

1 BART K. LARSEN, ESQ.
Nevada Bar No. 8538
2 ERIC D. WALTHER, ESQ.
Nevada Bar No. 13611
3 **KOLESAR & LEATHAM**
400 South Rampart Boulevard, Suite 400
4 Las Vegas, Nevada 89145
Telephone: (702) 362-7800
5 Facsimile: (702) 362-9472
E-Mail: blarsen@klnevada.com
6 ewalther@klnevada.com

7 *Attorneys for Debtor-in-Possession*
8 *Virtual Communications Corporation*
9

10 **UNITED STATES BANKRUPTCY COURT**
11 **DISTRICT OF NEVADA**
12

13 * * *

14 IN RE:

15 VIRTUAL COMMUNICATIONS
16 CORPORATION,

17 Debtor.

Case No. 18-12951-leb

Chapter 11

18
19
20 **DISCLOSURE STATEMENT FOR CHAPTER 11 PLAN OF REORGANIZATION FOR**
21 **VIRTUAL COMMUNICATIONS CORPORATION**
22
23
24
25
26
27
28

TABLE OF CONTENTS

I.	INTRODUCTION	5
A.	The Purpose of this Document.....	5
B.	Deadlines for Voting and Objecting; Date of Plan Confirmation Hearing.....	6
1.	Time and Place of the Confirmation Hearing	7
2.	Deadline to Vote to Accept or Reject the Plan	7
3.	Deadline for Objecting to the Confirmation of the Plan.....	7
4.	Contact Person for More Information Regarding the Plan	7
C.	Disclaimers	7
II.	BACKGROUND	11
A.	History of the Debtor's Business Affairs and Background Information	11
B.	Events Leading to Bankruptcy Filing	11
C.	Management of the Debtor	12
D.	Financial Condition and Capital Structure of the Debtor	12
E.	Events during the Bankruptcy Proceedings	13
1.	Procedural Matters	13
2.	Employment of Kolesar & Leatham as the Debtor's Counsel.....	13
3.	The Debtor's Business Affairs during the Chapter 11 Case	13
4.	Establishment of the Claims Bar Date	13
5.	Recovery of Preferential, Avoidable, or Fraudulent Transfers.....	14
III.	SUMMARY OF THE PLAN OF REORGANIZATION	14
A.	What Creditors and Interest Holders Will Receive under the Plan	15
B.	Unclassified Claims	15
C.	Classified Claims and Interests.....	16
1.	Class 1 – Secured Claim of the Gewerter Law Office (Impaired).....	17
2.	Class 2 – Secured Claim of Julie Minushkin (Impaired).....	17
3.	Class 3 – Unsecured Notes (Impaired)	17

1	4. Class 4 – General Unsecured Claims (Impaired).....	21
2	5. Class 5 – Equity Interests in the Debtor (Unimpaired).....	22
3	D. Means of Effectuating the Plan.....	22
4	1. Funding for the Plan.....	22
5	2. Post-Confirmation Management.....	23
6	3. Distribution Agent	23
7	4. Distributions on Claims Allowed After the Effective Date	23
8	E. Risk Factors	23
9	1. Certain Bankruptcy Law Considerations	23
10	2. Conditions Precedent to Consummation of the Plan	24
11	3. The Debtor Has No Duty to Update	24
12	4. Projections and Other Forward-Looking Statements Are Not Assured and Actual	
13	Results Will Vary.....	24
14	5. No Admissions Made.....	24
15	6. No Waiver of Right to Object or Right to Recover Transfers and Estate Assets	24
16	7. The Plan Is Dependent upon Debtor’s Future Business Operations.....	25
17	F. Other Provisions of the Plan	25
18	1. Executory Contracts and Unexpired Leases	25
19	G. Tax Consequences of Plan.....	26
20	IV. CONFIRMATION REQUIREMENTS AND PROCEDURES	27
21	A. Who May Vote or Object?.....	27
22	1. Who May Object to Confirmation of the Plan?	27
23	2. Who May Vote to Accept/Reject the Plan?	27
24	3. Who Is Not Entitled to Vote?.....	28
25	4. Who Can Vote in More Than One Class?	28
26	5. Votes Necessary to Confirm the Plan	29
27	6. Votes Necessary for a Class to Accept the Plan	29
28	7. Treatment of Non-Accepting Classes.	29

1	B. Liquidation Analysis.....	29
2	V. EFFECT OF CONFIRMATION OF PLAN.....	30
3	A. Discharge	30
4	B. Revesting of Property in the Debtor	31
5	C. Modification of Plan	31
6	D. Post-Confirmation Status Report	31
7	E. Post-Confirmation Conversion/Dismissal	32
8	F. Final Decree	32
9	VI. OTHER PLAN PROVISIONS	32
10	A. Vesting of Assets in the Plan Proponent.....	32
11	B. Release of Liens, Claims, and Equity Interests.....	33
12	C. Compromise and Settlement	33
13	D. Third Party Release.....	33
14	E. Exculpation	34
15	F. Articles of Incorporation and Bylaws	34
16	G. Revocation of Plan.....	34
17	H. Successors and Assigns.....	34
18	I. Reservation of Rights.....	35
19	J. Further Assurances.....	35
20	K. Severability	35
21	L. Return of Security Deposits	35
22	M. Filing of Additional Documents	35
23	VII. APPENDIX.....	37
24		
25		
26		
27		
28		

KOLESAR & LEATHAM

400 S. Rampart Blvd., Ste. 400
Las Vegas, Nevada 89145
Tel: (702) 362-7800 / Fax: (702) 362-9472

I. INTRODUCTION

On May 22, 2018 (the “Petition Date”), Virtual Communications Corporation (the “Debtor” or “VCC”) filed a voluntary petition for relief under Chapter 11 of the United States Bankruptcy Code, 11 U.S.C. §§ 101 *et seq.* (the “Code” or “Bankruptcy Code”)¹ in the United States Bankruptcy Court for the District of Nevada (the “Bankruptcy Court”). Since the Petition Date, the Debtor has continued to manage its affairs as a debtor-in-possession pursuant to §§ 1107 and 1108 of the Bankruptcy Code.

The Bankruptcy Code allows a debtor, and under some circumstances, Creditors and other parties in interest, to propose a plan of reorganization. The Debtor has prepared this Disclosure Statement (the “Disclosure Statement”) to be used in connection with the solicitation of votes to accept or reject Debtor’s proposed Plan of Reorganization (the “Plan”) for the treatment of Claims against and Interests in Debtor.² The various exhibits to this Disclosure Statement included in the Appendix are incorporated into and are a part of this Disclosure Statement. The Plan is included as Exhibit A in the Appendix. After having reviewed the Disclosure Statement and the Plan, any interested party requiring further information may contact:

KOLESAR & LEATHAM
Attn: Bart K. Larsen, Esq.
400 S. Rampart Blvd., Suite 400
Las Vegas, Nevada 89145
Telephone: (702) 362-7800
Facsimile: (702) 362-9472
Email: blarsen@klnevada.com

Interested parties may also obtain further information from the U.S. Bankruptcy Court for the District of Nevada at its PACER website: <http://www.nvb.uscourts.gov>. Each Holder of a Claim entitled to vote on the Plan should read this Disclosure Statement, the Exhibits hereto including the Plan, and the instructions accompanying the Ballots in their entirety before voting on the Plan. These documents contain important information concerning the Classification of Claims and Equity Interests for voting purposes and the tabulation of votes.

A. The Purpose of this Document

Generally, the objective of a Chapter 11 bankruptcy case is the confirmation (i.e., approval by the Bankruptcy Court) of a plan of reorganization for the debtor. A plan of reorganization describes the means for satisfying the Claims against and Interests in a debtor. After a plan has been filed, the Holders of such Claims and Interests that are Impaired (within the meaning of § 1124 of the Bankruptcy Code) are permitted to vote to accept or reject the plan. Before a debtor or other plan proponent can solicit acceptances of a plan, § 1125 of the Bankruptcy Code requires that the debtor or other plan proponent prepare a disclosure statement containing adequate

¹ Unless otherwise indicated herein, all references to Chapters or Sections refer to title 11 of the U.S. Code (the “Bankruptcy Code”).

² Capitalized terms not otherwise defined herein shall have the same meanings as ascribed to such terms in the Plan. To the extent that a definition of a term in the text of this Disclosure Statement and the definition of such term in the Plan are inconsistent, the definition included in the Plan controls and governs.

information of a kind, and in sufficient detail, to enable those parties entitled to vote on the plan to make an informed judgment about the plan and whether they should accept or reject the plan.

READ THIS DISCLOSURE STATEMENT CAREFULLY IF YOU WANT TO KNOW ABOUT:

- (1) **WHO CAN VOTE OR OBJECT;**
- (2) **THE TREATMENT OF YOUR CLAIM (I.E., WHAT YOUR CLAIM WILL RECEIVE IF THE PLAN IS CONFIRMED) AND HOW SUCH TREATMENT COMPARES TO WHAT YOUR CLAIM WOULD RECEIVE IN LIQUIDATION;**
- (3) **THE HISTORY OF THE DEBTOR AND SIGNIFICANT EVENTS DURING THE BANKRUPTCY;**
- (4) **WHAT THINGS THE COURT MAY LOOK AT TO DECIDE WHETHER OR NOT TO CONFIRM THE PLAN;**
- (5) **WHAT IS THE EFFECT OF CONFIRMATION; AND**
- (6) **WHETHER THIS PLAN IS FEASIBLE.**

This Disclosure Statement summarizes what is in the enclosed Plan and tells you certain information relating to the Plan and the process the Court will follow in determining whether or not to confirm the Plan. This Disclosure Statement will be used to solicit acceptances of the Plan only after the Bankruptcy Court has made an initial determination that this Disclosure Statement provides information in accordance with Section 1125 and has entered an order conditionally approving this Disclosure Statement. Conditional approval of this Disclosure Statement is not an opinion ruling on the merits of the Plan, and it does not mean that the Plan has been or will be approved by the Bankruptcy Court.

After the appropriate parties have voted on whether to accept or reject the Plan, there will be a hearing on the Plan to determine whether it should be confirmed. At such Confirmation Hearing, the Bankruptcy Court will consider whether the Plan satisfies the various requirements of the Bankruptcy Code, including but not necessarily limited to the requirements set forth in Section 1129. The Bankruptcy Court will also receive and consider a Ballot Summary that will present a tally of the votes of Classes accepting or rejecting the Plan case by those entitled to vote. Once confirmed, the Plan will be treated essentially as a contract binding on all Creditors, Holders of Interests, and other parties-in-interest in this Chapter 11 Case.

B. Deadlines for Voting and Objecting; Date of Plan Confirmation Hearing

The Bankruptcy Court has not yet confirmed the Plan described in this Disclosure Statement. In other words, the terms of the Plan are not yet binding on anyone. However, if the court later confirms the Plan, then the plan will be binding on all Holders of Claims and Interests in this Chapter 11 Case.

1. Time and Place of the Confirmation Hearing

Upon the approval of the Disclosure Statement, the Bankruptcy Court will schedule and hold a hearing to determine whether or not to confirm the Plan (the "Confirmation Hearing"). The Confirmation Hearing will be held in Courtroom 1 of the Foley Federal Building located at 300 S. Las Vegas Blvd., Las Vegas, NV 89101 on _____ at the hour of _____ (Pacific). A separate notice regarding the Confirmation Hearing is enclosed herewith.

2. Deadline to Vote to Accept or Reject the Plan

If you are entitled to vote, it is in your best interest to timely vote on the enclosed ballot and return the ballot in the enclosed envelope to:

KOLESAR & LEATHAM
Attn: Bart K. Larsen, Esq.
400 S. Rampart Blvd., Suite 400
Las Vegas, Nevada 89145
Telephone: (702) 362-7800
Facsimile: (702) 362-9472
Email: blarsen@klnevada.com

All votes to accept or reject the Plan must be received by 5:00 p.m. (Pacific Time) on _____. Any failure to follow the voting instructions on the ballots may disqualify your ballot and your vote.

3. Deadline for Objecting to the Confirmation of the Plan

Objections, if any, to confirmation of the Plan must be filed, together with proof of service, with the Bankruptcy Court and served by no later than _____. Replies to such objections and proposed modifications must be served by no later than _____.

4. Contact Person for More Information Regarding the Plan

Any interested party desiring further information about the Plan should contact Debtor's Counsel, Bart K. Larsen, Esq., at the address noted above.

C. Disclaimers

THE DEBTOR IS PROVIDING THE INFORMATION IN THIS DISCLOSURE STATEMENT TO HOLDERS OF CLAIMS AND INTERESTS FOR THE PURPOSE OF SOLICITING VOTES TO ACCEPT OR REJECT THE PLAN. NOTHING IN THIS DISCLOSURE STATEMENT MAY BE RELIED UPON OR USED BY ANY ENTITY FOR ANY PURPOSE OTHER THAN TO DETERMINE HOW TO VOTE ON THE PLAN. BEFORE DECIDING WHETHER TO VOTE FOR OR AGAINST THE PLAN, EACH HOLDER ENTITLED TO VOTE SHOULD CAREFULLY CONSIDER ALL OF THE INFORMATION IN THIS DISCLOSURE STATEMENT, INCLUDING ALL ATTACHED EXHIBITS AND DOCUMENTS INCORPORATED INTO THIS

1 DISCLOSURE STATEMENT, AS WELL AS THE RISK FACTORS DESCRIBED IN
2 THIS DISCLOSURE STATEMENT.

3 UPON CONFIRMATION OF THE PLAN, THE NEW SECURITIES DESCRIBED
4 IN THIS DISCLOSURE STATEMENT WILL BE ISSUED WITHOUT REGISTRATION
5 UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES
6 ACT”), ANY STATE SECURITIES LAWS, OR ANY SIMILAR U.S. FEDERAL, STATE
7 OR LOCAL LAWS TO PERSONS RESIDENT OR OTHERWISE LOCATED IN THE
8 UNITED STATES IN RELIANCE ON THE EXEMPTION SET FORTH IN SECTION
9 1145 OF THE BANKRUPTCY CODE.

10 NO NEW SECURITIES TO BE ISSUED PURSUANT TO THE PLAN HAVE
11 BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE
12 COMMISSION (THE “SEC”) OR BY ANY STATE SECURITIES COMMISSION OR
13 SIMILAR PUBLIC, GOVERNMENTAL OR REGULATORY AUTHORITY. THIS
14 DISCLOSURE STATEMENT HAS NOT BEEN FILED FOR APPROVAL WITH THE
15 SEC OR ANY STATE AUTHORITY, AND NEITHER THE SEC NOR ANY STATE
16 AUTHORITY HAS PASSED UPON THE ACCURACY OR ADEQUACY OF THIS
17 DISCLOSURE STATEMENT OR UPON THE MERITS OF THE PLAN. ANY
18 REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE IN THE
19 UNITED STATES. NEITHER THIS SOLICITATION NOR THIS DISCLOSURE
20 STATEMENT CONSTITUTES AN OFFER TO SELL OR THE SOLICITATION OF AN
21 OFFER TO BUY SECURITIES IN ANY STATE OR JURISDICTION IN WHICH SUCH
22 OFFER OR SOLICITATION IS NOT AUTHORIZED.

23 THIS DISCLOSURE STATEMENT CONTAINS CERTAIN “FORWARD-
24 LOOKING STATEMENTS.” SUCH STATEMENTS CONSIST OF ANY STATEMENT
25 OTHER THAN A RECITATION OF HISTORICAL FACT AND CAN BE IDENTIFIED
26 BY THE USE OF FORWARD-LOOKING TERMINOLOGY SUCH AS “MAY,”
27 “EXPECT,” “ANTICIPATE,” “ESTIMATE” OR “CONTINUE” OR THE NEGATIVE
28 THEREOF OR OTHER VARIATIONS THEREON OR COMPARABLE
TERMINOLOGY. THE DEBTOR CONSIDERS ALL STATEMENTS REGARDING
ANTICIPATED OR FUTURE MATTERS TO BE FORWARD-LOOKING
STATEMENTS.

THE READER IS CAUTIONED THAT ALL FORWARD-LOOKING
STATEMENTS ARE NECESSARILY SPECULATIVE AND THERE ARE CERTAIN
RISKS AND UNCERTAINTIES THAT COULD CAUSE ACTUAL EVENTS OR
RESULTS TO DIFFER MATERIALLY FROM THOSE PRESENTED IN SUCH
FORWARD-LOOKING STATEMENTS, INCLUDING BUT NOT LIMITED TO RISKS
AND UNCERTAINTIES RELATING TO:

- Future conditions resulting from the filing and pendency of this Chapter 11 Case;
- The financial performance of the Debtor’s wholly-owned subsidiary, WinTech, LLC (“WinTech”), which is the Debtor’s only significant asset and sole source of revenue;
- The Debtor’s liquidity and financial outlook;

- Reductions in the Debtor's revenue from market pressures, increased competition, or other factors;
- Industry conditions, including existing competition and future competitive technologies;
- Changes in interest rates;
- The impact of general economic and political conditions in the United States;
- The accuracy of the financial projections on which the Debtor's Plan is based; and
- Disruptions or security breaches of the Debtor's information technology infrastructure.

THIS DISCLOSURE STATEMENT HAS BEEN PREPARED PURSUANT TO SECTION 1125 OF THE BANKRUPTCY CODE AND BANKRUPTCY RULE 3016 AND IS NOT NECESSARILY IN ACCORDANCE WITH FEDERAL OR STATE SECURITIES LAWS OR OTHER SIMILAR LAWS.

THE DEBTOR RECOMMENDS THAT POTENTIAL RECIPIENTS OF ANY NEW SECURITIES PURSUANT TO THE PLAN CONSULT THEIR OWN LEGAL COUNSEL CONCERNING THE SECURITIES LAWS GOVERNING THE TRANSFERABILITY OF ANY SUCH SECURITIES.

NO LEGAL OR TAX ADVICE IS PROVIDED TO YOU BY THIS DISCLOSURE STATEMENT. THE DEBTOR URGES EACH HOLDER OF A CLAIM TO CONSULT WITH ITS OWN ADVISORS WITH RESPECT TO ANY LEGAL, FINANCIAL, SECURITIES, TAX OR BUSINESS ADVICE IN REVIEWING THIS DISCLOSURE STATEMENT, THE PLAN AND EACH OF THE PROPOSED TRANSACTIONS CONTEMPLATED THEREBY. FURTHER, THE BANKRUPTCY COURT'S APPROVAL OF THE ADEQUACY OF DISCLOSURES CONTAINED IN THIS DISCLOSURE STATEMENT DOES NOT CONSTITUTE THE BANKRUPTCY COURT'S APPROVAL OF THE MERITS OF THE PLAN OR A GUARANTEE BY THE BANKRUPTCY COURT OF THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED HEREIN.

THIS DISCLOSURE STATEMENT CONTAINS, AMONG OTHER THINGS, SUMMARIES OF THE PLAN, CERTAIN STATUTORY PROVISIONS, CERTAIN EVENTS IN THE DEBTOR'S CHAPTER 11 CASE, AND CERTAIN DOCUMENTS RELATED TO THE PLAN THAT ARE ATTACHED HERETO AND INCORPORATED HEREIN BY REFERENCE. ALTHOUGH THE DEBTOR BELIEVES THAT THESE SUMMARIES ARE FAIR AND ACCURATE, THESE SUMMARIES ARE QUALIFIED IN THEIR ENTIRETY TO THE EXTENT THAT THE SUMMARIES DO NOT SET FORTH THE ENTIRE TEXT OF SUCH DOCUMENTS OR STATUTORY PROVISIONS OR EVERY DETAIL OF SUCH EVENTS. IN THE EVENT OF ANY CONFLICT, INCONSISTENCY OR DISCREPANCY BETWEEN A DESCRIPTION IN THIS DISCLOSURE STATEMENT AND THE TERMS AND PROVISIONS OF THE PLAN OR ANY OTHER DOCUMENTS, THE PLAN OR SUCH OTHER DOCUMENTS WILL

1 GOVERN AND CONTROL FOR ALL PURPOSES. EXCEPT AS OTHERWISE
 2 SPECIFICALLY NOTED, FACTUAL INFORMATION CONTAINED IN THIS
 3 DISCLOSURE STATEMENT HAS BEEN PROVIDED BY THE DEBTOR'S
 4 MANAGEMENT. THE DEBTOR DOES NOT REPRESENT OR WARRANT THAT THE
 INFORMATION CONTAINED HEREIN OR ATTACHED HERETO IS WITHOUT ANY
 MATERIAL INACCURACY OR OMISSION.

5 IN PREPARING THIS DISCLOSURE STATEMENT, THE DEBTOR RELIED ON
 6 FINANCIAL DATA DERIVED FROM THE DEBTOR'S BOOKS AND RECORDS, AND
 7 ON VARIOUS ASSUMPTIONS REGARDING THE DEBTOR'S BUSINESS AFFAIRS.
 8 THE DEBTOR'S MANAGEMENT HAS REVIEWED THE FINANCIAL INFORMATION
 9 PROVIDED IN THIS DISCLOSURE STATEMENT. ALTHOUGH THE DEBTOR HAS
 10 USED ITS REASONABLE BUSINESS JUDGMENT TO ENSURE THE ACCURACY OF
 11 THE FINANCIAL INFORMATION CONTAINED IN, OR INCORPORATED BY
 12 REFERENCE INTO, THIS DISCLOSURE STATEMENT, THIS DISCLOSURE
 13 STATEMENT HAS NOT BEEN AUDITED (UNLESS OTHERWISE EXPRESSLY
 14 PROVIDED HEREIN) AND NO REPRESENTATIONS OR WARRANTIES ARE MADE
 15 AS TO THE ACCURACY OF THE FINANCIAL INFORMATION CONTAINED
 16 HEREIN OR ASSUMPTIONS REGARDING THE DEBTOR'S BUSINESS AFFAIRS.
 17 THE DEBTOR EXPRESSLY CAUTIONS READERS NOT TO PLACE UNDUE
 18 RELIANCE ON ANY FORWARD-LOOKING STATEMENTS CONTAINED HEREIN.

19 UNLESS OTHERWISE EXPRESSLY NOTED, THE DEBTOR IS GENERALLY
 20 MAKING THE STATEMENTS AND PROVIDING THE FINANCIAL INFORMATION
 21 CONTAINED IN THIS DISCLOSURE STATEMENT AS OF THE PETITION DATE
 22 WHERE FEASIBLE. ALTHOUGH THE DEBTOR MAY SUBSEQUENTLY UPDATE
 23 THE INFORMATION IN THIS DISCLOSURE STATEMENT, THE DEBTOR HAS NO
 24 AFFIRMATIVE DUTY TO DO SO. HOLDERS OF CLAIMS REVIEWING THIS
 25 DISCLOSURE STATEMENT SHOULD NOT INFER THAT, AT THE TIME OF THEIR
 26 REVIEW, THE FACTS SET FORTH HEREIN HAVE NOT CHANGED SINCE THIS
 27 DISCLOSURE STATEMENT WAS SENT. INFORMATION CONTAINED HEREIN IS
 28 SUBJECT TO COMPLETION, MODIFICATION OR AMENDMENT. THE DEBTOR
 RESERVES THE RIGHT TO FILE AN AMENDED OR MODIFIED PLAN AND
 RELATED DISCLOSURE STATEMENT FROM TIME TO TIME, SUBJECT TO THE
 TERMS OF THE RESTRUCTURING SUPPORT AGREEMENT.

THE DEBTOR HAS NOT AUTHORIZED ANY ENTITY TO GIVE ANY
 INFORMATION ABOUT OR CONCERNING THE PLAN OTHER THAN THAT
 WHICH IS CONTAINED IN THIS DISCLOSURE STATEMENT. THE DEBTOR HAS
 NOT AUTHORIZED ANY REPRESENTATIONS CONCERNING THE DEBTOR OR
 THE VALUE OF ITS PROPERTY OTHER THAN AS SET FORTH IN THIS
 DISCLOSURE STATEMENT.

HOLDERS OF CLAIMS ENTITLED TO VOTE TO ACCEPT OR REJECT THE
 PLAN MUST RELY ON THEIR OWN EVALUATION OF THE DEBTOR AND THEIR
 OWN ANALYSES OF THE TERMS OF THE PLAN IN DECIDING WHETHER TO
 VOTE TO ACCEPT OR REJECT THE PLAN. IMPORTANTLY, PRIOR TO DECIDING
 WHETHER AND HOW TO VOTE ON THE PLAN, EACH HOLDER OF A CLAIM IN A
 VOTING CLASS SHOULD REVIEW THE PLAN IN ITS ENTIRETY AND CONSIDER

1 CAREFULLY ALL OF THE INFORMATION IN THIS DISCLOSURE STATEMENT
2 AND ANY EXHIBITS HERETO.

3 IF THE PLAN IS CONFIRMED BY THE BANKRUPTCY COURT AND THE
4 EFFECTIVE DATE OCCURS, ALL HOLDERS OF CLAIMS AND INTERESTS
5 (INCLUDING THOSE HOLDERS OF CLAIMS AND INTERESTS WHO DO NOT
6 SUBMIT BALLOTS TO ACCEPT OR REJECT THE PLAN, WHO VOTE TO REJECT
7 THE PLAN, OR WHO ARE NOT ENTITLED TO VOTE ON THE PLAN) WILL BE
8 BOUND BY THE TERMS OF THE PLAN AND THE TRANSACTIONS
9 CONTEMPLATED THEREUNDER.

10 ALL EXHIBITS TO THIS DISCLOSURE STATEMENT ARE INCORPORATED
11 INTO AND ARE A PART OF THIS DISCLOSURE STATEMENT AS IF SET FORTH IN
12 FULL HEREIN.

13 II. BACKGROUND

14 A. History of the Debtor's Business Affairs and Background Information

15 Virtual Communications Corporation (the "Debtor") was incorporated as a Nevada
16 corporation in 2012 to serve as a holding company for WinTech, LLC ("WinTech"), which is a
17 Nevada limited liability company. The Debtor owns 100% of the equity interests of WinTech,
18 which is the Debtor's only significant asset and sole source of revenue. The Debtor does not
19 operate any business and has no employees.

20 WinTech is based in Las Vegas, Nevada and is the developer of an automated visitor
21 management system known as the ALICE® Receptionist. The ALICE® Receptionist is used to
22 automate and secure commercial and government facilities around the world. Commercial users
23 of the ALICE® Receptionist include Business Development Bank of Canada, NCAA, AIG, City
24 National Bank, Emerson, Pulte Homes, Turner, Xerox, Univision, Toshiba, New York Life, ING,
25 Jacobs, Century 21, Tivo, Manulife, Coca Cola, Amatil, Birks, Haier, Schlumberger, and the
26 Salvation Army. Government users of the ALICE® Receptionist include San Bernardino County,
27 California, Riverside County, California, Marin County, California, the City of Washington D.C.,
28 the United States Probation Offices, the City of Alexandria, Virginia, the City of Chesapeake
29 Virginia, the City of Anaheim, California, Greenwood County, South Carolina, the New Zealand
30 Embassy, NASA, and the National Security Council.

31 In 2017, the ALICE® Receptionist processed over 250,000 visitors to customer facilities in
32 the United States, Canada, Mexico, Brazil, Germany, Belgium, Netherlands, Sweden, United
33 Kingdom, Malaysia, China, Australia, and New Zealand. More information concerning the
34 ALICE® Receptionist can be found at <https://AliceReceptionist.com> and at
35 <https://vimeo/user10756113>.

36 B. Events Leading to Bankruptcy Filing

37 To date, the Debtor has invested over \$4 million in WinTech's development and
38 marketing of the ALICE® Receptionist. To fund this investment, the Debtor issued approximately
39 100 unsecured promissory notes (the "Unsecured Notes") with original principal balances totaling
40 \$4,700,550 in 2013 and 2014 payable to Provident Trust Group, LLC as custodian for various

1 individuals (the “Unsecured Noteholders”) that elected to loan funds to the Debtor through self-
 2 directed individual retirement accounts. The Debtor paid monthly interest at the annual rate of
 3 9% to the Unsecured Noteholders until the Unsecured Notes matured in 2015 and 2016 at which
 4 time the Debtor was unable to repay the principal amounts due and owing.

5 Despite its best efforts, the Debtor has been unable to refinance or restructure the
 6 indebtedness it owes in connection with the Unsecured Notes. Additionally, a small number of
 7 Unsecured Noteholders have filed lawsuits against the Debtor seeking to collect on their
 8 respective Unsecured Notes and also alleging other claims against the Debtor and affiliated
 9 parties, including Ronald J. Robinson (“Robinson”), who is a former officer and director of the
 10 Debtor. Among other things, these lawsuits allege that Robinson is a guarantor of the Unsecured
 11 Notes and that Robinson wrongfully diverted proceeds from the Unsecured Notes to pay personal
 12 and business expenses unrelated to the Debtor’s investment in WinTech.

13 The Debtor has settled some of the smaller claims brought by Unsecured Noteholders.
 14 However, the Debtor has been unable to settle or otherwise resolve other pending lawsuits filed
 15 by the Unsecured Noteholders, which are a significant and unsustainable expense. Additionally,
 16 as a result of these lawsuits, the Debtor has been unable to secure any new financing or capital
 17 investment to fund WinTech’s business operations, which has exposed WinTech to liquidity risks
 18 and severely limited WinTech ability to market its products. In order to avoid minimize the risk
 19 of the Debtor and WinTech being forced to cease operations due to lack of cash flow, the Debtor
 20 elected to restructure its obligations to the Unsecured Noteholders through this Chapter 11 Case.

14 C. Management of the Debtor

15 **Michael Yoder** is the president and a director of the Debtor. Mr. Yoder is also a co-
 16 founder of WinTech and the primary developer of the ALICE® Receptionist. Mr. Yoder has more
 17 than 20 years of experience in developing new technology and software solutions. Mr. Yoder
 18 served as the chief technology officer of WinTech from 2011 through 2016. He currently serves
 19 as WinTech’s chief executive officer.

20 **S. Vernon Rodriguez** is the secretary, treasurer, and a director of the Debtor. Mr.
 21 Rodriguez has a strong background in sales, marketing, and accounting systems. Mr. Rodriguez
 22 has also served as an executive vice president and the chief financial officer of WinTech since
 23 2011. Mr. Rodriguez holds a degree in business and political science from the University of New
 24 Mexico.

22 D. Financial Condition and Capital Structure of the Debtor

23 WinTech is the Debtor’s only significant asset and sole source of income. In 2017, the
 24 WinTech generated total income of \$827,561 – up from \$530,339 in 2016. WinTech realized a
 25 net operating loss of \$274,378 in 2017 – down from \$447,547 in 2016.³ The Debtor has minimal
 26 secured debts of approximately \$16,000 and little, if any, unsecured debt outside of the Unsecured
 27 Notes. The Debtor’s management believes that WinTech’s business prospects are improving and
 28 that significant opportunities for expansion exist with proper marketing and financial support.

³ These figures and the historical financial statements attached hereto as Exhibit B are presented on an accrual basis.

Additional information concerning the Debtor and WinTech's historical financial performance can be found in Exhibit B attached hereto.

The Debtor is authorized to issue 120,000,000 shares of stock of which 100,000,000 shares are designated as common stock with a par value of \$0.001 and 20,000,000 shares are designated as preferred stock with a par value of \$0.001. Additionally, the Debtor has designated 5,000,000 shares of preferred stock as "Series A" preferred stock, which holds additional voting rights and liquidation preferences. The Debtor is not authorized to issue any non-voting shares. At this time, approximately 25,215,041 shares of common stock are issued and outstanding. The Debtor has not issued any shares of preferred stock or "Series A" preferred stock. Additional information concerning the types and amounts of shares the Debtor is authorized to issue can be found in the Debtor's Articles of Organization and Bylaws attached hereto as Exhibit C, which shall be adopted by and apply to the Reorganized Debtor after Confirmation of the Plan except as expressly amended under the Plan.

E. Events during the Bankruptcy Proceedings

1. Procedural Matters

The Debtor filed its voluntary chapter 11 petition on May 22, 2018 [ECF No. 1]. The Meeting of Creditors is scheduled to take place on June 28, 2018 at 12:00 p.m. at 300 S. Las Vegas Blvd., Room 1500, Las Vegas, Nevada 89101.

