris Recognition Business. The royalty payments shall not, in the aggregate, exceed $5,000,000. The royalties will be deemed earned when the transaction occurs, but will not be due and payable until the Parties receive its net revenues. Royalties shall be payable if they are earned during the royalty term, even if they do not become due and payable pursuant to the preceding sentence until after the conclusion of the term of this Agreement. The Agreement contains a covenant not to bring legal claims among the parties involved. The royalty earn-out period of five (5) years lapsed during the year ended December 31, 2014.

Total royalty expense for the year ended December 31, 2014, was approximately $56,000.

14) **Supplemental disclosures for the consolidated statement of cash flows:**

A) Non-cash investing and financing transactions - During the year ended December 31, 2014, non-cash investing and financing transactions consist of the following:

Description		Amount
Discount on issuance of common stock	$	12,111,462

B) Other cash flows transactions - During the year ended December 31, 2014, the Company made no interest or income tax payments.

15) **Litigations and contingencies:**

The Company is a party to a certain legal claim arising in the ordinary course of business. Management, after consulting with legal counsel, is of the opinion that the ultimate outcome of this claim, will not have a material effect on the Company's financial position or results of operations.

16) **Restatement of prior year:**

Beginning balance of accumulated deficit at December 31, 2013 has been restated by a charge of $36,498,110, net of income tax benefit of $236,000. The restatement reflects the correction related to licensing revenue recognition amounting to $5,904,110 and to recognize an impairment in value of the intellectual property amounting to $30,830,000.

17) **Subsequent events:**

During January 2015, the Company issued and collected additional senior promissory notes amounting to approximately $212,000. These notes bear interest at 12%, as described in Note 5.

On January 22, 2015, the Company's Board of Directors approved and adopted a Stock Option Plan (the Plan) intended to attract and retain the best available personnel for positions of substantial responsibility, to provide additional incentive to employees and consultants, and to promote the success of the Company's business. The Plan is effective upon its adoption for a term of ten (10) years. As of the auditors' report date, the Company has granted stock options for the acquisition of 9,995,000 shares at an exercise price of $0.02 per share.

On February 24, 2015, the Company approved the Senior Secured Note Purchase Agreement for the issuance and sale of up to $3,500,000 in principal amount of Senior Secured Promissory Notes. This amount may be increased to extent any holders of the Company's existing senior promissory notes in the aggregate principal amount of $3,250,000 that elect to convert such notes into senior secured notes, in accordance with their exchange offer rights. The notes bear interest of 10%, maturing on June 15, 2015 and are secured by the Company's intellectual property, account receivable and inventory. In addition, all senior promissory notes payable as of December 31, 2014 that amounted to $2,850,000, plus accrued interest, were converted into these senior secured promissory notes, pursuant to the agreement.

On September 1, 2015, EyeLock, Inc. and its Subsidiary changed its legal names to EL Preferred Holdings, Inc. and EL Preferred Holdings Corp., respectively. The Company amended its certificate of incorporation with the purpose, among others, of modify the stocks dividend rights and liquidation preferences and to decrease the par value of the shares from $.01 to $.001 and also increase the total number of shares authorized as follows:

Class of Stock	Number of Shares
Series C Preferred Stock	2,075,000,000
Series B-1 Preferred Stock	260,000,000
Series B Preferred Stock	500,000,000
Series A Preferred Stock	360,000,000
Class A Common Stock	150,000,000
	3,345,000,000

In addition, the Company declared a stock split over the Series A, B and B-1 Preferred Stocks.

On September 1, 2015 (the Closing Date), the Company and its Subsidiary, sold substantially all of their assets to EyeLock LLC (the Buyer), an entity formed by Voxx International (Voxx), a publicly traded company listed on NASDAQ, and entered into a series of related transactions (the Transactions) described below:

- In connection with the Transactions, the Company received as consideration (i) a $15,500,000 cash payment (the Cash Proceeds), (ii) 34 units of the Buyer's common membership interest (the Buyer Units), representing 34% of the total number of outstanding membership interests held by all of the members of the Buyer as of the Closing Date, and (iii) the assumption by the Buyer and forgiveness by Voxx of certain promissory note obligations previously owed by the Company to Voxx. As of the Closing Date, Voxx owned a majority of the Buyer's common membership interest.

- The Company used all of the Cash Proceeds to pay off the Company's trade payables and accrued expenses outstanding as of the Closing Date, including costs and fees associated with the Transactions, and to paid approximately $9,958,000 of certain senior secured and junior promissory notes issued by the Company in respect of the outstanding principal and accrued but unpaid interest and other obligations thereunder.

- The balance of approximately $13,746,000 of the promissory notes not repaid with the Cash Proceeds was cancelled and the notes were terminated in exchange for the Company's Series C Preferred Stock.

As of the Closing Date, the Company's only assets are the Buyer Units and a cash reserve for the payment of taxes and other administrative expenses of the company. The Company does not currently have any officers or employees. The former employees of the Company that were located in the United States were terminated and were hired by the Buyer.

On February 24 2016, the Company obtained a valuation opinion report that supports the fair market value of the Company's intellectual property of $4,170,000, as of December 31, 2013.

The numbers of shares issued and outstanding as of March 22, 2016, were as follows:

Class of Stock	Number of Shares
Series C Preferred Stock	1,963,735,000
Series B-1 Preferred Stock	250,957,944
Series B Preferred Stock	491,004,673
Series A Preferred Stock	349,158,879
Common Stock, Options, Warrants and Restricted Stock Units	146,325,337
	3,201,181,833

The Board of Directors of the Company is currently reviewing a reorganization plan involving the domestication of the Company from Puerto Rico to the United States in 2016, for purposes of tax efficiency in light of the fact that the existing business of the Company is now being operated entirely in the continental United States.

