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7
8 SUPREME COURT
9 STATE OF NEVADA

10 RONALD J. ROBINSON,
11 Appellant,

No. 83250

12 vs.

APPELLANT'S APPENDIX VOL. 5

13 STEVEN A. HOTCHKISS,
14
15 Respondent.

16 RONALD J. ROBINSON,
17 Appellant,
18

19 vs.

20 ANTHONY WHITE, ROBIN
SUNTHEIMER, TROY
21 SUNTHEIMER, STEPHENS
GHESQUIERE, JACKIE STONE,
22 GAYLE CHANY, KENDALL
SMITH, GABRIELE
23 LA VERMICOCCA, ROBERT
KAISER.

24
25 Respondents.
26
27
28

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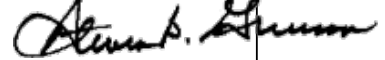
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RTRAN

DISTRICT COURT
CLARK COUNTY, NEVADA

STEVEN HOTCHKISS,
Plaintiff,
vs.
RONALD ROBINSON,
Defendant.

CASE#: A-17-762264-C
DEPT. IX

BEFORE THE HONORABLE CRISTINA D. SILVA, DISTRICT COURT JUDGE
TUESDAY, FEBRUARY 25, 2020

**RECORDER'S TRANSCRIPT OF
BENCH TRIAL - DAY 2**

APPEARANCES:

For the Plaintiff: DAVID LIEBRADER, ESQ.

For the Defendant: HAROLD P. GEWERTER, ESQ.

RECORDED BY: GINA VILLANI, COURT RECORDER

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Las Vegas, Nevada, Tuesday, February 25, 2020

[Proceedings began at 11:06 a.m.]

THE COURT: Good morning. Please be seated.

[Colloquy between the Court and the Marshal]

THE COURT: All right. So I understand that we potentially could finish this witness around 1:00, 1:30; is that correct?

MR. LIEBRADER: Yeah, we were -- actually, I was talking with your staff, maybe before a break for lunch, depends on how late you wanted to go and --

THE COURT: That's fine. My staff, they prepared, and so if everyone's okay with that, we'll just push through.

If we get to 1 o'clock and it doesn't seem like we're close to ending, we'll take a break at that time. But if we're pretty close, then we'll go ahead and finish up; all right.

MR. GEWERTER: And that -- I believe that's the last witness in this case.

THE COURT: That's what I understand as well so.

All right. Well, with that, then let's go ahead. Plaintiff, you can call your next witness.

MR. LIEBRADER: Thank you, Your Honor.

I'd like to call Frank Yoder.

FRANK YODER

[having been called as a witness and being first duly sworn, testified as follows:]

1 THE CLERK: Please be seated and then state and spell your
2 name for the record.

3 MR. LIEBRADER: Your Honor, may I use the well?

4 THE COURT: You may.

5 MR. LIEBRADER: Thank you.

6 THE WITNESS: My name is Frank Yoder.

7 THE COURT: Good morning. I'm just going to remind you,
8 everything in here is recorded, so if you can make sure you're speaking
9 into that microphone and giving verbal responses instead of the human
10 response of nodding our heads up and down, I'd appreciate it. All right?

11 THE WITNESS: Okay.

12 THE COURT: Thanks so much.

13 When you're ready counsel.

14 MR. LIEBRADER: Thank you.

15 THE CLERK: Do you want him to spell that?

16 THE THE COURT: Oh, did you -- could you spell your last
17 name for us.

18 THE WITNESS: Y-O-D-E-R.

19 THE COURT: All right. And Frank is common spelling?

20 THE WITNESS: That's correct.

21 THE COURT: Okay. All right. Then we're good. Thanks so
22 much.

23 **DIRECT EXAMINATION**

24 BY MR. LIEBRADER:

25 Q Good morning, Mr. Yoder.

1 A Good morning.

2 Q So we've been -- you're the last witness, we've heard a bunch
3 of testimony regarding the transactions here, but can you give the Court,
4 help them understand, what was Wintech, how was it founded, VCC,
5 what's the relationship? You were one of the founders; is that right?

6 A That's correct.

7 Q And so walk us through the technology, how did it start?

8 A Well, my brother and I built the technology and we met Ron
9 Robinson, I think it was in 2010, sometime around there.

10 Q And I'm sorry to interrupt you, what was the technology?

11 A Oh, it's the ALICE receptionist technology. In other words, it
12 was a virtual receptionist that resides on a PC and a touchscreen. So
13 when somebody walks into the office, instead of having a live
14 receptionist behind the desk you have a touchscreen there, and then it
15 greets the person and allows them to select the name of the person that
16 they're there to see, using the touchscreen.

17 Q And you and your brother built the technology?

18 A That's correct.

19 Q And how did you meet Mr. Robinson, how did he become
20 involved?

21 A We were talking to him about some -- providing some screens
22 for his hotel, long before we actually spoke to him about the ALICE
23 receptionist product, and he was building a hotel and we made a bid on
24 providing the TV screens for the 230 some-odd rooms.

25 Q And they were going to use the ALICE technology in the

1 hotel?

2 A No.

3 Q Oh, this was for something else?

4 A That was something completely different. And then once he
5 became more familiar with this and knew what we were -- our core
6 competency was and what we were doing and we discussed coming
7 over and renting from his location.

8 Q Okay. And how did it come to be that you went into business
9 with Mr. Robinson?

10 A Well, we were struggling at the time, so at the time we, you
11 know, told him about our "woe", so to speak. And he said, well, actually,
12 you know, I think I can help you. So we teamed up together in that he
13 took an ownership in the company.

14 We actually created a new company, Wintech, LLC, and then
15 that company he owned a piece, Vernon owned a piece, myself and my
16 brother owned a piece. And my brother and I we handled the day-to-day
17 operations with the technology and Ron and Vernon handled everything
18 to do with the finances.

19 In fact, we didn't have access to the QuickBooks or the
20 checking account. We had no signing authorization or anything. We
21 just handled the day-to-day operations.

22 Q Okay. And so we're here because of a promissory note
23 offering that took place, it looks like the beginning -- from -- it started in
24 December of 2012 and it ended in, I guess, September of 2014,
25 December of 2014, what do you know about the offering?

1 A Well, at some point in time it was decided to raise funds for
2 the company and Ron and Vernon went about raising funds. And they
3 handled all -- everything to do with the finances. As I understood it, Ron
4 was going to give a personal guarantee on whatever promissory notes
5 were created for the investors.

6 Q Okay. And there's an exhibit book in front of you, can I ask
7 you to turn to tab 4, please.

8 And you're generally familiar with emails that -- you testified in
9 the *Waldo* case; is that correct?

10 A That's correct.

11 Q Okay. So at some point in time, and this appears to be the
12 earliest email regarding the PowerPoint, and tab 4 -- and I'll just tell you
13 what I've told the other witnesses -- in the upper right-hand corner of
14 every page there's Hotchkiss versus Robinson and there's a number.

15 Do you see that?

16 A Yes.

17 Q So this would be 57, Hotchkiss/Robinson 57 is the first page.
18 And so tell us about, without even looking at this, do you remember
19 creating a PowerPoint presentation to be used in the offering?

20 A Yes. So when --

21 Q What was your role in that?

22 A When we -- when it was decided to go ahead and raise funds,
23 Mike and I knew the technology and so I put together the PowerPoint
24 presentation that contained all the details of what our product offering
25 was, what the technology did, and then I sent that PowerPoint

1 presentation over to, as you see, these people for their approval, say,
2 okay, here's what you can use to raise funds.

3 And that was the first version of it.

4 Q Okay. And if we start on page 61, turn to page 61, please,
5 that appears to the earliest email from December 17th of 2012.

6 Where -- so, if I understand you right, you prepared the
7 PowerPoint presentation, describing the technology of Wintech, did you
8 get input from other people, for example, Ms. Minuskin, Mr. Robinson,
9 Mr. Rodriguez?

10 A Well, I built the technology into the PowerPoint, handed it off,
11 and then I was told to add a couple slides in there and it had to do with
12 the finances.

13 Q Okay.

14 A And then this email is where I sent it over and Ron forwarded
15 me Julie Minuskin's email saying, hey, can you make this change.

16 Q And which document are you referring to right now?

17 A This is document 61.

18 Q 61. And would that be on the bottom?

19 A Yes.

20 Q Start from the bottom, is that how --

21 A That's right.

22 Q -- these emails generally run together, the oldest one is on the
23 bottom and they get newer as you go towards the top of the page?

24 A That's correct. So this email trail starts at the bottom and then
25 this is where Ron is sending an email over -- let's see -- to Julie saying,

1 you know, this is the PowerPoint presentation, apparently she sent an
2 email back to him requesting some changes, and then he forwarded
3 onto me saying, could you make those changes.

4 And if you look at my email, it says, what do I need to change
5 on the PowerPoint? I can't tell what it is from the email below. Because
6 it didn't explain what needed to be changed.

7 Q And then we turn to, go back a page to page 60, is this a
8 continuation of that same email string?

9 A That's correct.

10 And at the top of page 61 it says, Frank, just change the 24
11 month to 18 month option. So that's where Ron is requesting this
12 offering to be changed to whatever he states in there.

13 Q Okay. And that -- and if we're back on page 60, there appears
14 to be a slide for offering summary; do you see that?

15 A Yes.

16 Q Mr. Robinson testified yesterday that you were the one who
17 put the information in there calling it a security and Mr. Robinson
18 claimed that you had the final say-so in what went in and went out on the
19 PowerPoint presentation.

20 Is that true?

21 A No, that's completely false. I didn't know any of this
22 information. I don't know anything about securities. And, as I mentioned
23 earlier, Ron and Vern were completely in charge of the finances and
24 kept us in the dark, in fact. And so they were the ones that handed me
25 this information, said put this in the PowerPoint presentation.

1 Q Okay. And so they gave you the information, you incorporated
2 into a slide, and then ran it by them to make sure it was okay?

3 A That's correct. And apparently they ran it by Julie and she
4 said change this or that or the other.

5 Q Okay. And if we turn a page back to page 59, it looks like this
6 is kind of a continuation of the same -- and I'm sorry it's hard to read
7 but -- and it looks like ultimately you'd asked on the top of the page, it
8 says, Ron, is this okay? And he had gotten back to you, said, looks
9 good to me.

10 A That's correct.

11 Q Would that be consistent with him having the final say-so on
12 the PowerPoint slides?

13 A Yes. In fact I didn't have any dealings with Julie anyway
14 directly. So he asked me for this, I produced it, then he passed it onto
15 Julie. Because, again, Ron and Vernon dealt with the Retire Happy, the
16 company that was raising the funds, and Mike and I didn't have any
17 contact with them.

18 Q Okay. And if we turn to page 57, which is the first page of
19 Exhibit 4, and again starting on the bottom and going towards the top, it
20 looks like Ms. Minuskin and Mr. Robinson were communicating about
21 changes again, and it went through a version 1.2, and then on the top of
22 the page it refers to a version 1.3; is that right?

23 A That's correct.

24 Q And you were just receiving the input from Ms. Minuskin,
25 Mr. Robinson, and Mr. Rodriguez?

1 A That's correct.

2 Q Are you generally aware that the reason that you were named
3 as a defendant in this lawsuit is because Mr. Robinson claimed that you
4 put his guarantee in these PowerPoint slides without his permission?

5 MR. GEWERTER: Objection, it's hear -- it's actually double
6 hearsay.

7 MR. LIEBRADER: Well, Mr. Robinson testified --

8 THE COURT: Hold on.

9 MR. LIEBRADER: -- at his deposition.

10 THE COURT: Do you know?

11 THE WITNESS: Yeah, I was told this.

12 THE COURT: Who told you that?

13 THE WITNESS: Oh, well, my attorney -- or the Plaintiff's
14 attorney told me that --

15 THE COURT: Hold on, don't tell me what he told you.

16 THE WITNESS: Okay.

17 MR. LIEBRADER: Well, I'm not his attorney, Judge, you can
18 ask the question.

19 THE COURT: Oh, you had an attorney?

20 THE WITNESS: No, I didn't have an attorney, the Plaintiff's
21 attorney --

22 THE COURT: Informed you.

23 THE WITNESS: -- informed me that Ron was making these
24 statements.

25 MR. LIEBRADER: I shared the deposition testimony with him.

1 THE COURT: And have you read that deposition testimony
2 previously or you had been cross-examined about it or asked questions
3 about it --

4 THE WITNESS: I don't recall.

5 THE COURT: -- in the *Waldo* trial?

6 THE WITNESS: I mean, this has been going on with the other
7 case for a year and a half. I don't remember.

8 THE COURT: All right. I'm going to overrule that objection.
9 I'm going to allow the testimony in.

10 MR. LIEBRADER: Thank you, Your Honor.

11 BY MR. LIEBRADER:

12 Q Are you generally aware that Mr. Robinson said that he was
13 unaware completely that you were using his guarantee in these
14 PowerPoint slides?