2. Employment of Kolesar & Leatham as the Debtor's Counsel

Subject to the approval of the Bankruptcy Court, the Debtor has retained the law firm of Kolesar & Leatham to assist it in carrying out its duties as a debtor-in-possession and to represent its interests in the Chapter 11 Case. The Debtor filed its *Application for Order Approving the Employment of Kolesar & Leatham as Attorneys for Debtor under General Retainer Nunc Pro Tunc* (the "Employment Application") [ECF No. 8] on May 24, 2018. The Bankruptcy Court has scheduled a hearing on the Employment Application to take place on June 26, 2018 at 9:30 a.m.

3. The Debtor's Business Affairs during the Chapter 11 Case

The Debtor is a holding company; it is not actively engaged in the operation of any business. Nonetheless, the Debtor will continue to manage its affairs as a debtor-in-possession pursuant to §§ 1107(a) and 1108 of the Bankruptcy Code. The Debtor does not anticipate that this Chapter 11 Case will have any material effect on the ordinary course business operations of the Debtor's wholly-owned subsidiary, WinTech.

4. Establishment of the Claims Bar Date

The Bankruptcy Court has established September 26, 2018 as the last day for the filing of proofs of Claim for non-governmental entities (the "Claims Bar Date"). Except to the extent that a Claim has already been Allowed pursuant to a final non-appealable order, the Debtor reserves the right to object to all Creditors' Claims. Therefore, even if your Claim is Allowed for voting purposes, you may not be entitled to a distribution if an objection to your Claim is later upheld. The procedures for resolving disputed Claims are set forth in Article VIII of the Plan.

5. Recovery of Preferential, Avoidable, or Fraudulent Transfers

The Debtor believes it holds viable claims against former officer and director, Ronald J. Robinson (“Robinson”), and possibly other parties arising from the misuse of proceeds from the Unsecured Notes and related matters. Robinson disputes such claims and denies that he is liable to the Debtor for any misuse of any proceeds from the Unsecured Notes. To date, the Debtor has chosen not to pursue any claim against Robinson (i) due to the high costs and uncertainty of litigation and (ii) because Robinson has agreed to allow WinTech to occupy and use space in a commercial building in which he holds an indirect ownership interest on a rent free basis. The Debtor believes the market value of the free rent provided to WinTech by Robinson to be approximately \$10,000 per month. Although informal, the Debtor’s management believes that the current arrangement with Robinson is preferable to litigation and would prefer that this arrangement continue for the foreseeable future should the Plan be confirmed.

At this time, Debtor does not intend to pursue preference, fraudulent conveyance, or other avoidance actions. The Debtor does not believe any significant transfers to Insiders or Creditors occurred during the two (2) year period leading up to the filing of this case.

The Debtor reserves its right, however, to perform and complete an investigation with regard to prepetition transactions. Although it does not believe significant transfers occurred, Creditors should be aware that if you received a payment or other transfer within ninety (90) days of the Petition Date, or other transfer avoidable under the Bankruptcy Code, the Debtor may seek to avoid such transfer.

III. SUMMARY OF THE PLAN OF REORGANIZATION

Chapter 11 is the principal business reorganization chapter of the Bankruptcy Code. Under Chapter 11, a debtor is authorized to reorganize its business for the benefit of itself, its Creditors, and its Interest Holders. Besides permitting the rehabilitation of a debtor, another goal of Chapter 11 is to promote equality of treatment for similarly-situated Creditors and similarly-situated Interest Holders with respect to the distribution of a debtor’s assets.

The commencement of a Chapter 11 case creates an Estate that is comprised of all of the legal and equitable interests of the debtor as of the filing date. The Bankruptcy Code provides that the debtor may continue to operate its business and remain in possession of its property as a debtor-in-possession. The consummation of a plan of reorganization is the principal objective of a Chapter 11 case. A plan of reorganization sets forth the means for satisfying Claims against, and Interests in, a debtor. Confirmation of a plan of reorganization by the bankruptcy court makes the plan binding upon the debtor, any issuer of securities under the plan, any person acquiring property under the plan, and any Creditor of, or Interest Holder in, the debtor, regardless of whether such Creditor or Interest Holder (i) is Impaired under, or has accepted, the plan or (ii) receives or retains any property under the plan. Subject to certain limited exceptions and other than as provided in the plan itself or the Bankruptcy Court’s confirmation order, the confirmation order discharges the debtor from any debt that arose prior to the date of confirmation of the plan and substitutes therefore the obligations specified under the confirmed plan.

Section 1123 of the Bankruptcy Code provides that a plan of reorganization shall classify the Claims of a debtor’s Creditors and Interest Holders. In compliance therewith, the Plan divides Claims and Interests into various Classes and sets forth the treatment for each Class. The Debtor

is required under Section 1122 of the Bankruptcy Code to Classify Claims and Equity Interests into Classes that contain Claims and Equity Interests that are substantially similar to the other Claims and Equity Interests in such respective Classes. The Debtor believes that the Plan has Classified all Claims and Equity Interests in compliance with the provisions of Section 1122 of the Bankruptcy Code, but it is possible that a Holder of a Claims or Equity Interests will challenge the Plan's Classifications and that the Bankruptcy Court will find that different Classifications are required in order for the Plan to be confirmed. In such event, the Debtor intends, to the extent permitted by the Bankruptcy Court, to make reasonable modifications of the Classifications under the Plan to permit confirmation and to use the Plan acceptances received in this solicitation for the purpose of obtaining the approval of the reconstituted Class or Classes of which the accepting Holders are ultimately deemed members. Any such reclassification could adversely affect the Class in which such Holder was initially a member, or any other Class, by changing the composition of such Class and the vote required of that Class for approval of the Plan.

The Debtor (and its respective Affiliates, agents, directors, officers, employees, advisors and attorneys) have, and upon confirmation of the Plan, will be deemed to have, participated in good faith and in compliance with the applicable provisions of the Bankruptcy Code with regard to the distributions of securities under the Plan, and therefore are not, and on account of such distributions will not be, liable at any time for the violation of any applicable law, rule or regulation governing the solicitation of acceptances or rejections of the Plan or such distributions made pursuant to the Plan. Other than as specifically provided in the Plan, the treatment under the Plan of each Claim and interest will be in full satisfaction, settlement, release and discharge of all Claims or interests.

A. What Creditors and Interest Holders Will Receive under the Plan

As required by the Bankruptcy Code, the Plan places Claims in separate Classes and describes the treatment each Class will receive. The Plan also states whether each Class of Claims is Impaired or Unimpaired and whether each Class of Claims is entitled to vote on the Plan. If the Plan is confirmed, your recovery will be limited to the treatment provided by the Plan.

B. Unclassified Claims

Pursuant to Section 1123(a)(1) of the Bankruptcy Code, Allowed Administrative Claims and Priority Tax Claims are not designated as Classes under the Plan. In general, these Claims consist of the fees and costs of Professionals employed on behalf of the Estate. The Holders of such unclassified Claims are not entitled to vote on the Plan.

Each Holder of an Allowed Administrative Claim shall be paid the full unpaid amount of such Claim in Cash (a) on or as soon as reasonably practicable after the Effective Date, (b) if such Claim is Allowed after the Effective Date, on or as soon as reasonably practicable after the date such Claim is Allowed, or (c) upon such other terms as may be agreed upon by the Debtor or the Reorganized Debtor, as applicable, and such Holder or otherwise upon an order of the Bankruptcy Court; *provided, however*, that Allowed Administrative Expense Claims representing liabilities incurred by the Debtor in the ordinary course of business during the Chapter 11 Case, other than those liabilities constituting or relating to commercial tort Claims or patent, trademark or copyright infringement Claims, shall be paid in the ordinary course of business in accordance with the terms and subject to the conditions of any agreements governing, instruments evidencing,

or other documents related to such transactions, and Holders of Claims related to such ordinary course liabilities are not required to File or serve any request for payment of such Administrative Claims.

C. Classified Claims and Interests

The following are the Classes set forth in the Plan, and the proposed treatment that they will receive under the Plan. The Classification of the Claims asserted against the Debtor under the Plan is summarized in the following table:

Class	Description	Status and Voting Rights	Estimated Amount of Allowed Claims	Estimated Distribution
1	Secured Claim of the Gewerter Law Office	Impaired Entitled to Vote	\$1,000	Except to the extent that a Holder of an Allowed Class 1 Claim agrees to a less favorable treatment, in exchange for and in full and final satisfaction, compromise, settlement, release, and discharge of each Allowed Class 1 Claim, each Holder of an Allowed Class 1 Claim shall receive payment in full in Cash no later than the thirtieth (30 th) day after the Effective Date.
2	Secured Claim of Julie Minushkin	Impaired Entitled to Vote	\$15,000	Except to the extent that a Holder of an Allowed Class 2 Claim agrees to a less favorable treatment, in exchange for and in full and final satisfaction, compromise, settlement, release, and discharge of each Allowed Class 2 Claim, each Holder of an Allowed Class 2 Claim shall receive a Cash payment in the amount of \$10,000 no later than the ninetieth (90 th) day after the Effective Date.
3	Unsecured Promissory Notes	Impaired Entitled to Vote	\$6,000,643	Except to the extent that a Holder of an Allowed Class 3 Claim agrees to a less favorable treatment, in exchange for and in full and final satisfaction, compromise, settlement, release, and discharge of each Allowed Class 3 Claim, each Holder of an Allowed Class 3 Claim shall receive on the Effective Date, or as soon thereafter as reasonably practicable, (i) its Pro Rata share of the Common Stock Distribution and (ii) its Pro Rata Share of the Series A Preferred Stock Distribution.
4	General Unsecured Claims	Impaired Entitled to Vote	Unknown	Except to the extent that a Holder of an Allowed Class 4 Claim agrees to a less favorable treatment, in exchange for and in full and final satisfaction, compromise, settlement, release, and discharge of each Allowed Class 4 Claim, each Holder of an Allowed Class 4 Claim shall receive on or before the ninetieth (90 th) day after the Effective Date, the lesser of (i) a Cash payment equal to 50% of its Allowed

Class	Description	Status and Voting Rights	Estimated Amount of Allowed Claims	Estimated Distribution
				General Unsecured Claims, if any, or (b) its Pro Rata share of a lump sum payment in the amount of \$5,000.
5	Equity Interests	Impaired Entitled to Vote	N/A	Except to the extent that a Holder of an Allowed Class 5 Interest agrees to a less favorable treatment, each Holder of an Allowed Class 5 Interest shall receive on the Effective Date, or as soon thereafter as reasonably practicable, its Pro Rata share of the New Equity Distribution to Shareholders.

1. Class 1 – Secured Claim of the Gewerter Law Office (Impaired)

Class 1 includes the Secured Claim of the Gewerter Law Office in the approximate amount of \$1,000, which is secured by a prepetition retainer paid to the Gewerter Law Office. Except to the extent that a Holder of an Allowed Class 1 Claim agrees to a less favorable treatment, in exchange for and in full and final satisfaction, compromise, settlement, release, and discharge of each Allowed Class 1 Claim, each Holder of an Allowed Class 1 Claim shall receive payment in full in Cash no later than the thirtieth (30th) day after the Effective Date. Any Unsecured Claim asserted by any Holder of an Allowed Class 1 Claim shall be treated as a Class 4 (General Unsecured) Claim.

Class 1 is an Impaired Class. Holders of Class 1 Claims are entitled to vote to accept or reject the Plan.

2. Class 2 – Secured Claim of Julie Minushkin (Impaired)

Class 2 consists of the Secured Claim of Julie Minushkin in the approximately amount of \$15,000, which is secured by certain shares of Common Stock of the Debtor. Except to the extent that a Holder of an Allowed Class 2 Claim agrees to a less favorable treatment, in exchange for and in full and final satisfaction, compromise, settlement, release, and discharge of each Allowed Class 2 Claim, each Holder of an Allowed Class 2 Claim shall receive payment a Cash payment in the amount of \$10,000 no later than the ninetieth (90th) day after the Effective Date. As of the Effective Date, all common stock held as collateral for any Allowed Class 2 Claim shall be cancelled and shall become null and void. Any Unsecured Claim asserted by any Holder of an Allowed Class 2 Claim shall be treated as a Class 4 (General Unsecured) Claim.

Class 2 is an Impaired Class. Holders of Class 2 Claims are entitled to vote to accept or reject the Plan.

3. Class 3 – Unsecured Notes (Impaired)

Class 3 consists of all Claims held by the Unsecured Noteholders. The Debtor estimates that Class 3 Claims will be Allowed in the following amounts:

Creditor	Principal	Interest	Total Allowed Claim
Alan Nicholson	\$69,500	\$20,650	\$90,150

KOLESAR & LEATHAM

400 S. Rampart Blvd., Ste. 400
 Las Vegas, Nevada 89145
 Tel: (702) 362-7800 / Fax: (702) 362-9472

Creditor	Principal	Interest	Total Allowed Claim
Alan Winn	\$20,000	\$5,942	\$25,942
Anita Ussery	\$51,000	\$15,153	\$66,153
Anthony White	\$20,000	\$5,942	\$25,942
Artie Jackson	\$27,500	\$8,171	\$35,671
Brian Graybill	\$20,000	\$5,942	\$25,942
Brinson Byrdsong	\$24,500	\$7,280	\$31,780
Calvin Garrett	\$62,500	\$18,570	\$81,070
Carla Bates	\$34,000	\$5,793	\$39,793
Carlos Linqui	\$35,000	\$5,963	\$40,963
Carol Dunsmore	\$42,500	\$12,628	\$55,128
Catherine D. Loar	\$20,000	\$5,942	\$25,942
Charles W. Adams	\$135,000	\$40,112	\$175,112
Charlotte J. Vancura	\$125,000	\$37,140	\$162,140
Charlotte J. Vancura	\$70,000	\$20,799	\$90,799
Claire Janesh	\$50,000	\$14,856	\$64,856
Claudy Strong	\$31,000	\$9,211	\$40,211
David A. Gronewold	\$61,000	\$18,125	\$79,125
David Brieske	\$40,000	\$11,885	\$51,885
David Kocharhook	\$20,000	\$5,942	\$25,942
David L Hart	\$50,000	\$14,856	\$64,856
Deborah Cook	\$59,000	\$17,530	\$76,530
Donald Munro	\$23,500	\$6,982	\$30,482
Dorian Hoyt	\$45,000	\$13,371	\$58,371
Dorie Sullivan-Gamble	\$57,500	\$17,085	\$74,585
Edgar Brown, Jr.	\$25,000	\$4,260	\$29,260
Ellen Scudder	\$174,000	\$29,647	\$203,647
Erma Shepard	\$32,000	\$9,508	\$41,508
Ernest M. Somerville	\$15,000	\$4,457	\$19,457
Ernest M. Somerville	\$50,000	\$14,856	\$64,856
Gabriele Lavermicocca	\$100,000	\$29,712	\$129,712
Gary Kendig	\$25,000	\$7,428	\$32,428
Gayle Chany	\$59,000	\$17,530	\$76,530
Geraldine E. Kellison	\$56,500	\$16,787	\$73,287
Gregg Corradi	\$70,000	\$20,799	\$90,799
Helen Moore	\$26,000	\$7,725	\$33,725
Henry Saugey	\$122,000	\$36,249	\$158,249
Jackie M. Stone	\$35,000	\$10,399	\$45,399
James A. Regehr	\$328,300	\$55,937	\$384,237
James Andriessen	\$20,000	\$5,942	\$25,942
James Regehr	\$75,000	\$22,284	\$97,284
James Rochon	\$27,000	\$8,022	\$35,022
Janice A. Perry	\$37,500	\$11,142	\$48,642

KOLESAR & LEATHAM

400 S. Rampart Blvd., Ste. 400

Las Vegas, Nevada 89145

Tel: (702) 362-7800 / Fax: (702) 362-9472

Creditor	Principal	Interest	Total Allowed Claim
Jason Brooks	\$20,000	\$5,942	\$25,942
Jeanette R Forrest	\$10,000	\$1,704	\$11,704
Jessie Hobbs	\$50,000	\$14,856	\$64,856
Joan Josey	\$30,000	\$8,914	\$38,914
Joseph W. Nelson	\$18,000	\$5,348	\$23,348
Joyce Asher-Nicholson	\$93,500	\$27,781	\$121,281
Judith Colby	\$23,000	\$6,834	\$29,834
Julian Bradberry Jr.	\$50,000	\$14,856	\$64,856
Karen Nerden	\$37,500	\$11,142	\$48,642
Kathleen Albert	\$49,000	\$14,559	\$63,559
Kathleen Neisse	\$24,500	\$7,280	\$31,780
Keith D. Hughes	\$49,000	\$8,349	\$57,349
Kendall Smith	\$28,000	\$8,319	\$36,319
Larry Pianzio	\$22,000	\$6,537	\$28,537
Larry Welch	\$25,000	\$7,428	\$32,428
Laura Curtis	\$20,000	\$5,942	\$25,942
Lawrence Tiede	\$80,000	\$23,770	\$103,770
Linda Bailie	\$35,000	\$10,399	\$45,399
Lonnie Martin	\$40,000	\$11,885	\$51,885
Lynn Pilenen	\$38,500	\$11,439	\$49,939
Major Stroupe	\$35,000	\$10,399	\$45,399
Marcia Potts	\$26,000	\$7,725	\$33,725
Margaret Ogtong	\$21,000	\$6,240	\$27,240
Marilyn J. Tovar	\$15,000	\$4,457	\$19,457
Marilyn Rogers	\$40,000	\$11,885	\$51,885
Mark A. Tovar	\$40,000	\$6,815	\$46,815
Mary Allen	\$20,500	\$6,091	\$26,591
Mary Demarco	\$50,000	\$14,856	\$64,856
Mary Parker	\$28,500	\$8,468	\$36,968
Matthew Gudgel	\$60,000	\$17,827	\$77,827
Mikhail Cherner	\$19,500	\$5,794	\$25,294
Nakisha A. Kinlaw	\$19,000	\$3,237	\$22,237
Norma Kidd	\$35,000	\$10,399	\$45,399
Pamela J. Bivans	\$50,000	\$14,856	\$64,856
Patricia Clark	\$37,000	\$10,994	\$47,994
Patrick Walsh	\$27,000	\$8,022	\$35,022
Pennie Johnson	\$50,000	\$14,856	\$64,856
Rachelle Vinluan	\$29,000	\$8,617	\$37,617
Reva Waldo	\$111,000	\$32,981	\$143,981
Robert (Bob) R. Kaiser	\$42,000	\$12,479	\$54,479
Roberta Brown	\$25,000	\$7,428	\$32,428
Robin Suntheimer	\$35,000	\$10,399	\$45,399

KOLESAR & LEATHAM
 400 S. Rampart Blvd., Ste. 400
 Las Vegas, Nevada 89145
 Tel: (702) 362-7800 / Fax: (702) 362-9472

Creditor	Principal	Interest	Total Allowed Claim
Rose Marie Sabo	\$25,000	\$7,428	\$32,428
Sandra Pak	\$25,000	\$7,428	\$32,428
Scott Gomez	\$21,000	\$6,240	\$27,240
Silvana Briguglio	\$47,500	\$8,093	\$55,593
Silvia Harrington	\$16,000	\$4,754	\$20,754
Solveig Akkerman	\$22,500	\$6,685	\$29,185
Stephens Ghesquire	\$66,000	\$19,610	\$85,610
Steven Hotchkiss	\$75,000	\$22,284	\$97,284
Susan Rogge	\$32,000	\$9,508	\$41,508
Sylvia Lewis	\$23,000	\$6,834	\$29,834
Terry Laughlin	\$20,000	\$5,942	\$25,942
Thomas Moffit	\$22,500	\$6,685	\$29,185
Troy Suntheimer	\$52,000	\$15,450	\$67,450
Vivian Deguzman-Castillo	\$56,000	\$16,639	\$72,639
Walter Wooldridge	\$60,000	\$17,827	\$77,827
William Horvath	\$37,750	\$11,216	\$48,966
William O. Guy	\$50,000	\$14,856	\$64,856
William Westbrook	\$20,000	\$5,942	\$25,942
	\$4,700,550	\$1,300,093	\$6,000,643

The interest amounts set forth above include all interest accruing at the contract rate set forth in the applicable Unsecured Note through the Petition Date as determined according to the books and records of the Debtor. If you are a Holder of a Class 3 Claim and you dispute either the principal or interest amounts set forth above for your Class 3 Claim, you are advised to File a Proof of Claim with the Bankruptcy Court on or before the Claims Bar Date, which is **September 26, 2018**.

Except to the extent that a Holder of an Allowed Class 3 Claim agrees to a less favorable treatment, in exchange for and in full and final satisfaction, compromise, settlement, release, and discharge of each Allowed Class 3 Claim, each Holder of an Allowed Class 3 Claim shall receive on the Effective Date, or as soon thereafter as reasonably practicable, (i) its Pro Rata share of the Common Stock Distribution and (ii) its Pro Rata Share of the Series A Preferred Stock Distribution.

As set forth in the Plan, the Common Stock Distribution shall consist of approximately 4,700,550 shares of New Equity Interests consisting of Common Stock in the Reorganized Debtor that shall be distributed to all Holders of Allowed Class 3 Claims on a Pro Rata Basis according to the principal amount of each Holder's Allowed Class 3 Claim. In other words, each Holder of an Allowed Class 3 Claim shall receive one (1) share of Common Stock in the Reorganized Debtor in exchange for approximately each \$1.00 of principal outstanding under each Holder's respective Unsecured Note. Upon completion of the Common Stock Distribution, the Holders of Allowed Class 3 Claims shall collectively hold approximately 15.72% of all Common Stock in the Reorganized Debtor, subject to dilution as set in the Plan and in the Articles of Organization and Bylaws of the Debtor (which shall also apply to the Reorganized Debtor), which are attached hereto as Exhibit C.

As set forth in the Plan, the Series A Preferred Stock Distribution shall consist of approximately 260,000 shares of New Equity Interests consisting of Series A Preferred Stock in the Reorganized Debtor that shall be distributed to all Holders of Allowed Class 3 Claims on a Pro Rata Basis according to the amount of contract-rate interest accrued on the principal balance of each Holder's respective Unsecured Note as of the Petition Date. In other words, each Holder of an Allowed Class 3 Claim shall receive one (1) share of Series A Preferred Stock in the Reorganized Debtor in exchange for approximately each \$5.00 of interest accrued on each Holder's respective Unsecured Note as of the Petition Date. Upon completion of the Series A Preferred Stock Distribution, the Holders of Allowed Class 3 Claim shall collectively hold 100% of all issued and outstanding Preferred Stock in the Reorganized Debtor, 100% of all Series A Preferred Stock in the Reorganized Debtor, and approximately 16.45% of all Voting Stock in the Reorganized Debtor, subject to dilution as set in the Plan and in the Articles of Organization and Bylaws of the Debtor (which shall also apply to the Reorganized Debtor), which are attached hereto as Exhibit C.

For example, a hypothetical Holder of an Allowed Class 3 Claim in the amount of \$25,942, which consists of \$20,000 in principal and \$5,942 in accrued interest, will receive (i) approximately 20,000 shares of Common Stock in the Reorganized Debtor under the Common Stock Distribution and (ii) approximately 1,188 shares⁴ of Series A Preferred Stock in the Reorganized Debtor under the Preferred Series A Distribution.⁵

Class 3 is an Impaired Class. Holders of Class 3 Claims are entitled to vote to accept or reject the Plan.

4. Class 4 – General Unsecured Claims (Impaired)

Class 4 consists of all General Unsecured Claims against the Debtor that are not based on or related to any Unsecured Note. The total amount of such claims is presently unknown. The Debtor estimates that the total amount of all Allowed Class 4 Claims will not exceed \$10,000. Except to the extent that a Holder of an Allowed Class 4 Claim agrees to a less favorable treatment, in exchange for and in full and final satisfaction, compromise, settlement, release, and discharge of each Allowed Class 4 Claim, each Holder of an Allowed Class 4 Claim, if any, shall receive on or before the ninetieth (90th) day after the Effective Date, the lesser of (i) a Cash payment equal to 50% of its Allowed General Unsecured Claims, if any, or (b) its Pro Rata share of a lump sum payment in the amount of \$5,000.

Class 4 is an Impaired Class. Holders of Class 4 Claims are entitled to vote to accept or reject the Plan.

⁴ Accrued interest in the amount of \$5,942 is approximately 0.46% of the total accrued interest included in the Debtor's estimate of all Allowed Class 3 Claims ($\$5,942 / \$1,300,093 = 0.46$). The Pro Rata amount of the Series A Preferred Stock Distribution for this hypothetical Holder is then determined by multiplying the total number of shares of Series A Preferred Stock to be distributed (approximately 260,000) by 0.46% ($260,000 * 0.46 = 1,188.41$).

⁵ This example assume that the hypothetical Holder has not recovered any amount from any guarantor of any Unsecured Note.

5. Class 5 – Equity Interests in the Debtor (Impaired)

Class 5 consists of the Holders of all Equity Interests in the Debtor. The Debtor estimates that on the Effective Date the Allowed Class 5 Equity Interests will include the following:

Equity Interest Holder	Shares of Common Stock
Fausto Aceituno	24,630
GoTo Solutions, LLC	67,911
Kenneth Brand	1,000
Marvin Evans	500
Michael Yoder	12,500,000
Patrick Diab	106,000
The Kachina Trust (S. Vernon Rodriguez)	4,500,000
The Scotsman Trust (Ronald Robinson)	11,000,000
	28,200,041

Except to the extent that a Holder of an Allowed Class 5 Interest agrees to a less favorable treatment, each Holder of an Allowed Class 5 Interest shall receive on the Effective Date, or as soon thereafter as reasonably practicable, New Equity Interests consisting of shares of Common Stock in the Reorganized Debtor in an amount equal to the number of shares of common stock that each Holder of an Allowed Class 5 Interest held in the Debtor as of the Petition Date.

Class 5 is an Impaired Class. Holders of Class 5 Equity Interests are entitled to vote to accept or reject the Plan.

D. Means of Effectuating the Plan

1. Funding for the Plan

The funds necessary to ensure the Reorganized Debtor's performance under the Plan after the Effective Date will be obtained from:

- (i) Cash on hand;
- (ii) Equity contributions;
- (iii) Distributions of income from the business operations of WinTech;
- (iv) Any reserves that may be established by the Debtor; and
- (v) Any other contributions or financing (if any) that the Reorganized Debtor may obtain on or after the Effective Date.

The Debtor has prepared a detailed analysis of the projected revenue and expenses for WinTech over a five (5) year period following the Effective Date of the Plan, which is attached hereto as Exhibit D.

2. Post-Confirmation Management

Michael Yoder and S. Vernon Rodriguez will continue to serve as the officers and directors of the Reorganized Debtor, which will continue to exist after confirmation of the Plan as a Nevada corporation, with all the powers of a corporation to Nevada law and pursuant to the Debtor's formation documents in effect prior to Confirmation, except to the extent such formation documents are amended by or in connection with this Plan. Any such amendments are deemed to be authorized pursuant hereto and without the need for any other approvals, authorizations, actions or consents.

3. Distribution Agent

The Reorganized Debtor shall act as the Distribution Agent for the purpose of making all distributions provided for under the Plan. The Distribution Agent shall serve without bond and shall receive no compensation for distribution services rendered and expenses incurred pursuant to the Plan.

4. Distributions on Claims Allowed After the Effective Date

Although it is not anticipated that any payments will be made other than those of the Plan Proponent, except as otherwise provided in the Plan, or upon the entry of a final, non-appealable order of the Bankruptcy Court, or as agreed to by the relevant parties, distributions under the Plan on account of a disputed Claim that becomes an Allowed Claim after the effective date of the Plan shall be paid by the Reorganized Debtor in the ordinary course or as established by the Distribution Agent, which is at least thirty (30) days after such Claim becomes an Allowed Claim.

Notwithstanding anything in the Plan to the contrary, and except as otherwise agreed to by the relevant parties, no partial payments and no partial distributions shall be made with respect to a disputed Claim until all such disputes in connection with such disputed Claim have been resolved by settlement among the parties or a final order of the Court. In the event that there are disputed Claims requiring adjudication and resolution, the Distribution Agent shall establish appropriate reserves for potential payment of such Claims.

E. Risk Factors

The holders of any Claim against or Interest in the Debtor should read and carefully consider the following factors, as well as the other information set forth in this Disclosure Statement (and the documents delivered together herewith and/or incorporated by reference herein), before deciding whether to vote to accept or reject the Plan.

1. Certain Bankruptcy Law Considerations

It is not possible to predict with certainty the length of the Chapter 11 Case or to assure that the Plan will be confirmed. Even if all voting Classes vote in favor of the Plan and the requirements for "cramdown" are met with respect to any Class deemed to have rejected the Plan, the Bankruptcy Court, which may exercise substantial discretion as a court of equity, may choose not to confirm the Plan. Bankruptcy Code Section 1129 requires, among other things, a showing that with respect to each Class, such Class either (i) has voted to accept the Plan or (ii) the value of distributions to dissenting Classes of Claims will not be less than the value such

Holders would receive if the Debtor was liquidated under Chapter 7 of the Bankruptcy Code. Although the Debtor expects that the Plan meets such test with respect to all Classes, there can be no assurance that the Bankruptcy Court will reach the same conclusion.

2. Conditions Precedent to Consummation of the Plan

The Plan provides for certain conditions that must be satisfied (or waived) prior to confirmation of the Plan and for certain other conditions that must be satisfied (or waived) prior to the Effective Date. As of the date of this Disclosure Statement, there can be no assurance that any or all of the conditions in the Plan will be satisfied (or waived). Accordingly, there can be no assurance that the Plan will be confirmed by the Bankruptcy Court, and if the Plan is confirmed, there can be no assurance that the Plan will be consummated.

3. The Debtor Has No Duty to Update

The statements in this Disclosure Statement are made by the Debtor as of the date hereof unless otherwise specified herein. The delivery of this Disclosure Statement after that date does not imply that there has been no change in the information set forth herein since that date. The Debtor has no duty to update this Disclosure Statement unless ordered to do so by the Bankruptcy Court.

4. Projections and Other Forward-Looking Statements Are Not Assured and Actual Results Will Vary

Certain statements in this Disclosure Statement, including the financial projections provided in Exhibit D in support of the Plan, are forward-looking, and contain estimates and assumptions that might ultimately prove to be incorrect and projections that may differ materially from actual future results. There are uncertainties associated with all assumptions, projections and estimates, and they should not be considered assurances or guarantees of the Reorganized Debtor's future performance or the amount of Claims in the various Classes that will be Allowed. However, the Debtor's management believes that the projections set forth in the financial projections provided in Exhibit D are reasonable and are supported by the Debtor's historical financial performance and reasonable expectations as to future financial performance.

5. No Admissions Made

Nothing contained herein shall constitute an admission of any fact or liability by the Debtor or any other party nor shall it be deemed evidence of the tax or other legal effects of the Plan on the Debtor or on Holders of any Claim or other Interest.

6. No Waiver of Right to Object or Right to Recover Transfers and Estate Assets

A vote for or against the Plan by the Holder of a Claim or Interest does not constitute a waiver or release of any Claims or rights of the Debtor (or any other party in interest), to object to the Claim of such Holder, or recover any preferential, fraudulent or other voidable transfer of Estate assets, regardless of whether any Claims of the Debtor or its Estate are specifically or generally identified in this Disclosure Statement or the Plan.

7. The Plan Is Dependent upon WinTech's Future Business Operations

If the Bankruptcy Case continues for a prolonged amount of time, the proceedings could adversely affect the Debtor's business affairs and profitability. The longer the Bankruptcy Case continues, the more likely it is that interested parties may lose confidence in the Debtor's ability to successfully reorganize its business affairs and may seek to establish alternative commercial relationships. Consequently, the Debtor (or WinTech) might lose valuable contracts and other business relationships in the course of the Bankruptcy Case. So long as the Bankruptcy Case continues, the Debtor's senior management will be required to devote significant time and effort to dealing with the Debtor's reorganization instead of focusing exclusively on business affairs. Prolonged continuation of the Bankruptcy Case will also make it more difficult to attract and retain key personnel necessary to the success and growth of the Debtor. Furthermore, so long as the Bankruptcy Case continues, the Debtor will be required to incur substantial costs for professional fees and other expenses associated with the proceedings.