The Board of Director has evaluated subsequent events through March 22, 2016, the date on which the financial statements were available to be issued.

Exhibit 99.3

EyeLock, Inc. and Subsidiary

Unaudited Consolidated Financial Statements

as of June 30, 2015 and December 31, 2014

and for the Six Months Ended June 30, 2015 and 2014

EyeLock, Inc. and Subsidiary
Index to Unaudited Consolidated Interim Financial Statements

EYELOCK, INC. and ITS SUBSIDIARY

CONSOLIDATED BALANCE SHEETS

(Unaudited)

		June 30, 2015		December 31, 2014
ASSETS				
CURRENT ASSETS:				
Cash	$	290,208	$	1,074,891
Accounts receivable-				
Trade, net of allowance for doubtful accounts of $61,732 and $55,638, respectively		219,471		108,425
Other		—		143,289
Inventories, net		695,550		739,453
Prepaid expenses		99,491		442,259
Deferred tax asset, net		54,000		54,000
		1,358,720		2,562,317
PROPERTY AND EQUIPMENT, net		258,399		247,917
INTANGIBLE ASSETS		4,195,000		4,195,000
OTHER ASSETS		31,398		30,428
TOTAL ASSETS	$	5,843,517	$	7,035,662
LIABILITIES AND STOCKHOLDERS' DEFICIT				
CURRENT LIABILITIES:				
Notes payable		25,160,971	$	20,350,000
Accounts payable		3,335,382		2,013,250
Accrued expenses		5,319,870		4,387,115
Deferred revenues		—		904,110
		33,816,223		27,654,475
LOAN PAYABLE TO A FORMER STOCKHOLDER		1,198,700		1,198,700
		35,014,923		28,853,175
STOCKHOLDERS' DEFICIT:				
Series B-1 Preferred stock, $0.01 par value; 50,000,000 shares authorized; 43,371,432 shares issued and outstanding		433,714		433,714
Series B Preferred stock, $0.01 par value; 75,000,000 shares authorized; 67,580,886 shares issued and outstanding		675,809		675,809
Series A Preferred stock, $0.01 par value; 50,000,000 shares authorized; 30,455,916 shares issued and outstanding		304,559		304,559
Additional paid in capital, preferred stock		26,489,395		26,489,395
Class A, Common stock, $1.00 par value; 500,000,000 authorized; 71,825,741 and 69,952,156 shares issued and outstanding at June 30, 2015 and December 31, 2014, respectively		72,809,967		70,936,382
Less: Discount below par value on common stock		(40,028,559)		(38,173,709)
Additional paid in capital, common stock		2,400,000		2,400,000
Accumulated deficit		(91,467,359)		(84,094,731)
Total stockholders' equity		(28,382,474)		(21,028,581)
Less - Treasury stock, 10,984,226 common shares, at cost		(788,932)		(788,932)
		(29,171,406)		(21,817,513)
	$	5,843,517	$	7,035,662

The accompanying notes are an integral part of these consolidated balance sheets.

EYELOCK, INC. and ITS SUBSIDIARY

CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited)

For the six months ended June 30,

	2015	2014
REVENUES:		
Net sales	$ 205,942	$ 351,905
Licensing fees	909,466	2,577,984
	1,115,408	2,929,889
COSTS AND OPERATING EXPENSES:		
Cost of sales	169,950	270,277
Salaries and employee benefits	2,786,147	2,573,644
Insurance	85,694	94,090
Depreciation and amortization	59,313	49,598
Professional services	2,840,631	2,900,866
Utilities	211,022	194,688
Research and Development	489,131	824,393
Other	459,280	566,387
	7,101,168	7,473,943
LOSS FROM OPERATIONS	(5,985,760)	(4,544,054)
OTHER INCOME (EXPENSES):		
Interest expense	(1,380,750)	(788,510)
	(1,380,750)	(788,510)
LOSS BEFORE INCOME TAX EXPENSE	(7,366,510)	(5,332,564)
INCOME TAX EXPENSE	(6,118)	(149,700)
NET LOSS	$ (7,372,628)	$ (5,482,264)

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

EYELOCK, INC. and ITS SUBSIDIARY

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited)

For the six months ended June 30,

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (7,372,628)	$ (5,482,264)
Adjustments to reconcile net loss to net cash used in operating activities:		
Bad debt expense	6,094	—
Depreciation and amortization	59,313	49,598
Changes in assets and liabilities:		
(Increase) decrease in assets -		
Accounts receivable trade	(117,140)	(235,520)
Other receivable	143,289	60,566
Inventories	43,903	(274,206)
Prepaid expenses and other current assets	342,768	(19,446)
Other assets	(971)	—
Increase (decrease) in liabilities -		
Accounts payable and accrued expenses	2,362,062	225,772
Deferred revenue	(904,110)	(2,527,984)
Net cash used in operating activities	(5,437,420)	(8,203,484)
CASH FLOWS USED IN INVESTING ACTIVITIES:		
Acquisition of property and equipment	(69,794)	(61,348)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from the issuance of notes payable	5,003,796	9,992,844
Payments of notes payable	(300,000)	—
Proceeds from issuance of common stock	18,735	2,065
Net cash provided by financing activities	4,722,531	9,994,909
NET (DECREASE) INCREASE IN CASH	(784,683)	1,730,077
CASH, beginning of year	1,074,891	2,980,007
CASH, end of year	$ 290,208	$ 4,710,084

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

Note 1 - Operations

The consolidated financial statements include the accounts of EyeLock, Inc. (formerly Global Rainmakers, Inc.) and EyeLock Corporation (together "the Company"). EyeLock, Inc. was incorporated under the laws of the Commonwealth of Puerto Rico on November 3, 2005. The Company is engaged in the development manufacturing and marketing of biometric and computer related technologies. EyeLock, Inc. grants third parties, by geographic areas, exclusive rights and license to the intellectual property rights to market, promote, use, offer for sale and sell its products.