15 A Yes.

16 Q And so -- but that's not true; is it?

17 A No, it's completely false.

18 Q He -- you prepared a slide with information claiming -- I mean,
19 you didn't unilaterally say that Mr. Robinson was going to guarantee --

20 A No.

21 Q -- the transactions?

22 Where did you get the information from?

23 A It came from Ron and Vernon.

24 Q Okay.

25 A And they -- Vernon was usually the mouthpiece for Ron. He

1 would go back to Ron, get the information, come back and relay it to us.

2 MR. GEWERTER: Objection, foundation.

3 MR. LIEBRADER: He's a party --

4 THE COURT: I'm going to -- yeah, just ask a follow-up
5 question as to that. So that's overruled.

6 BY MR. LIEBRADER:

7 Q What do you mean a mouthpiece?

8 A Vernon would go to Ron, who was in another building, get
9 information, and then come back to Mike and I and say this is what you
10 need to do.

11 Q Okay. Thank you.

12 Turn to tab 7, please. And this email's a couple of years later,
13 or this email string, this appears to be from September of 2014.

14 And I'm sorry, page 84, first page of tab 7.

15 A Got it.

16 Q And it looks like you're sending an email here to Ms. Minuskin
17 regarding updated PowerPoint, why were you doing that?

18 A Again, I was requested to make a change.

19 Q And who requested that?

20 A Either Ron or Vernon. I don't recall which one of the two.

21 Q And did you make the change?

22 A Yes.

23 Q And one of the changes would be -- can you turn to page 121.

24 This slide differs from the other slides, now Mr. Robinson's net worth
25 had gone down. Did you make that figure up or did someone provide

1 you with that information?

2 A No, that was provided to me.

3 Q And the term "securities" are still in there. Did you at any
4 time -- were you the one who decided to use the term "securities" on any
5 of these PowerPoint presentations?

6 A Definitely not.

7 Q Do you know who was, who made that decision?

8 A Well, it came ultimately from Ron. But I couldn't tell you if
9 Vernon told me about it or if Ron spoke to me directly.

10 Q Are you still with Virtual Communications Corporation?

11 A No.

12 Q When did you leave?

13 A May 23rd, 2015, I think.

14 Q Okay. And why did you leave?

15 A The board, which I was a member of, was determined to go
16 out and raise more funds from a new source and I was against it. And
17 so when they put together this, I don't know what it was called,
18 prospective or something, it's a document basically that they were going
19 to use to raise funds. I wouldn't sign it. And I, at that time, resigned
20 from the board. And then two months later I resigned from the company
21 as an employee.

22 Q Why were you against raising additional funds?

23 A Because I thought that the money needed to be paid back by
24 Ron that he embezzled or misappropriated from the company.

25 Q And what's your basis for saying that he embezzled or

1 misappropriated from the company?

2 A Because if you look at the spreadsheet, the study, the report
3 that's in somewhere in here, my brother Mike went through the checking
4 account -- well, let me back up and tell you why this happened, we never
5 had access to the books or the checking account.

6 Q And when you say, "we", who do you mean?

7 A My brother and I.

8 Q Uh-huh.

9 A Ron and Vernon were in charge of the finances, whether or
10 not Vernon had access to the signing power or whatever, I don't know.
11 But I know those two were aware of all of the finances and we were in
12 the dark.

13 So at one point in time we were looking at doing a reverse
14 merger with the company, there had to be an audit done by an outside
15 firm on the company. When that audit was done, I can't remember if it
16 was Mike or I, I think it was Mike, called the accounting office and said
17 I'm one of the owners, I'd like to see the audit.

18 MR. GEWERTER: Objection, hearsay.

19 THE WITNESS: So --

20 THE COURT: Hold on.

21 MR. LIEBRADER: It's his state of mind but.

22 THE COURT: Did your brother say that?

23 THE WITNESS: Yes.

24 THE COURT: Or did you call?

25 THE WITNESS: No, my brother called.

1 MR. GEWERTER: He's not a party to this.

2 THE COURT: All right. So you -- I'm going to sustain that
3 objection.

4 MR. LIEBRADER: All right.

5 BY MR. LIEBRADER:

6 Q Did you become aware that there was an audit that was done?

7 A Yes.

8 Q How did you become aware of it?

9 A My brother told me about it and then I looked at the checking
10 account.

11 Q And what did you find when you looked at the checking
12 account?

13 A My brother had gone through the checking account with a fine
14 tooth comb and he showed me, and I confirmed by looking at it too that
15 there were a lot of funds that were used for non-Wintech or VCC related
16 expenses.

17 Q And did your brother prepare a report?

18 A Yes, he did.

19 Q And is that report on tab 9, page 352?

20 A Yes, that's the report.

21 Q And you said your brother Mike prepared this?

22 A That's correct.

23 Q As an officer of VCC?

24 A That's correct.

25 Q Okay. And can you read this, please.

1 A It has come to the attention of the members of the Wintech,
2 LLC board that financial activities taken by Ron Robinson without the
3 express knowledge of the other board members has occurred over the
4 past 24 to 36 months. An initial review of financial documents has been
5 undertaken by the remaining board members along with the assistance
6 of the corporate CPA in an attempt to understand what occurred. This
7 document is a brief highlight of the results of that financial review.

8 Findings: approximately \$2,098,603 was taken from the
9 Wintech, LLC's operating account by Ron Robinson and Alisa Davis
10 over the course of 24 months.

11 Bullet number two, except for Ron Robinson and Alisa Davis
12 no other board member or employee of Wintech, LLC was aware or had
13 any knowledge that said monies was being withdrawn from the Wintech
14 bank accounts.

15 Bullet number three, Ron Robinson and Alisa Davis
16 maintained complete control of all financial transactions from the time
17 Wintech, LLC was formed until February 2015 when the Wintech board
18 members relieved Alisa Davis from all duties for Wintech and transferred
19 control of financial payment into the hand of Vernon Rodriguez and Tim
20 Downer.

21 Bullet number four, no request for use of funds for the items
22 listed in this document were ever brought to the board members for
23 approval.

24 And bullet number 5, in December 2014, Wintech officers
25 received a copy of audited financial statements that provided cause for

1 concerns, which led to the start of an internal review.

2 Q And is the next page the findings report showing the specific, I
3 don't want -- argumentative, but -- transactions that you were unfamiliar
4 with?

5 A That's correct.

6 Q And let me ask you, tab -- line 16, and we're on page 353,
7 DPG Investments. Did Wintech or VCC -- VCC or Wintech have a
8 relationship with DPG Investments?

9 A No, we did not.

10 Q How about Forman Capital, line 24?

11 A No, we did not.

12 Q Did you have a bank account at the First State Bank of
13 Scottsbluff?

14 A No, we did not.

15 Q The next page, page 354, entry 38, did Wintech or VCC make
16 an investment in the Mountain West Debt Fund, LP?

17 A No, we did not.

18 Q Tab 57, Ron Robinson, \$792,513.36, and the entry says,
19 unauthorized officer withdraws. Any idea why that was marked as an
20 unauthorized withdrawal?

21 A Yeah, we were completely unaware of it.

22 Q And when you say, we, you and your brother?

23 A Mike and I, my brother and I.

24 Q Tab 60 -- or line 62, Six Continents Hotel, \$52,000. Were you
25 or your brother staying at this Six Continents Hotels?

1 A No.

2 Q And it goes on.

3 So all of these -- would it be fair to say that all of these entries
4 on these three pages were transactions that you believed did not benefit
5 VCC or Wintech?

6 A That's correct.

7 Q And when you discovered that, what did you -- you and your
8 brother discovered that, what did you do?

9 A Well, we had a meeting with Ron, a board meeting, in which
10 we brought this to light that we were aware of this and concerned. And
11 Ron stated that he had a right to take the money because he owned a
12 piece of the company, the majority of the -- that he was the biggest
13 shareholder than anybody. So basically he could take it -- take this
14 money out if he wanted to. We said that's not the way a business
15 operates, it's not your personal piggybank, and he needed -- we stated
16 that he needed to pay it back. He did not agree to pay it back at that
17 time.

18 Q Did the withdrawal of this 2 million plus from Wintech and VCC
19 affect the company's ability to pay back the investors?

20 A Yes, greatly. We had raised -- apparently, we didn't even
21 know we had raised this much. We thought we had raised about 2
22 million because we were, again, kept in the dark. We found out from the
23 audit we had actually, through Retire Happy, raised 4 million and
24 something. And when we found this out with the audit, there was
25 approximately \$250,000 left in the bank. So we had no way of paying

1 the debt that we owed to the investors.

2 Q And then turn to page 351.

3 THE COURT: I'm sorry, I have a question -- and I apologize
4 for interrupting you -- you learned -- can you tell me when the audit was?
5 Was that 2015?

6 THE WITNESS: No, I quit in 2015. This was -- let's see,
7 when was -- when were these findings?

8 THE COURT: That letter is issued April 9th, the letter from --

9 THE WITNESS: So it would have been, 'cause I remember it
10 was in the fall, so it would have been the fall of 2014.

11 THE COURT: And then -- so that -- is that when you
12 discovered that there was over 4 million raised and then there was only
13 250,000 of which was left?

14 THE WITNESS: That's correct.

15 THE COURT: Okay. All right.

16 THE WITNESS: We learned all that --

17 THE COURT: I just was looking for a timeframe.

18 THE WITNESS: -- at once.

19 THE COURT: I apologize for interrupting. Thank you.

20 MR. LIEBRADER: No problem, your Honor.

21 BY MR. LIEBRADER:

22 Q Page 351, Mr. Yoder, also in tab 9, is this -- are you familiar
23 with this document?

24 A Yes.

25 Q And what is it?

1 A Yeah, this is the resignation letter that I wrote when I quit.

2 Q Can you read it into the record, please.

3 A Yeah, and it was 2016, not '15.

4 Virtual Communications Corporation board members, this
5 letter serves as my resignation from the VCC board of directors. I also
6 resign my position as an officer and the position title of EVP and Chief
7 Information Officer.

8 I do this in protest of the following activities that have taken
9 place. Number one, I don't agree with the content of the PPM, private
10 placement memorandum, and am opposed to it at this time because the
11 PPM does not address the following facts: Mr. Ron Robinson, chairman
12 of the board of directors, created a fraudulent lease agreement in an
13 attempt to justify his unauthorized withdrawals of approximately
14 \$1,500,000 from the company. Mr. Robinson has not reimbursed these
15 funds to the company. Mr. Robinson continues to have access to the
16 finances of the company.

17 Since the discovery by the board of the mismanagement of
18 funds, as outlined above, Mr. Robinson has failed to reimburse any
19 significant amount of these funds. Because of this loss of operating
20 capital, the company is on the verge of insolvency and I do not feel that
21 this PPM is in the best interest of all parties involved.

22 Sincerely, Frank Yoder.

23 Q And with this you left the company that you created?

24 A That's correct.

25 Q How did that make you feel?

1 MR. GEWERTER: Objection, relevancy.

2 THE COURT: Overruled.

3 THE WITNESS: I felt like I had wasted a lot of time, trusted
4 the wrong people, and basically at this point in time, since Ron wasn't
5 willing to pay it back, I just threw my hands up.

6 BY MR. LIEBRADER:

7 Q Okay. Just a couple more questions regarding the offering
8 itself, page 2 -- I'm sorry, tab 2, page 41, which is the first page.

9 MR. GEWERTER: I'm sorry, you said tab 2?

10 MR. LIEBRADER: Tab 2, yes.

11 BY MR. LIEBRADER:

12 Q And, now we're kind of going back a few years to December of
13 2012, and this is an email, the top one, on top of the page, Mr. Robinson
14 wrote to Ms. Minuskin, We are in complete agreement with our
15 communications with your investors. Vern will be the direct contact. In
16 addition, we would be open to make a presentation of our technology at
17 any time with your investors. Naturally, Frank would be the contact for
18 this.

19 Does that kind of summarize the roles that you had, you were
20 the technology guy if there were -- if investors had questions, they would
21 go to Vern?

22 A That's correct.

23 Q Did you ever get calls from investors that would come to you,
24 you and your brother, on the technology side?

25 A Yeah, people would sometimes -- usually get our phone

1 number, solicit on the website, investors would sometimes call us up.

2 Q And would you talk to the investors or would you send it off to
3 someone else?

4 A We would send it to Vernon or Ron, whoever was available,
5 because Mike and I didn't know what was going on with the investors.

6 Q Did you ever have investors coming into the office to meet
7 with you?

8 A Yes.

9 Q And did you meet with them or did you send them off to Vern
10 and Ron?

11 A Yeah, on one occasion there was an older couple that came
12 into the office, introduced themselves as investors, said they were in
13 town, and they wanted to see the company and they wanted to talk to
14 somebody about their money.