While the Debtor's current cash flow projections indicate there will be sufficient cash flow to meet all ordinary demands and to pay professional fees and expenses, prolonged continuation of the Bankruptcy Case could require the Debtor to seek additional financing. It may not be possible to obtain additional financing during or after the Bankruptcy Case on commercially reasonable terms or at all. If the Debtor requires additional financing during the Bankruptcy Case and is unable to obtain it on reasonable terms or at all, the Debtor's chances of a successful reorganization may be seriously jeopardized.

F. Other Provisions of the Plan

1. Executory Contracts and Unexpired Leases

a. Assumptions

Assumption means that the Debtor has elected to continue to perform the obligations under executed contracts and unexpired leases, and to cure defaults of the type that must be cured under the Bankruptcy Code, if any.

On the Effective Date, the Reorganized Debtor shall assume all executory contracts and unexpired leases of the Debtor listed on the Schedule of Assumed Agreements attached to the Plan as Exhibit A-1. The Debtor reserves the right to amend the Schedule of Assumed Agreements at any time prior to the Effective Date to: (a) delete any executory contract or unexpired lease and provide for its rejection under the Plan or otherwise, or (b) add any executory contract or unexpired lease and provide for its assumption under the Plan. The Debtor will provide notice of any amendment to the Schedule of Assumed Agreements to the party or parties to the agreement affected by the amendment.

Any Entity that is a party to an executory contract or unexpired lease that will be assumed under the Plan and that objects to such assumption must file with the Court and serve upon parties entitled to notice a written statement and supporting declaration stating the basis for its objection. This statement and declaration must be Filed and served by the deadline fixed by the Court for such objection. Any Entity that fails to timely File and serve such a statement and declaration will be deemed to waive any and all objections to the proposed assumption (including the proposed Cure Payment) of its contract or lease.

In the absence of a timely objection by an Entity that is a party to an executory contract or unexpired lease, the Confirmation Order shall constitute a conclusive determination as to the amount of any cure and compensation due under the executory contract or unexpired lease, and that the Reorganized Debtor has demonstrated adequate assurance of future performance with respect to such executory contract or unexpired lease, to the extent required.

b. Rejections

On the Effective Date, all executory contracts and unexpired leases that (i) have not been previously assumed or rejected and (ii) that are not set forth on the Schedule of Assumed Agreements, (including all executory contracts and unexpired leases set forth on the Schedule of Rejected Agreements) shall be rejected. For the avoidance of doubt, executory contracts and unexpired leases that have been previously assumed or assumed and assigned pursuant to an order of the Court shall not be affected by the Plan. The Confirmation Order will constitute a Court order approving the rejection, on the Effective Date, of the executory contracts and unexpired leases to be rejected under the Plan.

Any Rejection Damage Claim or other Claim against the Debtor for damages arising from the rejection under the Plan of an executory contract or unexpired lease must be Filed and served upon counsel to the Reorganized Debtor within thirty (30) days after the mailing of notice of the occurrence of the Effective Date. Any such Claims that are not timely Filed and served will be forever barred and unenforceable against the Debtor, the Reorganized Debtor, the Estate, and their respective property, and entities holding such Claims will be barred from receiving any distributions under the Plan on account of such untimely Claims.

THE BAR DATE FOR FILING A PROOF OF CLAIM BASED ON A CLAIM ARISING FROM THE REJECTION OF A LEASE OR CONTRACT IS THIRTY (30) DAYS FROM THE DATE OF THE ENTRY OF THE ORDER CONFIRMING DEBTOR'S PLAN. ANY CLAIM BASED ON THE REJECTION OF A CONTRACT OR LEASE WILL BE BARRED IF THE PROOF OF CLAIM IS NOT TIMELY FILED, UNLESS THE COURT LATER ORDERS OTHERWISE.

G. Tax Consequences of Plan

Creditors and Equity Interest Holders concerned with how the plan may affect their tax liability should consult with their own accountants, attorneys, and/or advisors.

The following disclosure of possible tax consequences is intended solely for the purpose of alerting readers about possible tax issues this Plan may present to the Debtor. The Debtor CANNOT and DOES NOT represent that the tax consequences contained below are the only tax consequences of the Plan because the Internal Revenue Code embodies many complicated rules that make it difficult to state completely and accurately all the tax implications of any action.

Debtor does not anticipate any adverse tax consequences to the Estate from the Plan. To the extent Debtor receives any debt forgiveness income related to this Chapter 11 Case, such income would not be taxable under Section 108(a)(1) of the Internal Revenue Code, 26 U.S.C. §§ 1, *et seq.*

IV. CONFIRMATION REQUIREMENTS AND PROCEDURES

Persons or Entities concerned with confirmation of the Plan should consult with their own attorneys because the law on confirming a plan of reorganization is very complex. The following discussion is intended solely for the purpose of alerting readers about basic confirmation issues, which they may wish to consider, as well as certain deadlines for filing Claims. The Debtor CANNOT and DOES NOT represent that the discussion contained below is a complete summary of the law on this topic.

To be confirmable, the Plan must meet the requirements listed in Sections 1129(a) or (b) of the Bankruptcy Code. These include the requirements that: (i) the Plan must be proposed in good faith; (ii) at least one Impaired Class of Claims must accept the Plan, without counting votes of insiders; (iii) the Plan must distribute to each Creditor and Equity Interest Holder at least as much as the Creditor or Equity Interest Holder would receive in a Chapter 7 liquidation case, unless the Creditor or Equity Interest Holder votes to accept the Plan; and (iv) the Plan must be feasible. These requirements are not the only requirements listed in Section 1129, and they are not the only requirements for confirmation.

A. Who May Vote or Object?

1. Who May Object to Confirmation of the Plan?

Any party in interest may object to the confirmation of the Plan if that party believes that the requirements for confirmation have not been met, but as explained below not everyone is entitled to vote to accept or reject the Plan.

2. Who May Vote to Accept/Reject the Plan?

A Creditor or Interest Holder has a right to vote for or against the Plan only if that Creditor or Interest Holder has a Claim or Interest that is both (1) Allowed (or Allowed for voting purposes) and (2) Classified as part of an Impaired Class.

a. What Is an Allowed Claim?

As noted above, a Creditor must first have an Allowed Claim to have the right to vote for or against the Plan. Generally, any Proof of Claim will be Allowed, unless a party in interest brings a motion objecting to the Proof of Claim. When an objection to a Claim is filed, the Creditor holding the Claim cannot vote unless the Court, after notice and hearing, either overrules the objection or allows the Claim for voting purposes pursuant to Rule 3018(a) of the Federal Rules of Bankruptcy of Bankruptcy Procedure (the “Bankruptcy Rules”).

THE BAR DATE FOR FILING A PROOF OF CLAIM IN THIS CASE IS SEPTEMBER 26, 2018.

A Creditor may have an Allowed Claim even if a Proof of Claim is not timely filed. A Claim is deemed Allowed if (a) it is scheduled on the Debtor’s schedules and such Claim is not scheduled as disputed, contingent, or unliquidated, and (b) no party in interest has objected to the Claim.

b. What Is an Impaired Claim/Interest?

As noted above, an Allowed Claim only has the right to vote if it is in a Class that is Impaired under the Plan. As provided in Section 1124 of the Bankruptcy Code, a Class is Impaired if the Plan alters the legal, equitable, or contractual rights of the members of that Class. For example, a Class comprised of general unsecured Claims is Impaired if the Plan fails to pay the members of that Class 100% of what they are owed or it delays payments without offering market interest.

In this case, Debtor believes that Classes 1, 2, 3, and 4 are Impaired and that Holders of Claims in each of those Classes are, therefore, entitled to vote to accept or reject the Plan. Parties who may dispute Debtor's characterization of their Claim as being Impaired or Unimpaired may File an objection to the Plan explaining the basis for such dispute.

3. Who Is Not Entitled to Vote?

The following six types of Claims are not entitled to vote:

- (i) Administrative expenses;
- (ii) Claims that have been disallowed by an Order of the Court;
- (iii) Claims that are not Allowed Claims (as discussed above) but have been deemed "allowed" solely for voting purposes;
- (iv) Claims in Unimpaired Classes;
- (v) Claims entitled to priority pursuant to Bankruptcy Code Sections 507(a)(2) or (a)(8); and
- (vi) Claims in Classes that do not receive or retain any value under the Plan.

Claims in Unimpaired Classes are not entitled to vote because such Classes are deemed to have accepted the Plan. Claims entitled to priority pursuant to Bankruptcy Code sections 507(a)(1), (a)(2), and (a)(7) are not entitled to vote because such Claims are not placed in Classes and they are required to receive certain treatment specified by the Code. Claims in Classes that do not receive or retain any value under the Plan do not vote because such Classes are deemed to have rejected the Plan. EVEN IF YOUR CLAIM IS OF THE TYPE DESCRIBED ABOVE, YOU MAY STILL HAVE A RIGHT TO OBJECT TO THE CONFIRMATION OF THE PLAN AND THE ADEQUACY OF THE DISCLOSURE STATEMENT.

4. Who Can Vote in More Than One Class?

A Creditor whose Claim has been Allowed in part as a secured Claim and in part as an unsecured Claim, or who otherwise holds Claims in multiple Classes, is entitled to vote to accept or reject the Plan in each capacity and should cast one ballot for each Claim.

5. Votes Necessary to Confirm the Plan

If Impaired Classes exist, the Court cannot confirm the Plan unless (a) at least one (1) Impaired Class of Creditors has accepted the Plan without counting the votes of any insiders within that Class, and (b) all Impaired Classes have voted to accept the Plan, unless the Plan is eligible to be confirmed by “cramdown” on non-accepting Classes. These procedures are complex and you are urged to seek the advice of counsel should you have questions concerning this process.

6. Votes Necessary for a Class to Accept the Plan

A Class of Claims is considered to have accepted the Plan if both of the following occur: (a) Holders of more than one-half (1/2) of the Allowed Claims in the Class, who vote, cast votes to accept the Plan, and (b) the Holders of at least two-thirds (2/3) in dollar amount of the Allowed Claims in the Class, who vote, cast votes in favor of accepting the Plan.

7. Treatment of Non-Accepting Classes.

Even if one (1) or more of the Impaired Classes do not accept the Plan, the Court may nonetheless confirm the Plan if the non-accepting Classes are treated in the manner required by Section 1129(b) of the Bankruptcy Code. The process by which non-accepting Classes are forced to be bound by the terms of a Plan is commonly referred to as “cramdown.” The Bankruptcy Code allows the Plan to be “crammed down” on non-accepting Classes of Claims or Interests if it meets all consensual confirmation requirements except the voting requirements of Section 1129(a)(8) of the Bankruptcy Code and if the Plan does not “discriminate unfairly” and is “fair and equitable” toward each Impaired Class that has not voted to accept the Plan as referred to in Section 1129(b) of the Bankruptcy Code and applicable case law. You should consult your own attorney regarding whether a “cramdown” confirmation will affect your Claim, as the variations on this general rule are numerous and complex.

B. Liquidation Analysis

Pursuant to Section 1129(a)(7) of the Bankruptcy Code, for the Plan to be confirmed, it must provide Holders of Allowed Claims with at least as much under the Plan as they would receive in a liquidation of the Debtor under Chapter 7 of the Bankruptcy Code (the “Best Interests Test”). The Best Interests Test with respect to each Impaired Class requires that each Holder of an Allowed Claim in such Class either: (i) accepts the Plan; or (ii) receives or retains under the Plan property of a value, as of the Effective Date, that is not less than the value such Holder would receive or retain if the Debtor were liquidated under Chapter 7. The Bankruptcy Court will determine whether the value to be received under the Plan by the Holders of Allowed Claims in each Class of Creditors equals or exceeds the value that would be allocated to such Holders in liquidation under Chapter 7. The Liquidation Analysis, which shall be forthcoming and attached as Exhibit E hereto summarizes the Debtor’s best estimate of recoveries by Creditors and Holders of Allowed Equity Interests in the event of liquidation of the Debtor as of May 31, 2018.

Generally, to determine what Holders of Allowed Claims and Allowed Equity Interests in each Impaired Class would receive if the Debtor was liquidated, the Bankruptcy Court must determine what funds would be generated from the liquidation of the Assets in a Chapter 7

liquidation case for the Debtor, which for unsecured Creditors would consist of the proceeds from the disposition of the Assets of the Debtor, augmented by the unencumbered Cash held by the Chapter 7 trustee until the completion of the liquidation. Such Cash amounts would be reduced by the costs and expenses of the liquidation and by such additional Administrative Claims and Other Priority Claims as may result from the termination of the Debtor's businesses in the Chapter 7 case and the use of Chapter 7 for the purpose of liquidation.

In a Chapter 7 liquidation, Holders of Allowed Claims would receive distributions based on the liquidation of the assets of the Debtor. However, the proceeds from the collection and sale such assets available for distribution to Creditors would be first reduced by the satisfaction of any liens and security interests in the assets, costs of sale, any commission payable to the Chapter 7 trustee, the trustee's attorney and accounting fees, as well as the administrative costs of the Chapter 7 estate. In a Chapter 7 case, the Chapter 7 trustee would be entitled to seek a sliding-scale commission based upon the funds distributed by such trustee to secured creditors.

After the satisfaction of any liens and security interests in liquidated proceeds, Administrative Claims that may arise in a Chapter 7 case or result from this Chapter 11 Case would be paid in full from the liquidation proceeds before the balance of those proceeds would be made available to pay unclassified Claims, Allowed Priority Claims, and Allowed General Unsecured Claims in a Chapter 7 case.

The distributions from the liquidation proceeds would be paid Pro Rata according to the amount of the aggregate Claims held by each Creditor in a Chapter 7 case in accordance with the distribution scheme of the Bankruptcy Code. The Debtor believes that the most likely outcome under Chapter 7 would be the application of the "absolute priority rule." Under that rule, no junior Creditor in a Chapter 7 case may receive any distribution until all senior Creditors are paid in full, with interest.

The Debtor has determined that Confirmation will provide each Holder of an Allowed Claim or Equity Interest with not less of a recovery than it would receive if the Debtor was liquidated under Chapter 7. In liquidation under Chapter 7, as set forth for the Debtor in the Liquidation Analysis, the recoveries for unclassified Claims, Allowed Priority Claims, and Allowed General Unsecured Claims, would vary, but would not exceed the projected recoveries under the Plan.

V. EFFECT OF CONFIRMATION OF PLAN

A. Discharge

This Plan provides that upon confirmation of the Plan, Debtor shall be discharged of liability for payment of debts incurred before confirmation of the Plan to the extent specified in Section 1141 of the Bankruptcy Code. Thus, upon confirmation, the Debtor and all property dealt with in the Plan shall be free and clear of all such Claims and liabilities, including without limitation, liens, security interests, and any and all other encumbrances except to the extent stated otherwise in the Plan. However, the discharge will not discharge any liability imposed by the Plan.

1 **B. Vesting of Property in the Debtor**

2 Except as provided elsewhere in the Plan, the confirmation of the Plan re-vests all of the
3 property of the Estate in the Reorganized Debtor.

4 **C. Modification of Plan**

5 The Debtor may modify the Plan at any time before confirmation of the Plan. The
6 Bankruptcy Court, however, may require a new Disclosure Statement and/or re-voting on the
7 Plan. The Debtor may also seek to modify the Plan at any time after confirmation only if (1) the
8 Plan has not been substantially consummated and (2) the Court authorizes the proposed
9 modifications after notice and a hearing.

10 Upon request of the Debtor, the Plan may be modified at any time after confirmation of
11 the Plan, but before the completion of payments under the Plan, to (1) increase or reduce the
12 amount of payments under the Plan on Claims of a particular Class, (2) extend or reduce the time
13 period for such payments, or (3) alter the amount of distribution to a Creditor whose Claim is
14 provided for by the Plan to the extent necessary to take on accounting of any payment of a Claim
15 made other than under the Plan.

16 Effective as of the date hereof and subject to the limitations and rights contained in the
17 Plan: (a) the Debtor reserves the right, in accordance with the Bankruptcy Code and the
18 Bankruptcy Rules, to amend or modify the Plan prior to the entry of the confirmation order; and
19 (b) after the entry of the confirmation order, the Debtor or the Reorganized Debtor, as applicable,
20 may, upon order of the Bankruptcy Court, amend or modify the Plan, in accordance with Section
21 1127(b) of the Bankruptcy Code or remedy any defect or omission or reconcile any inconsistency
22 in the Plan in such manner as may be necessary to carry out the purpose and intent of the Plan;
23 provided, however, that any modification to the Plan shall not affect the rights or treatment of
24 Holders of general unsecured Claims.

25 **D. Post-Confirmation Status Report**

26 Until the entry of the Final Decree, Debtor shall file with the clerk, not later than twenty
27 (20) days after the end of the calendar quarter which occurs after the entry of this order, and every
28 six (6) months thereafter, a report of the action taken by the reorganized Debtor and the progress
29 made toward consummation of the confirmed Plan. Said report shall include, at a minimum, the
30 following information:

- 31 (i) A schedule of any personal property costing more than \$5,000.00 and any
32 real property acquired, sold or disposed of since confirmation of the Plan
33 and the price paid for each;
- 34 (ii) A schedule listing each debt, the total amount required to be paid under the
35 Plan, the amount required to be paid to date, the amount actually paid to
36 date, and the amount unpaid;
- 37 (iii) A schedule of executory contracts entered into after confirmation of the
38 Plan;

- (iv) A statement listing each post-petition tax (i.e., income, payroll, property, sales), and payee and the amount actually paid; and
- (v) The progress toward completion of the confirmed plan and a list and status of any pending adversary proceedings or motion and resolution expected; and
- (vi) A statement regarding the status of payment of both pre-confirmation and post confirmation U.S. Trustee quarterly fees.

The Debtor shall file further progress reports not later than six (6) months after the initial progress report is due and every six (6) months thereafter, until the Estate is fully administered. A copy of the initial and subsequent progress reports shall be filed concurrently with the Office of the United States Trustee.

E. Post-Confirmation Conversion/Dismissal

A Creditor or party in interest may bring a motion to convert or dismiss this case under Section 1112 of the Bankruptcy Code, after the Plan is confirmed, if there is a default in performing the Plan pursuant to the Bankruptcy Code. If the Court orders the case converted to Chapter 7 after the Plan is confirmed, then all property that had been property of the Chapter 11 Estate, and that has not been disbursed pursuant to the Plan, will re-vest in the Chapter 7 Estate. The automatic stay will be re-imposed upon the re-vested property, but only to the extent that relief from stay was not previously authorized by the Court during this Chapter 11 Case.

The Confirmation Order may also be revoked under very limited circumstances. The Court may revoke the Confirmation Order if it was procured by fraud and if a party in interest brings an adversary proceeding to revoke Confirmation within 180 days after the entry of the Confirmation Order.

F. Final Decree

Once the Estate has been fully administered, as provided in Rule 3022 of the Bankruptcy Rules, the Plan Proponent, or such other party as the Court shall designate in the Plan Confirmation Order, shall file a motion with the Court to obtain a Final Decree to close the Chapter 11 Case. Alternatively, the Court may enter such a Final Decree on its own accord.

VI. OTHER PLAN PROVISIONS

A. Vesting of Assets in the Plan Proponent.

After Confirmation of the Plan, all property of the Estate shall vest in Debtor, or any Entity it may designate, free and clear of all liens, Claims, charges or other encumbrances except as otherwise stated in the Plan. Without limiting the foregoing, Debtor shall pay the charges that it incurs after Confirmation for professional fees, disbursements, expenses or related support services (including reasonable fees relating to the preparation of professional fee applications) without application to the Bankruptcy Court.

1 **B. Release of Liens, Claims, and Equity Interests**

2 Except as otherwise provided herein or in any contract, instrument, release or other
3 agreement or document entered into or delivered in connection with the Plan, upon Confirmation,
4 all liens, Claims, mortgages, deeds of trust, or other security interests against the property of the
5 Debtor's Estate shall be fully released and discharged.

6 **C. Compromise and Settlement**

7 Notwithstanding anything contained in this Disclosure Statement to the contrary, the
8 allowance, classification, and treatment of all Claims and their respective distributions and
9 treatments in the Plan takes into account the relative priority and rights of the Claims and the
10 Equity Interests in each Class in connection with any contractual, legal and equitable
11 subordination rights relating to those Claims, whether arising under general principles of
12 equitable subordination, Sections 510(b) and (c) of the Bankruptcy Code or otherwise. Pursuant
13 to either the Debtor's payment in full of the Claims against it, or the surrendering of the collateral
14 related to its secured debt contained in the Plan, as of the Effective Date of the Plan, any and all
15 contractual, legal and equitable subordination rights, whether arising under general principles of
16 equitable subordination, Sections 510(b) and (c) of the Bankruptcy Code or otherwise, relating to
17 the allowance, classification and treatment of all Allowed Claims and their respective
18 distributions and treatments in the Plan are settled, compromised, terminated and released.

19 **D. Third Party Release**

20 **EXCEPT AS OTHERWISE PROVIDED HEREIN OR IN THE PLAN, ON THE**
21 **CONFIRMATION DATE OF THE PLAN AND EFFECTIVE AS OF THE**
22 **CONFIRMATION DATE, THE DEBTOR AND ALL CURRENT OFFICERS AND**
23 **DIRECTORS OF THE DEBTOR AS OF THE EFFECTIVE DATE SHALL RECEIVE A**
24 **FULL RELEASE FROM THE DEBTOR AND ITS ESTATE FROM ANY AND ALL**
25 **CAUSES OF ACTION THAT MIGHT BE ASSERTED ON BEHALF OF THE DEBTOR**
26 **OR ITS ESTATE, WHETHER KNOWN OR UNKNOWN, FORESEEN OR**
27 **UNFORESEEN, LIQUIDATED OR UNLIQUIDATED, CONTINGENT OR NON-**
28 **CONTINGENT, EXISTING AS OF THE EFFECTIVE DATE OF THE PLAN,**
29 **WHETHER IN LAW, AT EQUITY, WHETHER FOR TORT, FRAUD, CONTRACT OR**
30 **OTHERWISE, ARISING FROM OR RELATED IN ANY WAY TO THE DEBTOR,**
31 **INCLUDING, WITHOUT LIMITATION, IN ANY WAY RELATED TO THE CHAPTER**
32 **11 CASE, THE DEBTOR'S RESTRUCTURING, THE NEGOTIATION,**
33 **FORMULATION OR PREPARATION OF THE PLAN, THE DISCLOSURE**
34 **STATEMENT, OR ANY OTHER ACT OR OMISSION RELATED THERETO**
35 **OCCURRING ON OR BEFORE THE CONFIRMATION DATE; PROVIDED,**
36 **HOWEVER, THAT THE FOREGOING RELEASE SHALL NOT OPERATE TO WAIVE**
37 **OR RELEASE ANY CAUSES OF ACTION (1) OF THE DEBTOR OR ITS ESTATE**
38 **FROM ANY CLAIMS ARISING FROM WILLFUL MISCONDUCT OR GROSS**
39 **NEGLIGENCE; (2) CLAIMS AGAINST ANY FORMER OFFICER OR DIRECTOR OF**
40 **THE DEBTOR; OR (3) CLAIMS THAT MAY BE ASSERTED BY THIRD PARTIES**
41 **AGAINST PERSONS OR ENTITIES OTHER THAN THE DEBTOR..**

42 **ENTRY OF THE CONFIRMATION ORDER SHALL CONSTITUTE THE**
43 **BANKRUPTCY COURT'S APPROVAL, PURSUANT TO BANKRUPTCY RULE 9019,**

1 OF THE RELEASES HEREIN, AND FURTHER, SHALL CONSTITUTE THE
 2 BANKRUPTCY COURT'S FINDING THAT THE RELEASES ARE (1) IN THE BEST
 3 INTERESTS OF THE DEBTOR AND ALL HOLDERS OF CLAIMS; (2) FAIR,
 4 EQUITABLE AND REASONABLE; AND (3) GIVEN AND MADE AFTER DUE NOTICE
 5 AND OPPORTUNITY FOR HEARING.

6 **E. Exculpation**

7 The Debtor and its Equity Interest Holders shall neither have, nor incur any liability to any
 8 Entity for any prepetition or post-petition act taken or omitted to be taken in connection with, or
 9 related to formulating, negotiating, preparing, disseminating, implementing, administering,
 10 confirming, or effecting the consummation of the Plan, the Disclosure Statement or any contract,
 11 instrument, release or other agreement or document created or entered into in connection with the
 12 Plan or any other prepetition or post-petition act taken or omitted to be taken in connection with
 13 or in contemplation of the restructuring of the Debtor; *provided, however*, that the foregoing
 14 "exculpation" shall have no effect on the liability of any Entity that results from any such act or
 15 omission that is determined in a final order to have constituted gross negligence or willful
 16 misconduct; *provided, further*, that each party exculpated pursuant to the Plan shall be entitled to
 17 rely upon the advice of counsel concerning his, her or its duties pursuant to, or in connection with,
 18 the Plan; *provided, still further*, that the foregoing exculpation shall not apply to any acts or
 19 omissions expressly set forth in and preserved by the Plan or its related documents.

20 **F. Articles of Incorporation and Bylaws**

21 The Articles of Organization and Bylaws (or other formation documents) of the Debtor
 22 may be amended as may be required to be consistent with the provisions of the Plan and the
 23 Bankruptcy Code or as otherwise required by, and in a form reasonably acceptable to, the Debtor.
 24 On or as soon as reasonably practicable after Confirmation of the Plan, the Reorganized Debtor
 25 shall file new Articles of Organization with the Nevada Secretary of State, as required by Section
 26 1123(a)(6) of the Bankruptcy Code.

27 **G. Revocation of Plan**

28 The Debtor reserves the right to revoke or withdraw the Plan prior to the Confirmation
 Hearing and to file subsequent or amended Chapter 11 plans. If the Debtor revokes or withdraws
 the Plan, or if confirmation does not occur, then: (1) the Plan shall be null and void in all respects;
 (2) any settlement or compromise embodied in the Plan, assumption or rejection of executory
 contracts or unexpired leases effected by the Plan and any document or agreement executed
 pursuant hereto shall be deemed null and void except as may be set forth in a separate order
 entered by the Court; and (3) nothing contained in the Plan shall: (a) constitute a waiver or release
 of any Claims by or against, the Debtor or any other Entity; (b) prejudice in any manner the rights
 of the Debtor or any other Entity; or (c) constitute an admission, acknowledgement, offer or
 undertaking of any sort by the Debtor or any other Entity.

H. Successors and Assigns

The rights, benefits and obligations of any Entity named or referred to herein shall be
 binding on, and shall inure to the benefit of, any heir, executor, administrator, successor or assign
 of such Entity.

1 **I. Reservation of Rights**

2 Except as expressly set forth in the Plan, the Plan shall have no force or effect until the
3 Court enters the Confirmation Order. Neither the filing of the Plan, any statement or provision
4 contained in the Disclosure Statement, nor the taking of any action by the Debtor, the Plan
5 Proponent or any other Entity with respect to the Plan shall be or shall be deemed to be an
6 admission or waiver of any rights of: (1) any Debtor with respect to the Holders of Claims or
7 other Entity; or (2) any Holder of a Claim or other Entity prior to the Effective Date of the Plan.

8 **J. Further Assurances**

9 The Debtor or the Reorganized Debtor, as applicable, all Holders of Claims receiving
10 distributions under the Plan, and all other entities shall, from time to time, prepare, execute and
11 deliver any agreements or documents and take any other actions as may be necessary or advisable
12 to effectuate the provisions and intent of the Plan or the Confirmation Order.

13 **K. Severability**

14 If, prior to Confirmation of the Plan, any term or provision of the Plan is held by the Court
15 to be invalid, void or unenforceable, the Court shall have the power to alter and interpret such
16 term or provision to make it valid or enforceable to the maximum extent practicable, consistent
17 with the original purpose of the term or provision held to be invalid, void or unenforceable, and
18 such term or provision then will be applicable as altered or interpreted, provided, however, that
19 any such alteration or interpretation must be in form and substance reasonably acceptable to the
20 Debtor and, to the extent such alteration or interpretation affects the rights or treatment of Holders
21 of general unsecured Claims, such Claim Holders.

22 **L. Return of Security Deposits**

23 Unless the Debtor agrees otherwise in a written agreement or stipulation approved by the
24 Court, all security deposits provided by the Debtor to any person or Entity at any time after the
25 Petition Date shall be returned to the Debtor within twenty (20) days after the Effective Date,
26 without deduction or offset of any kind.

27 **M. Filing of Additional Documents**

28 On or before the Effective Date, the Debtor or the Plan Proponent may file with the
Bankruptcy Court all agreements and other documents that may be necessary or appropriate to
effectuate and further evidence the terms and conditions hereof.

DATED this 7th day of June, 2018.

VIRTUAL COMMUNICATIONS CORPORATION

/s/ Michael Yoder

By: Michael Yoder

Its: President and Director

Prepared and Submitted by:

KOLESAR & LEATHAM

/s/ Bart K. Larsen, Esq.

Bart K. Larsen, Esq.