EyeLock Corporation, its Subsidiary, was organized on September 20, 2011, under the Laws of the State of Delaware. EyeLock Corporation provides technology consulting services, as well as sales and management services pursuant to a Technology Consulting, Management and Sales Agreement with EyeLock, Inc.

Basis of presentation

The accompanying unaudited interim consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America and include all adjustments (consisting of normal recurring adjustments), which, in the opinion of management, are necessary to present fairly the consolidated position, results of operations and cash flows for all periods presented. The results of operations are not necessarily indicative of the results to be expected for the full year or any interim period. These consolidated financial statements do not include all disclosures associated with consolidated financial statements prepared in accordance with accounting principles generally accepted in the United States of America. Accordingly, these statements should be read in conjunction with the Company's audited consolidated financial statements and notes thereto contained in this Form 8-K/A for the year ended December 31, 2014.

Principals of consolidation

The consolidated financial statements include the accounts of EyeLock, Inc. and its Subsidiary, EyeLock Corporation. All significant intercompany accounts and transactions have been eliminated in consolidation.

Use of Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported periods. Actual results could differ from those estimates.

Note 2 - Concentration of credit risk

Financial instruments, which potentially subject the Company to concentrations of credit risk, consist principally of cash deposits. The cash deposits at times may exceed the amount insured by the Federal Deposit Insurance Corporation (FDIC). As of December 31, 2014, the Company’s cash deposits that exceeded the FDIC’s insured limits of $250,000 per financial institution, amounted to approximately $740,000. As of June 30, 2015, the Company did not have cash deposits in financial institutions exceeding the FDIC's insured limits.

The Company had one major client which accounted for 81% and 85% of the Company’s total revenues for the six months ended June 30, 2015 and 2014, respectively.

Note 3 - Inventories

As of June 30, 2015 and December 31, 2014, inventories consisted of the following:

Description	June 30, 2015	December 31, 2014
Raw Material	$ 277,516	$ 116,511
Finished Goods	463,886	697,786
	741,402	814,297
Less: Allowance for obsolescence	(45,852)	(74,844)
	$ 695,550	$ 739,453

Note 4 - Notes Payable

As of June 30, 2015 and December 31, 2014, notes payable are as follows:

Description	June 30, 2015	December 31, 2014
Senior secured promissory notes payable to various investors, bearing interest at 12%, maturing on June 30, 2015	$ 4,000,000	$ 4,000,000
Senior promissory notes payable to various investors, bearing interest at 12%, maturing on June 30, 2015.	3,200,000	3,500,000
Convertible promissory notes payable to various investors, bearing interest at 10%, maturing on June 30, 2015. The notes are convertible into either: a) a similar class to be created during a qualified financing of at least $5 million, or b) a class similar to series B-1 Preferred	10,000,000	10,000,000
Senior promissory notes payable to various investors, bearing interest at 12%, maturing on March 31, 2015, with an extension option to June 30, 2015.	—	2,850,000
Senior secured promissory notes payable to various investors, bearing interest at 10%, maturing June 15, 2015.	7,960,971	—
	$ 25,160,971	$ 20,350,000

During the six months ended June 30, 2015, $2,850,000 of the senior promissory notes payable at December 31, 2014, plus accrued interest, were converted into the senior secured promissory notes totaling $7,960,971 at June 30, 2015.

Certain balances of these promissory notes, which expired through June 30, 2015, were converted into the Company's equity, as discussed in Note 12.

Note 5 - Income Taxes

On March 19, 2012, the Company received a tax exemption grant for income, property and municipal taxes, of EyeLock, Inc., under the provisions of Act No. 73 of May 28, 2008, known as the Economic Incentives for the Development of Puerto Rico Act to cover. The grant covers a fifteen-year (15) period and provides for a flat tax rate of 4% on taxable income, 90% exemption on property taxes and 60% exemption on municipal taxes. The tax exemption was effective on January 1, 2011.

For Puerto Rico tax purposes, the Company provides for income tax using applicable Puerto Rico statutory rates. However, the provision for income tax differs from the amount obtained by applying the Puerto Rico applicable tax rates due to expenses recorded for financial statement purposes, which are not currently deductible for income tax purposes.

For federal tax purposes, the Company files an income tax return for the operations of EyeLock Corporation.

As of June 30, 2015 and June 30, 2014, the Company concluded that substantially all of its deferred tax assets are not realizable on a more-likely-than-not basis and therefore a valuation allowance has been recorded against the Company’s deferred tax assets. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income in those periods in which temporary differences become deductible and/or net operating losses can be utilized.

All positive and negative evidence were considered when determining the amount of the net deferred tax assets that are more likely than not to be realized. This evidence includes, but is not limited to, historical earnings, scheduled reversal of taxable temporary differences, tax planning strategies and projected future taxable income.

As of June 30, 2015, the Company did not record any reserves for unrecognized tax benefits. No interest or penalties related to unrecognized tax benefits were recorded in the consolidated financial statements for the year ended June 30, 2015.