15 And, I, at that time, went and got Vernon and turned them over
16 to him. He came out to the lobby, I introduced them, and then I excused
17 myself.

18 MR. LIEBRADER: So, Mr. Yoder, I don't have anything else.
19 Thank you.

20 THE COURT: Cross-examination when you're ready.

21 MR. GEWERTER: Thank you, Your Honor. Just one
22 moment.

23 THE COURT: Are you moving to admit Exhibit 9?

24 MR. LIEBRADER: Oh, yes, I'm sorry --

25 THE COURT: That's okay.

1 MR. LIEBRADER: -- I'm going to catch up with that.
2 Yes, please, Exhibit 9 and --
3 THE CLERK: And then 8 is left.
4 MR. LIEBRADER: And I'm sorry?
5 THE CLERK: The only one left is 8.
6 MR. LIEBRADER: Oh, 8, we had -- yeah.
7 Can I ask him a question? Can I reopen my direct for one
8 question, Your Honor?
9 MR. GEWERTER: That's fine.
10 THE COURT: Sure.
11 MR. LIEBRADER: Is that okay?
12 MR. GEWERTER: Yeah.
13 THE COURT: No problem.
14 BY MR. LIEBRADER:
15 Q Mr. Yoder, can you turn to tab 8, please.
16 A Okay.
17 Q After you were named as a defendant in this lawsuit, you and I
18 had a conversation and I asked you to produce some documents to me.
19 Do you recall that?
20 A Yes.
21 Q And tab 8, was this one of the documents that you produced
22 to me?
23 A Yes.
24 Q And where did you get this document from?
25 A When I left the company I copied off all my files, and all the

1 files on the network drive concerning the company that I had access to,
2 and that's where this came from.

3 Q So this would have been a document that was on the VCC
4 network?

5 A That's correct.

6 Q And it's just a listing of the investors in the company?

7 A That's correct.

8 MR. LIEBRADER: Okay. Your Honor, I don't have any further
9 questions.

10 Based on that, I would ask to admit this document because it
11 was, I guess, prepared by VCC or came from the VCC network.

12 MR. GEWERTER: David, which document is that?

13 MR. LIEBRADER: And VCC used to be a party in this matter.

14 THE COURT: Ut-oh, one second here.

15 MR. GEWERTER: I know, that didn't sound good.

16 THE COURT: That happens.

17 MR. GEWERTER: I know.

18 THE COURT: Did you hear that, what he wants to admit?

19 MR. GEWERTER: Which document was that?

20 MR. LIEBRADER: 8 is the list of investors.

21 MR. GEWERTER: No, we don't know who prepared it.

22 MR. LIEBRADER: Well, it was --

23 MR. GEWERTER: He didn't prepare it. He doesn't know who
24 prepared it.

25 MR. LIEBRADER: He doesn't --

1 THE COURT: He just testified that he was aware that it was
2 part of -- or came from VCC and it was part of the business records from
3 VCC.

4 MR. GEWERTER: Okay. That's still a foundation who
5 prepared it though. Because the testimony so far has been it came from
6 Julie Minuskin. That's contrary.

7 MR. LIEBRADER: It's a business record of the company. I
8 mean, we don't know if it came from Ms. Minuskin or not but we know
9 that it was in the possession of VCC.

10 MR. GEWERTER: That's fine, Your Honor. In the --

11 MR. LIEBRADER: And it was used by VCC.

12 MR. GEWERTER: Say that again.

13 MR. LIEBRADER: It was used by VCC obviously.

14 THE COURT: Well, that was the testimony that it was a
15 document created -- or used by VCC. He recognized it through his time
16 at VCC and he recognized it through his position with VCC. So I do
17 think it's been properly authenticated as a VCC document.

18 Are you --

19 MR. GEWERTER: That's fine, Your Honor.

20 THE COURT: -- are you withdrawing your objection, are
21 you --

22 MR. GEWERTER: I will withdraw the objection.

23 THE COURT: You withdraw the objection.

24 MR. GEWERTER: Just one moment, Your Honor.

25 THE COURT: All right. So the objection was withdrawn.

1 Exhibit 8 will be admitted.

2 MR. LIEBRADER: Thank you.

3 **[PLAINTIFF'S EXHIBIT 8 ADMITTED]**

4 THE COURT: And then Exhibit 9, did you have any objection
5 to admitting Exhibit 9?

6 MR. GEWERTER: I'm sorry, Your Honor.

7 THE COURT: That's okay. That is the letters, the board of
8 directors' letters.

9 MR. GEWERTER: Oh, no, I'm going to use that myself, Your
10 Honor.

11 THE COURT: Okay. All right. So Exhibit 9 will also be
12 admitted at this time.

13 **[PLAINTIFF'S EXHIBIT 9 ADMITTED]**

14 MR. GEWERTER: One moment, please. Just one more
15 moment, Your Honor. I didn't expect David to be done so quickly. This
16 went on for hours last time.

17 THE COURT: No problem. Take your time.

18 MR. GEWERTER: I'm ready, Your Honor.

19 **CROSS-EXAMINATION**

20 BY MR. GEWERTER:

21 Q Mr. Yoder, how are you doing today?

22 A Good.

23 Q We've met before, a couple times; right?

24 A That's correct.

25 Q I took your deposition once in the *Waldo* case?

1 A That's correct.

2 Q And you testified in the *Waldo* case, remember?

3 A I did testify.

4 Q And you testified under oath?

5 A Yes.

6 Q And you testified truthfully?

7 A Yes, I did.

8 Q And you testified that you didn't think much -- I think you said

9 Mr. Rodriguez did not bring much to the table?

10 A I don't recall what I said back then.

11 Q Do you -- well, it was a year and a half ago, do you remember

12 saying you didn't think Mr. Rodriguez added anything of value to the

13 company?

14 A I don't remember.

15 Q You're not denying it though; are you?

16 A No, I don't remember.

17 Q And what is your opinion as to what value Mr. Rodriguez

18 brought to either of two companies?

19 A I believe Ron put Vernon in place to oversee operations of the

20 company, as far as he couldn't be there every day to watch over his

21 investment or his --

22 Q And Vernon really did not make any decisions for the

23 company, did he?

24 A Well, he was a owner of the company so he had equal --

25 Q Just like you were --

1 A -- ability to make decisions.

2 Q -- right?

3 A Yeah.

4 Q And you were a larger owner of the company, weren't you?

5 A No, I don't think so. I don't know what our shares were
6 exactly.

7 Q So you had at least a saying power to make decisions as
8 Vernon did; correct?

9 A In the technology sector, but in the finance Vernon had much
10 more power. I had none.

11 Q What decisions did Vernon ever make in relation to VCC?

12 A The question is what decisions --

13 Q What business decisions did he ever make?

14 A I couldn't --

15 Q He made none, did he?

16 A -- I couldn't make a list of them.

17 THE COURT: Okay. So I'll just remind -- you weren't here
18 yesterday -- Counsel, I'll remind you to make sure that he's finishing
19 answering the question before you ask your next question. And same
20 thing for you, make sure each other is done that way we get a full
21 record.

22 THE WITNESS: Okay.

23 THE COURT: All right. Thank you.

24 BY MR. GEWERTER:

25 Q Basically Mr. Rodriguez made no business decisions for either

1 company; correct?

2 A I do not know if he -- you know, I can't give a list of all the
3 business decisions he made.

4 Q Can you think of any business decisions he made?

5 A Well, yeah, he spoke to the investors.

6 Q What investors did he speak with?

7 A He also came to me with instructions on the PowerPoint
8 presentation.

9 Q So he was like a messenger for somebody; right?

10 A As I stated before, I believe that Ron placed Vernon as a
11 liaison, quite often Vernon would come back from meeting with Ron and
12 say, here's what you will -- here's what you will do, here's what we've
13 decided will happen.

14 Q Are you aware of any false statements that Mr. Rodriguez
15 ever made to you?

16 A False statements? I don't know. That's asking me have I ever
17 lied in my life. I'm sure I have. But can I give you one now, I can't think
18 of one.

19 Q So under oath today, this is your opportunity to get back at the
20 company you don't like, which is a fair statement; correct?

21 A No, I built that company. I loved it very much.

22 Q Okay. But you hate Mr. Robinson and Mr. Rodriguez, don't
23 you?

24 A Yeah, I do not have -- I actually told the Plaintiff's attorney, just
25 a couple days ago, I actually hold no animosity to Ron.

1 Q That wasn't your attitude at the *Waldo* trial, was it?

2 A When he stole the money from the company, I had a lot of

3 anger.

4 Q We're going to get to the stealing -- the alleged stealing.

5 A And then I worked through it and now I have no hate.

6 Q Okay. But you're here today to testify against Mr. Robinson

7 and Mr. Rodriguez; correct?

8 A Even though I have no hate for either one of the gentlemen, I

9 still want to see justice served.

10 Q But you had hate at one time though when this action -- when

11 this company was dismantling?

12 A I had a lot of anger towards them.

13 Q Okay.

14 A I'd state it that way.

15 Q Let me ask you, can you give me anything under oath today

16 where you can state that Mr. Rodriguez ever made a false statement to

17 you? If you can't, let me know that too. I mean, you've been disposed

18 in this case, you testified in the trial of this case for a long period of time,

19 I mean, it's only been a year and a half, it's not like it's been 20 years

20 ago. What can you -- what would it take to help jog your memory as to

21 what false statement Mr. Rodriguez made directly to you, one on one?

22 A I can't think of any false statements.

23 Q There's none, were there?

24 A No, I did not say that.

25 Q But you can't say under oath, can you?

1 A I cannot think of any false statements under oath at this time.

2 Q And basically you refer to Mr. Rodriguez as a messenger;
3 right?

4 A I think he was a liaison between Ron. And I don't know what
5 arrangement they had, who was making decisions. But as I stated
6 before, Ron and Vernon were in charge of the finances; Mike and I were
7 in charge of the technical side.

8 Q When you say Vernon was in charge of finances, what proof
9 do you have of that?

10 A I said Ron and Vernon were in charge of finances.

11 Q Well, let me ask you about Vernon first, what proof or
12 knowledge do you have of Vernon being in charge of any finances for
13 either company?

14 A There were times when Ron would come -- excuse me,
15 Vernon would come back after meeting with Ron and tell us of the --
16 some of finances that we were unaware of.

17 Q So he was a messenger to you again; right?

18 A Well, for instance, after the audit came out we asked about,
19 well, what's this charge, do you know what this company is? And then
20 he would come back and say that's Ron's company that does this or.

21 Q Was that a false statement he made to you?

22 A No, that's -- he would tell us about what he had talked to Ron
23 about and then come back and give us the information.

24 Q Again, he was just relaying the messages to you from Ron?

25 A In that case, no, he -- that wasn't a message. He would find

1 out that, for instance, maybe one of the line numbers was a mortgage
2 company. Well, we didn't have a mortgage company. And then he
3 would come back and say that's the mortgage company for Ron's hotel.

4 Q Was that a false statement?

5 A That statement was not a false statement.

6 Q I want to know any false statements that he made to you.

7 A I think I've already stated clearly that I --

8 Q You don't know --

9 A -- at this time can't come up with a false statement.

10 Q And, again, I'll give you another chance, there's really -- you
11 cannot tell me under oath after all this time, and all your deposition
12 testimony, your prior trial testimony, of one single false statement that --

13 MR. LIEBRADER: Objection. He's badgering the witness.

14 MR. GEWERTER: I'm not badgering anyone.

15 MR. LIEBRADER: Asked and answered.

16 MR. GEWERTER: Let me finish.

17 THE COURT: All right. Finish your question but I'll say I'm
18 concerned about it being asked and answered. But go ahead and ask
19 your question.

20 BY MR. GEWERTER:

21 Q You cannot give me one false statement made by Vernon
22 Rodriguez to you at any time, can you?

23 THE COURT: That is sustained. That has been asked and
24 answered.

25 MR. GEWERTER: Okay.

1 BY MR. GEWERTER:

2 Q And did you ever see Mr. Rodriguez make a decision that
3 wasn't independent of Mr. Robinson or was he just relaying messages?

4 A I can't speak to what -- for instance, Vernon would come back
5 and tell us this is how it's going to be. I don't know --

6 Q That --

7 MR. GEWERTER: He's not answering my question.

8 THE WITNESS: -- I don't know if that was coming from Ron
9 or Vernon.

10 BY MR. GEWERTER:

11 Q Well, if you don't know, you don't know, that's the answer.

12 A I looked at them as a team so I don't know who that came
13 from, one of the two.

14 Q Did Vernon ever tell you that he's making a decision which
15 was contrary to the advice that was given by Mr. Robinson?

16 A Say that one more time.

17 Q Did Mr. Rodriguez ever tell you that he was making a decision
18 that was contrary to the decisions made by Mr. Robinson?