Nevada Bar No. 8538

400 S. Rampart Blvd., Ste. 400

Las Vegas, Nevada 89145

Attorneys for Debtor in Possession

Virtual Communications Corporation

KOLESAR & LEATHAM

400 S. Rampart Blvd., Ste. 400

Las Vegas, Nevada 89145

Tel: (702) 362-7800 / Fax: (702) 362-9472

VII. APPENDIX

EXHIBIT A – CHAPTER 11 PLAN OF REORGANIZATION
EXHIBIT B – SUMMARY OF HISTORICAL FINANCIAL STATEMENTS
EXHIBIT C – ORGANIZATION DOCUMENTS
EXHIBIT D – FINANCIAL PROJECTIONS
EXHIBIT E – LIQUIDATION ANALYSIS

KOLESAR & LEATHAM

400 S. Rampart Blvd., Ste. 400
Las Vegas, Nevada 89145
Tel: (702) 362-7800 / Fax: (702) 362-9472

EXHIBIT A

1 BART K. LARSEN, ESQ.
Nevada Bar No. 8538
2 ERIC D. WALTHER, ESQ.
Nevada Bar No. 13611
3 **KOLESAR & LEATHAM**
400 South Rampart Boulevard, Suite 400
Las Vegas, Nevada 89145
4 Telephone: (702) 362-7800
Facsimile: (702) 362-9472
5 E-Mail: blarsen@klnevada.com
ewalther@klnevada.com
6

7 *Attorneys for Debtor Virtual*
8 *Communications Corporation*
9

10 **UNITED STATES BANKRUPTCY COURT**

11 **DISTRICT OF NEVADA**

12 * * *

13 IN RE:

14 VIRTUAL COMMUNICATIONS
15 CORPORATION,

16 Debtor.
17

Case No. 18-12951-leb

Chapter 11

18 **CHAPTER 11 PLAN OF REORGANIZATION FOR**
19 **VIRTUAL COMMUNICATIONS CORPORATION**
20
21
22
23
24
25
26
27
28

TABLE OF CONTENTS

1	I. DEFINED TERMS AND RULES OF INTERPRETATION.....	1
2	A. Defined Terms.	1
3	B. Rules of Construction.	7
4	II. ADMINISTRATIVE AND PRIORITY TAX CLAIMS	8
5	A. Administrative Claims.	8
6	1. Bar Date for Administrative Claims.	8
7	2. Professional Compensation and Reimbursement Claims.	8
8	B. Priority Tax Claims.....	9
9	III. DESIGNATION OF CLASSES AND TREATMENT OF CLAIMS	9
10	A. Summary of Classifications and Claims.	9
11	B. Classification and Treatment of Claims and Equity Interests.....	10
12	1. Class 1 – Secured Claim Gewerter Law Office.	10
13	2. Class 2 – Secured Claim of Julie Minushkin.	10
14	3. Class 3 – Unsecured Promissory Notes.	11
15	4. Class 4 – General Unsecured Claims.....	11
16	5. Class 5 – Equity Interests in the Debtor.....	11
17	IV. ACCEPTANCE OR REJECTION OF THE PLAN	12
18	A. Deemed Acceptance of the Plan.	12
19	B. Voting Classes.	12
20	C. Acceptance by Impaired Classes of Claims.....	12
21	D. Cramdown.....	12
22	E. Elimination of Vacant Classes.....	12
23	V. TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES	12
24	A. Assumption of Executory Contracts and Unexpired Leases.....	12
25	1. Assumption of Agreements.....	12
26	2. Cure Payments.	13
27	3. Objections to Assumption/Cure Payment Amounts.	13
28	4. Resolution of Claims Relating to Contracts and Leases.....	13
	B. Rejections of Executory Contracts and Unexpired Leases.	14
	1. Rejected Agreements.	14
	2. Bar Date for Rejection Damage Claims.....	14
	3. Post-petition Contracts and Leases.	14
	VI. MEANS OF EXECUTION AND IMPLEMENTATION OF THE PLAN.....	14
	A. Means of Effectuating the Plan.....	14
	1. Funding for the Plan.....	14
	2. New Corporate Existence.	14
	3. Vesting of Assets.	15
	4. Issuance and Distribution of New Equity Interests.....	15
	5. Securities Registration Exemption.....	15

1	6. Certificate of Incorporation and Bylaws.....	15
2	7. Effectuating Documents; Further Transactions; Exemption from Certain Transfer Taxes.....	16
3	VII. DISTRIBUTIONS UNDER THE PLAN	16
4	A. Distributions for Claims Allowed as of the Effective Date.	16
5	B. Distributions on Account of Claims Allowed After the Effective Date.	16
6	1. Payments and Distributions on Disputed Claims.....	16
7	2. Special Rules for Distributions to Holders of Disputed Claims.	17
8	C. Delivery and Distributions and Undeliverable or Unclaimed Distributions.....	17
9	1. Record Date for Distributions.....	17
10	2. Delivery of Distributions in General.....	17
11	3. Distributions by Distribution Agents.....	17
12	4. Minimum Distributions.....	18
13	5. Undeliverable Distributions.....	18
14	D. Compliance with Tax Requirements/Allocations.	19
15	E. Timing and Calculation of Amounts to Be Distributed.....	19
16	F. Setoffs.....	20
17	VIII. PROCEDURES FOR RESOLVING CONTINGENT, UNLIQUIDATED AND DISPUTED CLAIMS	20
18	A. Resolution of Disputed Claims.	20
19	1. Allowance of Claims.....	20
20	2. Prosecution of Objections to Claims.....	20
21	3. Claims Estimation.....	21
22	4. Expungement or Adjustment to Claims without Objection.....	21
23	5. Deadline to File Objections to Claims.....	21
24	B. Disallowance of Claims.....	21
25	C. Amendments to Claims.....	22
26	IX. CONDITIONS PRECEDENT TO CONFIRMATION AND CONSUMMATION OF THE PLAN	22
27	A. Conditions Precedent to Confirmation.....	22
28	B. Conditions Precedent to Consummation.....	22
	C. Waiver of Conditions.....	23
	D. Effect of Non Occurrence of Conditions to Consummation.....	23
	X. SETTLEMENT RELEASE AND RELATED PROVISIONS.....	23
	A. Compromise and Settlement.....	23
	B. Preservation of Rights of Action.....	24
	1. Maintenance of Causes of Action.....	24
	2. Preservation of All Causes of Action Not Expressly Settled or Released.....	24
	3. Third Party Release.....	24
	XI. EFFECT OF PLAN CONFIRMATION BINDING NATURE OF THE PLAN	25

1	A. Discharge Injunction.....	25
2	XII. RETENTION OF JURISDICTION.....	26
3	XIII. MISCELLANEOUS PROVISIONS.....	27
4	A. Payment of Statutory Fees.....	27
5	B. Modification of Plan.....	27
6	C. Revocation of Plan.....	27
7	D. Successors and Assigns.....	28
8	E. Reservation of Rights.....	28
9	F. Section 1146 Exemption.....	28
10	G. Further Assurances.....	28
11	H. Severability.....	28
12	I. Service of Documents.....	29
13	J. Return of Security Deposits.....	29
14	K. Filing of Additional Documents.....	29
15	L. Default.....	29
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		

INTRODUCTION

Virtual Communications Corporation, as debtor and debtor in possession (“VCC” or “Debtor”), proposes this Chapter 11 Plan of Reorganization (the “Plan”) for the resolution of the outstanding Claims against, and Equity Interests in the Debtor. The Debtor is the proponent of this Plan within the meaning of section 1129 of the Bankruptcy Code. All Holders of Claims and Interests that are entitled to vote are encouraged to read the Plan in its entirety as well as the Disclosure Statement, which was provisionally approved by the Bankruptcy Court on _____, 2018 (the “Disclosure Statement”). The Disclosure Statement discusses the Debtor’s assets and liabilities, historical financial performance, and anticipated future financial projections. The Disclosure Statement also includes a summary and analysis of this Plan and additional information concerning the classification and treatment of the Claims and Interests provided herein.

ALL HOLDERS OF CLAIMS AND INTERESTS ARE ENCOURAGED TO READ THE PLAN AND THE DISCLOSURE STATEMENT IN THEIR ENTIRETY BEFORE VOTING TO ACCEPT OR REJECT THE PLAN.

I. DEFINED TERMS AND RULES OF INTERPRETATION

A. Defined Terms.

Administrative Claim: A Claim for costs and expenses of administration pursuant to Bankruptcy Code sections 503(b), 507(a)(2), 507(b), or 1114(e)(2), including, without limitation: (a) the actual and necessary costs and expenses of the Estate incurred after the Petition Date; (b) Allowed Professional Claims; and (c) all fees and charges assessed against the Estates pursuant to section 1930 of chapter 123 of title 28 of the United States Code.

Administrative Claim Bar Date: The deadline for filing requests for payment of Administrative Claims, which shall be thirty (30) days after the Effective Date, unless otherwise ordered by the Bankruptcy Court, except with respect to Professional Claims, which shall be subject to the provisions of Article III.B.

Affiliate: As defined at section 101(2) of the Bankruptcy Code.

Allowed: Except as otherwise provided herein: (a) a Claim or Interest that is (i) listed in the Schedules as of the Effective Date as not disputed, not contingent, and not unliquidated, or (ii) evidenced by a valid Proof of Claim filed by the applicable Bar Date and as to which the Debtor, or other parties in interest have not filed an objection to the allowance thereof within the applicable period of time fixed by the Plan, the Bankruptcy Code, the Bankruptcy Rules, or the Bankruptcy Court, or (b) a Claim that is Allowed pursuant to the Plan or any stipulation approved by, or Final Order of, the Bankruptcy Court.

Articles of Incorporation: The articles of incorporation of the Debtor, as amended, as of the Petition Date, which shall also be adopted by and apply to the Reorganized Debtor except as expressly amended pursuant to the Plan.

Assets: All of the Debtor’s right, title and interest of any nature in property, wherever located, as specified in section 541 of the Bankruptcy Code.

1 Avoidance Actions: Any and all avoidance, recovery, subordination, or other actions or
2 remedies that may be brought on behalf of the Debtor or its estate under the Bankruptcy Code or
3 applicable non-bankruptcy law, including actions or remedies under Bankruptcy Code sections
544, 547, 548, 550, 551, 552, or 553.

4 Ballot: The form of ballot provided to Holders of Claims or Interests pursuant to
Bankruptcy Rule 3017(d), by which each Holder may accept or reject the Plan.

5 Bankruptcy Code: Title 11 of the United States Code, 11 U.S.C. §§ 101, *et seq.*, as may
6 be amended from time to time.

7 Bankruptcy Court: The United States Bankruptcy Court for the District of Nevada having
8 jurisdiction over the Chapter 11 Case and to the extent of the withdrawal of any reference under
9 section 157 of title 28 of the United States Code and/or order of a district court pursuant to section
157(a) of title 28 of the United States Code, the United States District Court for the District of
Nevada.

10 Bankruptcy Rules: The Federal Rules of Bankruptcy Procedure as applicable to the
11 Chapter 11 Cases, and the general, local, and chambers rules of the Bankruptcy Court.

12 Business Day: Any day, other than a Saturday, Sunday, or a legal holiday, as defined in
13 Bankruptcy Rule 9006(a).

14 Bylaws: The bylaws of the Debtor, as amended, as of the Petition Date, which shall also
15 be adopted by and apply to the Reorganized Debtor except as expressly amended pursuant to the
Plan.

16 Cash: The legal tender of the United States of America or the equivalent thereof,
17 including bank deposits and checks.

18 Causes of Action: means all actions, causes of action (including Avoidance Actions),
19 Claims, liabilities, obligations, rights, suits, debts, damages, judgments, remedies, demands,
20 setoffs, defenses, recoupments, crossclaims, counterclaims, third-party claims, indemnity claims,
21 contribution claims or any other claims disputed or undisputed, suspected or unsuspected,
22 foreseen or unforeseen, direct or indirect, choate or inchoate, existing or hereafter arising, in law,
equity or otherwise, based in whole or in part upon any act or omission or other event occurring
prior to the Commencement Date or during the course of the Chapter 11 Case, including through
the Effective Date.

23 Chapter 11 Case: The Chapter 11 case pending for the Debtor under Chapter 11 of the
Bankruptcy Code before the Bankruptcy Court.

24 Claim: As defined in Bankruptcy Code section 101(5).

25 Claimant: A Holder of a Claim.

26 Claims Bar Date: As applicable, (a) September 26, 2018, (b) the Governmental Bar Date
27 or (c) such other period of limitation as may be specifically fixed by an order of the Bankruptcy
28 Court for Filing such Claims.

1 Claims Objection Bar Date: For each Claim, the later of (a) 180 days after the Effective
2 Date and (b) such other period of limitation as may be specifically fixed by an order of the
3 Bankruptcy Court for objecting to such Claims; *provided, however*, that in no event shall the
4 Claims Objection Bar Date be greater than 180 days after the Effective Date with respect to any
5 General Unsecured Claim in Class 4.

6 Claims Register: The official register of Claims maintained by the Bankruptcy Court.

7 Class: A category of Holders of Claims or Interests pursuant to Bankruptcy Code section
8 1122(a).

9 Common Stock: The common stock, par value \$0.001 per share, of the Reorganized
10 Debtor issued on the Effective Date.

11 Common Stock Distribution: A distribution of approximately 4,700,550 shares of
12 Common Stock of the Reorganized Debtor to be allocated among the Holders of Allowed Class 3
13 Claims on a Pro Rata basis according to the amount of principal indebtedness included within
14 each Allowed Class 3 Claim, which shall be subject to adjustment to provide that the number of
15 shares of Common Stock included within the Common Stock Distribution is equal to the total
16 amount of all principal indebtedness included within all Allowed Class 3 Claims.

17 Confirmation: The entry of the Confirmation Order on the docket of the Chapter 11 Case,
18 subject to all conditions specified having been satisfied or waived.

19 Confirmation Date: The date upon which the Bankruptcy Court enters the Confirmation
20 Order on the docket of the Chapter 11 Cases, within the meaning of Bankruptcy Rules 5003 and
21 9021.

22 Confirmation Hearing: The hearing before the Bankruptcy Court pursuant to Bankruptcy
23 Code section 1128 on the motion for entry of the Confirmation Order.

24 Confirmation Order: The order of the Bankruptcy Court confirming the Plan pursuant to
25 section 1129 of the Bankruptcy Code.

26 Consummation: The occurrence of the Effective Date.

27 Court: The Bankruptcy Court.

28 Creditor: As defined in Bankruptcy Code Section 101(10).

Disclosure Statement: The disclosure statement for the Plan, supplemented or modified
from time to time, including all exhibits and schedules thereto, and as approved by the
Bankruptcy Court pursuant to Bankruptcy Code section 1125.

Disputed Claim: Any Claim or Interest that is not yet Allowed.

Disallowed Claim: A Claim against the Debtor that: (a) is not listed on the Schedules, or
is listed therein as contingent, unliquidated, disputed, or in an amount equal to zero, and whose
Holder has failed to timely File a proof of claim; or (b) has been disallowed pursuant to order of
the Bankruptcy Court.

1 Distribution Agent: The Debtor or Reorganized Debtor shall serve as the Distribution
2 Agent under the Plan.

3 Distribution Record Date: The date for determining which Holders of Claims are eligible
4 to receive distributions under the Plan, which shall be set by order of the Bankruptcy Court.

5 Effective Date: The date that is the first Business Day after the Confirmation Date on
6 which: (a) no stay of the Confirmation Order is in effect; and (b) all conditions precedent to the
7 Effective Date have been satisfied or waived.

8 Entity: As defined in Bankruptcy Code section 101(15).

9 Event of Default: A material failure of the Debtor or Reorganized Debtor to fulfill the
10 obligations required under this Plan after the Effective Date.

11 Equity Interest: Any partnership, membership, or other equity interest in the Debtor or the
12 Reorganized Debtor.

13 Estate: The bankruptcy estate of the Debtor created pursuant to Bankruptcy Code
14 Sections 301 and 541 upon the commencement of the Chapter 11 Case.

15 Executory Contract: A contract or lease to which one or more of the Debtors is a party
16 that is subject to assumption or rejection under Bankruptcy Code sections 365 or 1123.

17 Fee Claim: A Claim by a Professional seeking an award by the Bankruptcy Court of
18 compensation for services rendered or reimbursement of expenses incurred through and including
19 the Confirmation Date under Bankruptcy Code sections 330, 331, 503(b)(2), 503(b)(3), 503(b)(4)
20 or 503(b)(5).

21 File: To file with the Bankruptcy Court or its authorized designee in this Chapter 11 Case

22 Final Decree: The decree contemplated under Bankruptcy Rule 3022.

23 Final Order: An order or judgment of the Bankruptcy Court or other court or competent
24 jurisdiction with respect to the subject matter, which has not been reversed, stayed, modified, or
25 amended, and as to which the time to appeal or seek certiorari has expired and no appeal or
26 petition for certiorari has been timely taken, or as to which any appeal that has been taken or any
27 petition for certiorari that has been or may be filed has been resolved by the highest court to
28 which the order or judgment was appealed or from which certiorari was sought; provided,
29 however, that the possibility that a motion under Rule 60 of the Federal Rules of Civil Procedure,
30 or any analogous rule under the Bankruptcy Rules or the Local Bankruptcy Rules, may be filed
31 relating to such order shall not prevent such order from being a Final Order.

32 Governmental Unit: As defined in section 101(27) of the Bankruptcy Code.

33 Holder: A Person holding a Claim or Interest.

34 Initial Distribution Date: The date that is as soon as practicable after the Effective Date
35 but no later than thirty (30) days after the Effective Date, when distributions under the Plan shall
36 commence.

1 Impaired: With respect to any Class of Claims or Interests, a Claim or Interest that is not
2 Unimpaired.

3 Insider: As defined in Bankruptcy Code section 101(31).

4 Interest: Any Equity Interest in a Debtor as defined in section 101(16) of the Bankruptcy
5 Code, including all issued, unissued, authorized, or outstanding shares of capital stock of the
6 Debtor together with any warrants, options, or contractual rights to purchase or acquire such
equity securities at any time and all rights arising with respect thereto, whether or not fully-vested
or vesting in the future, that existed immediately before the Effective Date.

7 Lien: As defined in Bankruptcy Code section 101(37).

8 New Equity Interests: The equity interests in the Reorganized Debtor to be authorized,
9 issued, or reserved on the Effective Date pursuant to the Plan, which shall constitute all of the
equity interests in the Reorganized Debtor.

10 Periodic Distribution Date: The Distribution Date, as to the first distribution made by the
11 Distribution Agent, and thereafter, such Business Days as determined by the Distribution Agent.

12 Person: As defined in Bankruptcy Code section 101(41).

13 Petition Date: May 22, 2018.

14 Plan: The Plan Proponent's Chapter 11 plan as it may be altered, amended, modified, or
15 supplemented from time to time, including the Plan Supplement and all exhibits, supplements,
appendices, and schedules.

16 Plan Proponent: Virtual Communications Corporation.

17 Preferred Series A Distribution: A distribution of approximately 260,000 shares of
18 Preferred Series A Stock of the Reorganized Debtor to be allocated among the Holders of
19 Allowed Class 3 Claims on a Pro Rata basis according to the amount of accrued interests included
20 within each Allowed Class 3 Claim as of the Petition Date, which shall be subject to adjustment
21 to provide that the number of shares of Preferred Series A Stock included within the Preferred
Series A Distribution is equal to the total amount of all accrued interests included within all
Allowed Class 3 Claims as of the Petition Date

22 Preferred Series A Stock: Preferred Series A Stock in the Reorganized Debtor issued on
23 the Effective Date.

24 Priority Claim: Collectively, Priority Tax Claims, and Other Priority Claims.

25 Priority Tax Claim: Any Claim of a Governmental Unit of the kind specified in
26 Bankruptcy Code section 507(a)(8).

27 Professional: A professional: (a) employed in the Chapter 11 Cases pursuant to a Final
28 Order in accordance with Bankruptcy Code sections 327 and 1103 and to be compensated for
services rendered prior to or on the Effective Date, pursuant to Bankruptcy Code sections 327,
328, 329, 330, and 331; or (b) for which compensation and reimbursement has been Allowed by

1 the Bankruptcy Court pursuant to Bankruptcy Code section 503(b)(4).

2 Professional Compensation: All accrued fees and expenses for services rendered by all
3 Professionals through and including the Confirmation Date to the extent any such fees and
4 expenses have not been paid and regardless of whether a fee application has been filed for such
5 fees and expenses. To the extent there is a Final Order denying some or all of a Professional's
6 fees or expenses, such denied amounts shall no longer be considered Professional Compensation.

7 Proof of Claim: A proof of Claim filed against the Debtor in the Chapter 11 Case.

8 Pro Rata: The proportion that an Allowed Claim in a particular Class bears to the
9 aggregate amount of Allowed Claims in that Class, or the proportion that a Holder's portion of an
10 Allowed Claim of a particular Class bears to the aggregate Allowed Claim of that Class.

11 Rejection Damage Claim: A Claim against the Debtor arising under Bankruptcy Code
12 section 365 from the rejection by the Debtor of an unexpired lease or executory contract
13 Reorganized Debtor: The Debtor on and after the Effective Date, after giving effect to the Plan.

14 Reorganized Debtor: The Debtor, or any successor thereto, by merger, consolidation or
15 otherwise, on or after the Effective Date.

16 Schedules: The schedules of assets and liabilities, schedules of executory contracts and
17 unexpired leases, and statements of financial affairs filed by the Debtor pursuant to section 521 of
18 the Bankruptcy Code and the Bankruptcy Rules.

19 Schedule of Assumed Agreements: The schedule of executory contracts and unexpired
20 leases that the Debtor will assume on the Effective Date, which is attached to the Plan as Exhibit
21 A-1.

22 Secured Claim: A Claim: (a) secured by a Lien on collateral to the extent of the value of
23 such collateral, as determined in accordance with Bankruptcy Code section 506(a) or (b) subject
24 to a valid right of setoff pursuant to Bankruptcy Code section 553.

25 Secured Tax Claim: Any Secured Claim that, absent its secured status, would be entitled
26 to priority in right of payment under Bankruptcy Code section 507(a)(8) (determined irrespective
27 of time limitations), including any related Secured Claim for penalties.

28 Securities Act: The Securities Act of 1933, as now in effect of hereafter amended, or any
regulations promulgated thereunder.

Series A Preferred Stock: Preferred Stock in the Reorganized Debtor that has been
specifically designated by the Debtor or Reorganized Debtor as

Unexpired Lease: A lease of nonresidential real property to which one or more of the
Debtors is a party that is subject to assumption or rejection under Bankruptcy Code sections 365
or 1123.

Unimpaired: With respect to a Class of Claims or Interests, a Class of Claims or Interests
that is unimpaired within the meaning of Bankruptcy Code section 1124.

1 Unsecured Claim: Any Claim against the Debtor that is neither Secured nor entitled to
2 priority under the Bankruptcy Code or an order of the Bankruptcy Court.

3 Unsecured Noteholders: The Holders of Claims based upon or arising from any Unsecured
4 Note or any transaction related thereto.

5 Unsecured Notes: Approximately 100 Unsecured promissory notes issued by the Debtor
6 during 2013 and 2014 in the aggregate principal amount of approximately \$4,700,550 and made
7 payable to Provident Trust Group, LLC as custodian for various individual lenders that elected to
8 make loans to the Debtor through their respective self-directed individual retirement accounts.

9 U.S. Trustee: The Office of the United States Trustee for the District of Nevada.

10 U.S. Trustee Fees: Fees or charges assessed against the Estate pursuant to 28 U.S.C. §
11 1930.

12 Voting Deadline: The date which shall be the final date by which a Holder of a Claim
13 may vote to accept or reject the Plan.

14 Voting Record Date: The date for determining which Holders of Claims are entitled to
15 vote to accept or reject the Plan.

16 **B. Rules of Construction.**

17 1. The rules of construction in Bankruptcy Code section 102 apply to this Plan to the
18 extent not inconsistent herewith.

19 2. Bankruptcy Rule 9006(a) applies when computing any time period under the Plan.

20 3. A term that is used in this Plan and that is not defined in this Plan has the meaning
21 attributed to that term, if any, in the Bankruptcy Code or the Bankruptcy Rules.

22 4. The definition given to any term or provision in the Plan supersedes and controls
23 any different meaning that may be given to that term or provision in the Disclosure Statement.

24 5. Whenever it is appropriate from the context, each term, whether stated in the
25 singular or the plural, includes both the singular and the plural.

26 6. Any reference to a document or instrument being in a particular form or on
27 particular terms means that the document or instrument will be substantially in that form or on
28 those terms. No material change to the form or terms may be made after the Confirmation Date
without the consent of any party materially negatively affected.

 7. Any reference to an existing document means the document as it has been, or may
be, amended or supplemented.

 8. Unless otherwise indicated, the phrase “under the Plan” and similar words or
phrases refer to this Plan in its entirety rather than to only a portion of the Plan.

 9. Unless otherwise specified, all references to Sections or Exhibits are references to

1 this Plan's Sections or Exhibits.

2 10. The words "herein," "hereto," "hereunder," and other words of similar import refer
3 to this Plan in its entirety rather than to only a particular portion hereof.

4 **II. ADMINISTRATIVE AND PRIORITY TAX CLAIMS**

5 **A. Administrative Claims.**

6 Each Holder of an Allowed Administrative Claim shall be paid the full unpaid amount of
7 such Claim in Cash (a) on or as soon as reasonably practicable after the Effective Date, (b) if
8 such Claim is Allowed after the Effective Date, on or as soon as reasonably practicable after the
9 date such Claim is Allowed, or (c) upon such other terms as may be agreed upon by the Debtor
10 or the Reorganized Debtor, as applicable, and such Holder or otherwise upon an order of the
11 Bankruptcy Court; *provided, however*, that Allowed Administrative Expense Claims
12 representing liabilities incurred by the Debtor in the ordinary course of business during the
13 Chapter 11 Case, other than those liabilities constituting or relating to commercial tort claims or
patent, trademark or copyright infringement claims, shall be paid in the ordinary course of
business in accordance with the terms and subject to the conditions of any agreements governing,
instruments evidencing, or other documents related to such transactions, and Holders of claims
related to such ordinary course liabilities are not required to File or serve any request for
payment of such Administrative Claims.

14 **1. Bar Date for Administrative Claims.**

15 Except as otherwise provided in this Article II.A hereof, unless previously Filed, requests
16 for payment of Administrative Claims must be Filed and served on the Reorganized Debtor
17 pursuant to the procedures specified in the Confirmation Order and the notice of entry of the
18 Confirmation Order no later than 45 days after the Effective Date. Holders of Administrative
19 Claims that are required to File and serve a request for payment of such Administrative Claims,
20 including, without limitation, Holders of Claims for liabilities constituting or relating to
21 commercial tort claims or patent, trademark or copyright infringement claims who assert that
22 such claims constitute Administrative Claims, that do not File and serve such a request by the
23 applicable Claims Bar Date shall be forever barred, estopped and enjoined from asserting such
24 Administrative Claims against the Debtor or the Reorganized Debtor or their Estates and
property and such Administrative Claims shall be deemed discharged as of the Effective Date.
Objections to such requests must be Filed and served on the Reorganized Debtor and the
requesting party by the later of (a) 120 days after the Effective Date and (b) 60 days after the
Filing of the applicable request for payment of Administrative Claims, if applicable, as the same
may be modified or extended from time to time by the Bankruptcy Court and/or on motion of a
party in interest approved by the Bankruptcy Court.

25 **2. Professional Compensation and Reimbursement Claims.**

26 Retained Professionals or other Entities asserting a Fee Claim for services rendered
27 before the Confirmation Date must File and serve on the Reorganized Debtor and such other
28 Entities who are designated by the Bankruptcy Rules, the Confirmation Order or other order of
the Bankruptcy Court an application for final allowance of such Fee Claim no later than 60 days
after the Effective Date; *provided* that the Reorganized Debtor shall pay Retained Professionals

or other Entities in the ordinary course of business for any work performed after the Confirmation Date. Objections to any Fee Claim must be Filed and served on the Reorganized Debtor and the requesting party by 14 days after the Filing of the applicable request for payment of the Fee Claim. To the extent necessary, the Confirmation Order shall amend and supersede any previously entered order of the Bankruptcy Court regarding the payment of Fee Claims. Each Holder of an Allowed Fee Claim shall be paid by the Reorganized Debtor in Cash within five (5) Business Days of entry of the order approving such Allowed Fee Claim.

B. Priority Tax Claims.

Each Holder of an Allowed Priority Tax Claim due and payable on or prior to the Effective Date shall receive, as soon as reasonably practicable after the Effective Date, on account of such Claim: (1) Cash in an amount equal to the amount of such Allowed Priority Tax Claim; (2) Cash in an amount agreed to by the Debtor or Reorganized Debtor, as applicable, and such Holder; *provided, however*, that such parties may further agree for the payment of such Allowed Priority Tax Claim at a later date; or (3) at the option of the Debtor, Cash in an aggregate amount of such Allowed Priority Tax Claim payable in installment payments over a period not more than five years after the Commencement Date, plus simple interest at the rate required by applicable law on any outstanding balance from the Effective Date, or such lesser rate as is agreed to by a particular taxing authority, pursuant to section 1129(a)(9)(C) of the Bankruptcy Code. To the extent any Allowed Priority Tax Claim is not due and owing on the Effective Date, such claim shall be paid in full in cash in accordance with the terms of any agreement between the Debtor and such Holder, or as may be due and payable under applicable non-bankruptcy law or in the ordinary course of business. The Debtor does not have any Priority Tax Claims.

III. DESIGNATION OF CLASSES AND TREATMENT OF CLAIMS

A. Summary of Classifications and Claims.

This Section classifies Claims against the Debtor – except for Administrative Claims and Priority Tax Claims, which are not classified – for all purposes, including voting, confirmation, and distribution under the Plan. A Claim against the Debtor is classified in a particular Class only to the extent that the Claim falls within the Class description. To the extent that part of the Claim against the Debtor falls within a different Class description, the Claim is classified in that different Class. The following table summarizes the Classes of Claims under the Plan:

CLASS	DESCRIPTION	IMPAIRED/ UNIMPAIRED	VOTING STATUS
None	Administrative Claims and Priority Tax Claims	Unimpaired	Not Entitled to Vote
Class 1	Secured Claim of Gewerter Law Office	Impaired	Entitled to Vote
Class 2	Secured Claim of Julie Minushkin	Impaired	Entitled to Vote
Class 3	Unsecured Promissory Notes	Impaired	Entitled to Vote
Class 4	General Unsecured Claims	Impaired	Entitled to Vote

CLASS	DESCRIPTION	IMPAIRED/ UNIMPAIRED	VOTING STATUS
Class 5	Equity Interests	Impaired	Entitled to Vote

NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE PLAN, NO DISTRIBUTIONS WILL BE MADE AND NO RIGHTS WILL BE RETAINED ON ACCOUNT OF ANY CLAIM AGAINST THE DEBTOR OR THE ESTATE THAT IS NOT AN ALLOWED CLAIM.

The treatment in this Plan is in full and complete satisfaction of the legal, contractual, and equitable rights (including any liens) that each entity holding a Claim may have against the Debtor or the Estate. This treatment supersedes and replaces any agreements or rights that any Holder of a Claim may have with or against the Debtor, the Estate, or their respective property. All distributions in respect of Allowed Claims will be allocated first to the principal amount of such Allowed Claim, as determined for federal income tax purposes, and thereafter, to the remaining portion of such Allowed Claim, if any.

B. Classification and Treatment of Claims and Equity Interests.

1. Class 1 – Secured Claim Gewerter Law Office.

Classification: Class 1 consists of the Allowed Secured Claim of Gewerter Law Office, which is estimated to be approximately \$1,000.00 and is secured by a prepetition retainer paid to Gewerter Law Office for legal services.

Treatment: Except to the extent that a Holder of an Allowed Class 1 Claim agrees to a less favorable treatment, in exchange for and in full and final satisfaction, compromise, settlement, release, and discharge of each Allowed Class 1 Claim, each Holder of an Allowed Class 1 Claim shall receive payment in full in Cash no later than the thirtieth (30th) day after the Effective Date. Any Unsecured Claim asserted by any Holder of an Allowed Class 1 Claim shall be treated as a Class 4 (General Unsecured) Claim.

Voting: Class 1 is an Impaired Class. Holders of Class 1 Claims are entitled to vote to accept or reject the Plan.

2. Class 2 – Secured Claim of Julie Minushkin.

Classification: Class 2 consists of the Allowed Secured Claim of Julie Minushkin, which is estimated to be approximately \$15,000.00 and is secured by certain shares of common stock of the Debtor.

Treatment: Except to the extent that a Holder of an Allowed Class 2 Claim agrees to a less favorable treatment, in exchange for and in full and final satisfaction, compromise, settlement, release, and discharge of each Allowed Class 2 Claim, each Holder of an Allowed Class 2 Claim shall receive a Cash payment in the amount of \$10,000 no later than the ninetieth (90th) day after the Effective Date. As of the Effective Date, all common stock held as collateral for any Allowed Class 2 Claim shall be cancelled and shall become null and void. Any Unsecured Claim asserted by any Holder of an Allowed Class 2 Claim shall be treated as a Class

1 4 (General Unsecured) Claim.

2 Voting: Class 2 is an Unimpaired Class. Holders of Class 2 Claims are entitled to vote to
3 accept or reject the Plan.

4 **3. Class 3 – Unsecured Promissory Notes.**

5 Classification: Class 3 consists of all Claims held by the Unsecured Noteholders.

6 Treatment: Except to the extent that a Holder of an Allowed Class 3 Claim agrees to a
7 less favorable treatment, in exchange for and in full and final satisfaction, compromise,
8 settlement, release, and discharge of each Allowed Class 3 Claim, each Holder of an Allowed
9 Class 3 Claim shall receive on the Effective Date, or as soon thereafter as reasonably practicable,
10 (i) its Pro Rata share of the Common Stock Distribution and (ii) its Pro Rata Share of the Series A
11 Preferred Stock Distribution.

12 Voting: Class 3 is an Impaired Class. Holders of Class 3 Claims are entitled to vote to
13 accept or reject the Plan.

14 **4. Class 4 – General Unsecured Claims.**

15 Classification: Class 4 consists of all General Unsecured Claims against the Debtor that
16 are not based on or related to any Unsecured Note. The total amount of such claims is presently
17 unknown. The Debtor estimates that the total amount of all Allowed Class 4 Claims will not
18 exceed \$10,000.

19 Treatment: Except to the extent that a Holder of an Allowed Class 4 Claim agrees to a
20 less favorable treatment, in exchange for and in full and final satisfaction, compromise,
21 settlement, release, and discharge of each Allowed Class 4 Claim, each Holder of an Allowed
22 Class 4 Claim, if any, shall receive on or before the ninetieth (90th) day after the Effective Date,
23 the lesser of (i) a Cash payment equal to 50% of its Allowed General Unsecured Claims, if any, or
24 (b) its Pro Rata share of a lump sum payment in the amount of \$5,000.