Note 6 - Related Party Transactions

The Company, in its ordinary course of business, conducts certain transactions with related parties. As of June 30, 2015 and December 31, 2014, a member of the Company’s board of directors serves as a Managing Partner of a related party that is the major holder of the outstanding preferred stock, including additional paid-in-capital.

In addition, in July 2010 the Company entered into a Management and Consulting Agreement with the related party above, whereby the related party provides the Company with financial advisory services, including analysis and advice relating to business management, financial planning and the identification and sourcing of capital. Management and consulting fees for services provided during the six months ended June 30, 2015 and 2014 amounted to $120,000 in each period.

Note 7 - Stockholders’ Deficit

As of June 30, 2015 and December 31, 2014, total dividends in arrears on all series of preferred stock were approximately $11,635,000 and $10,047,000, respectively.

Share Incentive Plan

On July 2, 2012, the Company approved and adopted a Share Incentive Plan (the Plan) intended to provide incentives which will attract, retain and motivate highly competent persons such as directors, officers, employees and consultants of the Company and its subsidiary, by providing them opportunities to acquire shares of the Company’s common stock, par value $1.00 per share. Subject to the provisions of the Plan, the maximum numbers of shares of common stock that may be delivered to participants and their beneficiaries under the Plan is twenty-five million (25,000,000) shares of common stock which are restricted for this purpose.

The Company has granted 25,000,000 shares of restricted stocks. According to the Plan, the restricted common stocks are vested in equal installments on each of the first three (3) anniversaries of the date of grant. As of June 30, 2015, 16,690,224 shares of restricted common stock were vested, of which 16,598,558 were issued and outstanding.

Stock Option Plan

On January 22, 2015, the Company's Board of Directors approved and adopted a Stock Option Plan ("the Plan") intended to attract and retain the best available personnel for positions of substantial responsibility, to provide additional incentive to employees and consultants, and to promote the success of the Company's business. The Plan is effective upon its adoption for a term of ten years. As of June 30, 2015, the Company has granted stock options for the acquisition of 9,995,000 shares at an exercise price of $.02 per share.

Note 8 - Licensing Fees

On October 11, 2013, the Company entered into a license agreement to grant a third party, a license to market and resell the Company’s products in accordance with the terms and conditions of the agreement. Within ten (10) days of the end of each calendar quarter during the period beginning upon July 1, 2014 through December 31, 2015, unless otherwise agreed by the parties in writing, the third party shall pay the Company an amount equal to twenty percent (20%) of third party’s gross sales in the preceding quarter, up to an aggregate maximum amount of $900,000. During the six months ended June 30, 2015 and 2014, the Company recognized license fee revenues of approximately $50,000 and $4,200, respectively, related to this agreement.

During March 2013, the Company entered into a licensing agreement with a third party, whereby the Company grants a third party the right and license to the IP Rights, as defined in the agreement, and the improvements to market, use, offer for sale and sell the licensed products in accordance with the terms and conditions of the agreement. The Company received $10,000,000 upon the execution of the Agreement in March 2013. Subject to the agreement, the third party had a continuing option, up to March 2015, to commence a Definitive Period, as defined in the Agreement. The option was not exercised at the end of the option period and the parties are negotiating a non-exclusive master reseller agreement. During the six months ended June 30, 2014 and 2015, the Company recognized licensing fee revenues of approximately $2,500,000 and $904,000, respectively, related to this agreement. At December 31, 2014, the approximate $904,000 of revenue recognized during the six months ended June 30, 2015 was deferred.

Note 9 - Operating lease agreement

The Company entered into lease agreements for its facilities. One of these lease agreements is for a lease term of three years starting January 1, 2013, with monthly rental payments of $2,152 in the first year and $2,399 per month, thereafter. The second lease agreement is for a lease term of three years starting on August 1, 2013, with monthly rental payments of $2,140 in the first year and $28,533 thereafter.

Minimum lease commitments under the active lease agreements for the twelve months subsequent to June 30, 2015, are approximated, as follows:

		Amount
Year 1	$	356,790
Year 2		28,533
	$	385,323

Note 10 - Supplemental disclosures for the statement of cash flows

Non-cash investing and financing transactions - The following is supplemental information relating to the consolidated statements of cash flows:

Description		June 30, 2015		June 30, 2014
Non-cash investing and financing activities:				
Discount on issuance of common stock	$	1,854,850	$	204,397
Cash paid during the period:				
Interest Payments	$	—	$	—
Taxes	$	6,118	$	—

Note 11 - Litigation and contingencies

The Company is a party to a certain legal claim arising in the ordinary course of business. Management, after consulting with legal counsel, is of the opinion that the ultimate outcome of this claim, will not have a material effect on the Company's financial position or results of operations.

Note 12 - Subsequent Events

On September 1, 2015, EyeLock, Inc. and its Subsidiary changed its legal names to EL Preferred Holdings, Inc. and EL Preferred Holdings Corp., respectively. The Company amended its certificate of incorporation with the purpose, among others, to modify the stocks dividend rights and liquidation preferences and to decrease the par value of the shares from $0.01 to $0.001 and also increase the total number of shares authorized, as follows:

Class of Stock	Number of Shares
Series C Preferred Stock	2,075,000,000
Series B-1 Preferred Stock	260,000,000
Series B Preferred Stock	500,000,000
Series A Preferred Stock	360,000,000
Series A Common Stock	150,000,000
	3,345,000,000

In addition, the Company declared a stock split over the Series A, B and B-1 Preferred Stocks.