19 A Mr. Rodriguez never came to me and say here's a decision
20 I'm making, which is contrary to Mr. Robinson's decision.

21 Q Okay. Did you ever see Mr. Rodriguez sign any checks for
22 either of the companies?

23 A No.

24 Q In fact, you were a signer on Wintech, weren't you?

25 A Oh, no, I never signed any checks.

1 Q Were a signer at the bank?
2 A No.
3 Q For either company?
4 A No, I was not.
5 Q Was your brother?
6 A Not before this audit. Now --
7 Q At any time?
8 A -- if it was afterwards, I don't recall.
9 Q When you say this audit, what audit are you referring to?
10 A I can't remember the name of the company that we were
11 looking to reverse merger. It was out of California. But it was an audit
12 done for that reverse merger.
13 Q And that was a Nevada CPA firm; correct?
14 A I believe so.
15 Q And you believe that audit shows that there was improprieties
16 made by either Mr. Robinson or Mr. Rodriguez?
17 A I believe their audit exposed where those improprieties
18 happened. In other words, money taking out of the checking account to
19 pay for non-VCC and Wintech related expenses.
20 Now, whether or not the auditors knew those were, like the
21 mortgage company, had nothing to do with Wintech, I don't know.
22 Q Okay. You understand what an audit is?
23 A Yes.
24 Q What's your understanding of an audit, a certified audit?
25 A Well, my, again, I'm not a finance guy, so my limited

1 understanding is that auditors come in, they look at the books, and they
2 make sure everything's copasetic and things aren't being done
3 incorrectly.

4 Q And that's your entire belief of an audit?

5 A Yeah.

6 Is that wrong?

7 Q I'm not here to answer questions about it. I'm just asking your
8 belief.

9 A That's my understanding.

10 Q In fact, a certified audit is the highest level that a CPA firm can
11 do for a client; correct?

12 A Oh, thank you. I didn't know that.

13 Q I'm just asking; you don't know that?

14 A No, I didn't know it was the highest level of whatever you just
15 stated.

16 Q And they go through all the checks; is that correct?

17 A I'm sorry?

18 Q The CPAs go through all the checks; is that your
19 understanding?

20 A I believe they should. Yeah, I don't know if they do or not but
21 they certainly should.

22 Q And they should go through all the contracts to verify they
23 match checks?

24 A Say it again?

25 Q They go through all the contracts to make sure it matches the

1 checks?

2 A Well, I can't speak to what they do.

3 Q So why was there an audit -- why is an audit conducted then?

4 A Why are you asking me, I mean? The audit was done for the
5 opportunity to see if we could do a reverse merger with this company,
6 they required the audit.

7 Q The reason I'm asking you, sir, is because one moment you
8 rely on the audit, the next moment you seem to not know what an audit
9 is.

10 Did you rely upon the audit for a tax receipt?

11 A No, I relied upon the audit for the information it gave us that
12 we didn't know about.

13 Q Okay. Let's talk about the information you didn't know about.
14 Look at Exhibit 9, please.

15 A Exhibit what?

16 Q 9, tab 9. Let me know when you find it. First page is page
17 350.

18 A Yes, I'm there.

19 Q What's that document entitled?

20 A Virtual Communications Corporation board of directors
21 meeting.

22 Q Who were the board of directors at the time when this was
23 conducted on February 26, 2015?

24 A Myself, Frank Yoder; my brother, Mike Yoder; Ron Robinson,
25 and Vernon Rodriguez.

1 Q Well, this report doesn't state that, does it? A board meeting
2 means that you have the board present; correct?

3 A Yeah, these aren't the minutes.

4 Q It's not the minutes?

5 A No.

6 Q It says meeting.

7 A If you --

8 Q What does that mean?

9 A -- if you look down at the bottom this was a letter that I put
10 together for the board.

11 Q Okay. But you believe this to be true and accurate; right?

12 A Yes, I do.

13 Q And the lawyer for the Plaintiff just used this as evidence
14 against my clients; correct?

15 A No, he used a different one. This is a different letter. He
16 actually --

17 Q Why did you prepare this document, page 350 of Exhibit 9?

18 A Because I believed what was in it.

19 Do you want -- can we read through it?

20 Q No, I just asked you a question; okay.

21 A Okay.

22 Q Do you believe everything in it to be true and correct?

23 A Yes.

24 Q And who did you give this document to?

25 A This I was going to present at the board meeting on that date

1 to all four board members, myself included, but I did not actually present
2 it.

3 Q In fact, you didn't have a board meeting that day, did you?

4 A No, we didn't.

5 Q In fact, your board meeting was on April 9th, 2015; correct?

6 A Well, I don't know when it was.

7 Q Well, let's go --

8 A But I prepared this and then we didn't have the meeting.

9 Q -- go to page 352 of Exhibit 9, please. Do you see that, where
10 it says in bold print, Wintech LLC, board findings report; do you see
11 that? In the upper right-hand corner it should say page 352 of Exhibit 9.

12 A Yes.

13 Q Do you see that document?

14 A Yes.

15 Q Who prepared this document?

16 A This was prepared by Mike Yoder, my brother.

17 Q Okay. Now, let's talk about the board -- on this date of
18 April 9th, 2015, who were the board members?

19 A Same as I stated earlier.

20 Q So all four people had input on this board report?

21 A Not input, no.

22 Q So there really wasn't a board report, it was something that
23 you and your brother did?

24 A No. Mike did this. He came up with this information and then
25 he presented it to the board.

1 Q What board did he present -- who was present at the board
2 meeting?

3 A The three of us, the other three plus Mike.

4 Q Okay. Well, this says, the findings of the board, what does
5 that -- that means that there's a conclusion made?

6 A Yeah.

7 Q Well, that wasn't true though, was it?

8 A Well, if you read into it it says that everybody on the board but
9 Ron came to this conclusion. So I guess you would say the findings of
10 the majority of the board, if you like.

11 Q I didn't prepare this, sir, I'm just asking you.

12 A Well, I'm stating that's what I would -- if you want to nitpick, I
13 guess that's the way it should have been written.

14 Q I'm not nitpicking, this is your document; I didn't prepare it, sir.

15 A I didn't either. It's Mike's document.

16 Q But you believe it to be true and accurate; right?

17 A Oh, I absolutely do.

18 Q Okay. Look at the last finding on page 352, it says in
19 December 2014 Wintech officers received a copy of audited financial
20 statements that provided cause for concerns, which led to the start of an
21 internal review.

22 Do you see that?

23 A Yep.

24 Q Do you have that report?

25 A What, the audit?

1 Q Yeah.

2 A No, I do not.

3 Q Okay. But you believe the audit to be true and correct; right?

4 A No, I believe this document to be true and correct.

5 MR. GEWERTER: One moment, Your Honor. Let me find the

6 audit.

7 BY MR. GEWERTER:

8 Q Now, was the audit -- auditors Seale and Beers, CPAs?

9 A I'm sorry, what was the question?

10 Q The auditor's name, do you remember the CPA firm?

11 A No.

12 Does it state it in here?

13 Q I'm just asking if you remembered, sir.

14 A No, I don't remember it.

15 Q One moment.

16 Would you turn to tab number 14, please, and take a look at

17 that document.

18 A Can I get the glasses out of my bag?

19 Q Yeah, go ahead.

20 THE COURT: That's fine, yeah.

21 THE WITNESS: I'm on tab 14.

22 BY MR. GEWERTER:

23 Q Yes, sir. And just -- if you can glance through that document,

24 please, and tell me what you think this document is?

25 A Preliminary offering circular, dated August 17th, 2015.

1 Q Okay. And can you turn to page -- one moment. If you can
2 turn to page 227 of that report, do you see that? It's in the upper
3 right-hand corner, Frank.

4 A Okay. I'm on 227.

5 Q Okay. And you're listed on there as the director; correct?

6 A Executive officer, yes. Oh, and director also.

7 Q You're a president also; right?

8 A That's correct.

9 Q What was your compensation at that time, by both companies
10 combined?

11 A 84,000. I was only paid by one company.

12 Q Okay. Which company were you paid by?

13 A I believe the checks were coming out of -- well, I don't know.
14 It might have been Wintech. It might have been VCC. I'm not sure.

15 Q Okay. And when you met Mr. Robinson you had no salary;
16 correct? You had no income --

17 A No, no, that's not true at all.

18 Q You said you were in dire straits?

19 A I didn't say dire straits either. Those are your words. I said
20 we were financially having trouble.

21 Q Did you have a steady income when you met Mr. Robinson?

22 A Yes, we did.

23 Q Who paid you?

24 A My brother and I had a sole-proprietorship, the two of us.
25 Actually might have incorporated, I can't remember.

1 Q Okay. Say that again.

2 A I don't remember if it was sole-proprietor because it started
3 out as sole-proprietor. At that time it might have been incorporated. It
4 was called Advanced Information Systems.

5 Q And you were making substantially less; correct?

6 A I don't recall my salary at that time.

7 Q Well, you testified once before you made substantially less.

8 A Okay, well.

9 Q Well, last time we had this conversation in court you had a
10 great memory --

11 A A year ago.

12 Q -- in all fairness.

13 A Honestly, you know, it's been three and a half years since I left
14 the --

15 THE COURT: All right. Pause. Counsel, that's not a question
16 and --

17 MR. GEWERTER: Well, Your Honor, I have a real concern
18 here when --

19 THE COURT: Are you going to withdraw your -- that's a
20 comment, do you have a question?

21 MR. GEWERTER: I'll withdraw the comment, Your Honor.

22 THE COURT: Thank you.

23 BY MR. GEWERTER:

24 Q Okay. Is there a reason why you can't remember these
25 questions I'm asking you today?

1 A It's been three and a half years since I left the company and
2 I've moved on with my life. The only time I think about this is when I'm
3 trying to help out the Plaintiffs get their money back.

4 Q Okay. It's been three and a half years since you left the
5 company but it's only been one and a half years since you've testified
6 under oath at length --

7 A About a year --

8 Q -- in Judge Williams' courtroom.

9 A -- yeah, a year and a half ago I spent a day testifying with you.

10 Q And did you answer all those questions truthfully?

11 A Yeah, I'm always answering truthfully.

12 Q Did you have troubles remembering the answers to those
13 questions at that time?

14 A I couldn't tell you what I was thinking at that time.

15 Q Okay. Turn to page 238 of Exhibit Number 14, please.

16 A Page 238?

17 Q Yes. We're still on Exhibit 14.

18 A I'm there.

19 Q And it's a coversheet for an accounting firm Seale and Beers,
20 CPAs and they're out of Las Vegas, Nevada. Do you see that?

21 A Yes.

22 Q It doesn't say Las Vegas but I'll represent they are.

23 Did you ever deal with that accounting firm?

24 A Not me personally, I mean.

25 Q Did you ever see them in your offices?

1 A If they were in there, I wouldn't know. Because, again, I didn't
2 deal with the finances.

3 Q Okay. But you knew somebody was conducting an audit for
4 you; correct?

5 A In 2014 for the reverse merger there was an audit done.

6 Q And this is the audit you claim that exposes improprieties by
7 Mr. Robinson; correct?

8 A I didn't say that. I said in 2014 there was an audit done.

9 Q Didn't you say earlier, a few minutes ago that you --

10 A But I don't know if this is it.

11 Q Let me finish my question.

12 A Sure.

13 Q Is there an audit somewhere -- there was only one audit done
14 by this company, if there's more I've never seen it.

15 A I don't know -- well, you're not asking me the question.

16 Q Is there more than one audit ever performed by this company?

17 A I don't know if there is more than one audit, but if -- I know of
18 one audit. But I wouldn't --

19 Q Okay. And with the one --

20 A -- be surprised if there were more.

21 Q -- and if the one audit you know of -- this is an audit; okay.

22 And is there anything --

23 A I don't know that this is the audit. I only know there was an
24 audit done in 2014.

25 Q Would you go through this audit and will you see if you can

1 find anything in there that says Mr. Robinson stole money or did
2 anything improper with this company?

3 A Well, this couldn't be the audit of which you speak because on
4 the second page, of 239, it says August 4th, 2015, that's a year after.
5 The audit of which I have spoken was done and completed by
6 December 2014.

7 Q In fact the audit --

8 A So this is not --

9 Q So this is not it then; right?

10 A -- the 2014 audit.

11 Q Okay. Let's go back to --

12 A So apparently, to answer your question, appears to be more
13 than one audit.

14 Q Are you sure it's an audit or just a preparation of financial
15 statements?

16 A Well, whatever this is was in 2015.

17 Q Okay.

18 A In 2014 there was an audit done and then we --

19 Q In 2014; okay.

20 A -- in 2014 and completed by December 2014, 'cause that's
21 when we -- we were exposed to the improprieties.

22 Q Okay. So let's go to Exhibit 13 then, that's financial
23 statements prepared at the end of 2014. This is unaudited though.