25 Voting: Class 4 is an Impaired Class. Holders of Class 4 Claims are entitled to vote to
26 accept or reject the Plan.

27 **5. Class 5 – Equity Interests in the Debtor.**

28 Classification: Class 5 consists of the Holders of all Equity Interests in the Debtor.

Treatment: Except to the extent that a Holder of an Allowed Class 5 Interest agrees to a
less favorable treatment, each Holder of an Allowed Class 5 Interest shall receive on the Effective
Date, or as soon thereafter as reasonably practicable, New Equity Interests consisting of shares of
Common Stock in the Reorganized Debtor in an amount equal to the number of shares of
Common Stock that each Holder of an Allowed Class 5 Interest holds in the Debtor as of the
Effective Date.

Voting: Class 5 is an Impaired Class. Holders of Class 5 Interests are entitled to vote to
accept or reject the Plan.

IV. ACCEPTANCE OR REJECTION OF THE PLAN

A. Deemed Acceptance of the Plan.

All Classes are Impaired under the Plan. Accordingly, no Class is deemed to accept the Plan pursuant to section 1126(f) of the Bankruptcy Code.

B. Voting Classes.

Each Holder of an Allowed Claim or Interest as of the Record Date in each of the Voting Classes (Classes 1, 2, 3, 4, and 5) shall be entitled to vote to accept or reject the Plan.

C. Acceptance by Impaired Classes of Claims.

Pursuant to section 1126(c) of the Bankruptcy Code and except as otherwise provided in section 1126(e) of the Bankruptcy Code, an Impaired Class of Claims has accepted the Plan if the Holders of at least two-thirds in dollar amount and more than one-half in number of the Allowed Claims in such Class actually voting have voted to accept the Plan.

D. Cramdown.

The Debtor requests Confirmation of the Plan under section 1129(b) of the Bankruptcy Code with respect to any Impaired Class that does not accept the Plan pursuant to section 1126 of the Bankruptcy Code. The Debtor reserves the right to modify the Plan to the extent, if any, that Confirmation pursuant to section 1129(b) of the Bankruptcy Code requires modification.

E. Elimination of Vacant Classes.

Any Class of Claims that is not occupied as of the date of commencement of the Confirmation Hearing by the Holder of an Allowed Claim or a Claim temporarily Allowed under Bankruptcy Rule 3018 (*i.e.*, no Ballots are cast in a Class entitled to vote on the Plan) shall be deemed eliminated from the Plan for purposes of voting to accept or reject the Plan and for purposes of determining acceptances or rejection of the Plan by such Class pursuant to section 1129(a)(8) of the Bankruptcy Code.

V. TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

A. Assumption of Executory Contracts and Unexpired Leases.

1. Assumption of Agreements.

On the Effective Date, the Reorganized Debtor shall assume all executory contracts and unexpired leases of the Debtor listed on the Schedule of Assumed Agreements.

The Debtor reserves the right to amend the Schedule of Assumed Agreements at any time prior to the Effective Date to: (a) delete any executory contract or unexpired lease and provide for its rejection under the Plan or otherwise, or (b) add any executory contract or unexpired lease and provide for its assumption under the Plan. The Debtor will provide notice of any amendment to the Schedule of Assumed Agreements to the party or parties to the agreement affected by the amendment.

1 The Confirmation Order will constitute a Court order approving the assumption, on the
2 Effective Date, of all executory contracts and unexpired leases identified on the Schedule of
3 Assumed Agreements.

4 **2. Cure Payments.**

5 Any amount that must be paid under Bankruptcy Code section 365(b)(1) to cure a default
6 under and compensate the non-debtor party to an executory contract or unexpired lease to be
7 assumed under the Plan, is identified as the Cure Payment on the Schedule of Assumed
8 Agreements. Unless the parties mutually agree to a different date, such payment shall be made in
9 cash, ten (10) days following the later of: (i) the Effective Date and (ii) entry of a Final Order
resolving any dispute regarding (a) the amount of any Cure Payment, (b) the ability of the
Reorganized Debtor to provide "adequate assurance of future performance" within the meaning of
Bankruptcy Code section 365 with respect to a contract or lease to be assumed, to the extent
required, and/or (c) any other matter pertaining to assumption.

10 Pending the Court's ruling on any such dispute, the executory contract or unexpired lease
11 at issue shall be deemed assumed by the Reorganized Debtor unless otherwise agreed by the
12 parties or ordered by the Court.

13 **3. Objections to Assumption/Cure Payment Amounts.**

14 Any entity that is a party to an executory contract or unexpired lease that will be assumed
15 under the Plan and that objects to such assumption (including the proposed Cure Payment) must
16 file with the Court and serve upon parties entitled to notice a written statement and supporting
17 declaration stating the basis for its objection. This statement and declaration must be Filed and
served by the deadline fixed by the Court for such objection. Any entity that fails to timely File
and serve such a statement and declaration will be deemed to waive any and all objections to the
proposed assumption (including the proposed Cure Payment) of its contract or lease.

18 In the absence of a timely objection by an entity that is a party to an executory contract or
19 unexpired lease, the Confirmation Order shall constitute a conclusive determination as to the
20 amount of any cure and compensation due under the executory contract or unexpired lease, and
that the Reorganized Debtor has demonstrated adequate assurance of future performance with
respect to such executory contract or unexpired lease, to the extent required.

21 **4. Resolution of Claims Relating to Contracts and Leases.**

22 Payment of the Cure Payment established under the Plan, by the Confirmation Order or by
23 any other order of the Court, with respect to an assumed executory contract or unexpired lease,
24 shall be deemed to satisfy, in full, any prepetition or post-petition arrearage or other Claim against
25 the Debtor (including any asserted in a Filed proof of claim or listed in the Schedules) with
26 respect to such contract or lease (irrespective of whether the Cure Payment is less than the amount
27 set forth in such proof of Claim or the Schedules). Upon the tendering of the Cure Payment, any
28 such Filed or scheduled Claim shall be disallowed, without further order of the Court or action by
any party.

B. Rejections of Executory Contracts and Unexpired Leases.

1. Rejected Agreements.

On the Effective Date, all executory contracts and unexpired leases that (i) have not been previously assumed or rejected and (ii) that are not set forth on the Schedule of Assumed Agreements shall be rejected. For the avoidance of doubt, executory contracts and unexpired leases that have been previously assumed or assumed and assigned pursuant to an order of the Court shall not be affected by the Plan. The Confirmation Order will constitute a Court order approving the rejection, on the Effective Date, of the executory contracts and unexpired leases to be rejected under the Plan.

2. Bar Date for Rejection Damage Claims.

Any Rejection Damage Claim or other Claim against the Debtor for damages arising from the rejection under the Plan of an executory contract or unexpired lease must be Filed and served upon counsel to the Reorganized Debtor within 30 days after the mailing of notice of the occurrence of the Effective Date. Any such Claims that are not timely Filed and served will be forever barred and unenforceable against the Debtor, the Reorganized Debtor, the Estate, and their respective property, and entities holding such Claims will be barred from receiving any distributions under the Plan on account of such untimely Claims.

3. Post-petition Contracts and Leases.

Except as expressly provided in the Plan or the Confirmation Order, all contracts, leases, and other agreements that the Debtor entered into after the Petition Date will be retained by the Reorganized Debtor and will remain in full force and effect following the Effective Date.

VI. MEANS OF EXECUTION AND IMPLEMENTATION OF THE PLAN

A. Means of Effectuating the Plan.

1. Funding for the Plan.

The funds necessary to satisfy the Reorganized Debtor's obligations and to ensure the Reorganized Debtor's continuing performance under the Plan after the Effective Date will be obtained from: (i) cash on hand; (ii) equity contributions; (iii) distributions of income from the business operations of the Debtor's wholly-owned subsidiary WinTech, LLC; (iv) any reserves established by the Debtor; and (v) any other contributions or financing (if any) that the Debtor may obtain on or after the Effective Date.

2. New Corporate Existence.

The Debtor shall continue to exist after the Effective Date as a separate corporate entity with all the powers of a corporation under the laws of the State of Nevada and pursuant to the Articles of Incorporation and Bylaws (or other formation documents) in effect prior to the Effective Date, except to the extent such Articles of Incorporation or Bylaws (or other formation documents) are amended by or in connection with the Plan or otherwise and, to the extent such documents are amended, such documents are deemed to be authorized pursuant hereto and without the need for any other approvals, authorizations, actions or consents.

1 **3. Vesting of Assets.**

2 Except as otherwise provided herein or in any agreement, instrument or other document
3 relating thereto, on or after the Effective Date, all property of the Estate (including, without
4 limitation, Causes of Action) and any property acquired by the Debtor pursuant hereto shall vest
5 in the Reorganized Debtor, free and clear of all liens, Claims, charges or other encumbrances.
6 Except as may be provided herein, on and after the Effective Date, the Reorganized Debtor may
7 operate its business and may use, acquire or dispose of property and compromise or settle any
8 Claims without supervision or approval by the Bankruptcy Court and free of any restrictions of
9 the Bankruptcy Code or Bankruptcy Rules, other than those restrictions expressly imposed by the
10 Plan and the Confirmation Order. Without limiting the foregoing, the Reorganized Debtor shall
11 pay the charges that it incurs after the Effective Date for Retained Professionals' fees,
12 disbursements, expenses or related support services (including reasonable fees relating to the
13 preparation of Retained Professional fee applications) without application to the Bankruptcy
14 Court.

15 **4. Issuance and Distribution of New Equity Interests.**

16 On or immediately after the Effective Date, the Reorganized Debtor shall issue or reserve
17 for issuance all securities required to be issued pursuant hereto. The New Equity Interests issued
18 under the Plan are issued under Section 1145 of the Bankruptcy Code shall be subject to all
19 applicable state and federal laws. The Debtor makes no representation as to any restriction or
20 requirement that may or may not apply to the sale or exchange of New Equity Interests pursuant
21 to such laws. All of the New Equity Interests issued pursuant to the Plan shall be duly
22 authorized, validly issued and, if applicable, fully paid and non-assessable. Each distribution and
23 issuance referred to in Article VII hereof shall be governed by the terms and conditions set forth
24 herein applicable to such distribution or issuance and by the terms and conditions of the
25 instruments evidencing or relating to such distribution or issuance, which terms and conditions
26 shall bind each Entity receiving such distribution or issuance.

27 **5. Securities Registration Exemption.**

28 The New Equity Interests to be issued to the Debtor's Equity Interest Holders will be
issued without registration under the Securities Act or any similar federal, state or local law in
reliance upon the exemptions set forth in section 1145 of the Bankruptcy Code.

1 **6. Certificate of Incorporation and Bylaws.**

2 The Articles of Incorporation and Bylaws of the Debtor may be amended as may be
3 required to be consistent with the provisions of the Plan and the Bankruptcy Code or as
4 otherwise required by, and in a form reasonably acceptable to the Reorganized Debtor. On or as
5 soon as reasonably practicable after the Effective Date, the Reorganized Debtor shall file a new
6 Articles of Incorporation with the Nevada Secretary of State, which, as required by section
7 1123(a)(6) of the Bankruptcy Code, shall prohibit the issuance of non-voting securities. After
8 the Effective Date, the Reorganized Debtor may file a new, or amend and restate its existing,
9 Articles of Incorporation, Bylaws and other constituent documents as permitted by the relevant
10 state corporate law.

1 **7. Effectuating Documents; Further Transactions; Exemption from**
2 **Certain Transfer Taxes.**

3 The Debtor or the Reorganized Debtor, as applicable, may take all actions to execute,
4 deliver, File or record such contracts, instruments, releases and other agreements or documents
5 and take such actions as may be necessary or appropriate to effectuate and implement the
6 provisions of the Plan, including, without limitation, the distribution of the securities to be issued
7 pursuant hereto in the name of and on behalf of the Reorganized Debtor, without the need for
8 any approvals, authorizations, actions or consents except for those expressly required pursuant
9 hereto. The secretary and any assistant secretary of the Debtor shall be authorized to certify or
10 attest to any of the foregoing actions.

11 Prior to, on or after the Effective Date (as appropriate), all matters provided for pursuant
12 to the Plan that would otherwise require approval of the shareholders, directors or members of
13 the Debtor shall be deemed to have been so approved and shall be in effect prior to, on or after
14 the Effective Date (as appropriate) pursuant to applicable law and without any requirement of
15 further action by the shareholders, directors, managers or partners of the Debtor, or the need for
16 any approvals, authorizations, actions or consents.

17 Pursuant to section 1146(a) of the Bankruptcy Code, any transfers of property pursuant
18 hereto shall not be subject to any stamp tax or other similar tax or governmental assessment in
19 the United States, and the Confirmation Order shall direct the appropriate state or local
20 governmental officials or agents to forgo the collection of any such tax or governmental
21 assessment and to accept for filing and recordation instruments or other documents pursuant to
22 such transfers of property without the payment of any such tax or governmental assessment.
23 Such exemption specifically applies, without limitation, to all documents necessary to evidence
24 and implement the provisions of and the distributions to be made under the Plan, including the
25 issuance of New Equity Interests.

26 **VII. DISTRIBUTIONS UNDER THE PLAN**

27 **A. Distributions for Claims Allowed as of the Effective Date.**

28 Except as otherwise provided in the Plan, a Final Order or as agreed to by the relevant
parties, the Reorganized Debtor shall make initial distributions under the Plan on account of
Claims Allowed before the Effective Date on or as soon as practicable after the Initial
Distribution Date; *provided, however*, that payments on account of General Unsecured Claims
that become Allowed Claims on or before the Effective Date may commence on the Effective
Date.

B. Distributions on Account of Claims Allowed After the Effective Date.

1. Payments and Distributions on Disputed Claims.

 Except as otherwise provided in the Plan, a Final Order or as agreed to by the relevant
parties, distributions under the Plan on account of a Disputed Claim that becomes an Allowed
Claim after the Effective Date shall be made on the first Periodic Distribution Date after the
Disputed Claim becomes an Allowed Claim.

1 **2. Special Rules for Distributions to Holders of Disputed Claims.**

2 Notwithstanding any provision otherwise in the Plan and except as otherwise agreed to
3 by the relevant parties no partial payments and no partial distributions shall be made with respect
4 to a Disputed Claim until all such disputes in connection with such Disputed Claim have been
5 resolved by settlement or Final Order. In the event that there are Disputed Claims requiring
adjudication and resolution, the Reorganized Debtor shall establish appropriate reserves for
potential payment of such Claims.

6 **C. Delivery and Distributions and Undeliverable or Unclaimed Distributions.**

7 **1. Record Date for Distributions.**

8 On the Distribution Record Date, the Claims Register shall be closed and any party
9 responsible for making distributions shall instead be authorized and entitled to recognize only
those Holders of Claims listed on the Claims Register as of the close of business on the
10 Distribution Record Date. If a Claim is transferred twenty (20) or fewer days before the
Distribution Record Date, the Distribution Agent shall make distributions to the transferee only
11 to the extent practical and, in any event, only if the relevant transfer form contains an
unconditional and explicit certification and waiver of any objection to the transfer by the
12 transferor.

13 **2. Delivery of Distributions in General.**

14 Except as otherwise provided herein, the Debtor or the Reorganized Debtor, as
15 applicable, shall make distributions to Holders of Allowed Claims at the address for each such
Holder as indicated on the Debtor's records as of the date of any such distribution; *provided*,
16 *however*, that the manner of such distributions shall be determined at the discretion of the Debtor
or the Reorganized Debtor, as applicable; and *provided further*, that the address for each Holder
17 of an Allowed Claim shall be deemed to be the address set forth in any Proof of Claim Filed by
that Holder.
18

19 **3. Distributions by Distribution Agents.**

20 The Debtor and the Reorganized Debtor, as applicable, shall have the authority, in their
sole discretion, to enter into agreements with one or more Distribution Agents to facilitate the
21 distributions required hereunder. As a condition to serving as a Distribution Agent, a Distribution
Agent must (a) affirm its obligation to facilitate the prompt distribution of any documents, (b)
22 affirm its obligation to facilitate the prompt distribution of any recoveries or distributions
required hereunder and (c) waive any right or ability to setoff, deduct from or assert any lien or
23 encumbrance against the distributions required hereunder that are to be distributed by such
Distribution Agent.
24

25 The Distribution Agents, and their respective agents, employees, officers, directors,
professionals, attorneys, accountants, advisors, representatives and principals (collectively, the
26 "Indemnified Parties") shall be indemnified and held harmless by the Debtor and the
Reorganized Debtor, to the fullest extent permitted by law for any losses, claims, damages,
27 liabilities and expenses, including, without limitation, reasonable attorneys' fees, disbursements
and related expenses which the Indemnified Parties may incur or to which the Indemnified
28

Parties may become subject in connection with any action, suit, proceeding or investigation brought or threatened against one or more of the Indemnified Parties on account of the acts or omissions of the Distribution Agents solely in their capacity as such; provided, however, that the Debtor and the Reorganized Debtor shall not be liable to indemnify any Indemnified Party for any act or omission constituting gross negligence, fraud or reckless, intentional or willful misconduct. The foregoing indemnity in respect of any Indemnified Party shall survive the termination of such Indemnified Party from the capacity for which they are indemnified.

4. Minimum Distributions.

Notwithstanding anything herein to the contrary, the Reorganized Debtor shall not be required to make distributions or payments of less than \$25 (whether Cash or otherwise) and shall not be required to make partial distributions or payments of fractions of dollars. Whenever any payment or distribution of a fraction of a dollar under the Plan would otherwise be called for, the actual payment or distribution will reflect a rounding of such fraction to the nearest whole dollar (up or down), with half dollars or less being rounded down.

No Distribution Agent shall have any obligation to make a distribution on account of an Allowed Claim if: (a) the aggregate amount of all distributions authorized to be made on the Periodic Distribution Date in question is or has an economic value less than \$100.00, unless such distribution is a final distribution; or (b) the amount to be distributed to the specific Holder of an Allowed Claim on such Periodic Distribution Date does not constitute a final distribution to such Holder and is or has an economic value less than \$25.00, which shall be treated as an undeliverable distribution under Article VII.C.5 below.

5. Undeliverable Distributions.

a. Holding of Undeliverable Distributions.

If any distribution to a Holder of an Allowed Claim made in accordance herewith is returned to the Reorganized Debtor (or its Distribution Agent) as undeliverable, no further distributions shall be made to such Holder unless and until the Reorganized Debtor (or their Distribution Agent) are notified in writing of such Holder's then current address, at which time all currently and due missed distributions shall be made to such Holder on the next Periodic Distribution Date. Undeliverable distributions shall remain in the possession of the Reorganized Debtor, subject to Article VII.C.5(b) hereof, until such time as any such distributions become deliverable. Undeliverable distributions shall not be entitled to any additional interest, dividends or other accruals of any kind on account of their distribution being undeliverable.

b. Failure to Claim Undeliverable Distributions.

No later than 210 days after the Effective Date, the Reorganized Debtor shall File with the Bankruptcy Court a list of the Holders of undeliverable distributions. This list shall be maintained and updated periodically in the sole discretion of the Reorganized Debtor for as long as the Chapter 11 Case stays open. Any Holder of an Allowed Claim, irrespective of when a Claim becomes an Allowed Claim, that does not notify the Reorganized Debtor of such Holder's then current address in accordance herewith within the latest of (i) one year after the Effective Date, (ii) 60 days after the attempted delivery of the undeliverable distribution and (iii) 180 days after the date such Claim becomes an Allowed Claim shall have its Claim for such undeliverable

1 distribution discharged and shall be forever barred, estopped and enjoined from asserting any
 2 such Claim against the Reorganized Debtor or their property. In such cases, (i) any Cash held for
 3 distribution on account of Allowed Claims shall be redistributed to Holders of Allowed Claims
 4 in the applicable Class on the next Periodic Distribution Date and (ii) any Cash held for
 5 distribution to other creditors shall be deemed unclaimed property under section 347(b) of the
 Bankruptcy Code and become property of the Reorganized Debtor, free of any Claims of such
 Holder with respect thereto. Nothing contained herein shall require the Reorganized Debtor to
 attempt to locate any Holder of an Allowed Claim.

6 **c. Failure to Present Checks.**

7 Checks issued by the Distribution Agent on account of Allowed Claims shall be null and
 8 void if not negotiated within 180 days after the issuance of such check. In an effort to ensure that
 9 all Holders of Allowed Claims receive their allocated distributions, no later than 180 days after
 10 the issuance of such checks, the Reorganized Debtor shall File with the Bankruptcy Court a list
 11 of the Holders of any un-negotiated checks. This list shall be maintained and updated
 12 periodically in the sole discretion of the Reorganized Debtor for as long as the Chapter 11 Case
 13 stay open. Requests for reissuance of any check shall be made directly to the Distribution Agent
 14 by the Holder of the relevant Allowed Claim with respect to which such check originally was
 15 issued. Any Holder of an Allowed Claim holding an un-negotiated check that does not request
 16 reissuance of such un-negotiated check within 240 days after the date of mailing or other
 delivery of such check shall have its Claim for such un-negotiated check discharged and be
 discharged and forever barred, estopped and enjoined from asserting any such Claim against the
 Reorganized Debtor or its property. In such cases, any Cash held for payment on account of such
 Claims shall be property of the Reorganized Debtor, free of any Claims of such Holder with
 respect thereto. Nothing contained herein shall require the Reorganized Debtor to attempt to
 locate any Holder of an Allowed Claim.

17 **D. Compliance with Tax Requirements/Allocations.**

18 In connection with the Plan, to the extent applicable, the Reorganized Debtor shall
 19 comply with all tax withholding and reporting requirements imposed on them by any
 20 governmental unit, and all distributions pursuant hereto shall be subject to such withholding and
 21 reporting requirements. Notwithstanding any provision in the Plan to the contrary, the
 22 Reorganized Debtor and the Distribution Agent shall be authorized to take all actions necessary
 23 or appropriate to comply with such withholding and reporting requirements, including
 24 liquidating a portion of the distribution to be made under the Plan to generate sufficient funds to
 pay applicable withholding taxes, withholding distributions pending receipt of information
 necessary to facilitate such distributions or establishing any other mechanisms they believe are
 reasonable and appropriate. The Reorganized Debtor reserves the right to allocate all
 distributions made under the Plan in compliance with all applicable liens and encumbrances.

25 For tax purposes, distributions in full or partial satisfaction of Allowed Claims shall be
 26 allocated first to the principal amount of Allowed Claims, with any excess allocated to unpaid
 interest that accrued on such Claims.

27 **E. Timing and Calculation of Amounts to Be Distributed.**

28 On the Initial Distribution Date (or if a Claim is not an Allowed Claim on the Effective

1 Date, on the date that such a Claim becomes an Allowed Claim, or as soon as reasonably
 2 practicable thereafter), each Holder of an Allowed Claim against the Debtor shall receive the full
 3 amount of the distributions that the Plan provides for Allowed Claims in the applicable Class.
 4 Except as otherwise provided herein, Holders of Claims shall not be entitled to interest,
 dividends or accruals on the distributions provided for herein, regardless of whether such
 distributions are delivered on or at any time after the Effective Date.

5 **F. Setoffs.**

6 The Debtor and the Reorganized Debtor may withhold (but not setoff except as set forth
 7 below) from the distributions called for hereunder on account of any Allowed Claim an amount
 8 equal to any Claims, Equity Interests, rights and Causes of Action of any nature that the Debtor
 9 or the Reorganized Debtor may hold against the Holder of any such Allowed Claim. In the event
 10 that any such Claims, Equity Interests, rights and Causes of Action of any nature that the Debtor
 11 or the Reorganized Debtor may hold against the Holder of any such Allowed Claim are
 12 adjudicated by Final Order or otherwise resolved, the Debtor may, pursuant to section 553 of the
 13 Bankruptcy Code or applicable non-bankruptcy law, set off against any Allowed Claim and the
 14 distributions to be made pursuant hereto on account of such Allowed Claim (before any
 15 distribution is made on account of such Allowed Claim), the amount of any adjudicated or
 16 resolved Claims, Equity Interests, rights and Causes of Action of any nature that the Debtor or
 17 the Reorganized Debtor may hold against the Holder of any such Allowed Claim, but only to the
 18 extent of such adjudicated or resolved amount. Neither the failure to effect such a setoff nor the
 19 allowance of any Claim hereunder shall constitute a waiver or release by the Debtor or the
 20 Reorganized Debtor of any such Claims, Equity Interests, rights and Causes of Action that the
 21 Debtor or the Reorganized Debtor may possess against any such Holder, except as specifically
 22 provided herein.

23 **VIII. PROCEDURES FOR RESOLVING CONTINGENT, UNLIQUIDATED AND 24 DISPUTED CLAIMS**

25 **A. Resolution of Disputed Claims.**

26 **1. Allowance of Claims.**

27 After the Effective Date, the Reorganized Debtor shall have and shall retain any and all
 28 rights and defenses that the Debtor had with respect to any Claim, except with respect to any
 Claim deemed Allowed under the Plan. Except as expressly provided in the Plan or in any order
 entered in the Chapter 11 Case prior to the Effective Date (including, without limitation, the
 Confirmation Order), no Claim shall become an Allowed Claim unless and until such Claim is
 deemed Allowed under the Plan or the Bankruptcy Code or the Bankruptcy Court has entered a
 Final Order, including, without limitation, the Confirmation Order, in the Chapter 11 Case
 allowing such Claim. All settled claims approved prior to the Effective Date pursuant to a Final
 Order of the Bankruptcy Court pursuant to Bankruptcy Rule 9019 or otherwise shall be binding
 on all parties.

29 **2. Prosecution of Objections to Claims.**

30 After the Confirmation Date the Debtor or the Reorganized Debtor, as applicable, shall
 have the exclusive authority to File objections to Claims, settle, compromise, withdraw or litigate

to judgment objections to any and all Claims, regardless of whether such Claims are in a Class or otherwise; provided, however, this provision shall not apply to Fee Claims. From and after the Effective Date, the Reorganized Debtor may settle or compromise any Disputed Claim without any further notice to or action, order or approval of the Bankruptcy Court. The Reorganized Debtor shall have the sole authority to administer and adjust the Claims Register to reflect any such settlements or compromises without any further notice to or action, order or approval of the Bankruptcy Court.

3. Claims Estimation.

After the Confirmation Date the Debtor or the Reorganized Debtor, as applicable, may, at any time, request that the Bankruptcy Court estimate (a) any Disputed Claim pursuant to applicable law and (b) any contingent or unliquidated Claim pursuant to applicable law, including, without limitation, section 502(c) of the Bankruptcy Code, regardless of whether the Debtor or the Reorganized Debtor has previously objected to such Claim or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court shall retain jurisdiction under 28 U.S.C. §§ 157 and 1334 to estimate any Disputed Claim, contingent Claim or unliquidated Claim, including during the litigation concerning any objection to any Claim or during the pendency of any appeal relating to any such objection. Notwithstanding any provision otherwise in the Plan, a Claim that has been expunged from the Claims Register but that is subject to appeal or has not been the subject of a Final Order, shall be deemed to be estimated at zero dollars, unless otherwise ordered by the Bankruptcy Court. All of the aforementioned Claims and objection, estimation and resolution procedures are cumulative and not exclusive of one another. Claims may be estimated and subsequently compromised, settled, withdrawn or resolved by any mechanism approved by the Bankruptcy Court.

4. Expungement or Adjustment to Claims without Objection.

Any Claim that has been paid, satisfied or superseded may be expunged on the Claims Register by the Reorganized Debtor, and any Claim that has been amended may be adjusted thereon by the Reorganized Debtor, in both cases without a claims objection having to be Filed and without any further notice to or action, order or approval of the Bankruptcy Court.

5. Deadline to File Objections to Claims.

Any objections to Claims shall be Filed no later than the Claims Objection Bar Date.

B. Disallowance of Claims.

All Claims of any Entity from which property is sought by the Debtor or the Reorganized Debtor under section 542, 543, 550 or 553 of the Bankruptcy Code or that the Debtor or the Reorganized Debtor allege is a transferee of a transfer that is avoidable under section 522(f), 522(h), 544, 545, 547, 548, 549 or 724(a) of the Bankruptcy Code shall be disallowed if (i) the Entity, on the one hand, and the Debtor or the Reorganized Debtor, on the other hand, agree or the Bankruptcy Court has determined by Final Order that such Entity or transferee is liable to turnover any property or monies under any of the aforementioned sections of the Bankruptcy Code and (ii) such Entity or transferee has failed to turnover such property by the date set forth in such agreement or Final Order.

1 **EXCEPT AS OTHERWISE AGREED, ANY AND ALL PROOFS OF CLAIM**
 2 **AND PROOFS OF INTEREST FILED AFTER THE APPLICABLE CLAIMS BAR**
 3 **DATE SHALL BE DEEMED DISALLOWED AND EXPUNGED AS OF THE**
 4 **EFFECTIVE DATE WITHOUT ANY FURTHER NOTICE TO OR ACTION, ORDER**
 5 **OR APPROVAL OF THE BANKRUPTCY COURT, AND HOLDERS OF SUCH**
 6 **CLAIMS AND EQUITY INTERESTS MAY NOT RECEIVE ANY DISTRIBUTIONS ON**
 7 **ACCOUNT OF SUCH CLAIMS AND EQUITY INTERESTS, UNLESS SUCH LATE**
 8 **PROOF OF CLAIM OR EQUITY INTEREST IS DEEMED TIMELY FILED BY A**
 9 **BANKRUPTCY COURT ORDER ON OR BEFORE THE LATER OF (1) THE**
 10 **CONFIRMATION HEARING AND (2) 45 DAYS AFTER THE APPLICABLE CLAIMS**
 11 **BAR DATE.**

12 **C. Amendments to Claims.**

13 On or after the Effective Date, except as otherwise provided herein, a Claim may not be
 14 Filed or amended without the prior authorization of the Bankruptcy Court or the Reorganized
 15 Debtor, and, to the extent such prior authorization is not received, any such new or amended
 16 Claim Filed shall be deemed disallowed and expunged without any further notice to or action,
 17 order or approval of the Bankruptcy Court.

18 **IX. CONDITIONS PRECEDENT TO CONFIRMATION AND CONSUMMATION OF**
 19 **THE PLAN**

20 **A. Conditions Precedent to Confirmation.**

21 It shall be a condition to Confirmation hereof that all provisions, terms and conditions
 22 hereof are approved in the Confirmation Order.

23 **B. Conditions Precedent to Consummation.**

24 It shall be a condition to Consummation of the Plan that the following conditions shall
 25 have been satisfied or waived pursuant to the provisions of Article IX.C hereof.

26 1. The Plan and all Plan Supplement documents, including any amendments,
 27 modifications or supplements thereto, shall be reasonably acceptable to the Debtor.

28 2. The Confirmation Order shall have been entered and become a Final Order in a
 form and in substance reasonably satisfactory to the Debtor. The Confirmation Order shall
 provide that, among other things, the Debtor or the Reorganized Debtor, as appropriate, is
 authorized and directed to take all actions necessary or appropriate to consummate the Plan,
 including, without limitation, entering into, implementing and consummating the contracts,
 instruments, releases, leases, indentures and other agreements or documents created in
 connection with or described in the Plan.

3 3. All actions, documents, certificates and agreements necessary to implement this
 Plan shall have been effected or executed and delivered to the required parties and, to the extent
 required, Filed with the applicable governmental units in accordance with applicable laws.

1 **C. Waiver of Conditions.**

2 The conditions to Confirmation of the Plan and to Consummation of the Plan set forth in
3 this Article IX may be waived by the Debtor without notice, leave or order of the Bankruptcy
4 Court or any formal action other than proceeding to confirm or consummate the Plan.

5 **D. Effect of Non Occurrence of Conditions to Consummation.**

6 If the Consummation of the Plan does not occur, the Plan shall be null and void in all
7 respects and nothing contained in the Plan or the Disclosure Statement shall: (1) constitute a
8 waiver or release of any claims by or Claims against or Equity Interests in the Debtor; (2)
9 prejudice in any manner the rights of the Debtor, any Holders or any other Entity; or (3)
10 constitute an admission, acknowledgment, offer or undertaking by the Debtor, any Holders or
11 any other Entity in any respect.