On September 1, 2015 ("the Closing Date"), the Company and its Subsidiary sold substantially all of their assets to EyeLock LLC ("the Buyer"), an entity formed by VOXX International Corporation ("Voxx"), a publicly traded company listed on the NASDAQ stock exchange, and entered into a series of related transactions ("the Transactions") described below:

- In connection with the Transactions, the Company received as consideration (i) a $15,500,000 cash payment ("the Cash Proceeds"), (ii) 34 units of the Buyer's common membership interest ("the Buyer Units"), representing 34% of the total number of outstanding membership interests held by all of the members of the Buyer as of the Closing Date, and (iii) the assumption by the Buyer and forgiveness by Voxx of certain promissory note obligations previously owed to the Company by Voxx. As of the Closing Date, Voxx owned a majority of the Buyer's common membership interest.
- The Company used all of the Cash Proceeds to pay off the Company's trade payables and accrued expenses outstanding as of the Closing Date, including costs and fees associated with the Transactions, and paid approximately $9,958,000 of certain senior secured promissory notes issued by the Company in respect of the outstanding principal and accrued but unpaid interest and other obligations thereunder.
- The balance of approximately $13,746,000 of the promissory notes not repaid with the Cash Proceeds was canceled and the notes were terminated in exchange for the issuance to the noteholders of the Company's Series C Preferred Stock.

As of the Closing Date, the Company's only assets are the Buyer Units and a cash reserve for the payment of taxes and other administrative expenses of the Company. The Company does not currently have any officers or employees. The former employees of the Company that were located in the United States were terminated and were hired by the Buyer.

On February 24, 2016, the Company obtained a valuation opinion that supports the fair market value of the Company's intellectual property of $4,170,000 as of December 31, 2013.

The number of shares issued and outstanding as of March 22, 2016 was as follows:

Class of Stock	Number of Shares
Series C Preferred Stock	1,963,735,000
Series B-1 Preferred Stock	250,957,944
Series B Preferred Stock	491,004,673
Series A Preferred Stock	349,158,879
Common Stock, Options, Warrants and Restricted Stock Units	146,325,337
	3,201,181,833

The Board of Directors of the Company is currently reviewing a reorganization plan involving the domestication of the Company from Puerto Rico to the United States in 2016, for purposes of tax efficiency in light of the fact that the existing business of the Company is now being operated entirely in the continental United States.

The Company has evaluated subsequent events through March 22, 2016, the date on which these interim financial statements were available to be issued.

Exhibit 99.4

VOXX International Corporation

February 28, 2014 and June 30, 2015

Unaudited Pro Forma Combined Financial Statements

VOXX International Corporation
Index to Unaudited Pro Forma Combined Financial Statements

VOXX International Corporation and Subsidiaries

Unaudited Pro Forma Combined Financial Statements

All amounts presented are in thousands (unless otherwise indicated) except share and per share data.

Effective September 1, 2015 ("the Closing Date"), VOXX International Corporation ("Voxx International" or the "Company")completed its acquisition of a 54% voting interest in substantially all of the assets and certain specified liabilities of Eyelock, Inc. and Eyelock Corporation (collectively "EyeLock"), a market leader of iris-based identity authentication solutions, through a newly-formed entity Eyelock LLC. Eyelock LLC acquired substantially all of the assets and certain specified liabilities of EyeLock for a total purchase consideration of $31,880, which consisted of a cash payment of $15,504, assignment of the fair value of the indebtedness owed to the Company by the Seller of $4,677 and the fair value of the non-controlling interest of $12,900, reduced by $1,200 for amounts owed to the LLC by the selling shareholders. Additionally, units in Eyelock LLC were issued to certain executives of EyeLock LLC. The fair value of these units is recorded as compensation expense over the requisite service period of two years. This acquisition allows the Company to enter into the growing biometrics market. The fair value of the non-controlling interest was determined, with the assistance of a third party valuation expert, by grossing up the consideration transferred for the controlling interest by the voting equity interest percentage (adjusted for certain distribution thresholds required until a return of capital is achieved). The Company considered all the rights and preferences of the different classes of security holders and determined that there was no evidence of any disproportionate allocation of cash flow between the controlling and non-controlling interest at the date of acquisition. The adjusted controlling interest percentage in the fair value calculation amounted to 61%. The non-controlling interest of $12,900, valued at 39%, did not contain any further discount for lack of control. The Company believes the bargain gain implied in the transaction would eliminate any further discount for lack of control.

In connection with the closing, the Company entered into a Loan Agreement with Eyelock LLC. The terms of the Loan Agreement allow Eyelock LLC to borrow up to $10,000, bearing interest at 10%. The Loan Agreement provides for a maximum monthly borrowing of $1,000, which can be increased by $2,000 for working capital purposes related to new business opportunities. Amounts outstanding under the Loan Agreement are due on September 1, 2017. The Loan Agreement includes customary events of default and is collateralized by all of the property of Eyelock LLC.

The following unaudited pro forma combined consolidated financial information is based on the historical financial statements of VOXX International and EyeLock after giving effect to the Acquisition, and the assumptions and adjustments described in the accompanying notes to the unaudited pro forma combined financial statements.

The historical financial information has been adjusted in the unaudited pro forma combined financial data to give effect to pro forma events that are, based upon available information and certain assumptions: (i) directly attributable to the Acquisition, (ii) factually supportable and reasonable under the circumstances, and (iii) with respect to the statement of income, expected to have a continuing impact on the combined results.