24 A 2016?

25 Q What's that?

1 A On tab 13; right?

2 Q Correct, sir.

3 A And this is dated 2016?

4 Q Well, let's go to page 201 of that document.

5 A Oh.

6 Q Let me know when you have that.

7 MR. LIEBRADER: I'm sorry, Harold, what page was that?

8 MR. GEWERTER: 201 of Exhibit 13.

9 BY MR. GEWERTER:

10 Q Do you see that?

11 A Yes, I do.

12 Q Do you know what those are?

13 A So in this tab you have more than one document.

14 Q Look at page 201 --

15 A Yes.

16 Q -- what starts on page 201?

17 A It says Virtual Communications Corporation consolidated

18 notes to the financial statements --

19 Q I'm sorry to cut you off. Go back one page to page 200, I'm

20 sorry.

21 A Okay.

22 Q And note one, these are footnotes; aren't they, to the financial

23 statements?

24 A These appear to be consolidated notes to the financial

25 statements.

1 Q Do you know what a note is to a financial statement?

2 A Yeah, so apparently this is a document billed in February 22nd,
3 2016, where the person who billed this document commented about the
4 previous audit done in 2000 -- or financial statements that were done --

5 Q Okay. Thanks for your commentary --

6 A -- and dated December 31st.

7 Q -- but there's no question.

8 THE COURT: There was a question pending, Counsel.

9 BY MR. GEWERTER:

10 Q The question, look at page 200, Virtual Communications
11 Corporation, consolidated notes and financial statements December 31,
12 2015 and 2014. Do you see that?

13 A Yes, I do.

14 Q So this goes back to 2014; correct?

15 A It speaks of 2014; correct.

16 Q And this is unaudited; right?

17 A This document is.

18 Q Okay. Well, look at the notes here, and if you go to note
19 number -- go to page 205. Do you see that?

20 A Yes.

21 Q Okay. Actually go -- start back at 200 and go page by page
22 and see if you can find anything in these footnotes prepared by an
23 accounting firm that says anything was done improper by Mr. Robinson.
24 This is a document you've seen several times; I'll represent that to you.

25 A Say that again.

1 Q Look at those pages, starting at 200, see if there's anything in
2 any of those footnotes that says Mr. Robinson did anything improper.

3 A And you're speaking of the 2016 document is what I'm
4 supposed --

5 Q No, I'm talking about, it says, unaudited 2015 and '14, they're
6 consolidated, that means two statements.

7 A Well, I'm afraid -- I think you misunderstand this statement up
8 here.

9 Q No, I can read. I understand it. I don't misunderstand it. It
10 says, consolidated statements 2015 and '14. It's not --

11 A These are notes --

12 Q Right, what are notes --

13 A -- on those statements.

14 Q -- notes to financial statements.

15 A Right.

16 Q What are they?

17 A Well, apparently these are consolidated notes to this -- the
18 financial statements of December 31st in 2015, '14.

19 Q What is a footnote to any document, what's the purpose?

20 A I'm not --

21 Q You've read a lot of technical reports; right?

22 A They're stating their notes would be talking about the
23 document and somebody's findings.

24 Q It's further explanation; correct?

25 A I'm sorry?

1 Q It's a further explanation.

2 A According to this author, yes.

3 Q Okay. Now, find anything on pages two -- anything on page
4 205 that says Mr. Robinson -- I'm sorry, page 200, said Mr. Robinson did
5 anything wrong?

6 A On page 205?

7 Q 200, sir. I backed you up, I'm sorry.

8 A So you want me to read all of these?

9 Q I want you to look at it, this is important testimony, sir, you
10 made a statement in this Court that the -- some financial statement,
11 found all of these things wrongs that enlightened you to say
12 Mr. Robinson's a crook.

13 A Right.

14 Q When, in fact, there's no financial statement I've ever seen
15 that says that.

16 A It's --

17 Q So I want you -- give you the opportunity to find that for me.

18 A This isn't the financial statement that states that.

19 Q What is then? I've never seen one that says that.

20 A Audit of 2014. These are notes about the audit of 2014 written
21 by somebody else.

22 Q Okay. Now --

23 MR. GEWERTER: Your Honor, I'm going to ask that we get
24 some assistance from the Court. We're just playing semantics here.
25 There's one audit that was ever done, ever produced in this case, and

1 he says he's never seen that audit, it was too late. So now we have a
2 financial statement to go back to the time period but these are notes.

3 BY MR. GEWERTER:

4 Q I'm asking if these notes for the 2014 time period, which is the
5 only financial statements, show that anything was done improper by
6 Mr. Robinson.

7 THE COURT: That question has been asked and --

8 MR. GEWERTER: But no answer.

9 THE COURT: -- he has explained what he understands the
10 notes to be. What he also testified to was that he -- there was a second
11 or another audit in reference to a reverse merger, which is not before the
12 Court at this time.

13 MR. GEWERTER: Well, it's never --

14 THE COURT: So I'm not sure what you're asking him or
15 myself to do.

16 MR. GEWERTER: There's never -- there is no second audit,
17 Your Honor, there's financial statements, there's only been one audit
18 done ever by this company.

19 THE COURT: Okay.

20 MR. GEWERTER: And this gentleman is testifying that there
21 are prior financial statements, which are consistent with the audit that
22 comes out a year later, but he keeps on saying there's another audit out
23 there. If that's the case, then the Plaintiff was hiding documents
24 because there is no other audit.

25 I'd ask Mr. Liebrader is there another audit that wasn't

1 produced in this case.

2 THE COURT: So I'm not sure what you're asking me to do.

3 MR. GEWERTER: I want to know if there was a second audit
4 that was never produced in discovery in this case.

5 MR. LIEBRADER: How would I have it?

6 MR. GEWERTER: That's what I'm saying, Your Honor.

7 MR. LIEBRADER: It's VCC's audit. I didn't do an audit in
8 2014.

9 MR. GEWERTER: No, but he --

10 THE COURT: So you have a two prong problem, number
11 one, it was VCC -- if I understand it --

12 MR. GEWERTER: He left with the documents though.

13 THE COURT: -- that second audit was -- or that other audit
14 that you refer to in terms of the reverse merger was it a VCC -- was VCC
15 involved?

16 THE WITNESS: Yes.

17 THE COURT: All right. Now, the secondary problem that you
18 have, Counsel, is that he's already testified numerous times today that
19 he was not responsible for, nor did he have access to the financials.

20 MR. GEWERTER: He also said he left with the documents.
21 So he selectively produced documents. He had complete access to all
22 documents he said when he left. He downloaded them all. That's his
23 testimony. Now, there's an audit that he says exists, which I've never
24 seen in my life.

25 THE COURT: All right. I'm going to ask you to ask some

1 clarifying questions about downloading all the documents and what that
2 means.

3 BY MR. GEWERTER:

4 Q Do you believe there's more than one audit, not financial
5 statements, audit?

6 A I believe there's an audit of 2014.

7 Q You believe there was an audit in 2014 or a financial
8 statement for 2014?

9 A That's a good question. I was told it was an audit. But
10 whether it was a financial statement and I was -- misrepresent it as an
11 audit, I don't know. But I was told that in order to do the reverse merger
12 the other company is requiring a third party financial audit. And so I
13 assume that's what it was.

14 Q Okay. Look at page 207, please, of Exhibit 13. Do you see a
15 footnote number 10, subsequent events?

16 A I'm on 207, say it again?

17 Q Do you see a footnote number 10?

18 A Oh, yes, subsequent events.

19 Q Right. Do you know what this refers to?

20 A Let me read it.

21 Okay.

22 Q When did you first believe you learned of improprieties by
23 Mr. Robinson?

24 A December of 2014.

25 Q Okay. And you see this footnote here, which covers 2014 and

1 '15, number 10, when was this document prepared?

2 A Well, according to the beginning it looks like it was
3 February 22nd, 2016.

4 Q Right. So as of 2016 there is no further events of the financial
5 statements that require further adjustment or disclosure to the financial
6 statements. So there's nothing in the 2014 prepared documents, the
7 2015 documents, or this document of 2016 that talks about subsequent
8 events between '14 and '15 prepared in '16 that says Mr. Robinson did
9 anything wrong. So what document are you referring to or is this just
10 whatever?

11 A Well, actually, I disagree. What happened was the 2014 audit
12 showed us the checking account which enabled us to see the
13 improprieties. If you recall in the document that was brought up earlier
14 about my resignation, when the board was trying to raise more money,
15 in my resignation I stated that I thought that it was being held back, or
16 however I termed it, that it was not being disclosed of the improprieties
17 that Ron was taking. So, again it was --

18 Q That was your conclusion; right?

19 A -- it was my opinion that it was being whitewashed and
20 glossed over.

21 Q And you think that Ron whitewashed the certified auditors?

22 A We were not --

23 Q Is that a yes or no, sir?

24 A I think he did mislead them.

25 Q So you think these certified auditors who are registered with

1 the American Institute of CPAs, the SCC, FASB, a bunch of other
2 organizations who do audits, the SCC you think these auditors were
3 whitewashed by Mr. Robinson?

4 A Yes, and I can explain why.

5 Q No, I just asked you, is that what you think?

6 A Yes, I believe he was.

7 Q And you understand also that the audit, which you said earlier,
8 they went through each and every check of this company; correct?

9 A Yes, they were misled.

10 Q And somehow they -- those checks were whitewashed out of
11 their view; is that what you're saying?

12 A I believe they were not told the truth.

13 Q Well, they don't need the truth from a person they need the
14 checks, that's what an audit is, they look at documents.

15 Do you understand that; right?

16 MR. LIEBRADER: Objection.

17 THE COURT: Counsel, is that a question?

18 MR. LIEBRADER: Yeah, I was just going to object.

19 BY MR. GEWERTER:

20 Q So they look at documents; they look at checks; right?

21 A I assume they do, yes.

22 Q So they don't -- and if they have questions, they'll ask 'em;
23 correct?

24 A That's correct, I assume.

25 Q So the only impropriety you come up with today under oath is

1 your own, what you call, a review, a board review was nothing more than
2 you and your brother finding what you believe Mr. Robinson did wrong
3 but the auditors found nothing wrong?

4 A No, that's not the only impropriety.

5 Q What else?

6 A I found the checking, you know, the checking account tells the
7 truth. There was no --

8 Q Okay. That's the same --

9 A -- there's no fudging that.

10 Q -- that's the same checking account that the auditors have
11 when they did their audit and their reports in 2014, '15, and '16; correct?
12 And you're not a CPA?

13 A I don't know if that's what they were exposed to. I couldn't tell
14 you what they looked at or what they were shown.

15 Q Who's more qualified to do an audit, you or the CPAs?

16 A Well, the CPAs obviously.

17 Q Thank you, Your Honor. Thank you -- I just called you Your
18 Honor, I'm sorry. No disrespect to anyone; okay.

19 So basically it's you and your brother's review of selective
20 checks you based a statement that Mr. Robinson did something wrong;
21 correct?

22 A I think it was -- there was the checking --

23 Q Is that a yes or no?

24 A What was the question again?

25 Q Your finding that -- or your belief that Mr. Robinson did

1 something wrong was based on review of certain checks by you and
2 your brother; correct?

3 A That's correct.

4 Q But there's --

5 A Checking account, not checks.

6 Q Checking account, I'm sorry, checking . So you never saw the
7 actual checks, did you?

8 A No, just the checking account.

9 Q Oh, so that's even less information. Where the auditors, you
10 understand, when they do an audit, they actually look at the actual
11 checks front and back, each and every check.

12 MR. LIEBRADER: Objection, it calls --

13 BY MR. GEWERTER:

14 Q Is that what they do?

15 THE COURT: Well, that was a question.

16 MR. LIEBRADER: He has no foundation for that. Yeah,
17 there's --

18 MR. GEWERTER: Sure he does. He's talking about an audit
19 he relied upon.

20 MR. LIEBRADER: He doesn't know what the auditors did. He
21 doesn't know what they looked at.

22 THE COURT: He actually said that he wasn't sure if it was an
23 audit. You asked him if it was an audit or a financial statement and he
24 said --

25 MR. GEWERTER: We had both here.

1 THE COURT: -- that's a good question.

2 MR. GEWERTER: We had both.

3 THE COURT: So I'm going to sustain the objection. You can
4 rephrase your question.

5 BY MR. GEWERTER:

6 Q Are you aware of whether or not these CPAs look at the
7 checks front and back of all the checks?

8 A No, I'm not aware of --

9 Q Were they denied --

10 A -- whether they did look at them.

11 Q -- access to the front and backs of the checks?

12 A I'm not aware that they were denied access or given access.

13 Q Did anyone tell you they were denied access?

14 A No.

15 Q So as far as you know they did what CPAs normally do when
16 they do a review or an audit; correct?

17 A As far as I know, I don't what they did.

18 Q Okay. But you said earlier --

19 A Whether they saw it or not.

20 Q -- but you -- see, my problem is you said earlier that they --
21 you relied upon this audit that found some impropriety but you can't point
22 that to me, can you, for this Court?