12 **X. SETTLEMENT RELEASE AND RELATED PROVISIONS**

13 **A. Compromise and Settlement.**

14 Notwithstanding anything contained herein to the contrary, the allowance, classification
15 and treatment of all Allowed Claims and their respective distributions and treatments hereunder,
16 takes into account the relative priority and rights of the Claims and the Equity Interests in each
17 Class in connection with any contractual, legal and equitable subordination rights relating thereto
18 whether arising under general principles of equitable subordination, section 510(b) and (c) of the
19 Bankruptcy Code or otherwise. As of the Effective Date, any and all contractual, legal and
20 equitable subordination rights, whether arising under general principles of equitable
21 subordination, section 510(b) and (c) of the Bankruptcy Code or otherwise, relating to the
22 allowance, classification and treatment of all Allowed Claims and their respective distributions
23 and treatments hereunder are settled, compromised, terminated and released pursuant hereto.

24 The Confirmation Order will constitute the Bankruptcy Court's finding and determination
25 that the settlements reflected in the Plan are (1) in the best interests of the Debtor, its estate and
26 all Holders of Claims and Equity Interests, (2) fair, equitable and reasonable, (3) made in good
27 faith and (4) approved by the Bankruptcy Court pursuant to section 363 of the Bankruptcy Code
28 and Bankruptcy Rule 9019. The Confirmation Order shall approve the releases by all Entities of
all such contractual, legal and equitable subordination rights or Causes of Action that are
satisfied, compromised and settled pursuant hereto.

 In accordance with the provisions of this Plan, including Article VIII hereof, and
pursuant to section 363 of the Bankruptcy Code and Bankruptcy Rule 9019, without any further
notice to or action, order or approval of the Bankruptcy Court, after the Effective Date (1) the
Reorganized Debtor may, in its sole and absolute discretion, compromise and settle Claims
against them and (2) the Reorganized Debtor may, in its sole and absolute discretion,
compromise and settle Causes of Action against other Entities.

B. Preservation of Rights of Action.

1. Maintenance of Causes of Action.

Except as otherwise provided in the Plan or Confirmation Order, after the Effective Date, the Reorganized Debtor shall retain all rights to commence, pursue, litigate, or settle, as appropriate, any and all Causes of Action, whether existing as of the Commencement Date or thereafter arising, in any court or other tribunal including, without limitation, in an adversary proceeding Filed in the Chapter 11 Case.

2. Preservation of All Causes of Action Not Expressly Settled or Released.

Unless a claim or Cause of Action against a Holder of a Claim or an Equity Interest or other Entity is expressly waived, relinquished, released, compromised or settled in the Plan or any Final Order (including, without limitation, the Confirmation Order), the Debtor expressly reserves such claim or Cause of Action for later adjudication by the Debtor or the Reorganized Debtor (including, without limitation, claims and Causes of Action not specifically identified or of which the Debtor may presently be unaware or which may arise or exist by reason of additional facts or circumstances unknown to the Debtor at this time or facts or circumstances that may change or be different from those the Debtor now believe to exist) and, therefore, no preclusion doctrine, including, without limitation, the doctrines of *res judicata*, collateral estoppel, issue preclusion, claim preclusion, waiver, estoppel (judicial, equitable or otherwise) or laches shall apply to such claims or Causes of Action upon or after the Confirmation or Consummation of the Plan based on the Disclosure Statement, the Plan or the Confirmation Order, or any other Final Order (including, without limitation, the Confirmation Order). In addition, the Debtor and the Reorganized Debtor expressly reserve the right to pursue or adopt any claims alleged in any lawsuit in which the Debtor is a plaintiff, defendant or an interested party, against any Entity, including, without limitation, the plaintiffs or co-defendants in such lawsuits.

3. Third Party Release

EFFECTIVE AS OF THE CONFIRMATION DATE, THE DEBTOR AND ALL CURRENT OFFICERS AND DIRECTORS OF THE DEBTOR AS OF THE EFFECTIVE DATE SHALL RECEIVE A FULL RELEASE FROM THE DEBTOR AND ITS ESTATE FROM ANY AND ALL CAUSES OF ACTION THAT MIGHT BE ASSERTED ON BEHALF OF THE DEBTOR OR ITS ESTATE, WHETHER KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, LIQUIDATED OR UNLIQUIDATED, CONTINGENT OR NON-CONTINGENT, EXISTING AS OF THE EFFECTIVE DATE OF THE PLAN, WHETHER IN LAW, AT EQUITY, WHETHER FOR TORT, FRAUD, CONTRACT OR OTHERWISE, ARISING FROM OR RELATED IN ANY WAY TO THE DEBTOR, INCLUDING, WITHOUT LIMITATION, IN ANY WAY RELATED TO THE CHAPTER 11 CASE, THE DEBTOR'S RESTRUCTURING, THE NEGOTIATION, FORMULATION OR PREPARATION OF THE PLAN, THE DISCLOSURE STATEMENT, OR ANY OTHER ACT OR OMISSION RELATED THERETO OCCURRING ON OR BEFORE THE CONFIRMATION DATE; PROVIDED, HOWEVER, THAT THE FOREGOING RELEASE SHALL NOT OPERATE TO WAIVE OR RELEASE ANY CAUSES OF ACTION (1) OF THE DEBTOR OR ITS ESTATE FOR ANY CLAIMS ARISING FROM WILLFUL MISCONDUCT

OR GROSS NEGLIGENCE; (2) CLAIMS AGAINST ANY FORMER OFFICER OR DIRECTOR OF THE DEBTOR; OR (3) CLAIMS THAT MAY BE ASSERTED BY THIRD PARTIES AGAINST PERSONS OR ENTITIES OTHER THAN THE DEBTOR.

ENTRY OF THE CONFIRMATION ORDER SHALL CONSTITUTE THE BANKRUPTCY COURT'S APPROVAL, PURSUANT TO BANKRUPTCY RULE 9019, OF THE RELEASES HEREIN, AND FURTHER, SHALL CONSTITUTE THE BANKRUPTCY COURT'S FINDING THAT THE RELEASES ARE (1) IN THE BEST INTERESTS OF THE DEBTOR AND ALL HOLDERS OF CLAIMS; (2) FAIR, EQUITABLE AND REASONABLE; AND (3) GIVEN AND MADE AFTER DUE NOTICE AND OPPORTUNITY FOR HEARING.

XI. EFFECT OF PLAN CONFIRMATION BINDING NATURE OF THE PLAN

THIS PLAN SHALL BIND ALL HOLDERS OF CLAIMS AGAINST AND EQUITY INTERESTS AND INTERCOMPANY INTERESTS IN THE DEBTORS TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, NOTWITHSTANDING WHETHER OR NOT SUCH HOLDER (I) WILL RECEIVE OR RETAIN ANY PROPERTY OR INTEREST IN PROPERTY UNDER THE PLAN, (II) HAS FILED A PROOF OF CLAIM OR INTEREST IN THE CHAPTER 11 CASES OR (III) FAILED TO VOTE TO ACCEPT OR REJECT THE PLAN OR VOTED TO REJECT THE PLAN.

A. Discharge Injunction.

The rights afforded in the Plan and the treatment of all Claims shall be in exchange for and in complete satisfaction, discharge, and release of all Claims of any nature whatsoever arising prior to the Effective Date against the Debtor and the Estate, including any interest accrued on such Claims from and after the Petition Date. Except as otherwise provided in the Plan or the Confirmation Order, on the Effective Date, (a) the Debtor, the Estate, the Reorganized Debtor and their respective property are discharged and released hereunder to the fullest extent permitted by Bankruptcy Code sections 524 and 1141 from all Claims and rights against them that arose before the Effective Date, including all debts, obligations, demands, and liabilities, and all debts of the kind specified in Bankruptcy Code sections 502(g), 502(h), or 502(i), regardless of whether or not (i) a proof of Claim based on such debt is Filed or deemed Filed, (ii) a Claim based on such debt is allowed pursuant to Bankruptcy Code section 502, or (iii) the Holder of a Claim based on such debt has or has not accepted the Plan; (b) any judgment underlying a Claim discharged hereunder is void; and (c) all entities are precluded from asserting against the Debtor, the Estate, the Reorganized Debtor and their respective property, any Claims or rights based upon any act or omission, transaction, or other activity of any kind or nature that occurred prior to the Effective Date.

Except as otherwise provided in the Plan or the Confirmation Order, on and after the Effective Date, all entities who have held, currently hold, or may hold a Claim against the Debtor, the Estate, or the Reorganized Debtor, that is based upon any act or omission, transaction, or other activity of any kind or nature that occurred prior to the Effective Date, that otherwise arose or accrued prior to the Effective Date, or that otherwise is discharged pursuant to the Plan, are permanently enjoined from taking any of the following actions on account of any such discharged Claim, (the "Permanent Injunction"): (a) commencing or continuing in any manner any action or other proceeding against the Debtor, the Estate, the Reorganized Debtor or their respective property, that is inconsistent with the Plan or the Confirmation Order; (b)

enforcing, attaching, collecting, or recovering in any manner any judgment, award, decree, or order against the Debtor, the Estate, the Reorganized Debtor or their respective property, other than as expressly permitted under the Plan; (c) creating, perfecting, or enforcing any lien or encumbrance against property of Debtor, the Estate, the Reorganized Debtor, or their respective property, other than as expressly permitted under the Plan; and (d) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of the Plan, the Confirmation Order, or the discharge provisions of Bankruptcy Code section 1141. Any person or entity injured by any willful violation of such Permanent Injunction shall recover actual damages, including costs and attorneys' fees, and, in appropriate circumstances, may recover punitive damages, from the willful violator.

XII. RETENTION OF JURISDICTION

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, the Bankruptcy Court shall, after the Effective Date, retain such jurisdiction over the Chapter 11 Case and all Entities with respect to all matters related to the Chapter 11 Case, the Debtor and the Plan as legally permissible, including, without limitation, jurisdiction to:

1. Allow, disallow, determine, liquidate, classify, estimate or establish the priority or secured or unsecured status of any Claim, including, without limitation, the resolution of any request for payment of any Administrative Claim and the resolution of any and all objections to the allowance or priority of any Claim;

2. Grant or deny any applications for allowance of compensation or reimbursement of expenses authorized pursuant to the Bankruptcy Code or the Plan, for periods ending on or before the Confirmation Date;

3. Resolve any matters related to the assumption, assignment or rejection of any Executory Contract or Unexpired Lease to which a Debtor is party or with respect to which a Debtor or Reorganized Debtor may be liable and to adjudicate and, if necessary, liquidate, any Claims arising therefrom, including, without limitation, those matters related to any amendment to the Plan after the Effective Date to add Executory Contracts or Unexpired Leases to the list of Executory Contracts and Unexpired Leases to be assumed;

4. Resolve any issues related to any matters adjudicated in the Chapter 11 Case;

5. Ensure that distributions to Holders of Allowed Claims are accomplished pursuant to the provisions of the Plan;

6. Decide or resolve any motions, adversary proceedings, contested or litigated matters and any other Causes of Action that are pending as of the Effective Date or that may be commenced in the future, and grant or deny any applications involving a Debtor that may be pending on the Effective Date or instituted by the Reorganized Debtor after the Effective Date, *provided* that the Reorganized Debtor shall reserve the right to commence actions in all appropriate forums and jurisdictions;

7. Enter such orders as may be necessary or appropriate to implement or consummate the provisions of the Plan and all other contracts, instruments, releases, indentures and other agreements or documents adopted in connection with the Plan, the Plan Supplement or

1 the Disclosure Statement;

2 8. Resolve any cases, controversies, suits or disputes that may arise in connection
3 with the Consummation, interpretation or enforcement of the Plan or any Entity's obligations
4 incurred in connection with the Plan;

5 9. Hear and determine all Causes of Action that are pending as of the Effective Date
6 or that may be commenced in the future;

7 10. Issue injunctions and enforce them, enter and implement other orders or take such
8 other actions as may be necessary or appropriate to restrain interference by any Entity with
9 Consummation or enforcement of the Plan, except as otherwise provided in the Plan;

10 11. Enforce any provision hereof;

11 12. Enter and implement such orders or take such others actions as may be necessary
12 or appropriate if the Confirmation Order is modified, stayed, reversed, revoked or vacated;

13 13. Resolve any other matters that may arise in connection with or relate to the Plan,
14 the Disclosure Statement, the Confirmation Order or any contract, instrument, release, indenture
15 or other agreement or document adopted in connection with the Plan or the Disclosure
16 Statement; and

17 14. Enter an order concluding the Chapter 11 Case.

18 **XIII. MISCELLANEOUS PROVISIONS**

19 **A. Payment of Statutory Fees.**

20 All fees payable pursuant to section 1930 of title 28 of the United States Code after the
21 Effective Date shall be paid prior to the closing of the Chapter 11 Case when due.

22 **B. Modification of Plan.**

23 Effective as of the date hereof and subject to the limitations and rights contained in the
24 Plan: (a) the Debtor reserves the right, in accordance with the Bankruptcy Code and the
25 Bankruptcy Rules, to amend or modify the Plan prior to the entry of the Confirmation Order; and
26 (b) after the entry of the Confirmation Order, the Debtor or the Reorganized Debtor, as
27 applicable, may, upon order of the Bankruptcy Court, amend or modify the Plan, in accordance
28 with section 1127(b) of the Bankruptcy Code or remedy any defect or omission or reconcile any
inconsistency in the Plan in such manner as may be necessary to carry out the purpose and intent
of the Plan.

C. Revocation of Plan.

The Debtor reserves the right to revoke or withdraw the Plan prior to the Confirmation
Date and to File subsequent chapter 11 plans. If the Debtor revokes or withdraw the Plan, or if
Confirmation or Consummation does not occur, then: (1) the Plan shall be null and void in all
respects; (2) any settlement or compromise embodied in the Plan, assumption or rejection of
Executory Contracts or Unexpired Leases effected by the Plan and any document or agreement
executed pursuant hereto shall be deemed null and void except as may be set forth in a separate
order entered by the Bankruptcy Court; and (3) nothing contained in the Plan shall: (a) constitute
a waiver or release of any Claims by or against, or any Equity Interests in, such Debtor or any

1 other Entity; (b) prejudice in any manner the rights of the Debtor or any other Entity; or (c)
2 constitute an admission, acknowledgement, offer or undertaking of any sort by the Debtor or any
other Entity.

3 **D. Successors and Assigns.**

4 The rights, benefits and obligations of any Entity named or referred to herein shall be
5 binding on, and shall inure to the benefit of, any heir, executor, administrator, successor or assign
of such Entity.

6 **E. Reservation of Rights.**

7 Except as expressly set forth herein, the Plan shall have no force or effect unless and until
8 the Bankruptcy Court enters the Confirmation Order. Neither the filing of the Plan, any statement
or provision contained herein, nor the taking of any action by a Debtor or any other Entity with
9 respect to the Plan shall be or shall be deemed to be an admission or waiver of any rights of: (1)
any Debtor with respect to the Holders of Claims or Equity Interests or other Entity; or (2) any
10 Holder of a Claim or an Equity Interest or other Entity prior to the Effective Date.

11
12 **F. Section 1146 Exemption.**

13 Pursuant to section 1146(a) of the Bankruptcy Code, any transfers of property pursuant
hereto shall not be subject to any stamp tax or other similar tax or governmental assessment in
14 the United States, and the Confirmation Order shall direct the appropriate state or local
governmental officials or agents to forego the collection of any such tax or governmental
15 assessment and to accept for filing and recordation instruments or other documents pursuant to
such transfers of property without the payment of any such tax or governmental assessment.
16 Such exemption specifically applies, without limitation, to all documents necessary to evidence
and implement the provisions of and the distributions to be made under the Plan.

17 **G. Further Assurances.**

18 The Debtor or the Reorganized Debtor, as applicable, all Holders of Claims receiving
19 distributions hereunder and all other Entities shall, from time to time, prepare, execute and
deliver any agreements or documents and take any other actions as may be necessary or
20 advisable to effectuate the provisions and intent of the Plan or the Confirmation Order.

21 **H. Severability.**

22 If, prior to Confirmation, any term or provision of the Plan is held by the Bankruptcy
Court to be invalid, void or unenforceable, the Bankruptcy Court shall have the power to alter
23 and interpret such term or provision to make it valid or enforceable to the maximum extent
practicable, consistent with the original purpose of the term or provision held to be invalid, void
24 or unenforceable, and such term or provision then will be applicable as altered or interpreted,
25 *provided* that the Debtor, the Reorganized Debtor or any affected Entity (as applicable) may seek
an expedited hearing before the Bankruptcy Court to address any objection to any such alteration
26 or interpretation of the foregoing. Notwithstanding any such order by the Bankruptcy Court,
alteration or interpretation, the remainder of the terms and provisions of the Plan shall remain in
27 full force and effect. The Confirmation Order shall constitute a judicial determination and shall
provide that each term and provision of the Plan, as it may have been altered or interpreted in
28 accordance with the foregoing, is valid and enforceable pursuant to its terms.

1 **I. Service of Documents.**

2 Any pleading, notice or other document required by the Plan to be served on or delivered
3 to the Debtor shall be sent by overnight mail to:

4 Virtual Communications Corporation
5 Attn: Michael Yoder
6 319 E. Warm Springs Road, Suite 100
7 Las Vegas, Nevada 89119

8 with copies to:

9 Kolesar & Leatham
10 Attn: Bart K. Larsen, Esq.
11 400 S. Rampart Blvd., Suite 400
12 Las Vegas, Nevada 89145

13 **J. Return of Security Deposits.**

14 Unless the Debtor has agreed otherwise in a written agreement or stipulation approved by
15 the Bankruptcy Court, all security deposits provided by the Debtor to any Person or Entity at any
16 time after the Commencement or offset of any kind.

17 **K. Filing of Additional Documents.**

18 On or before the Effective Date, the Debtor may File with the Bankruptcy Court all
19 agreements and other documents that may be necessary or appropriate to effectuate and further
20 evidence the terms and conditions hereof.

21 **L. Default.**

22 Upon the Effective Date of the Plan, in the event the Debtor fails to timely perform any
23 of the obligations set forth in the Plan, the applicable party-in-interest shall notify the Debtor and
24 Debtor's counsel of the default in writing in accordance with the notice provisions herein, after
25 which the Debtor shall have: (i) twenty (20) Business Days from the date of receipt of the written
26 notification to cure the default; or (ii) if the cure requires more than twenty (20) business days, so
27 long as the Debtor initiates steps to cure the default within twenty (20) business days and
28 thereafter continues and completes all reasonable and necessary steps sufficient to produce
compliance as soon as reasonably practical. If the Debtor fails to timely cure the default as
provided above, the applicable creditor shall be free to pursue any and all rights it may have
under the contract(s) between the parties and/or applicable state law, without further court order
or proceeding being necessary.

1 Dated this 7th day of June, 2018.

2 VIRTUAL COMMUNICATIONS CORPORATION

3
4 /s/ Michael Yoder

5 By: Michael Yoder

6 Its: President

7 Prepared and Submitted by:

8 KOLESAR & LEATHAM

9 /s/ Bart K. Larsen, Esq.

10 Bart K. Larsen, Esq.

11 Nevada Bar No. 8538

12 400 S. Rampart Blvd., Ste. 400

13 Las Vegas, Nevada 89145

14 *Attorneys for Debtor Virtual*
15 *Communications Corporation*
16
17
18
19
20
21
22
23
24
25
26
27
28

EXHIBIT A-1

SCHEDULE OF ASSUMED AGREEMENTS

None.

EXHIBIT B

Virtual Communications Corporation
2015 Consolidated Balance Sheet

	Wintech, LLC 12/31/2015	VCC 12/31/2015
ASSETS		
Current Assets		
Cash	17,308.08	1,361.99
Inventory	-	-
Prepaid expenses	-	-
Due from a related party	-	-
Accounts receivable	92,365.03	-
Total Current Assets	109,673.11	1,361.99
Fixed Assets Net of Depreciation	4,306.71	-
Software Development Net of Amortization	79,682.82	-
Intercompany Receivable	-	3,576,957.39
Total Assets	193,662.64	3,578,319.38
LIABILITIES		
Current Liabilities		
Deferred revenue	142,959.62	-
Accrued Interest	-	274,817.02
Accounts Payable and Accrued Expenses	33,903.49	-
Line of credit	-	-
Notes payable (current portion)	-	-
Rent payable to a related party	-	-
Intercompany payable	3,576,957.39	-
Total Current Liabilities	3,753,820.50	274,817.02
Notes Payable	-	4,725,550.00
Total Liabilities	3,753,820.50	5,000,367.02
STOCKHOLDERS' EQUITY (DEFICIT)		
Serie A Convertible Preferred	-	-
Common Stock	-	2,000.00
Additional Paid-in Capital	444,903.81	76,000.00
Accumulated Deficit During Development Stage	(4,005,061.67)	(1,500,047.64)
Total Stockholders' Equity (Deficit)	(3,560,157.86)	(1,422,047.64)
Total Liabilities and Stockholders' Equity	193,662.64	3,578,319.38

Virtual Communications Corporation
2016 Consolidated Balance Sheet

	Wintech, LLC 12/31/2016	VCC 12/31/2016
ASSETS		
Current Assets		
Cash	46,152.60	1,515.73
Inventory	-	-
Prepaid expenses	-	-
Due from a related party	-	-
Accounts receivable	55,049.54	-
Total Current Assets	101,202.14	1,515.73
Fixed Assets Net of Depreciation	192.95	-
Software Development Net of Amortization	72,749.82	-
Intercompany Receivable	-	3,575,857.39
Total Assets	174,144.91	3,577,373.12
LIABILITIES		
Current Liabilities		
Deferred revenue	354,587.08	-
Accrued Interest	-	670,382.98
Accounts Payable and Accrued Expenses	122,337.13	-
Line of credit	-	-
Notes payable (current portion)	-	-
Rent payable to a related party	-	-
Intercompany payable	3,575,857.39	-
Total Current Liabilities	4,052,781.60	670,382.98
Notes Payable	-	4,725,550.00
Total Liabilities	4,052,781.60	5,395,932.98
STOCKHOLDERS' EQUITY (DEFICIT)		
Serie A Convertible Preferred	-	-
Common Stock	-	2,000.00
Additional Paid-in Capital	604,878.65	76,000.00
Accumulated Deficit During Development Stage	(4,483,515.34)	(1,896,559.86)
Total Stockholders' Equity (Deficit)	(3,878,636.69)	(1,818,559.86)
Total Liabilities and Stockholders' Equity	174,144.91	3,577,373.12

Virtual Communications Corporation
2017 Consolidated Balance Sheet

	Wintech, LLC 12/31/2017	VCC 12/31/2017
ASSETS		
Current Assets		
Cash	86,390.66	1,413.15
Inventory	-	-
Prepaid expenses	-	-
Due from a related party	-	-
Accounts receivable	130,718.17	-
Total Current Assets	217,108.83	1,413.15
Fixed Assets Net of Depreciation	-	-
Software Development Net of Amortization	65,835.77	-
Intercompany Receivable	-	3,560,357.39
Total Assets	282,944.60	3,561,770.54
LIABILITIES		
Current Liabilities		
Deferred revenue	764,296.74	-
Accrued Interest	-	1,061,748.94
Accounts Payable and Accrued Expenses	125,252.67	-
Line of credit	-	-
Notes payable (current portion)	-	-
Rent payable to a related party	-	-
Intercompany payable	3,560,357.39	-
Total Current Liabilities	4,449,906.80	1,061,748.94
Notes Payable	-	4,620,550.00
Total Liabilities	4,449,906.80	5,682,298.94
STOCKHOLDERS' EQUITY (DEFICIT)		
Serie A Convertible Preferred	-	-
Common Stock	-	2,015.00
Additional Paid-in Capital	689,958.41	165,985.00
Accumulated Deficit During Development Stage	(4,856,920.61)	(2,288,528.40)
Total Stockholders' Equity (Deficit)	(4,166,962.20)	(2,120,528.40)
Total Liabilities and Stockholders' Equity	282,944.60	3,561,770.54

WinTech, LLC
Balance Sheet

As of December 31, 2017

	<u>Dec 31, 17</u>
ASSETS	
Current Assets	
Checking/Savings	
Wells Fargo Checking	86,390.66
Total Checking/Savings	<u>86,390.66</u>
Accounts Receivable	
Accounts Receivable	163,705.80
Allowance for Doubtful Accounts	-38,676.63
Total Accounts Receivable	<u>125,029.17</u>
Total Current Assets	211,419.83
Fixed Assets	
Accumulated Depreciation	-239,443.80
Computers & equipment	220,588.66
Furniture and Equipment	8,621.14
Purchased software	10,234.00
Total Fixed Assets	<u>0.00</u>
Other Assets	
Software Development	
Cost Basis	103,710.70
Accumulated Amortization	-37,874.93
Total Software Development	<u>65,835.77</u>
Capitalized Loan Fees	
Cost Basis	4,930.00
Accumulated Amortization	-4,930.00
Total Capitalized Loan Fees	<u>0.00</u>
Total Other Assets	<u>65,835.77</u>
TOTAL ASSETS	<u><u>277,255.60</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	24,941.23
Total Accounts Payable	<u>24,941.23</u>
Credit Cards	
Amazon Credit - 6700	79.79
AMEX	71,920.25
VISA	20,671.00
Total Credit Cards	<u>92,671.04</u>
Other Current Liabilities	
Deferred Revenue	764,296.74
Due to VCC (InterCo)	3,560,357.39
Payroll Liabilities	
Agencies	-29.74
Net Payroll	-2.28
Tax Liabilities	-143.34
Total Payroll Liabilities	<u>-175.36</u>

WinTech, LLC
Balance Sheet

As of December 31, 2017

	Dec 31, 17
Sales Tax Payable	115.76
Total Other Current Liabilities	4,324,594.53
Total Current Liabilities	4,442,206.80
Total Liabilities	4,442,206.80
Equity	
Member Contribution	507,149.04
Members Draw	-1,000.00
Members Equity	-4,482,565.34
Stock	182,809.37
Net Income	-371,344.27
Total Equity	-4,164,951.20
TOTAL LIABILITIES & EQUITY	277,255.60

WinTech, LLC
Balance Sheet
As of December 31, 2016

	<u>Dec 31, 16</u>
ASSETS	
Current Assets	
Checking/Savings	
Wells Fargo Checking	46,152.60
Total Checking/Savings	<u>46,152.60</u>
Accounts Receivable	
Accounts Receivable	87,236.17
Allowance for Doubtful Accounts	-32,186.63
Total Accounts Receivable	<u>55,049.54</u>
Total Current Assets	101,202.14
Fixed Assets	
Accumulated Depreciation	-239,250.85
Computers & equipment	220,588.66
Furniture and Equipment	8,621.14
Purchased software	10,234.00
Total Fixed Assets	<u>192.95</u>
Other Assets	
Software Development	
Cost Basis	103,710.70
Accumulated Amortization	-30,960.88
Total Software Development	<u>72,749.82</u>
Capitalized Loan Fees	
Cost Basis	4,930.00
Accumulated Amortization	-4,930.00
Total Capitalized Loan Fees	<u>0.00</u>
Total Other Assets	<u>72,749.82</u>
TOTAL ASSETS	<u>174,144.91</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	40,147.47
Total Accounts Payable	<u>40,147.47</u>
Credit Cards	
AMEX	61,115.71
VISA	21,299.31
Total Credit Cards	<u>82,415.02</u>
Other Current Liabilities	
Deferred Revenue	354,587.08
Due to VCC (InterCo)	3,575,857.39
Payroll Liabilities	
Agencies	-29.74
Net Payroll	-2.28
Tax Liabilities	-143.34
Total Payroll Liabilities	<u>-175.36</u>
Total Other Current Liabilities	3,930,269.11

WinTech, LLC
Balance Sheet

As of December 31, 2016

	Dec 31, 16
Total Current Liabilities	4,052,831.60
Total Liabilities	4,052,831.60
Equity	
Member Contribution	438,906.78
Members Draw	-1,000.00
Members Equity	-4,004,111.67
Stock	165,971.87
Net Income	-478,453.67
Total Equity	-3,878,686.69
TOTAL LIABILITIES & EQUITY	174,144.91

WinTech, LLC
Balance Sheet

As of December 31, 2015

	<u>Dec 31, 15</u>
ASSETS	
Current Assets	
Checking/Savings	
Wells Fargo Checking	17,308.08
Total Checking/Savings	<u>17,308.08</u>
Accounts Receivable	
Accounts Receivable	130,388.52
Allowance for Doubtful Accounts	-38,023.49
Total Accounts Receivable	<u>92,365.03</u>
Total Current Assets	109,673.11
Fixed Assets	
Accumulated Depreciation	-235,137.09
Computers & equipment	220,588.66
Furniture and Equipment	8,621.14
Purchased software	10,234.00
Total Fixed Assets	<u>4,306.71</u>
Other Assets	
Software Development	
Cost Basis	103,710.70
Accumulated Amortization	-24,027.88
Total Software Development	<u>79,682.82</u>
Capitalized Loan Fees	
Cost Basis	4,930.00
Accumulated Amortization	-4,930.00
Total Capitalized Loan Fees	<u>0.00</u>
Total Other Assets	<u>79,682.82</u>
TOTAL ASSETS	<u><u>193,662.64</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	21,767.12
Total Accounts Payable	<u>21,767.12</u>
Credit Cards	
AMEX	3,209.02
VISA	7,120.98
Total Credit Cards	<u>10,330.00</u>
Other Current Liabilities	
Deferred Revenue	142,959.62
Due to VCC (InterCo)	3,576,957.39
Payroll Liabilities	
Agencies	-29.74
Net Payroll	-2.28
Tax Liabilities	-143.34
Total Payroll Liabilities	<u>-175.36</u>
Sales Tax Payable	2,031.73

WinTech, LLC
Balance Sheet

As of December 31, 2015

	Dec 31, 15
Total Other Current Liabilities	3,721,773.38
Total Current Liabilities	3,753,870.50
Total Liabilities	3,753,870.50
Equity	
Member Contribution	307,296.44
Members Draw	-1,000.00
Members Equity	-3,981,273.22
Stock	137,607.37
Net Income	-22,838.45
Total Equity	-3,560,207.86
TOTAL LIABILITIES & EQUITY	193,662.64

Virtual Communications Corporation
Consolidated Income Statement
(Includes WinTech, LLC)

	Year Ended 12/31/2017 Consolidated	Year Ended 12/31/2016 Consolidated	Year Ended 12/31/2015 Consolidated
REVENUE, NET	\$ 827,561	\$ 530,339	\$ 632,922
Cost of goods sold	190,177	224,828	242,791
GROSS PROFIT	637,384	305,512	390,131
OPERATING EXPENSES			
Rent expense	-	-	25,288
Legal and professional fees	403,302	288,376	269,932
Marketing and advertising	42,582	10,192	13,415
Payroll expenses	389,299	363,963	409,931
Utilities	5,763	14,721	16,899
General and administrative	70,816	75,807	104,100
Total Operating Expenses	911,762	753,059	839,565
NET LOSS FROM OPERATIONS	(274,378)	(447,547)	(449,434)
OTHER (INCOME) EXPENSE			
Depreciation and amortization	7,107	11,047	12,852
Bad debt expense	79,359	12,773	-
Interest Expense	408,970	404,084	346,051
Debt capital finance charge	-	-	66,850
Gain on rent payable extinguished	-	-	(428,846)
Gain on debt extinguishment	(4,200)	-	-
Rental income	-	-	-
Interest Income	(241)	(485)	(395)
Total Other Expense	490,996	427,419	(3,488)
NET LOSS BEFORE INCOME TAXES	(765,374)	(874,966)	(445,946)