The unaudited pro forma combined statements of income for the year ended February 28, 2015 and the six months ended August 31, 2015 are presented as if the Acquisition had occurred on March 1, 2014 with recurring acquisition-related adjustments reflected in the year. An unaudited pro forma combined balance sheet as of February 28, 2015 is not presented for the acquisition of EyeLock because the balance sheet of EyeLock, including related acquisition adjustments, is included in our consolidated balance sheet presented in our quarterly report on Form 10-Q as of November 30, 2015. In lieu of presenting the unaudited consolidated balance sheet as of November 30, 2015, we have included in the related notes the purchase price allocation as of the acquisition date.

The Acquisition has been accounted for under the acquisition method of accounting in accordance with ASC subtopic 805-10 “Business Combinations.” Management has estimated the fair value of tangible and intangible assets acquired and liabilities assumed based on preliminary estimates and assumptions. The fair values of the intangible assets acquired have been measured using Level 3 inputs and determined using variations of the income approach such as the discounted cash flows and relief from royalty valuation methods. Significant inputs and assumptions used in determining the fair values of the intangible assets acquired include management’s projections of future revenues, earnings and cash flows from Eyelock LLC, a weighted average cost of capital, customer attrition rates, royalty rates and technological obsolescence rates. A change in these inputs and assumptions may cause a significant impact on the fair values of the intangible assets acquired and the resulting bargain purchase gain.

The following unaudited pro forma combined financial statements are prepared for illustrative purposes only and are not necessarily indicative of or intended to represent the results that would have been achieved had the Acquisition been consummated as of the dates indicated or that may be achieved in the future. The unaudited pro forma combined financial statements do not include any non-recurring costs, including acquisition costs, incurred by both Voxx International or EyeLock. The unaudited pro forma combined financial statements do not reflect any operating efficiencies, associated cost savings or additional costs that we may achieve with respect to the combined companies.

The unaudited pro forma combined financial statements should be read in conjunction with VOXX International Corporation's historical consolidated financial statements and accompanying notes included in its Annual Report on Form 10-K for the year ended February 28, 2015 and its Interim Report on Form 10-Q for the three and six months ended August 31, 2015, as well as the historical consolidated financial statements of EyeLock, Inc. and Its Subsidiary (comprising the consolidated balance sheet as of December 31, 2014, the related consolidated statement of operations, changes in shareholders' deficit and cash flows for the year ended December 31, 2014 and the notes to the consolidated financial statements at Exhibit 99.2 to this Form 8-K/A), the unaudited interim financial statements of EyeLock, Inc. and Its Subsidiary (comprising the consolidated balance sheets as of June 30, 2015 and December 31, 2014, the consolidated statements of operations and cash flows for the six months ended June 30, 2015 and June 30, 2014 and the notes to consolidated financial statements) at Exhibit 99.3 to this Form 8-K/A, and other information pertaining to VOXX International and EyeLock contained in this Form 8-K/A.

The pro forma financial statements are based on the historical financial statements of VOXX International as of and for the year ended February 28, 2015 and for the six months ended August 31, 2015 and those of EyeLock as of and for the year ended December 31, 2014 and for the six months ended June 30, 2015.

VOXX INTERNATIONAL CORPORATION AND SUBSIDIARIES

UNAUDITED PRO FORMA COMBINED STATEMENT OF OPERATIONS

For the Year Ended February 28, 2015

(in thousands, except share and per share data)

	Historical			Pro Forma Adjustments		Pro Forma Combined
	VOXX International Corporation	EyeLock LLC	Total			
Net sales	$ 757,498	$ 5,819	$ 763,317			$ 763,317
Cost of sales	533,628	583	534,211			534,211
Gross profit	223,870	5,236	229,106			229,106
Operating expenses:						
Selling	54,136	3,429	57,565			57,565
General and administrative	114,849	3,387	118,236	4,047	a, b, c	122,283
Engineering and technical support	37,157	8,415	45,572			45,572
Restructuring expense	1,134	—	1,134			1,134
Total operating expenses	207,276	15,231	222,507			226,554
Operating income (expense)	16,594	(9,995)	6,599			2,552
Other (expense) income:						
Interest and bank charges	(6,851)	(1,887)	(8,738)	1,408	d, e, f	(7,330)
Equity in income of equity investee	5,866	—	5,866			5,866
Venezuela currency devaluation, net	(7,104)	—	(7,104)			(7,104)
Impairment of Venezuela investment properties	(9,304)	—	(9,304)			(9,304)
Other, net	1,495	(45)	1,450			1,450
Total other (expense) income, net	(15,898)	(1,932)	(17,830)			(16,422)
Income (loss) before income taxes	696	(11,927)	(11,231)			(13,870)
Income tax expense	1,638	197	1,835	(197)	g	1,638
Net loss	$ (942)	$ (12,124)	$ (13,066)			$ (15,508)
Less: net loss attributable to non-controlling interest	—	—	—	(5,548)	i	(5,548)
Net loss attributable to Voxx International Corporation	**(942)**	**(12,124)**	**(13,066)**			(9,960)
Net loss per common share attributable to Voxx International Corporation (basic)	$ (0.04)					$ (0.41)

Net loss per common share attributable to Voxx International Corporation (diluted)	$ (0.04)	$ (0.41)
Weighted-average common shares outstanding (basic)	24,330,361	24,330,361
Weighted-average common shares outstanding (diluted)	24,330,361	24,330,361

VOXX INTERNATIONAL CORPORATION AND SUBSIDIARIES

UNAUDITED PRO FORMA COMBINED STATEMENT OF OPERATIONS

For the Six Months Ended August 31, 2015

(in thousands, except share and per share data)