23 A Yeah, it's in the checking account.

24 Q That's not an audit, that's your review with your brother.

25 A Oh.

1 Q That's not an audit, is it?

2 A No.

3 Q That's you and your brother picking -- cherry-picking checks
4 saying Ron you're a bad guy, here's why, because my brother and I
5 found these checks, I don't know what they are. That's your audit you're
6 referring to; correct?

7 A No, no there was a actual audit done by third party, which
8 from that audit we found out about the checking account, had access to
9 the checking account.

10 Q And that's nowhere in here; right?

11 A I'm sorry?

12 Q And you can't point to any document in this case, can you?

13 A The report is in this document.

14 Q Though it says improprieties?

15 A That showed the improprieties.

16 MR. GEWERTER: Your Honor, I'd take a break and let him
17 review as long as he wants. But I'll tell this Court there's no such
18 document. It doesn't exist. And this is important testimony because
19 he's --

20 THE COURT: Counsel, I don't understand what you're
21 asking.

22 MR. GEWERTER: I want him to go through each and every
23 one of these documents and -- he says he relied upon some audit by
24 some accounting firm that they found improprieties on behalf of
25 Mr. Robinson.

1 THE COURT: He's saying that he found the improprieties.
2 He's not saying the company did. So that's --
3 MR. GEWERTER: Well, no, he said he relied upon a report
4 though.
5 THE COURT: -- so I'm not sure what you're asking me to do
6 or have him do, Counsel.
7 MR. GEWERTER: Because he said there was a report that
8 exposed all this.
9 THE COURT: He said the document exposing that is in these
10 documents. So why don't we ask him that question.
11 MR. GEWERTER: Okay.
12 BY MR. GEWERTER:
13 Q What document are you referring to that exposes
14 Mr. Robinson doing something wrong?
15 A The document that states what checks were paid out to
16 non-VCC --
17 Q Okay. And that was prepared by you and your brother?
18 THE COURT: Counsel, let him finish answering the question.
19 MR. GEWERTER: I'm sorry, I apologize.
20 THE COURT: Go ahead.
21 THE WITNESS: So that document which was based on the
22 checking account.
23 BY MR. GEWERTER:
24 Q That's the document you're referring to that exposes
25 Mr. Robinson; correct?

1 A That's correct.

2 Q And that wasn't prepared by an outside CPA firm, was it?

3 A No, the report was not.

4 Q It was prepared by you and your brother; correct?

5 A Actually my brother. But, yes, my brother.

6 Q Well, with your supervision also; correct?

7 A Well, he showed it to me after he finished it.

8 Q So let me ask you one last time -- I know it's been asked but
9 we get different answers here -- is there a document that you saw done
10 by an outside firm, not you and your brother, that shows improprieties by
11 Mr. Robinson?

12 A Outside firm; yes, the checking account from the bank, which
13 is an --

14 MR. GEWERTER: Your Honor, I'm not getting an answer.
15 I'm going to ask the Court --

16 THE COURT: Counsel, you're not getting the question -- an
17 answer to the question that you like.

18 MR. GEWERTER: No. The question, what's the outside firm?

19 THE COURT: Counsel, he --

20 MR. GEWERTER: The only thing --

21 THE COURT: -- he's already testified that he's unfamiliar and
22 he's not a financial person.

23 So I'll ask the question, are you referring to your independent
24 review of documents to include checking account information when
25 you're making the conclusion that there were improprieties?

1 THE WITNESS: Yes.

2 THE COURT: All right. Now, he keeps referencing a firm, at
3 any time did you review an independent report, audit, statement from an
4 outside person making that ultimate conclusion that there were
5 improprieties?

6 THE WITNESS: No.

7 THE COURT: So what you're testifying here today is that
8 based on your conclusion based on your review and your brother's
9 review of where money was moving to and from out of the accounts to
10 which you were a board of director?

11 THE WITNESS: That's correct.

12 MR. GEWERTER: That's fine, Your Honor. Thank you.

13 BY MR. GEWERTER:

14 Q And is that your complete knowledge of all improprieties done
15 by Mr. Robinson as to the financial affairs of VCC, that report that you
16 and your brother prepared?

17 A Say it again.

18 Q Is that the entire realm or world of knowledge as to the
19 improprieties by Mr. Robinson is the report that you and your brother
20 prepared, which is Exhibit -- Exhibit Number 9; correct?

21 A No, that's not the only thing.

22 Q In addition to Exhibit Number 9, what else is there that you
23 relied upon?

24 A When we went to rent from Ron it was agreed that we pay
25 \$3,000 a month. At some point in time, about a year into this, he came

1 to me and said he's refinancing the bank -- with the bank, the building
2 that we were in, which we had less than one-fourth of the footprint in that
3 building, and he said I need you to sign this lease. I know we've never
4 signed a lease, you just paid 3,000 but I'd like you to sign this lease so I
5 can take this to the bank and get refinancing. I agreed. It was 26
6 pages. I went to the 26th page and just signed it because I trusted him.

7 Q Okay.

8 A Later this document was produced and shown to me when this
9 impropriety came out, where it stated that we were paying approximately
10 \$30,000 a month, not 3,000, for rent on this space and it was backdated
11 to the first day that we had moved in, which totaled up to 2 million.

12 So in my statement where I said I resign, I actually reference
13 this, and that that was done in order to justify his taking the money out
14 by creating this document that says we actually were paying \$30,000 a
15 month rent.

16 Q So you have this Exhibit Number 9 and you have this rent
17 dispute --

18 A Yeah.

19 Q -- issue or this lease dispute issue; correct?

20 A Yeah.

21 Q And you also --

22 A Now, let me think because there probably is others. Well,
23 the --

24 Q That relates to Ron.

25 A Yeah.

1 Q How does any of this in Exhibit Number 9 or this rent dispute
2 relate to Mr. Rodriguez or does it or does it not?

3 A Well, the two of them handled the finances. Exactly who and
4 what was done between the two, I can't speak to.

5 Q You cannot find one item in Exhibit Number 9 or in these
6 checks that you feel was improper that went to the benefit of Vernon
7 Rodriguez, can you?

8 A No, I don't --

9 Q You can take a look at Exhibit 9, if you want.

10 A -- I don't know of any, no. The answer is no.

11 Q So your complaint really is with Mr. Robinson; correct?

12 A I don't have a complaint as far as --

13 Q Your alleged improprieties relate to Mr. Robinson only?

14 A Yes.

15 Q Okay.

16 A Well, relate to, yeah, Robinson, if he's the one that took the
17 money, but I don't know if the two made the decision. I don't know.

18 Q Okay. I'm just asking what you know. You can't testify what
19 you don't know.

20 You have no direct knowledge that any of those checks being
21 directed by or made payable to Mr. Rodriguez, do you?

22 A No, I don't think so.

23 Q That's fine.

24 Let's talk about the PowerPoint presentation, you were the
25 one that really put the most of that together, the nuts and bolts of it?

1 A The initial PowerPoint presentation.

2 Q Right. And why was it you?

3 A Because I knew about the technical side of what our company

4 was offering from a technical standpoint.

5 Q And you wanted that to be as accurate as possible; correct?

6 A The technical side, absolutely.

7 Q Well, you were the one that actually sent the information to

8 Julie Minuskin; correct?

9 A The technical document originally I sent it -- I don't know if I

10 sent it to Julie originally or just to Ron. I can't recall but it was a

11 technical document.

12 Q Did you see a final draft report before that was allegedly being

13 used by Julie?

14 A After those many revisions that we've talked about?

15 Q Yes.

16 A Yes.

17 Q Did you find anything wrong with that final draft?

18 A No, I was following instructions. As far as I knew, it was all

19 truthful.

20 Q It was a yes or no, sir, if you could.

21 A No.

22 Q Did you find anything wrong with it, no.

23 MR. GEWERTER: I'm almost done, Your Honor.

24 THE COURT: Okay.

25

1 BY MR. GEWERTER:

2 Q If you could look at Exhibit Number 7, the first page is 84.

3 A I have it.

4 Q On the bottom there's an email from you to Julie it says,
5 Please find attached the updated investor PowerPoint presentation for
6 Wintech, VCC, and the ALICE receptionist.

7 Then you said, I've included the presentation in many formats
8 in case you have an older version of PowerPoint or not PowerPoint
9 installed in the presenting PC.

10 That was -- you were directing -- dealing directly with Julie
11 Minuskin, wasn't it?

12 A Yes, I sent her an email.

13 Q That helps refresh your memory a little bit?

14 A I sent her an email, yes.

15 Q And you did --

16 A I sent it directly to Julie, as well as cc'ing other people.

17 Q You did deal directly with Julie though that's what this says;
18 correct?

19 A Yeah, in -- as far as email, yeah, this email. I handed off this
20 document to her.

21 Q Okay. And you obviously reviewed it before you handed it off;
22 right?

23 A Yes.

24 Q And you felt it to be true and correct; right?

25 A Yes.

1 Q And this is at the time -- this is in September of 2014; correct?
2 A Yes.
3 Q Now, you never made any capital investments in either of
4 those two companies; did you, cash or cash equivalents?
5 A Well, yeah, because when we came over --
6 Q Is that a yes or no, sir.
7 A Yes, I did.
8 Q You did make capital investments?
9 A Yes.
10 Q How much money did invest in the company, cash or cash
11 equivalents?
12 A Assets, cash equivalent.
13 Q Actually, let's take it step by step, cash or cash equivalents,
14 did you write a check or put cash in the account for Wintech or VCC
15 ever?
16 A Well, let me ask a question, would --
17 Q Don't be -- put down the question. This is ---
18 A -- would an asset be a cash equivalent?
19 Q I'm not going to -- sir, I'm just asking if you put cash or cash
20 equivalents. Let's go with cash first.
21 A No cash.
22 Q Okay. Did you ever write a check to VCC or Wintech?
23 A I don't think so.
24 Q So what you brought was the technology to the company
25 basically?

1 A And assets.

2 Q Okay. What assets did you bring to the company?

3 A We had a company, my brother and I had a company called

4 Wintech, LLC.

5 Q That's the one that was struggling; correct?

6 A That's correct.

7 Q And then after a couple of years you got a base salary of

8 84,000 a year; correct?

9 A And we had hundreds of thousands of dollars in computer

10 equipment and office furniture that we brought into the company.

11 Q And all that hundreds of thousands of dollars of office

12 equipment and furniture did not produce you a viable salary, did it?

13 A No, it was producing us a living.

14 Q Barely a living, a lot less than what Ron was paying you

15 afterwards; correct?

16 A No, there were times when I was making quite a bit of money

17 and then other harder times when I was making very little.

18 Q Were you better off financially before or after you joined forces

19 with Ron Robinson?

20 A I would have to say it was the biggest mistake of my life.

21 Q What does that mean?

22 A I'm --

23 Q Is that a yes or no?

24 A -- I'm much better -- I would have been much better off never

25 having met Ron.

1 Q Okay. Let's talk about 2014, were you better off in 2014 or
2 were you better off in 2012 financially?

3 MR. LIEBRADER: Objection, it's argumentative. Better off,
4 what, morally?

5 MR. GEWERTER: Financially.

6 MR. LIEBRADER: Ethically? Financially?

7 BY MR. GEWERTER:

8 Q Was your salary higher --

9 THE COURT: All right. So that's sustained and it's been
10 modified to be financially.

11 BY MR. GEWERTER:

12 Q Financially was your salary higher in 2014 than it was in
13 2012?

14 A 2014, which was when the audit was done, versus 2012? At
15 some point in time we started taking a salary under Wintech and it was
16 around -- my brother and I both were getting 84,000. That was
17 consistent through the whole time.

18 Q That's when you were with Wintech, it was consistent;
19 correct?

20 A That's correct.

21 Q But it wasn't consistent --

22 A So I don't remember what date it was, whether it was 2012
23 or --

24 Q -- but it wasn't consistent prior to 2012 though, was it, 84,000?

25 A No, it was not.

1 Q It was not; correct?

2 A That's correct.

3 MR. GEWERTER: Just one second, Your Honor.

4 BY MR. GEWERTER:

5 Q Now, you testified in the *Waldo* case; do you remember that?

6 A Yes.

7 Q About a year and a half ago, approximately, in Judge Williams'
8 courtroom. Now, did you testify or did you ever state that you objected
9 to Vern Rodriguez ever getting a salary or that you didn't feel that he
10 was -- that you should be employing him?

11 A I don't recall if I stated it back then. But I've always felt that
12 when Vernon was put into the company by Ron that he was basically in
13 charge of us, as far as keeping track of Ron's investment into this
14 company.