January through December 2017

	<u>Jan - Dec 17</u>
Ordinary Income/Expense	
Income	
Subscription Income	624,342.54
Consulting Income	41,000.00
Sales - Hardware	191,813.38
Sales - Software	3,139.50
Sales - Support and Maintenance	141,462.53
Shipping and Delivery Income	23,762.59
Discount	-203,648.45
Total Income	<u>821,872.09</u>
Cost of Goods Sold	
Freight and Shipping Costs	4,832.10
Merchant Account Fees	2,844.89
Purchases - Hardware for Resale	158,235.25
Purchases - Software for Resale	90.00
Total COGS	<u>166,002.24</u>
Gross Profit	655,869.85
Expense	
Merchant deposit fees	5,744.77
Audit & Accounting	30,764.46
Legal Fees	49,758.03
Advertising and Promotion	42,582.42
Amortization	6,914.05
Bad Debt Expense	79,359.45
Bank Service Charges	920.50
Business Licenses and Permits	1,750.00
Computer and Internet Expenses	18,430.36
Depreciation Expense	192.95
Dues and Subscriptions	13,938.67
Insurance Expense	33,963.81
Interest Expense	13,404.01
Janitorial Expense	2,395.00
Management Consulting	111,020.73
Meals and Entertainment	646.75
Office Supplies	11,631.10
Payroll Expenses	
Salaries and Wages	284,279.87
Tax Expense	<u>105,019.02</u>
Total Payroll Expenses	389,298.89
Postage and Delivery	90.35
Printing and Reproduction	311.73
Professional Fees	
Payroll Services	1,738.50
Professional Fees - Other	<u>202,270.34</u>
Total Professional Fees	204,008.84
Shipping	96.82

WinTech, LLC
Profit & Loss

January through December 2017

	<u>Jan - Dec 17</u>
Telephone Expense	2,538.67
Travel Expense	4,468.85
Utilities	<u>3,223.83</u>
Total Expense	<u>1,027,455.04</u>
Net Ordinary Income	-371,585.19
Other Income/Expense	
Other Income	
Shipping 5% AMEX Refund	<u>240.92</u>
Total Other Income	<u>240.92</u>
Net Other Income	<u>240.92</u>
Net Income	<u><u>-371,344.27</u></u>

WinTech, LLC
Profit & Loss

January through December 2016

	<u>Jan - Dec 16</u>
Ordinary Income/Expense	
Income	
Subscription Income	244,075.89
Sales - Hardware	198,319.82
Sales - Software	8,973.00
Sales - Support and Maintenance	84,871.76
Shipping and Delivery Income	15,591.54
Discount	-21,492.68
Total Income	<u>530,339.33</u>
Cost of Goods Sold	
Freight and Shipping Costs	6,581.22
Merchant Account Fees	9,870.07
Purchases - Hardware for Resale	176,942.86
Purchases - Software for Resale	12,935.00
Total COGS	<u>206,329.15</u>
Gross Profit	324,010.18
Expense	
Audit & Accounting	27,340.00
Legal Fees	35,639.87
Advertising and Promotion	10,191.88
Amortization	6,933.00
Bad Debt Expense	12,773.14
Bank Service Charges	873.06
Business Licenses and Permits	2,512.18
Commission Expense	430.56
Computer and Internet Expenses	18,498.62
Depreciation Expense	4,113.76
Dues and Subscriptions	12,838.45
Insurance Expense	38,949.63
Interest Expense	8,517.65
Janitorial Expense	2,282.50
Management Consulting	78,718.03
Meals and Entertainment	746.24
Office Supplies	12,906.91
Payroll Expenses	
Salaries and Wages	268,544.18
Tax Expense	95,418.80
Total Payroll Expenses	<u>363,962.98</u>
Professional Fees	
Payroll Services	1,679.00
Professional Fees - Other	144,568.79
Total Professional Fees	<u>146,247.79</u>
Shipping	-106.93
Small Tools and Equipment	259.54
Telephone Expense	11,043.53
Travel Expense	3,598.87

WinTech, LLC
Profit & Loss

January through December 2016

	Jan - Dec 16
Utilities	3,677.21
Total Expense	802,948.47
Net Ordinary Income	-478,938.29
Other Income/Expense	
Other Income	
Other Income	1.00
Shipping 5% AMEX Refund	483.62
Total Other Income	484.62
Net Other Income	484.62
Net Income	-478,453.67

January through December 2015

	<u>Jan - Dec 15</u>
Ordinary Income/Expense	
Income	
Reseller Fees	1,500.00
Subscription Income	27,750.25
Income	3,500.00
Sales - Hardware	232,716.00
Sales - Software	271,438.12
Sales - Support and Maintenance	115,314.15
Shipping and Delivery Income	18,667.00
Sales Discounts	-1,986.00
Discount	-35,978.00
Total Income	<u>632,921.52</u>
Cost of Goods Sold	
Freight and Shipping Costs	7,805.59
Merchant Account Fees	8,321.06
Purchases - Hardware for Resale	189,622.78
Purchases - Software for Resale	3,151.00
Total COGS	<u>208,900.43</u>
Gross Profit	<u>424,021.09</u>
Expense	
Moving Expense	5,000.00
Audit & Accounting	38,120.00
Legal Fees	17,725.42
Advertising and Promotion	13,415.00
Amortization	6,914.05
Bank Service Charges	2,775.18
Business Licenses and Permits	4,174.93
Commission Expense	10,854.00
Computer and Internet Expenses	33,890.19
Depreciation Expense	5,937.58
Dues and Subscriptions	21,080.60
Insurance Expense	57,809.25
Interest Expense	32.95
Janitorial Expense	2,210.00
Management Consulting	76,500.00
Meals and Entertainment	500.07
Office Supplies	5,683.44
Payroll Expenses	
Salaries and Wages	300,773.11
Tax Expense	109,157.69
Total Payroll Expenses	<u>409,930.80</u>
Postage and Delivery	1.05
Printing and Reproduction	78.48
Professional Fees	
Payroll Services	1,939.50
Professional Fees - Other	114,793.28

WinTech, LLC
Profit & Loss

January through December 2015

	<u>Jan - Dec 15</u>
Total Professional Fees	116,732.78
Rent Expense	25,288.00
Repairs and Maintenance	289.00
Shipping	-23.06
Telephone Expense	7,023.35
Travel Expense	4,131.56
Utilities	9,875.89
Total Expense	<u>875,950.51</u>
Net Ordinary Income	-451,929.42
Other Income/Expense	
Other Income	
Gain on Debt Extinguishment	428,846.01
Shipping 5% AMEX Refund	244.96
Total Other Income	<u>429,090.97</u>
Net Other Income	<u>429,090.97</u>
Net Income	<u><u>-22,838.45</u></u>

EXHIBIT C



BARBARA K. CEGAVSKE
Secretary of State
202 North Carson Street
Carson City, Nevada 89701-4201
(775) 684-5708
Website: www.nvsos.gov



090204

Certificate of Amendment

(PURSUANT TO NRS 78.385 AND 78.390)

USE BLACK INK ONLY - DO NOT HIGHLIGHT

ABOVE SPACE IS FOR OFFICE USE ONLY

Certificate of Amendment to Articles of Incorporation
For Nevada Profit Corporations
(Pursuant to NRS 78.385 and 78.390 - After Issuance of Stock)

1. Name of corporation:

Virtual Communications Corporation

2. The articles have been amended as follows: (provide article numbers, if available)

Article 3 of the Articles of Incorporation, as amended and corrected, of Virtual Communications Corporation (the "Corporation") is hereby amended and restated in its entirety in that certain continuation attached hereto and incorporated herein by this reference.

3. The vote by which the stockholders holding shares in the corporation entitling them to exercise at least a majority of the voting power, or such greater proportion of the voting power as may be required in the case of a vote by classes or series, or as may be required by the provisions of the articles of incorporation* have voted in favor of the amendment is:

55.52%

4. Effective date and time of filing: (optional)

Date: 5/21/2018

Time: 11:00am

(must not be later than 90 days after the certificate is filed)

5. Signature: (required)

X

Signature of Officer

*If any proposed amendment would alter or change any preference or any relative or other right given to any class or series of outstanding shares, then the amendment must be approved by the vote, in addition to the affirmative vote otherwise required, of the holders of shares representing a majority of the voting power of each class or series affected by the amendment regardless to limitations or restrictions on the voting power thereof.

IMPORTANT: Failure to include any of the above information and submit with the proper fees may cause this filing to be rejected.

This form must be accompanied by appropriate fees.

Nevada Secretary of State Amend Profit-After
Revised: 1-5-15

Filed in the office of <i>Barbara K. Cegavske</i> Barbara K. Cegavske Secretary of State State of Nevada	Document Number 20180231017-75
	Filing Date and Time 05/21/2018 2:00 PM
	Entity Number E0048502012-4

CONTINUATION OF
CERTIFICATE OF AMENDMENT
OF
VIRTUAL COMMUNICATIONS CORPORATION

ARTICLE 3

AUTHORIZED STOCK

The Corporation is authorized to issue two classes of stock to be designated, respectively, "Common Stock" and "Preferred Stock." The total number of shares which the Corporation is authorized to issue is one hundred twenty million (120,000,000) shares, one hundred million (100,000,000) shares of which shall be Common Stock and twenty million (20,000,000) shares of which shall be Preferred Stock. The Common Stock shall have a par value of one tenth of one cent (\$.001) per share and the Preferred Stock shall have a par value of one tenth of one cent (\$.001) per share.

A. Series A Preferred Stock.

1. Five million (5,000,000) of the authorized shares of Preferred Stock are hereby designated "Series A Preferred Stock" ("Series A Preferred Stock").

2. The rights, designations, preferences, privileges, restrictions, rank, priority and all other matters relating to the Series A Preferred Stock shall be equal and identical in all respects with the Common Stock, except as otherwise expressly provided herein. Except as otherwise expressly provided herein or required by law, the Series A Preferred Stock shall vote together with the Common Stock as a single class on all matters (including election of directors) submitted to a vote or for the consent (if action by written consent of the stockholders is permitted) of the stockholders of the Corporation, and the holders of Series A Preferred Stock shall be entitled to notice of any stockholders' meeting in accordance with the bylaws of the Corporation.

3. **Voting Rights.** So long as any shares of Series A Preferred Stock are outstanding, the Corporation shall not, without the vote or written consent (if action by written consent of the stockholders is permitted) of the holders of at least a majority of the outstanding shares of Series A Preferred Stock, voting as a separate and single class, in addition to any other vote or consent required herein or by law:

(i) alter, modify or amend (whether by merger or otherwise) the terms of the Series A Preferred Stock in any way;

(ii) issue (whether by merger or otherwise) any new series or class of capital stock ranking pari passu with, or having a preference or priority over, the Series A Preferred Stock as to the rights and preferences expressly provided to the Series A Preferred Stock herein;

(iii) increase or decrease (whether by merger or otherwise) the authorized number of shares of Series A Preferred Stock;

(iv) reissue (whether by merger or otherwise) any shares of Series A Preferred Stock which have been redeemed by the Corporation;

(v) (A) pay a dividend or other distribution with respect to its capital stock in shares of Common Stock, (B) subdivide the outstanding shares of Common Stock, (C) combine the outstanding shares of Common Stock into a smaller number of shares of any class or series of Common Stock or (D) issue any shares of capital stock in a reclassification of the Common Stock (including any such reclassification in connection with a merger or other business combination); or

(vi) enter into any binding agreement or commitment with respect to any of the foregoing.

4. Dividend Rights. Holders of Series A Preferred Stock, prior to and in preference to any declaration or payment of any dividend to the holders of Common Stock, shall be entitled to receive, when, as and if declared by the Board, but only out of funds that are legally available therefor, cash dividends at the rate of eight percent (8%) of the Series A Preferred Original Issue Price (as defined below) per annum on each outstanding share of Series Preferred (in each case, as adjusted for any stock dividends, combinations, splits, recapitalizations and the like with respect to such shares after the filing date hereof). Such dividends shall be payable only when, as and if declared by the Board of Directors of the Corporation and shall be non-cumulative. The "Series A Preferred Original Issue Price" of the Series A Preferred shall be Five Dollars (\$5.00). So long as any shares of Series A Preferred Stock are outstanding, the Corporation shall not pay or declare any dividend, whether in cash or property, or make any other distribution on the Common Stock, or purchase, redeem or otherwise acquire for value any shares of Common Stock until all dividends as set forth above on the Series A Preferred Stock shall have been paid or declared and set apart, except for the following acquisitions ("Permitted Acquisitions"):

(i) acquisitions of Common Stock by the Corporation from its current or former employees pursuant to agreements which permit the Corporation to repurchase such shares at cost (or the lesser of cost or fair market value) upon termination of services to the Corporation;

(ii) acquisitions of Common Stock in exercise of the Corporation's right of first refusal to repurchase such shares; or

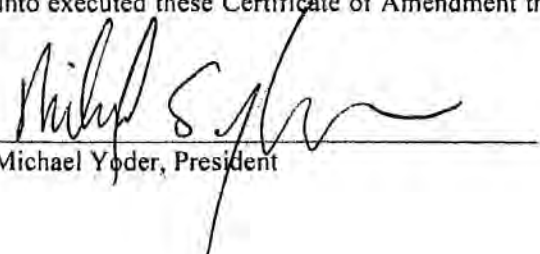
(iii) any repurchase of any outstanding securities of the Corporation that is approved by the Board.

5. Liquidation Rights. Upon (i) any liquidation, dissolution, or winding up of the Corporation, whether voluntary or involuntary or (ii) an Acquisition (as defined below) (each of (i) and (ii), a "Liquidation Event"), before any distribution or payment shall be made to the holders of any Common Stock or series of stock ranking on liquidation junior to the Series A Preferred Stock, the holders of Series A Preferred Stock shall be entitled to be paid out of the assets of the Corporation legally available for distribution, or the consideration received in such transaction, on a pari passu basis, for each share of Series A Preferred Stock held by them, an amount in cash per share of Series A Preferred Stock equal to the Series A Preferred Original Issue Price plus all declared and unpaid dividends on the Series A Preferred Stock (as adjusted for any stock dividends, combinations, splits, recapitalizations and the like with respect to such shares after the filing date hereof). If, upon any such Liquidation Event, the assets of the Corporation (or the consideration received in such transaction) shall be insufficient to make payment in full to all holders of Series A Preferred Stock of the liquidation preferences set forth in this Section 5, then such assets (or consideration) shall be distributed among the holders of Series A Preferred Stock at the time outstanding, ratably in proportion to the full amounts to which they would otherwise be respectively entitled under this Section 5. After the payment of the full liquidation preference of the Series A Preferred Stock as set forth in this Section 5, the remaining assets of the Corporation legally available for distribution in any Liquidation Event (or the consideration received in such transaction), if any, shall be distributed ratably to the holders of the Common Stock.

As used herein, an "Acquisition" shall mean (i) any consolidation or merger of the Corporation with or into any other corporation or other entity or person, or any other corporate reorganization, in which the stockholders of the Corporation immediately prior to such consolidation, merger or reorganization, own less than fifty percent (50%) of the voting power of the surviving entity immediately after such consolidation, merger or reorganization, (ii) any transaction or series of related transactions to which the Corporation is a party in which in excess of fifty percent (50%) of the Corporation's voting power is transferred, but in each case of (i) and (ii) excluding (x) any transaction effected exclusively to change the domicile of the Corporation, or (y) any transaction or series of transactions effected principally for bona fide equity financing purposes in which cash is received by the Corporation or indebtedness of the Corporation is cancelled or converted or a combination thereof; or (iii) a sale, lease or other disposition of all or substantially all of the assets of the Corporation. In any Acquisition, if the consideration to be received is securities of a corporation or other property other than cash, its value will be deemed its fair market value as determined in good faith by the Board.

B. Blank Check Preferred Stock. To the fullest extent permitted by law, authority is expressly granted to and vested in the Board of Directors of the Corporation to name and provide for the issuance, in one or more series, of any or all of the Preferred Stock that is not designated as Series A Preferred Stock ("Blank Check Preferred Stock") and in connection therewith to prescribe by resolution the voting powers (if any), designations, preferences, limitations, restrictions and relative rights of Blank Check Preferred Stock, or of a respective series of Blank Check Preferred Stock, as the case may be, in the manner permitted by the laws of the state of Nevada. Neither holders of Common Stock nor holders of Series A Preferred Stock (except as provided in Section A.3. of this Article 3) shall have voting rights relating to the fixing of any terms of Blank Check Preferred Stock or issuance of any shares of Blank Check Preferred Stock (or any series thereof). All authority in respect of the fixing of terms, and the issuance of shares, of Blank Check Preferred Stock is vested exclusively in the Board of Directors (or any duly appointed committee thereof).

IN WITNESS WHEREOF, we have hereunto executed these Certificate of Amendment this 21 day of May, 2018.


Michael Yoder, President

AMENDED AND RESTATED
CODE OF BYLAWS
OF
VIRTUAL COMMUNICATIONS CORPORATION,
A NEVADA CORPORATION

ARTICLE 1

Identification

Section 1.01 Name. The name of the Corporation is "Virtual Communications Corporation".

Section 1.02 Registered Agent and Address. The name of the Registered Agent and the agent's street address ("Registered Office") where process may be served upon the Corporation are: Kolesar & Leatham, Chtd., 400 S. Rampart Blvd., Suite 400, Las Vegas, Nevada. The Registered Agent shall maintain at the Registered Office:

(a) A copy of the Corporation's Articles of Incorporation, and all amendments thereto certified by the Secretary of State;

(b) A copy certified by an officer of the Corporation of its Bylaws and all amendments thereto; and

(c) A stock ledger or duplicate stock ledger, revised annually, containing the names, alphabetically arranged, of all persons who are stockholders of the Corporation, showing their places of residence, if known, and the number of shares of stock held by them respectively. In lieu of the stock ledger or duplicate stock ledger, the agent may keep a statement setting out the name of the custodian of the stock ledger or duplicate stock ledger, and the present and complete post office address, including street and number, if any, where the stock ledger or duplicate stock ledger is kept.

Section 1.03 Other Offices. Other offices may at any time be established by the Board of Directors at any place or places within or without the State of Nevada where the Corporation is authorized to do business.

Section 1.04 Seal. The seal of the Corporation shall be circular in form and mounted upon a metal die, suitable for impressing the same upon paper. About the upper periphery of the seal shall appear the words "Virtual Communications Corporation." and about the lower periphery of it the word "NEVADA". In the corner of the seal shall appear the words "CORPORATE SEAL" and "2012".

Section 1.05 Fiscal Year. The closing month of the fiscal year of the Corporation shall be December.

ARTICLE 2

Capital Stock

Section 2.01 Consideration for Shares of Stock. The Corporation may issue and dispose of its authorized shares of stock for such consideration as the Board of Directors determines is adequate.

Section 2.02 Certificates Representing Shares of Stock. Each holder of the capital stock of the Corporation shall be entitled to a certificate signed by the President and the Secretary or Treasurer of the Corporation, and sealed with the seal of the Corporation, certifying the number of shares of stock owned by the holder in the Corporation.

Section 2.03 Transfer of Stock. The Corporation shall register a transfer of a stock certificate presented to it for transfer if the following conditions have been fulfilled:

(a) Endorsement. The certificate is properly endorsed by the registered holder or by the holder's duly authorized attorney.

(b) Witnessing. The endorsement or endorsements are witnessed by one witness unless this requirement is waived by the Secretary of the Corporation.

(c) Adverse Claims. The Corporation has no notice of any adverse claims or has discharged any duty to inquire into any such claims.

(d) Collection of Taxes. There has been compliance with any applicable law relating to the collection of taxes.

ARTICLE 3

The Stockholders

Section 3.01 Place of Meetings. Meetings of the stockholders of the Corporation shall be held at such place as may be designated by the President or the Board of Directors (the "Place of Meeting") or by the written consent of all stockholders entitled to vote thereat given either before or after the meeting and filed with the Secretary of the Corporation.

Section 3.02 Annual Meeting. The annual meeting of the stockholders shall be held on the date and time, and at the place set by the Board of Directors or by the written consent of all stockholders entitled to vote thereat given either before or after the meeting and filed with the Secretary of the Corporation. Failure to hold the annual meeting shall not cause a forfeiture or dissolution of the Corporation.

Section 3.03 Special Meetings. Special meetings of the stockholders may be called by the President, the Board of Directors, or the holder or holders of not less than one-tenth of all the shares of stock entitled to vote at the meeting.

Section 3.04 Notice of Meetings-Waiver. Written notice stating the place, day and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10), nor more than fifty (50) days before the date of the meeting, either personally, or by mail, or by other means of written communication, charges prepaid, by or at the direction of the President, the Secretary, or the officer or persons calling the meeting, to each registered holder entitled to vote at such meeting. If mailed, such notice shall be considered to be delivered when deposited in the United States mail addressed to the registered holder at the holder's address as it appears on the stock transfer books of the Corporation, with postage prepaid. If a stockholder gives no address, notice shall be deemed to have been given if sent by mail or other written communication addressed to the Registered Agent of the Corporation, or if published at least once in some newspaper of general circulation in the county in which said office is located. Waiver by a stockholder in writing of notice of a stockholders' meeting, shall be equivalent to giving such notice. Attendance by a stockholder, without objection to the notice, whether in person or by proxy, at a stockholders' meeting shall constitute a waiver of notice of the meeting.

Section 3.05 Quorum. A majority of the shares of stock entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of stockholders. The stockholders present at a duly organized meeting may continue to do business until adjournment, notwithstanding the withdrawal of enough stockholders to leave less than a quorum.

Section 3.06 Adjourned Meeting and Notice Thereof. Any stockholders' meeting, annual or special, whether or not a quorum is present, may be adjourned from time to time by the vote of a majority of the shares of stock, the holders of which are either present in person or represented by proxy thereat, but in the absence of a quorum no other business may be transacted at any such meeting.

When any stockholders' meeting, either annual or special, is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given, as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of the time and place of the adjourned meeting or of the business to be transacted thereat, other than by announcement at the meeting at which such adjournment is taken.

Section 3.07 Entry of Notice. An entry in the minutes of any meeting of stockholders, whether annual or special, to the effect that notice has been duly given, shall be conclusive and incontrovertible evidence that due notice of such meeting was given to all stockholders as required by law and these Bylaws.

Section 3.08 Voting. Except as otherwise provided by law, only persons in whose names shares of stock entitled to vote stand on the stock records of the Corporation on the day three (3) days prior to any meeting of stockholders, or, if, a record date for voting purposes is fixed as provided in Article 5, Section 6.01, of these Bylaws, then on such record date, shall be entitled to vote at such meeting.

The vote of the stockholders shall mean the unanimous written action or ratification of action of the stockholders or the vote of a majority of the voting power of the stockholders present in person or by proxy at a telephonic or other meeting of the stockholders, having a quorum and called upon proper notice or waiver of notice.

Section 3.09 Consent of Absentees. The transactions of any meeting of stockholders, either annual or special and however called and noticed, shall be as valid as though had at a meeting duly held after regular call and notice if a quorum be present either in person or by proxy and if, either before or after the meeting, each of the stockholders entitled to vote, not present in person or by proxy, signs a written waiver of notice, or a consent to the holding of such meeting, or an approval of the minutes thereof, all such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Section 3.10 Action or Ratification of Action Without Meeting. Any action which may be taken or ratified at a meeting of the stockholders, may be taken or ratified without a meeting if authorized in writing by stockholders holding the percentage of the voting power required by law for taking such action by written consent and such writing is filed with the Secretary of the Corporation.

Section 3.11 Proxies. Every person entitled to vote or execute consents shall have the right to do so either in person or by an agent or agents authorized by a written proxy executed by such person or the person's duly authorized agent and reasonable evidence of which is filed with the Secretary of the Corporation; provided that no such proxy shall be valid after the expiration of six (6) months from the date of its execution unless the person executing it specified therein the length of time for which such proxy is to continue in force, which in no event shall exceed seven (7) years from the date of its execution.

Section 3.12 Telephone Meetings. Stockholders may participate in a meeting of stockholders by means of a telephone conference or similar method of communication by which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this section constitutes presence in person at the meeting.

Section 3.13 Definition of "Stockholder". As used in these Bylaws, the term "stockholder", and any term of like import, shall include all persons entitled to vote the shares of stock held by a stockholder, unless the context in which such term is used indicates that a different meaning is intended.

ARTICLE 4

The Board of Directors

Section 4.01 Number of Directors. The Board of Directors of the Corporation shall initially consist of two (2) members. The members of the Board of Directors need not be stockholders. The number of members of the Board of Directors may be increased or decreased from time to time as provided in Section 4.02 below.

Section 4.02 Increase or Decrease of Directors. The number of Directors of the Corporation may be increased or decreased from time to time, at a meeting of the stockholders, by the affirmative vote of a majority of the issued and outstanding shares of stock of the Corporation;

provided, however, that the Board shall consist of not more than twenty-one (21) members, and of less than two (2) members unless all of the issued and outstanding shares of stock of the Corporation are owned beneficially and of record by less than two (2) stockholders, in which case the number of Directors may be less than two (2), but not less than the number of beneficial and record owners of shares of stock. This Section of the Code of Bylaws may be amended only by the affirmative vote at a meeting of the stockholders, of a majority of the issued and outstanding shares of stock of the Corporation.

Section 4.03 Election. Members of the initial Board of Directors shall hold office until the first annual meeting of stockholders or until their successors shall have been elected and qualified. At the first annual meeting of stockholders and at each annual meeting thereafter, the stockholders shall elect Directors to hold office until the next succeeding annual meeting. If any such annual meeting is not held, or the Directors are not elected thereat, the Directors may be elected at any special meeting of the stockholders held for that purpose. Each Director shall hold office for the term for which the Director is elected or until the Director's successor shall be elected and qualified.

Section 4.04 Vacancies. Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the remaining Directors though less than a quorum of the Board of Directors, or by a sole remaining Director. A Director elected to fill a vacancy shall be elected for the unexpired term of the Director's predecessor in office.

A vacancy or vacancies in the Board of Directors shall be deemed to exist in case of the death, resignation or removal of any Directors, or if the authorized number of Directors be increased, or if the stockholders fail at any annual or special meeting of stockholders at which any Director or Directors are elected to elect the full authorized number of Directors to be voted for at that meeting, or if a vacancy is declared by the Board of Directors for any reason permitted by law.

The stockholders may elect a Director or Directors at any time to fill any vacancy or vacancies not filled by the Directors. If the Board of Directors accepts the resignation of a Director tendered to take effect at a future time, the Board or the stockholders shall have power to elect a successor to take office when the resignation is to become effective.

No reduction of the authorized number of Directors shall have the effect of removing any Director prior to the expiration of the Director's term of office.

Section 4.05 Place of Meetings. Immediately after the annual meeting of the stockholders, at the same place as the meeting of the stockholders, the Board of Directors shall meet each year for the purpose of organization, election of officers, and consideration of any other business that may properly be brought before the meeting. No notice of any kind to either old or new members of the Board of Directors for this annual meeting shall be necessary unless the meeting is to be held at a place other than the Place of Meeting provided in Section 3.01, in which case notice of the place of the meeting shall be given as provided in Section 4.07.

Section 4.06 Regular Meetings. Regular meetings of the Board of Directors shall be held at such times and places within or without the State of Nevada as may be designated from time to time by resolution of the Board or by written consent of all members of the Board. No notice of any kind

to members of the Board for these regular meetings shall be necessary unless the meeting is to be held at a place other than the Place of Meeting provided in Section 3.01, in which case notice of the place of the meeting shall be given as provided in Section 4.07.

Section 4.07 Other Meetings. Other meetings of the Board of Directors for any purpose or purposes may be held at any time upon call by the President or, if the President is absent or unable to or refuses to act, or by one (1) Director. Such meetings may be held at any place within or without the State of Nevada as may be designated from time to time by resolution of the Board or by written consent of all members of the Board.

Written notice of the time and place of other meetings shall be delivered personally to each Director or sent to each Director by mail or other form of written communication, charges prepaid, addressed to the Director at the Director's address as it is shown upon the records of the Corporation or, if it is not so shown on such records or is not readily ascertainable, at the place in which the meetings of the Directors are regularly held. In case such notice is mailed, it shall be deposited in the United States Mail at least one hundred twenty (120) hours prior to the time of the holding of the meeting. In case such notice is personally delivered, it shall be so delivered at least twenty-four (24) hours prior to the time of the holding of the meeting. Such mailing or delivery as above provided shall constitute due, legal and personal notice to such Director.

Section 4.08 Notice of Adjourned Meetings. Notice of the time and place of holding an adjourned meeting need not be given to absent Directors if the time and place be fixed at the meeting adjourned.

Section 4.09 Entry of Notice. An entry in the minutes of any special meeting of the Board of Directors to the effect that notice has been duly given shall be conclusive and incontrovertible evidence that due notice of such special meeting was given to all Directors as required by law and by these Bylaws.

Section 4.10 Waiver of Notice. The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, shall be as valid as though had at a meeting duly held after regular call and notice, if a quorum be present, and if, either before or after the meeting, each of the Directors not present, and not having received notice, signs a written waiver of notice or a consent to holding such meeting or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Section 4.11 Quorum. A majority of the authorized number of Directors shall be necessary to constitute a quorum for the transaction of business, except to adjourn as hereinafter provided. Every act or decision done or made by a majority of the Directors present at a meeting, duly held at which a quorum is present, shall be regarded as the act of the Board of Directors unless a greater number be required by law or by the Articles of Incorporation.

Section 4.12 Adjournment. A quorum of the Directors may adjourn any Directors' meeting to meet again at a stated day and hour; provided, however, that in the absence of a quorum, a majority of the Directors present at any Directors' meeting, either regular or special, may adjourn from time to time until the time fixed for the next regular meeting of the Board.

Section 4.13 Action Without Meeting. Any action which may be taken or ratified at a meeting of the Board of Directors may be taken or ratified without a meeting if all of the members of the Board of Directors shall individually or collectively consent, in writing, to such action. Such action by written consent shall have the same force and effect as a unanimous vote of such Directors. Such written consent or consents shall be filed with the minutes of the proceedings of the Board.

Section 4.14 Telephone Meetings. Members of the Board of Directors or of any committee designated by the Board may participate in a meeting of the Board or committee by means of a telephone conference or similar method of communication by which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this section constitutes presence in person at the meeting.

Section 4.15 Voting. The vote of the Directors shall mean the unanimous written action or ratification of action of the Directors or the vote of a majority of the voting power of the Directors present in person or by proxy at a telephone or other meeting of the Directors, having a quorum and called upon proper notice or waiver of notice.

Section 4.16 Fees and Compensation. Directors shall not receive any stated salary for their services as Directors or as members of committees, but, by resolution of the Board, a fixed fee, with or without expenses of attendance, may be allowed to Directors for such services. Nothing herein contained shall be construed to preclude any Director from serving the Corporation in any other capacity as an officer, agent, employee or otherwise, and receiving compensation therefor.

Section 4.17 Indemnification of Directors and Officers. The following provisions are in addition to any other rights and remedies of a person for advancement of expenses or indemnification by law or contract, or as determined by a court of competent jurisdiction. A Director or officer of the Corporation, or a Director, officer, partner, manager, or trustee of another corporation, partnership, limited liability company, trust or other business venture serving at the request of the Corporation (in this section, "Person") may be eligible for indemnification or advancement of expenses. Expenses subject to indemnification or advancement include expenses incurred because the Person was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, whether or not by or in the right of the Corporation, by reason of the fact of the Person's duties to or on behalf of the Corporation (in this section, "Litigation"). The character of expenses subject to indemnification or advancement include attorneys' fees, costs, judgments, fines, and amounts paid in settlement actually and reasonably incurred by the Person in connection with the Litigation (in this section, "Costs"), but exclude judgments in favor of the Corporation and amounts paid in settlement with the Corporation and attorneys' fees and costs incurred in connection with such judgments or settlements. The Corporation shall pay the Costs of Persons incurred in Litigation as they are incurred and in advance of the final disposition of the Litigation, upon receipt of an undertaking by or on behalf of the person to repay the amount if it is ultimately determined by a court of competent jurisdiction that the person is not entitled to indemnification by the Corporation. The Corporation shall indemnify the Costs of Persons incurred in Litigation, regardless of the conduct of the Person, unless a final adjudication establishes that the Person's acts or omissions involved intentional misconduct, fraud or a knowing violation of the law and was material to the cause of action.

Section 4.18 Powers of Directors. Subject to limitations of the Articles of Incorporation, of these Bylaws, and of applicable law as to action to be authorized or approved by the stockholders and subject to the duties of Directors as prescribed by these Bylaws, all corporate powers shall be exercised by or under the authority of, and the business and affairs of the Corporation shall be controlled by, the Board of Directors. Without prejudice to such general powers, but subject to the same limitations, it is hereby expressly declared that the Directors shall have the following powers, to-wit:

First: To select and remove all officers, agents and employees of the Corporation, prescribe such powers and duties for them as may not be inconsistent with law, with the Articles of Incorporation or the Bylaws, fix their compensation, and require from them security for faithful service.