	Historical			Pro Forma Adjustments		Pro Forma Combined
	VOXX International Corporation	EyeLock LLC	Total			
Net sales	$ 318,557	$ 1,115	$ 319,672			$ 319,672
Cost of sales	225,539	170	225,709			225,709
Gross profit	93,018	945	93,963			93,963
Operating expenses:						
Selling	23,718	931	24,649			24,649
General and administrative	53,994	1,165	55,159	2,023	a, b, c	57,182
Engineering and technical support	16,731	4,835	21,566			21,566
Restructuring expense	6,210	—	6,210			6,210
Total operating expenses	100,653	6,931	107,584			109,607
Operating loss	(7,635)	(5,986)	(13,621)			(15,644)
Other income (expense):						
Interest and bank charges	(3,192)	(1,381)	(4,573)	1,091	d, e, f	(3,482)
Equity in income of equity investee	3,075	—	3,075			3,075
Venezuela currency devaluation, net	(34)	—	(34)			(34)
Impairment of Venezuela investment properties	—	—	—			—
Other, net	501	—	501	(677)	h	(176)
Total other income (expense), net	350	(1,381)	(1,031)			(617)
Loss before income taxes	(7,285)	(7,367)	(14,652)			(16,261)
Income tax (benefit) expense	(2,177)	6	(2,171)	(6)	g	(2,177)
Net loss	$ (5,108)	$ (7,373)	$ (12,481)			$ (14,084)
Less: net loss attributable to non-controlling interest	—	—	—	(3,167)	i	(3,167)
Net loss attributable to Voxx International Corporation	**(5,108)**	**(7,373)**	**(12,481)**			(10,917)
Net loss per common share attributable to Voxx International Corporation (basic)	$ (0.21)					$ (0.45)

Net loss per common share attributable to Voxx International Corporation (diluted)	$ (0.21)	$ (0.45)
Weighted-average common shares outstanding (basic)	24,173,733	24,173,733
Weighted-average common shares outstanding (diluted)	24,173,733	24,173,733

1. <u>Description of Transaction</u>

Effective September 1, 2015 ("the Closing Date"), VOXX International Corporation ("VOXX International" or the "Company")completed its acquisition of a 54% voting interest in substantially all of the assets and certain specified liabilities of Eyelock, Inc. and Eyelock Corporation (collectively "EyeLock"), a market leader of iris-based identity authentication solutions, through a newly-formed entity Eyelock LLC. Eyelock LLC acquired substantially all of the assets and certain specified liabilities of EyeLock for a total purchase consideration of $31,880, which consisted of a cash payment of $15,504, assignment of the fair value of the indebtedness owed to the Company by EyeLock of $4,677 and the fair value of the non-controlling interest of $12,900, reduced by $1,200 for amounts owed to the LLC by the selling shareholders. Additionally, units in Eyelock LLC were issued to certain executives of EyeLock LLC. The fair value of these units are recorded as compensation expense over the requisite service period of two years. The fair value of the non-controlling interest was determined, with the assistance of a third party valuation expert, by grossing up the consideration transferred for the controlling interest by the voting equity interest percentage (adjusted for certain distribution thresholds required until a return of capital is achieved). The Company considered all the rights and preferences of the different classes of security holders and determined that there was no evidence of any disproportionate allocation of cash flow between the controlling and non-controlling interest at the date of acquisition. The adjusted controlling interest percentage in the fair value calculation amounted to 61%. The non-controlling interest of $12,900, valued at 39%, did not contain any further discount for lack of control. The Company believes the bargain gain implied in the transaction would eliminate any further discount for lack of control.

The terms of the Asset Purchase Agreement were previously described in the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on September 8, 2015 (the “Original 8-K”) and such description of the Asset Purchase Agreement is incorporated herein by reference. Such description of the Asset Purchase Agreement is qualified in its entirety by reference to the full text of the Asset Purchase Agreement, which is attached as Exhibit 2.1 to the Original 8-K filed on September 8, 2015.

2. <u>Basis of Presentation</u>

The unaudited pro forma combined financial information was prepared using the acquisition method of accounting and was based on the historical consolidated financial statements of VOXX International for the year ended February 28, 2015 and for the six months ended August 31, 2015 and EyeLock for the year ended December 31, 2014 and for the six months ended June 30, 2015. Certain reclassifications were made relating to the historical EyeLock consolidated financial statements to conform to VOXX International's presentation.

The unaudited pro forma combined statements of income for the year ended February 28, 2015 and for the six months ended June 30, 2015 are presented as if the acquisition had occurred on March 1, 2014. The unaudited pro forma combined financial information was prepared under existing U.S. GAAP.

The acquisition method of accounting under U.S. GAAP requires, among other things, that most assets acquired and liabilities assumed be recognized at their fair values at the acquisition date. Fair value is defined under U.S. GAAP as “the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.” Market participants are assumed to be buyers and sellers in the principal (or most advantageous) market for the asset or liability. Fair value measurements for an asset assume the highest and best use by these market participants. Fair value measurements can be highly subjective and it is possible that other professionals, applying reasonable judgment to the same facts and circumstances, could develop and support a range of alternative estimated amounts.

Accordingly, the assets acquired and liabilities assumed were recorded at their respective fair values and added to those of VOXX International. Financial statements and reported results of operations of VOXX International for periods following completion of the acquisition will reflect these values, and the related depreciation and amortization thereof, but will not be retroactively restated to reflect the historical financial position or results of operations of EyeLock for periods prior to the acquisition.