15 Q But keeping track is not the same as committing fraud though,
16 is it?

17 MR. LIEBRADER: I'm sorry, can you just state that last --

18 BY MR. GEWERTER:

19 Q Keeping track is not the same as committing fraud, is it?

20 A No.

21 MR. GEWERTER: I'm almost done.

22 BY MR. GEWERTER:

23 Q Did you ever attend any board meetings where both
24 Mr. Robinson and Mr. Rodriguez were present together?

25 A Yes.

1 Q Okay. And how -- and was that for Wintech or was that for
2 VCC?
3 A Honestly, I don't know.
4 Q Or were they -- sometimes they combine them, if that helps
5 you.
6 A Yeah, I couldn't tell you. But I would say that every board
7 meeting Vernon was there and Ron.
8 Q Okay. And who was the chairman of the board?
9 A Ron.
10 Q Okay. And you were in what capacity, director?
11 A Just one of the directors, yeah. I think, if I'm not mistaken,
12 there was chairman and then three directors.
13 Q But you're all four directors though; correct?
14 A Oh, yeah, four.
15 Q And you all had equal say; correct?
16 A I believe so.
17 Q Did you ever ask --
18 A I don't know what the minutes say as far as, you know, if you
19 own more shares, you have more voting power. I don't -- I don't know.
20 Q -- did you ever ask for information up through 2014 from
21 Mr. Robinson that was not given to you?
22 A Yes.
23 Q What was that information?
24 A Many times we asked to see the books.
25 Q And you did ultimately; right?

1 A And we were never given access to the books, we were
2 always told, well, we're in the middle of something and we'll get that to
3 you later.

4 Q You never saw the books to this very day?

5 A Until 2014 when the audit came out then we had access to the
6 books.

7 Q Okay. So something happened in 2014, this mysterious audit
8 we keep talking about that you can't find, enlightened you that said let's
9 go look further?

10 A I haven't looked for that audit but.

11 Q It's not here in these documents, is it?

12 A As far as I know, it's not.

13 Q Okay. And --

14 A But I didn't put this document together so I'll take your word for
15 it.

16 Q No, I don't want you to take my word. But that's fine. Thank
17 you.

18 A But I don't -- yeah, I don't -- I guess the correct answer was, I
19 don't know if it's in this document or not.

20 Q Okay. And did there come a time period when the board
21 decided collectively to stop making payments to investors?

22 A Yes.

23 Q When was that?

24 A Well, I couldn't tell ya. There were -- there was more than one
25 meeting when we talked about it and I know at some point in time we

1 said we've got to hold off for now. And then there was later on another
2 board meeting, okay, we have some money and we can go ahead and
3 pay this.

4 Q Do you know when that was though?

5 A No, I couldn't tell you. I mean, it was -- it was constant
6 struggle at that point in time to -- after 2014 when we only had a quarter
7 of a million dollars in there. So operating capital means -- I mean, it
8 wasn't enough to operate day-to-day and make payments to investors
9 unless you planned on going under in two months.

10 Q In fact, none of these financial statements I had you look at
11 blames Mr. Robinson for the failure of the company to make those
12 payments; correct?

13 A No, that's not correct.

14 Q Show me the document.

15 A These documents clearly state that because the money was
16 taking out of the company, the company didn't have the ability to meet
17 its obligations.

18 Q Show me where it says that, that's your document that was
19 prepared?

20 A Yeah, in my document I state that.

21 Q Your document. Other than your self-serving document is
22 there anything else that's prepared by somebody else, either than you
23 and your brother, that says the company could not make payments to
24 investors because of something done by Mr. Robinson? There's nothing
25 there, is there?

1 A Say that again.

2 Q Is there any documents you have, other than your exhibit that
3 you and your brother prepared, that says payments are not being made
4 to investors because of something wrong done by Mr. Robinson?
5 There's nothing there, is there?

6 A Well, as I've stated before, I've stated why I believe the
7 company could not make payments.

8 Q That doesn't answer the question. Is there a document that
9 you can refer me to, or refer this Court to, that says that that's why
10 payments were not being made to investors?

11 A No, there's not a document I can produce to prove it.

12 Q Right. The only documents you have, or information, is what
13 you and your brother prepared on that alleged spreadsheet that you and
14 your brother did; correct?

15 A From the checking account, is that what you're asking about?

16 Q I don't know where it came from. I'm just asking you, the
17 spreadsheet was prepared by you?

18 A By my brother.

19 Q By you and your brother, I'm sorry.

20 A No, by my brother. And it was based on the checking
21 account.

22 Q Okay. So it's your brother that did something wrong here or
23 no?

24 A He did nothing wrong. He exposed wrong.

25 Q Okay. And he still is president of the company?

1 A I don't know what his position is.

2 Q Okay. Any other documents that you can think of that you
3 ever saw, other than the document prepared by your brother, Mike
4 Yoder, that says payments were not made because of something
5 improperly done by Mr. Robinson?

6 A Well, I did -- not just --

7 Q Other than a document done by your brother.

8 A Other than the document prepared by my brother, I did see
9 the checking account.

10 Q Other than the checking account and the document prepared
11 by your brother, is there anyone else, other than you or your brother,
12 that says payments were not being made because of something done by
13 Mr. Robinson? The answer is no, isn't it?

14 A Ask the question one more time.

15 Q Did anyone -- any of the documents prepared that you've ever
16 seen, other than the one done by you and/or your brother with the
17 spreadsheet and the checks, that says payments are not being made
18 because of Mr. Robinson?

19 A I'm not aware of another document.

20 Q Only thing that you are aware of and you relied upon, your
21 whole basis of impropriety, is that document prepared by your brother?

22 A No, it was upon the checking account and also the false lease.

23 Q Okay. Well, let's start with the checking account, which was
24 the back up to the document; right?

25 A Yes.

1 Q Which is the same checking account that was done by a
2 certified public accountant and they found nothing wrong; correct?

3 A No, I did not say that. And I wouldn't be surprised if they did
4 not see that checking account. I don't see how they could do an audit
5 correctly if they saw that checking account --

6 Q We might talk to some CPAs.

7 A -- unless they were --

8 MR. GEWERTER: I have no other questions, Your Honor.

9 THE COURT: Had you finished your answer?

10 THE WITNESS: No.

11 THE COURT: You can finish your answer.

12 THE WITNESS: Thank you.

13 I don't see how they could do a correct audit unless they saw
14 that checking account statement.

15 MR. GEWERTER: Your Honor, this is editorializing.

16 THE COURT: No, he's finishing his answer, Counsel.

17 MR. GEWERTER: Okay.

18 THE WITNESS: And that's why I concluded that if the audit is
19 accurate it's because they were not told those expenses on that were for
20 non-VCC and Wintech expenses.

21 THE COURT: I'll let you follow-up.

22 BY MR. GEWERTER:

23 Q And you don't think auditors would ask those questions?

24 A And I -- I do think they would ask those questions and they
25 were probably lied to.

1 Q And you don't think the auditors are that smart they would see
2 through this?

3 A I think they could easily be fooled by Ron Robinson.

4 Q But you don't know that they were, do you?

5 A No, I don't.

6 Q Oh, you're just speculating?

7 A I am.

8 Q Thank you.

9 MR. GEWERTER: Nothing further, Your Honor.

10 THE COURT: All right.

11 MR. LIEBRADER: Nothing, Your Honor. Thank you.

12 THE COURT: Okay. All right. May we release this witness?

13 MR. LIEBRADER: Yes. And because he's the defendant in
14 this case, we will dismiss him with prejudice.

15 THE COURT: Okay. All right. Assuming there's -- anything
16 you would -- he's asking me to dismiss him with prejudice, anything --

17 MR. GEWERTER: Oh, no, no.

18 THE COURT: Okay. All right. Will you -- based on motion of
19 Plaintiff's counsel and hearing no objection, I will dismiss the action
20 against Mr. Yoder with prejudice.

21 Are you -- do you intend on calling this witness again or are
22 we done?

23 MR. GEWERTER: No, I thought in the opening I thought we
24 said --

25 THE COURT: That was fine. I just wanted to make sure.

1 MR. GEWERTER: It's a bench trial so I thought we'd just
2 move it along.

3 THE COURT: No problem. Perfect.

4 MR. GEWERTER: A jury I'd do it differently, but yes.

5 THE COURT: All right. So you are released and you may
6 step down. Thank you very much.

7 MR. GEWERTER: There is one housekeeping matter, it
8 doesn't relate to him, maybe I missed it, Exhibit 8 was the investors, was
9 that admitted?

10 THE COURT: That was admitted.

11 MR. GEWERTER: Okay, I'm sorry, I just missed it, Your
12 Honor.

13 THE COURT: Yeah, no, that's all right. No problem. That's --
14 it's good to do that.

15 MR. GEWERTER: And nobody moved to admit number 9,
16 which was the -- these alleged board meeting documents.

17 MR. LIEBRADER: I thought we did, didn't we?

18 MR. GEWERTER: I'm sorry, was that admitted?

19 MR. LIEBRADER: I have it checked.

20 THE COURT: Yes, we have that. That was during when you
21 accidentally dropped those papers --

22 MR. GEWERTER: That's fine. Okay.

23 THE COURT: -- which is something that I would do so.

24 MR. LIEBRADER: I think everything is in except for 15 --
25 there's the first two pages of 15 and then nothing else.

1 THE COURT: And everything else is out; right.
2 MR. GEWERTER: Everything else is in though?
3 MR. LIEBRADER: Yeah.
4 MR. GEWERTER: Right; correct, Your Honor. Okay.
5 MR. LIEBRADER: And, Your Honor, how do you feel about
6 accepting the witness's exhibit book as for the court, as the official
7 exhibit book or --
8 THE CLERK: No, I have to --
9 THE COURT: She's actually going to take mine --
10 MR. LIEBRADER: Oh.
11 THE COURT: -- and she's going to remove those pages of
12 Exhibit 15, which was fine.
13 MR. LIEBRADER: Okay.
14 THE CLERK: Do you want to come up and remove those
15 pages?
16 THE COURT: Do you want to -- yeah.
17 MR. LIEBRADER: Sure, I'll be happy to.
18 THE COURT: All right. So I want to first address -- I just want
19 to make sure, are we done?
20 MR. GEWERTER: Yes.
21 THE COURT: Both sides. All right. So Plaintiff you rest?
22 MR. LIEBRADER: Yes, ma'am.
23 THE COURT: Defendant you rest?
24 MR. GEWERTER: We do, Your Honor.
25 THE COURT: All right. So I'm going to go back and talk

1 about some of the pretrial issues that were raised. I want to first talk
2 about the motion to dismiss for failure to name an indispensable party. I
3 did review the briefing provided by counsel for Defendant, as well as the
4 opposition provided by Plaintiff.

5 I agree that the Provident Trust is an IRA custodian. It is not a
6 trust and therefore I do not find that IRA -- that the Provident Trust is an
7 indispensable party.

8 Looking at Exhibit A to Plaintiff's opposition, it details what the
9 agreement was between Provident Trust and the, I guess, the clients of
10 the -- of the IRA, if you will. Provident Trust is not operating as a trustee;
11 rather it is merely, for lack of a better term, managing the money that's
12 being invested by the clients. And the clients are not beneficiaries of
13 that money but rather actually individuals that are depositing money into
14 the IRA account to make investments.

15 And so I'm going to deny the motion to dismiss. I do find,
16 again, that Provident Trust is an IRA custodian and not a trust -- and not
17 trustees and therefore they are not -- they are not an indispensable
18 party.

19 All right. So the next question, and issue before the Court, is
20 talking about the fact that there has been a resolution in bankruptcy
21 court and the argument is that the shareholders accepted a modification
22 of the agreement, that's at least the representation of counsel, and
23 listening to testimony yesterday Mr. Hotchkiss was unable to recall if he
24 had received notice or what he had agreed to when it came to that
25 argument or that resolution in bankruptcy court.

1 Counsel for Defendant relies on *Williams v Crusader*, which is
2 75 Nevada 67, a 1959 case, and *Howard v Associated Grocers*, an
3 Arizona case from 1979.

4 So I want to first hear argument from counsel for the Plaintiff.
5 I want to hear a little bit more argument as to what your position is --

6 MR. LIEBRADER: Sure.

7 THE COURT: -- regarding that issue.

8 MR. LIEBRADER: Thank you, Your Honor.

9 I can state for the record that none of the Plaintiffs in this case
10 voted for that bankruptcy plan. They all voted against it. So I just
11 want -- not just Mr. Hotchkiss, they all voted against accepting shares.
12 So that is -- that's a fact.