Second: To conduct, manage and control the affairs and business of the Corporation and to make such rules and regulations therefor not inconsistent with law, with the Articles of Incorporation or these Bylaws, as they may deem best.

Third: To change the Registered Agent or the Registered Office; to change the Place of Meeting provided in Section 3.01; to fix and locate from time to time one or more other offices of the Corporation, within or without the State of Nevada as provided in Article 1, Section 1.03, hereof; to designate any place within or without the State of Nevada for the holding of any stockholders' meeting or meetings; and to adopt, make and use a corporate seal, and to prescribe the forms of certificates of stock, and to alter the form of such seal and of such certificates from time to time, as in their judgment they may deem best, provided such seal and such certificates shall at all times comply with the provisions of law.

Fourth: To borrow money and incur indebtedness for the purposes of the Corporation, and to cause to be executed and delivered therefor, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations or other evidences of debt and securities therefor.

Fifth: To authorize the issuance of shares of stock of the Corporation for such consideration as the Board of Directors determines is adequate.

Sixth: To appoint an Executive Committee and other committees, and to delegate to such Executive Committee any of the powers and authority of the Board in the management of the business and affairs of the Corporation, except the power to declare distributions and to adopt, amend or repeal Bylaws. The Board of Directors shall have the power to prescribe the manner in which proceedings of the Executive Committee and other committees shall be conducted. The committees shall keep regular minutes of their meetings and report the same to the Board when required. Any such Executive Committee shall be composed of two (2) or more Directors.

Seventh: To declare distributions upon the capital stock of the Corporation in cash, in property, or in shares of the capital stock, subject to the limitation of the Articles of Incorporation and of applicable law. Before payment of any distribution, there may be set aside out of the funds of the Corporation available for distributions, such sum or sums as the Directors, from time to time, in their absolute discretion, think proper as a reserve or reserves to meet contingencies, or for

equalizing distributions, or for repairing or maintaining any property of the Corporation, or for such other purpose as the Directors shall think conducive to the interests of the Corporation, and the Directors may modify or abolish any such reserve in the manner in which it was created.

ARTICLE 5

The Officers

Section 5.01 Officers. The officers of the Corporation shall be a President, a Secretary and a Treasurer, and each of them shall be appointed by the Board of Directors. The Corporation may also have such other executive officers, including one (1) or more Vice Presidents, one (1) or more Assistant Secretaries and one (1) or more Assistant Treasurers, as may be appointed by the Board of Directors, and such subordinate officers as may be appointed in accordance with the provisions of Section 5.03 of this Article 5. Officers, other than the President, need not be Directors. One person may hold two (2) or more offices, except those of President and Secretary. However, if the Corporation only has one stockholder, then one person may hold the offices of both President and Secretary.

Section 5.02 Election. The officers of the Corporation, except such officers as may be appointed in accordance with the provisions of Section 5.03 or Section 5.05 of this Article, shall be chosen annually by the Board of Directors, and each shall hold office until the officer shall resign or shall be removed or otherwise disqualified to serve, or the officer's successor shall be elected and qualified to serve; provided that officers may be appointed at any time by the Board of Directors, or, as permitted by Section 5.03 of this Article, by the President, for the purpose of initially filling an office or filling a newly created or vacant office.

Section 5.03 Subordinate Officers. The Board of Directors may appoint, and may empower the President to appoint, such other officers as the business of the Corporation may require, each of whom shall hold office for such period, have such authority and perform such duties as are provided in these Bylaws or as the Board of Directors may from time to time determine.

Section 5.04 Removal and Resignation. Any officer may, subject to any contractual arrangements between the officer and the Corporation, be removed, either with or without cause, by a majority of the Directors in office at the time, at any regular or special meeting of the Board, or, except in case of an officer chosen by the Board of Directors, by any officer upon whom such power of removal may be conferred by the Board of Directors.

Any officer may resign at any time by giving written notice to the Board of Directors or to the President, or to the Secretary of the Corporation. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5.05 Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in these Bylaws for regular appointments to such office.

Section 5.06 President. Subject to such supervisory powers, if any, as may be given by the Board of Directors to an officer senior to the President, if there be such an officer, the President shall be the Chief Executive Officer of the Corporation and shall, subject to the control of the Board of Directors, have general supervision, direction and control of the business and officers of the Corporation. The President shall preside at all meetings of the stockholders, and, in the absence of the Chairman of the Board, or officer senior to the President, or if there be none, at all meetings of the Board of Directors. The President shall be *ex officio* a member of all the standing committees, including the Executive Committee, if any, and shall have the general powers and duties of management usually vested in the office of president of a corporation, and such other powers and duties as may be prescribed by the Board of Directors or these Bylaws.

Section 5.07 Vice Presidents. In the absence or disability of the President, the Vice Presidents, in order of their rank, as fixed by the Board of Directors, or if not ranked, the Vice President designated by the Board of Directors, shall perform all the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice Presidents shall have such other powers and perform such other duties as may be prescribed for them respectively by the Board of Directors, the President or these Bylaws.

Section 5.08 Secretary. The Secretary shall keep or cause to be kept, at the Registered Office or such other place as the Board of Directors may order, a book of minutes of all meetings of Directors and stockholders, with the time and place of holding, whether regular or special, and, if special, how authorized, the notice thereof given, the names of those present at Directors' meetings, the number of shares of stock present or represented at stockholders' meetings, and the proceedings thereof.

The Secretary shall keep or cause to be kept, in any form permitted by law, at the Registered Office or at the office of the Corporation's transfer agent, a stock ledger, or a duplicate stock ledger, showing the names of the stockholders and their addresses, the number and classes of shares of stock held by each, the number and date of certificates issued for shares of stock, and the number and date of cancellation of every certificate surrendered for cancellation.

The Secretary shall give, or cause to be given, notice of all the meetings of the stockholders and of the Board of Directors required by these Bylaws or by law to be given, and shall keep the seal of the Corporation in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors, the President or these Bylaws.

Section 5.09 Treasurer. The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the Corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, surplus and shares of stock. Any surplus, including earned surplus, paid-in surplus and surplus arising from a reduction of stated capital, shall be classified according to source and shown in a separate account. The books of account shall at all times be open to inspection by any Director.

The Treasurer shall deposit all moneys and other valuables in the name and to the credit of the Corporation with such depositories as may be designated by the Board of Directors; shall disburse the funds of the Corporation as may be ordered by the Board of Directors; shall render to the President and Directors, whenever they request it, an account of all of transactions as Treasurer and

of the financial condition of the Corporation; and, shall have such other powers and perform such other duties as may be prescribed by the Board of Directors, the President or these Bylaws. If required by the Board of Directors, the Treasurer shall give the Corporation a bond in such sum and with such surety or sureties as shall be satisfactory to the Board of Directors for the faithful performance of the duties of the office and for the restoration to the Corporation, in case of the Treasurer's death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in the possession or control of the Treasurer and belonging to the Corporation.

Section 5.10 Corporate Bank Accounts. Bank accounts in the name of the Corporation may be opened with the approval of the Board of Directors.

Section 5.11 Transfers of Authority. In case of the absence of any officer of the Corporation, or for any reason that the Board of Directors may consider sufficient, the Board of Directors may transfer the powers or duties of that officer to any other officer or to any Director or employee of the Corporation, provided a majority of the full Board of Directors concur.

Section 5.12 Registered Agent and Registered Office. The Registered Agent and/or Registered Office of the Corporation may be changed by two officers, one of whom must be either the President or the Secretary of the Corporation, without the approval of the Board of Directors. One of the officers shall inform the Board of Directors of any change pursuant to the authority granted in this section at the next meeting of the Board of Directors.

Section 5.13 Limitations on Authority of Officers. The approval of the Board of Directors shall be required for any officer to act on behalf of the Corporation to negotiate for or enter into any debt instrument or agreement that obligates the Corporation to pay money. Subject to such Director approval, the President or Vice President, along with the Secretary or Treasurer may receive from the Board of Directors the approval to withdraw or transfer funds from any Corporation bank account.

ARTICLE 6

Miscellaneous

Section 6.01 Record Date and Closing Stock Books. The Board of Directors may fix a time in the future, as a record date for the determination of the stockholders entitled to notice of and to vote at any meeting of stockholders, or entitled to receive any dividend or distribution, or any allotment of rights, or to exercise rights in respect to any change, conversion or exchange of shares of stock. The record date so fixed shall not be more than fifty (50) days prior to the date of the meeting or event for the purposes of which it is fixed. When a record date is so fixed, only stockholders of record on that date shall be entitled to notice of and to vote at the meeting, or to receive the dividend, distribution or allotment of rights, or to exercise the rights, as the case may be, notwithstanding any transfer of any shares of stock on the books of the Corporation after the record date. The Board of Directors may close the books of the Corporation against transfers of shares of stock during the whole or any part of any such fifty (50) day period.

Section 6.02 Inspection of Corporate Records. The stock ledger or duplicate stock ledger, the books of account and minutes of proceedings of the stockholders and the Board of Directors and the Executive Committee, if any, shall be open to inspection upon the written demand of any stockholder or holder of a voting trust certificate, at any reasonable time, and for a purpose reasonably related to the interests of the holder as a stockholder or as the holder of a voting trust certificate, and shall be exhibited at any time when required by the demand at any stockholders' meeting of ten percent (10%) of the shares of stock represented at the meeting. Such inspection may be made in person or by an agent or attorney, and shall include the right to make extracts. Demand of inspection other than at a stockholders' meeting shall be made in writing upon the President, Secretary or Assistant Secretary or general manager, if any, of the Corporation.

Section 6.03 Checks, Drafts, Etc. All checks, drafts, bonds, bills of exchange, or other orders for payment of money, notes, or other evidences of indebtedness issued in the name of or payable to the Corporation shall be signed or endorsed by such person or persons and in such manner as, from time to time, shall be determined by resolution of the Board of Directors.

Section 6.04 Contracts, Etc., How Executed. The Board of Directors, except as in these Bylaws otherwise provided, may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument or document in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances. Unless otherwise specifically determined by the Board of Directors or otherwise required by law, formal contracts, promissory notes and other evidences of indebtedness, deeds of trust, mortgages and corporate instruments or documents requiring the corporate seal, shall be executed, signed or endorsed by the President or any Vice President and by the Secretary (or any Assistant Secretary) or the Treasurer (or any Assistant Treasurer). The Board of Directors may, however, authorize any one (1) of such officers to sign any of such instruments for and on behalf of the Corporation, without necessity of countersignature; may designate officers or employees of the Corporation, other than those named above, who may, in the name of the Corporation, sign such instruments; and may authorize the use of facsimile signatures of any of such persons. No officer, agent or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit to render it liable for any purpose or to any amount except as specifically authorized in these Bylaws or by the Board of Directors in accordance with these Bylaws.

Section 6.05 Certificates of Stock. A certificate or certificates for shares of the capital stock of the Corporation shall be issued to each stockholder when any such shares of stock are fully paid up. All such certificates shall be signed by the President, Secretary or Treasurer (or Assistant Secretary or Assistant Treasurer), or be authenticated by facsimiles of the signatures of the President, Secretary or Treasurer (or Assistant Secretary and Assistant Treasurer) or by a facsimile of the signature of the President and the written signature of the Secretary or Treasurer (or Assistant Secretary or Assistant Treasurer). Before it becomes effective every certificate authenticated by a facsimile of a signature must be counter-signed by a transfer agent or transfer clerk and registered by an incorporated bank or trust company, either domestic or foreign, as registrar of transfers, as required or permitted by law.

In case any officer or officers who shall have signed, or whose facsimile signature or signatures shall have been used on any such certificate or certificates shall cease to be such officer or officers of the Corporation, whether because of death, resignation or otherwise, before such certificate or certificates shall have been delivered by the Corporation, such certificate or certificates may nevertheless be adopted by the Corporation and be issued and delivered as though the person or person who signed such certificate or certificates, or whose facsimile signature or signatures shall have been used thereon, had not ceased to be the officer or officers of such Corporation.

Section 6.06 Lost Certificates of Stock. The Board of Directors may direct a new certificate or certificates to be issued in place of any certificate or certificates theretofore issued by the Corporation alleged to have been lost, destroyed, or stolen, upon the making of an affidavit of that fact by the person claiming the certificate of stock to be lost or destroyed. When authorizing such issue of a new certificate or certificates, the Board of Directors may, in its discretion, and as a condition precedent to the issuance thereof, require the owner of such lost or destroyed certificate or certificates, or the owner's legal representative, to advertise the same in such manner as it shall require and/or give the Corporation a bond in such sum as it may direct as indemnity against any claim that may be made against the Corporation with respect to the certificate alleged to have been lost or destroyed.

Section 6.07 Representation of Shares of Stock of Other Corporations. The President or any Vice President and the Secretary or any Assistant Secretary of this Corporation are authorized to vote, represent and exercise on behalf of this Corporation all rights incident to any and all shares of stock of any other corporation or corporations standing in the name of this Corporation. The authority herein granted to said officers to vote or represent on behalf of this Corporation any and all shares of stock held by this Corporation in any other corporation or corporations may be exercised either by such officers in person or by any persons authorized so to do by proxy or power of attorney duly executed by said officers.

Section 6.08 Inspection of Bylaws. The Corporation shall keep at the Registered Office the original or a copy of the Bylaws as amended or otherwise altered to date, certified by an officer of the Corporation, which shall be open to inspection by the stockholders at all reasonable times during office hours.

Section 6.09 Conflict. In the event of any conflict between any provision in these Bylaws and in the Corporation's Articles of Incorporation, the provision in the Articles shall control.

ARTICLE 7

Amendments

Section 7.01 Power of Stockholders. New Bylaws may be adopted or these Bylaws may be amended or repealed by the vote or written assent of stockholders entitled to exercise a majority of the voting power of the Corporation, except as otherwise provided by law or by the Articles of Incorporation.

Section 7.02 Power of Directors. Subject to the right of stockholders as provided in Section 7.01 of this Article 7 to adopt, amend or repeal Bylaws, Bylaws may be adopted, amended, or repealed by the Board of Directors; provided, however, that a Bylaw or amendment thereof changing the authorized number of Directors may be adopted, amended or repealed only by the stockholders, except that if a flexible number of Directors is authorized by the Articles of Incorporation or these Bylaws, a Bylaw or amendment thereof fixing the exact number of Directors within the limits specified in the Articles of Incorporation or these Bylaws may be adopted, amended or repealed by the Board of Directors.

CERTIFICATE OF SECRETARY

I, the undersigned, do hereby certify:

1. That I am the duly elected Secretary of Virtual Communications Corporation, a Nevada corporation (hereinafter the "Corporation").
2. That the foregoing Code of Bylaws, comprising fourteen (14) pages, excluding this page, constitute the Bylaws of said Corporation as duly adopted by the Board of Directors of said Corporation by way of Unanimous Written Consent on the 21 day of May, 2018.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Corporation effective the 21 day of MAY, 2018.

(SEAL)


_____, Secretary

EXHIBIT D

VIRTUAL COMMUNICATION CORPORATION'S PROJECTIONS OF REVENUE AND EXPENSES

1. Dependence on Assumptions. The projections of revenue and expenses contained herein (the “Projections”) related to the business operations of the Debtor’s wholly-owned subsidiary, WinTech, LLC (“WinTech”). The Projections are presented on a cash accounting basis¹ and are based on a number of estimates and assumptions that, while developed and considered reasonable by the Debtor and its advisors, are inherently subject to significant economic, business, and competitive uncertainties beyond the control of the Debtor. Accordingly, there can be no assurance that the revenue or expense estimates reflected in the projections will be realized, and actual results could vary materially and adversely from the projections contained herein.

2. Growth Opportunities. The future financial performance of the Debtor relies upon the ability of WinTech to successfully market the ALICE® Receptionist and related technologies. WinTech’s primary sales model offers the ALICE® Receptionist as a software subscription service with annual renewals. The Debtor believes that significant opportunities exist for WinTech to expand sales of the ALICE® Receptionist and to develop new markets for related technologies.

WinTech is currently negotiating with third-party resellers in Europe, Australia, China, and Mexico to establish partnerships and sales channels in those locations similar to the successful partnerships and sales channels that WinTech has already established in the United States and Canada.

WinTech will soon introduce a new software subscription service that is similar to the ALICE® Receptionist but will focus on the needs of school systems in the United States to identify, screen, and register visitors as they enter school facilities. This new technology will include a self-service ALICE® Receptionist kiosk that will have the ability to scan and validate a visitor’s driver license or other government-issued identification. It will also have the ability to instantly search public records for sexual and other criminal offender information and to notify school authorities if any visitor match is identified.

WinTech is also launching an ALICE® Receptionist public information kiosk for courthouses that will include the ability to provide information, facility maps, directions, and instructions to individuals arriving at courthouses throughout the United States. This new product will also include juror check-in and other security features. It is currently being installed at several courthouses in Riverside County, California.

3. Need for New Financing or Capital. Notwithstanding the opportunities discussed above, the Debtor has been unable to raise the new financing or capital investment necessary for WinTech to market the ALICE® Receptionist to its full potential due largely to the Debtor’s inability to resolve its liabilities arising from the Unsecured Notes. The Debtor anticipates that Confirmation of the Plan will enable the Debtor to quickly obtain new financing or capital investment to expand WinTech’s salesforce (WinTech currently employs only one salesperson)

¹ The historical financial statements included within Exhibit B are presented on an accrual accounting basis.

and marketing efforts. With adequate resources, the Debtor believes that WinTech can achieve substantial year-on-year growth in both its gross and net revenues.

4. Growth Expectations. As shown in the attached Projections, with the minimal resources presently available and virtually no marketing, WinTech achieved a 45% increase in gross annual revenue from 2016 to 2017 while, at the same time, it reduced its net operating loss by approximately 90%. WinTech had a positive cash flow in the first quarter of 2018 and is on track to increase its gross annual revenue during 2018 by approximately 66% over 2017. With additional marketing and support, the Debtor believes that WinTech can sustain and increase this growth in gross annual revenue in future years.

With access to new financing or capital investment, the Debtor plans to invest approximately \$2,000,000 to substantially expand the WinTech sales force and implement new marketing campaigns for the ALICE® Receptionist and related products. The Debtor projects this investment will allow WinTech to increase its gross revenues to more than \$13,000,000 within three years and more than \$33,000,000 within five years as shown in the attached Projections.

5. Disclaimers. Please review the disclaimers and warnings included within Art. I.C and the risk factors discussed in Art. III.E of the Disclosure Statement.

WinTech LLC
5-Year Projection of Revenue and Expenses (Cash Basis)

	PAST PERFORMANCE			PROJECTED PERFORMANCE				
	2016	2017	2018 Q1	Year 1	Year 2	Year 3	Year 4	Year 5
Revenue								
Gross Revenue	\$ 793,284	\$ 1,151,846	\$ 479,913	\$ 2,245,686	\$ 6,701,465	\$ 13,635,502	\$ 21,128,035	\$ 33,995,685
Cost of Goods Sold	\$ 186,680	\$ 186,334	\$ 41,206	\$ 459,000	\$ 1,376,999	\$ 2,203,200	\$ 2,203,200	\$ 3,304,799
Gross Profit	\$ 606,604	\$ 965,512	\$ 438,706	\$ 1,786,686	\$ 5,324,466	\$ 11,432,303	\$ 18,924,835	\$ 30,690,886
Expenses								
Payroll	\$ 442,681	\$ 500,319	\$ 149,546	\$ 1,797,498	\$ 2,709,000	\$ 4,527,600	\$ 5,513,600	\$ 9,150,000
Other Employee Benefits	\$ 38,949	\$ 33,963	\$ 9,031	\$ 359,500	\$ 541,800	\$ 905,520	\$ 1,102,720	\$ 1,830,000
Office Rent				\$ 180,000	\$ 180,000	\$ 300,000	\$ 300,000	\$ 300,000
Utilities, Telephone & Internet	\$ 17,003	\$ 8,298	\$ 3,085	\$ 36,000	\$ 42,000	\$ 42,000	\$ 42,000	\$ 42,000
Professional Fees (legal, accounting, etc.)	\$ 210,803	\$ 287,287	\$ 87,233	\$ 90,000	\$ 90,000	\$ 102,000	\$ 120,000	\$ 120,000
Business Travel	\$ 4,345	\$ 4,373	\$ 831	\$ 42,000	\$ 60,000	\$ 90,000	\$ 180,000	\$ 180,000
Marketing & Advertising	\$ 10,192	\$ 35,332	\$ 19,031	\$ 459,800	\$ 1,070,400	\$ 1,140,000	\$ 1,398,000	\$ 1,504,800
Licenses and permits	\$ 2,010	\$ 2,252	\$ 331	\$ 84,000	\$ 120,000	\$ 120,000	\$ 120,000	\$ 120,000
Technology Hosting Services	\$ 12,838	\$ 13,939	\$ 3,736	\$ 48,000	\$ 90,000	\$ 120,000	\$ 180,000	\$ 180,000
Miscellaneous	\$ 25,566	\$ 86,524	\$ 55,472	\$ 96,000	\$ 96,000	\$ 180,000	\$ 180,000	\$ 240,000
Office Supplies	\$ 12,907	\$ 11,025	\$ 4,976	\$ 6,000	\$ 12,000	\$ 24,000	\$ 24,000	\$ 24,000
	\$ 777,294	\$ 983,312	\$ 333,272	\$ 3,198,798	\$ 5,011,200	\$ 7,551,120	\$ 9,160,320	\$ 13,690,800
Net Operating Income (Loss)	\$ (170,690)	\$ (17,800)	\$ 105,434	\$ (1,412,112)	\$ 313,266	\$ 3,881,183	\$ 9,764,515	\$ 17,000,086

EXHIBIT E

HYPOTHETICAL LIQUIDATION ANALYSIS

A. Introduction

In connection with the Plan and Disclosure Statement, the following hypothetical liquidation analysis (the “Liquidation Analysis”) has been prepared by the Debtor’s management with the assistance of the Debtor’s legal counsel. This Liquidation Analysis should be read in conjunction with the Plan and the Disclosure Statement. The Debtor has prepared this Liquidation Analysis for the purpose of evaluating whether the Plan meets the so-called “best interests” test under section 1129(a)(7) of the Bankruptcy Code, which requires that a bankruptcy court find either that (i) all members of an impaired class of claims or interests have accepted the plan or (ii) the plan will provide a member who has not accepted the plan with a recovery of property of a value, as of the effective date of the plan, that is not less than the amount such holder would recover if the debtor was liquidated under chapter 7 of the Bankruptcy Code.

B. Assumptions and Disclaimer

The Liquidation Analysis has been prepared assuming the Debtor’s current Chapter 11 Case converts to chapter 7 liquidation under the Bankruptcy Code on or around May 31, 2018 (the “Liquidation Date”) and that the Debtor’s assets are liquidated in a traditional liquidation with the loss of going concern forced sale value attributable to these assets. It is further assumed that upon conversion of the Chapter 11 Case, a chapter 7 trustee (the “Trustee”) would be appointed or elected to commence the liquidation of all of the Debtor’s assets. To maximize recovery, the liquidation is assumed to occur over a three to six month period immediately after conversion of the Chapter 11 Case. Estimating recoveries in any hypothetical chapter 7 liquidation case is an uncertain process due to the number of unknown variables and is necessarily speculative. Thus extensive use of estimates and assumptions has been made that, although considered reasonable by Debtor’s management and its legal counsel, are inherently subject to significant business, economic and competitive uncertainties and contingencies beyond the control of the Debtor.

THE DEBTOR MAKES NO REPRESENTATIONS OR WARRANTIES REGARDING THE ACCURACY OF THE ESTIMATES AND ASSUMPTIONS OR A CHAPTER & TRUSTEE’S ABILITY TO ACHIEVE FORECASTED RESULTS. IN THE EVENT THE CHAPTER 11 CASE IS CONVERTED TO CHAPTER 7 LIQUIDATION, ACTUAL RESULTS MAY VARY MATERIALLY FROM THE ESTIMATES AND PROJECTIONS SET FORTH IN THIS LIQUIDATION ANALYSIS.

In preparing the Liquidation Analysis, the amount of Allowed Claims has been projected based upon a review of scheduled Claims and all Proofs of Claim associated with pre-petition and post-petition obligations. Additional Claims were estimated to include certain post-petition obligations on account of which Claims have not been asserted, but which would be asserted in a hypothetical chapter 7 liquidation. These potential Claims include, without limitation, Claims

for trade payables incurred during the Chapter 11 Case. In the event litigation is necessary to resolve any Claim, the completion of the chapter 7 liquidation could be delayed considerably. No order or finding has been entered by the Bankruptcy Court estimating or otherwise fixing the amount of any Claim at the estimated amount set forth in this Liquidation Analysis.

THE ESTIMATED AMOUNT OF ALLOWED CLAIMS SET FORTH IN THE LIQUIDATION ANALYSIS SHOULD NOT BE RELIED UPON FOR ANY OTHER PURPOSE, INCLUDING, WITHOUT LIMITATION, ANY DETERMINATION OF THE VALUE OF ANY DISTRIBUTION TO BE MADE ON ACCOUNT OF ALLOWED CLAIMS UNDER THE PLAN. THE ACTUAL AMOUNT OF ALLOWED CLAIMS IN THE CHAPTER 11 CASE COULD MATERIALLY AND SIGNIFICANTLY DIFFER FROM THE AMOUNT OF CLAIMS ESTIMATED IN THE LIQUIDATION ANALYSIS. NOTHING CONTAINED IN THIS HYPOTHETICAL LIQUIDATION ANALYSIS IS INTENDED TO BE OR CONSTITUTES A CONCESSION OR ADMISSION OF THE DEBTOR WITH REGARD TO ANY CLAIM.

EVENTS AND CIRCUMSTANCES OCCURRING SUBSEQUENT TO THE DATE ON WHICH THIS LIQUIDATION ANALYSIS WAS PREPARED MAY BE DIFFERENT FROM THOSE ASSUMED, OR, ALTERNATIVELY, MAY HAVE BEEN UNANTICIPATED, AND THUS THE OCCURRENCE OF THESE EVENTS MAY AFFECT THESE ANALYSES IN A MATERIALLY ADVERSE OR MATERIALLY BENEFICIAL MANNER. THE DEBTOR AND REORGANIZED DEBTOR DO NOT INTEND AND DO NOT UNDERTAKE ANY OBLIGATION TO UPDATE OR OTHERWISE REVISE THE LIQUIDATION ANALYSIS (OR ANY OTHER PART OF THE DISCLOSURE STATEMENT) TO REFLECT EVENTS OR CIRCUMSTANCES EXISTING OR ARISING AFTER THIS LIQUIDATION ANALYSIS IS INITIALLY FILED OR TO REFLECT THE OCCURRENCE OF UNANTICIPATED EVENTS. THEREFORE, THE LIQUIDATION ANALYSIS MAY NOT BE RELIED UPON AS A GUARANTEE OR OTHER ASSURANCE OF THE ACTUAL RESULTS THAT WILL OCCUR. IN DECIDING WHETHER TO VOTE TO ACCEPT OR REJECT THE PLAN, HOLDERS OF CLAIMS OR INTERESTS MUST MAKE THEIR OWN DETERMINATIONS AS TO THE REASONABLENESS OF SUCH ASSUMPTIONS AND THE RELIABILITY OF THE LIQUIDATION ANALYSIS.

THIS LIQUIDATION ANALYSIS WAS DEVELOPED SOLELY FOR PURPOSES OF THE FORMULATION AND NEGOTIATION OF THE PLAN AND TO ENABLE THE HOLDERS OF CLAIMS AND INTERESTS ENTITLED TO VOTE UNDER THE PLAN TO MAKE AN INFORMED JUDGMENT ABOUT THE PLAN AND SHOULD NOT BE USED OR RELIED UPON FOR ANY OTHER PURPOSE, INCLUDING THE PURCHASE OR SALE OF SECURITIES OF, OR CLAIMS OR INTERESTS IN, THE DEBTOR OR ANY OF ITS AFFILIATES.

C. Hypothetical Liquidation Analysis

Assets:				
	Cash on Hand:			\$ 5,000.00
	100% Membership Interest in WinTech, LLC:			\$ -
	Potential Claims against Third Parties:			\$ 100,000.00
				\$ 105,000.00
Secured Claims:				
	The Gewerter Law Office			\$ (1,000.00)
	Julie Minushkin			\$ -
				\$ (1,000.00)
Total Net Liquidation Proceeds:				\$ 106,000.00
Chapter 7 Administrative Expenses:				
	Chapter 7 Trustee Fees and Expenses			\$ (10,000.00)
	Chapter 7 Trustee Attorney Fees			\$ (10,000.00)
	Wind Down and Storage Costs			\$ (5,000.00)
	Taxes and other Priority Claims			\$ (5,000.00)
				\$ (30,000.00)
Chapter 11 Administrative Expenses:				
	Attorney Fees			\$ (20,000.00)
	Priority Tax Claims			\$ -
	Non-Tax Priority Claims			\$ -
	Administrative Claims			\$ (10,000.00)
				\$ (30,000.00)
Total Potential Proceeds Available to Unsecured Creditors:				\$ 46,000.00
Estimated Total Allowed Unsecured Claims:				\$ 6,020,000.00
Estimated Percentage Payout to Unsecured Creditors in Chapter 7 Liquidation:				0.76%

D. Notes and Assumptions

1. Membership Interest in WinTech, LLC. This Liquidation Analysis assumes that WinTech, LLC (“WinTech”) would also be liquidated in the event of the Debtor’s Chapter 7 liquidation. The Debtor believes this assumption is accurate. WinTech has only seven (7) employees, many of whom hold Equity Interests in the Debtor. The Debtor believes that it is unlikely that WinTech’s management and key employees would be willing to continue working for WinTech under new ownership. Furthermore, given WinTech’s small size and limited assets, the departure of its current management and key employees would cause significant disruption to

business operations. Accordingly, it is unlikely that WinTech could be sold as a going concern through a chapter 7 liquidation of the Debtor.

A copy of WinTech's December 31, 2017 balance sheet is included in Exhibit B to the Disclosure Statement. Taking into account the assets and liabilities of WinTech, the Debtor believes that it is unlikely that it would receive any material distribution of proceeds from a liquidation of WinTech at this time.

2. Claims against Third Parties. The Debtor believes it holds viable claims against former officer and director, Ronald J. Robinson ("Robinson"), and possibly other parties arising from the misuse of proceeds from the Unsecured Notes and related matters. Robinson disputes such claims and denies that he is liable to the Debtor for any misuse of any proceeds from the Unsecured Notes. To date, the Debtor has chosen not to pursue any claim against Robinson (i) due to the high costs and uncertainty of litigation and (ii) because Robinson has agreed to allow WinTech to occupy and use space in a commercial building in which he holds an ownership interest on a rent free basis. The Debtor believes the market value of the free rent provided to WinTech by Robinson to be approximately \$10,000 per month. Although informal, the Debtor's management believes that the current arrangement with Robinson is preferable to litigation and would prefer that this arrangement continue for the foreseeable future should the Plan be confirmed.

In the event of a Chapter 7 liquidation, the Debtor believes that there is a substantial likelihood that a Chapter 7 Trustee would assert claims against Robinson and possibly others arising from the misuse of proceeds from the Unsecured Notes. Given the inherent uncertainty and expense of litigation, the Debtor believes that \$100,000 is a fair and reasonable estimate of the net amount a Chapter 7 Trustee might ultimately recover from the pursuit of such claims. However, it is possible that the pursuit of such claims could yield significantly more or significantly less than \$100,000.

3. Secured Claim of Julie Minushkin. The Claim of Julie Minushkin is secured by certain shares of Common Stock in the Debtor that were pledged as collateral for an obligation owed by the Debtor under a settlement agreement. In the event of a Chapter 7 liquidation, such shares would be of little or no value. Accordingly, this Claim is treated as unsecured for purposes of this Liquidation Analysis.

4. Dependence on Unaudited Financial Statements. This Liquidation Analysis contains estimates that are still under review and it remains subject to further legal and accounting analysis.