Acquisition-related transaction costs (e.g., advisory, legal, valuation, other professional fees) and certain acquisition-related restructuring charges impacting the acquired company are not included as a component of consideration transferred but are accounted for as expenses in the periods in which the costs are incurred. The unaudited pro forma combined financial statements do not reflect acquisition-related transaction costs incurred by VOXX International or EyeLock. The unaudited pro forma combined financial statements reflect no restructuring and integration charges that may be incurred in connection with the acquisition.

3. <u>Accounting Policies</u>

VOXX International has not identified any differences in accounting policies that would have a material impact on the combined financial statements.

4. Assets Acquired and Liabilities Assumed

The following table summarizes the preliminary allocation of the purchase price over the fair values of the assets acquired and liabilities assumed, as of the Closing Date:

		September 1, 2015
Assets acquired:		
Accounts receivable	$	77
Inventory		304
Property, plant and equipment		259
Intangible assets		43,780
Total assets acquired	$	44,420
Liabilities assumed:		
Accounts payable and accrued expenses		729
Deferred tax liability		2,756
Bridge loans payable to Voxx		3,176
Other long-term liabilities		1,200
Net assets acquired		36,559
Less: purchase price		31,880
Gain on bargain purchase	$	4,679

The above table summarizes on a preliminary basis, the allocation of the purchase price of EyeLock to the assets acquired and liabilities assumed as of the date of the acquisition and remains subject to finalization.

The final purchase price allocation for the acquisition will be determined after the completion of a thorough analysis to determine the fair values of all assets acquired or liabilities assumed but in no event later than one year following the Closing Date. Any changes in the preliminary purchase price allocation can change the pro-forma adjustments presented herein, the amounts allocated to the bargain purchase gain and the depreciation and amortization of the intangible assets acquired, which can impact the operating results of the Company following the Closing Date.

5. Pro Forma Adjustments

This note should be read in conjunction with *Note 1. Description of Transaction; Note 2. Basis of Presentation*; and *Note 4. Assets Acquired and Liabilities Assumed*.

Adjustments under the heading “Pro Forma Adjustments” represent the following:

a) To eliminate rent and utility expense for office space that was not retained subsequent to the acquisition. Total rent and utility expense eliminated was $65 for the year ended February 28, 2015 and $33 for the six months ended August 31, 2015.

b) To record amortization expense related to intangible assets acquired. Based on the preliminary assessment, the acquired intangible asset categories, fair value and average amortization periods, are as follows:

		Fair Value at September 1, 2015	Amortization Period (Years)
Developed technology	$	31,290	11.5 years
Tradename		8,435	Indefinite
Customer relationships		3,470	15.5 years
Non-compete agreement		585	5.0 years
	$	43,780	

The fair values of the intangible assets acquired are measured using Level 3 inputs and are determined using variations of the income approach such as the discounted cash flows and relief from royalty valuation methods. Significant inputs and assumptions used in determining the fair values of the intangible assets acquired include management's projections of future revenues, earnings and cash flows from Eyelock LLC, a weighted average cost of capital, customer attrition rates, royalty rates and technological obsolescence rates. A change in these inputs and assumptions may cause a significant impact on the fair values of the intangible assets acquired and the resulting bargain purchase gain.

Intangible asset amortization for the year ended February 28, 2015, which is expected to be provided on a straight-line basis, was $3,062. Amortization for the six months ended August 31, 2015 was $1,531.

c) To record compensation expense related to the issuance of units in EyeLock LLC to certain executives. The fair value of these units are recorded as compensation expense over the requisite service period. This compensation expense amounted to $1,050 for the year ended February 28, 2015 and $525 for the six months ended August 31, 2015.

d) To eliminate interest expense incurred related to notes payable of EyeLock, as Voxx International did not assume certain of the acquiree's notes payable in conjunction with the acquisition, as well as certain notes payable to Voxx International, which would be eliminated in consolidation. This interest expense totaled $1,887 and $1,381 for the year ended February 28, 2015 and the six months ended August 31, 2015, respectively.

e) To record estimated incremental interest expense on the incremental debt of $15,504 utilized to finance the acquisition of substantially all assets and certain liabilities of EyeLock, Inc. and Subsidiary. The additional interest expense for the twelve months ended February 28, 2015 and for the six months ended August 31, 2015 is based on the average interest rate in effect for the Company's revolving line of credit for these periods. This additional interest expense for the year ended February 28, 2015 amounted to $341 and $178 for the six months ended August 31, 2015.

f) To record estimated incremental interest expense on the estimated debt incurred by Voxx International as a result of the loan agreement entered into with EyeLock LLC in connection with the transaction, which finances the operations of EyeLock LLC, As Voxx International draws on its revolving line of credit in order to fund the loan. The additional interest expense for the twelve months ended February 28, 2015 and for the six months ended August 31, 2015 is based on the average interest rate in effect for the Company's revolving line of credit for these periods. This additional interest expense for the year ended February 28, 2015 amounted to $138 and $112 for the six months ended August 31, 2015.

g) To eliminate income tax expense, as EyeLock LLC is a flow-through entity for tax purposes and does not incur corporate income tax expense. A tax benefit for the losses incurred by EyeLock LLC is not provided, as it is not more likely than not that such benefit would be realized.

h) To eliminate interest income recorded by Voxx International on notes receivable due from EyeLock that after acquisition are eliminated in consolidation.

i) To record net loss attributable to the 39% non-controlling interest, including the effects of pro forma adjustments made above.