13 Second --

14 THE COURT: Well, so, -- okay. All right. Go ahead, sorry.
15 Go ahead.

16 MR. LIEBRADER: So my understanding, my reading of the
17 bankruptcy law is that a discharge -- and we cited this in our brief -- a
18 discharge in bankruptcy does not extinguish the debt itself, but merely
19 releases the debtor from personal liability for the debt, and that's *In re*
20 *Edgeworth*, 993 F.2d 51. Following the discharge, section 524(a)(2)
21 enjoins an action against a debtor, which is VCC, but section 524(e)
22 specifies the debt still exists and can be collected from any other entity
23 that might be liable.

24 So I think it's -- what happened here is that VCC was released
25 from liability but the debt still exists and the debtors are entitled -- or the

1 borrowers are entitled to go after the guarantor.

2 In addition, the bankruptcy, I have the bankruptcy order, it
3 specifically stated that it didn't release -- it didn't prevent the debtors
4 from continuing to pursue claims against Mr. Robinson. In fact, it
5 specifically excluded the -- it specifically said that the debts against
6 Mr. Robinson were not extinguished. And that's VCC's own position.

7 And I can find it for you.

8 THE COURT: Yes, please.

9 MR. LIEBRADER: So Mr. Robinson -- so here's the
10 disclosure plan, the first supplement to the motion conditionally
11 approving the adequacy of the disclosure statement. And this was
12 signed off on by the Court. It's the first amended Chapter 11 plan for
13 reorganization. That is the operative document. And Mr. Robinson is
14 defined in this document on page 50 of 75 and this is -- this was filed
15 with -- this is document 40 from the United States Bankruptcy Court,
16 District of Nevada, entered on June 13th of 2018. Mr. Robinson is
17 defined as a former officer and director of the debtor.

18 And on page 33 it talks about a third party release. And VCC
19 specifically stated that they were not giving up claim. So this is VCC
20 alone against Mr. Robinson. This has nothing to do with the guarantee.
21 VCC was withholding release of claims against Mr. Robinson.

22 But as to the Plaintiffs in this case, it goes on to say that this
23 release shall not -- and this is page 72 of 75, this release shall not
24 operate to waive or release any causes of action, one, of the debtor,
25 which is VCC, or its estate from any claims arising from willful

1 misconduct or gross negligence; two, claims against any former officer
2 or director of the debtor, which is Mr. Robinson; or, three, and this
3 applies to us, claims that may be asserted by third parties against
4 persons or entities other than the debtor.

5 So it was specifically agreed and it was subject to a lot of
6 negotiation between myself and Mr. Larsen that we are not giving up
7 claims against Mr. Robinson. And that was ultimately borne out by the
8 plan that was submitted and approved by the Court.

9 THE COURT: All right. So let me hear from counsel from
10 Defendant your response to that fact.

11 MR. GEWERTER: Your Honor, we're kind of going down the
12 wrong rabbit hole here. The issue is not what the plan says or not. The
13 plan only comes into bearing and to this case because the obligation of
14 VCC is extinguished when it went from debt to equity. That's a fact.
15 There's no question that their notes now became stock. Whether they
16 voted for it or not is meaningless because there's an order that says you
17 will get stock. It's signed off by the Federal Bankruptcy Court.

18 So they are -- so they got stock and the primary obligation has
19 been extinguished. Whether or not they voted for it, but 80 percent did
20 vote for it. There's actually a jury instruction in Nevada that we cite in
21 our pretrial brief.

22 THE COURT: I saw that, mm-hmm.

23 MR. GEWERTER: And it says jury, it's attached as Exhibit 6,
24 and basically it says, if there's no obligation by the debtor, there's no
25 obligation by the guarantor. So there's no obligation by the debtor, VCC,

1 to pay anything further when they gave common and preferred stock to
2 all these investors. That's extinguished. They accepted, whether it be
3 voluntarily or involuntarily, they accepted the stock in lieu of the debt.
4 And once that is materially -- once they've made an obligation, materially
5 altered, or extinguished, we would argue, but materially altered the
6 guarantee goes away.

7 Now, whether the plan says it does or doesn't is meaningless
8 because all it says is, we, at the bankruptcy court are not going to decide
9 that issue. And I agree. There's no question or not in deciding that
10 issue because Mr. Robinson wasn't a party to that case. In order to
11 have that action against Mr. Robinson somebody would have to have
12 brought an adversary proceeding to bankruptcy court, which wasn't
13 done. So therefore that's just dicta to the plan. It was done because
14 Mr. Liebrader wanted the language in there because Mr. Robinson
15 testified to and that was the only reason why. So they got the plan
16 through. And so whatever reason is, that debt is gone.

17 If they can show me where the debt still exists somewhere,
18 after the bankruptcy, I'll change my position. But they can't show that.
19 It's impossible because the law is abundantly clear that if you extinguish
20 the superseding legal obligation, that the promissory notes, the personal
21 guarantee goes away.

22 Otherwise, any -- otherwise the guarantor can make all kinds
23 of crazy deals without the permission of the guarantee and hold the
24 guarantee -- guarantor liable for things that they don't agree to. Maybe
25 Mr. Robinson did not agree to the plan, who knows. That's not before

1 this Court. But the fact is you can't hold him liable because the main
2 obligation has gone away. And that by itself is the very reason.

3 Secondly, if they were to get the guarantee in place you'd
4 have a windfall. The only -- the only language is that it was a fair
5 equivalent between the debt and the -- and then the stock of this case,
6 of VCC.

7 Therefore, they got what they bargained for, just now it's in
8 equity; it's not in debt. They don't get a double recovery. They don't get
9 stock in the company for the same value, by the way, the dollar, or the
10 dollar per share, and then collect the guarantee also. That would be a
11 windfall, that would be extreme unjust enrichment, and that's the
12 purpose of the law. You don't get double recovery and that's what the
13 Plaintiffs are asking for in this case, Your Honor.

14 THE COURT: Well, it would be double recovery if the shares
15 equaled the investment amount.

16 MR. GEWERTER: There's no evidence to the contrary and
17 the bankruptcy court --

18 THE COURT: Well, there's no evidence to support your
19 position either.

20 MR. GEWERTER: Yeah, there is, because there -- in order --

21 THE COURT: What evidence?

22 MR. GEWERTER: -- in order to get a plan approved you must
23 have a fairness evaluation in bankruptcy court. And that gets
24 determined and argued. And Mr. Liebrader -- I was not part of the
25 bankruptcy. I don't do that in bankruptcy -- but Mr. Liebrader was there

1 arguing about the equivalence and this is what the Court came up with.
2 So they may not like it but this is what the Court -- in order to have the
3 plan approved you must have an equivalency hearing or equivalency
4 argument as part of a hearing. And that's done or the plan would not be
5 approved. Otherwise this company would have turned into liquidation
6 under Chapter 7 and no longer a Chapter 11.

7 So the only evidence before this Court is that it was fair, in fact
8 the plan -- the orders to these plans all state this was fair and equitable
9 and there's nothing to say this wasn't fair and equitable. They brought in
10 no expertise whatsoever.

11 So when this debt went away, there's no more debt, Your
12 Honor, it's gone. So if the debt's gone, what was Mr. Robinson
13 guaranteeing? They say conditional guarantee, remember that. Not
14 conditional, it's a conditional guarantee in all the audited and unaudited
15 financial statements. That's all we've ever seen. And it's condition upon
16 the debt being extinguished.

17 THE COURT: Oh, I'm sorry, can I see the exhibit book really
18 quickly.

19 MR. LIEBRADER: Sure. I haven't pulled out -- well --

20 THE COURT: Oh, that's -- you can take it back. I just wanted
21 to just take a look at it --

22 MR. LIEBRADER: Yeah, I'll just take out the ones.

23 Your Honor, he keeps saying that the debt is extinguished,
24 there's no proof that the debt is extinguished.

25 THE COURT: Well, that's my concern.

1 MR. LIEBRADER: Yeah, VCC has been released from their
2 obligations under the debt but the debt isn't extinguished. And all the
3 cases that we cited in our brief speak to exactly that, that the debtor's
4 obligation to the debt goes away and that is extinguished, the liability,
5 but not the debt itself. And they can't point to a single case that says the
6 debt itself is extinguished under these circumstances.

7 As to the plan approval, 80 percent of the people voted for it,
8 you're dealing with elderly people around the country who get phone
9 calls from Mr. Robinson's cronies late at night saying you better vote for
10 the plan or you're going to get nothing. And that's why they got 80
11 percent.

12 MR. GEWERTER: That's not -- I object to that
13 characterization.

14 MR. LIEBRADER: Well, that's what happened.

15 THE COURT: Well, hold on. So I want to --

16 MR. GEWERTER: There's a federal judge who preceded this.

17 THE COURT: -- back up for a minute. Because you said that
18 there was a conditional guarantee but I'm looking at Exhibit 6, Bates
19 Number 89, so it's a note, I think it's mister -- well, whatever. It's Bates
20 Number 89, it says, right in the middle of the page, guarantee, this note
21 is guaranteed by Ron Jay Robinson as indicated below.

22 And I --

23 MR. LIEBRADER: And, Your Honor --

24 THE COURT: -- I don't hear -- I don't see where it says it's
25 conditionally guaranteed.

1 MR. GEWERTER: No the financial statements say
2 conditionally.

3 MR. LIEBRADER: -- and, Your Honor, actually --

4 THE COURT: Well, that's different though the note itself
5 actually says guaranteed; right?

6 MR. LIEBRADER: Actually the --

7 MR. GEWERTER: Yeah, we have CPAs. Dispute the
8 testimony we all know what CPAs do, they give an exam that most
9 people don't want to have.

10 THE COURT: Yeah, I agree, I wouldn't want that exam.

11 MR. LIEBRADER: Your Honor, if you look at the notes --

12 MR. GEWERTER: Can I finish the statement?

13 MR. LIEBRADER: -- at page 90, just the next page you're on,
14 the language is pretty damning and completely opposite of what he's
15 saying. On each individual note it says the undersigned guarantor
16 absolutely and unconditionally agrees.

17 MR. GEWERTER: To the debt.

18 MR. LIEBRADER: Unconditional.

19 MR. GEWERTER: I want to see where the debt is. There's
20 no debt left. There's no obligation left.

21 MR. LIEBRADER: Well, that's apples and oranges.

22 THE COURT: Yeah, those are -- that's why I was asking the
23 question. I just want to make sure I didn't miss something. There was
24 no --

25 MR. LIEBRADER: Absolutely and unconditionally guaranteed.

1 MR. GEWERTER: I will guarantee I want to see -- I want to
2 see somebody show up in this courtroom and say, I can still sue on my
3 promissory note even though the bankruptcy plan says I now have
4 equity.

5 THE COURT: All right.

6 MR. GEWERTER: They can't do that.

7 THE COURT: So I'm looking --

8 MR. GEWERTER: If you cancel the promissory note, you
9 cancel the guarantee. It's that simple.

10 THE COURT: -- I'm looking at a -- now, it's uncited, but I just
11 want to give you an idea where --

12 MR. GEWERTER: Sure.

13 THE COURT: -- what I'm looking at. It's a 2006 Westlaw--

14 MR. GEWERTER: What's the case?

15 THE COURT: 279 --

16 MR. GEWERTER: I'm sorry, I didn't hear that, Your Honor.

17 THE COURT: That's okay. 2006 Westlaw, 2792396, *Donell*,
18 *D-O-N-E-L-L, versus Perpetual Investment Incorporated and Ronald*
19 *Rippe*, R-I-P-P-E, individually. It's a 2004 case out of the district of -- the
20 Federal District of Nevada.

21 In that case --

22 MR. GEWERTER: Is that the full citation or just the Westlaw?

23 THE COURT: Yeah, that's the Westlaw. You're right, it's --
24 the -- unless you want the case number. Do you want the case number
25 from fed court?

1 MR. GEWERTER: Yeah, I do it the old fashion way.

2 THE COURT: Sure. 2:04-cv-1172-KJD-LRL.

3 So this was on a motion for summary judgment, so obviously
4 we're in a different place procedurally, but I'm looking at this because in
5 this case there was a modification agreement signed by Robert E. Rippe
6 on behalf of Perpetual Investment. Rippe was the sole member,
7 stockholder, and president of Perpetual Investment. Rippe did not sign
8 the modification as a personal guarantor. The modification was secured
9 by the original deed of trust which had been re-recorded, blah, blah,
10 blah.

11 All right. So this is talking about what the facts of that
12 particular case. But it relies on the same case, it relies on *Williams v*
13 *Crusader*, and it says that the Court has also recognized an exception,
14 to which you're relying on, may exist where a guarantor consents to a
15 change or an alteration in the terms of the contract. Assent may be
16 inferred from conduct or other circumstances.

17 So it goes on to say that in a nutshell that Rippe is still liable
18 as the guarantor at a minimum for the amount of the original note. It's
19 undisputed that Rippe, as president and sole owner of Perpetual, was
20 aware of the modification agreement and so -- essentially, for lack of a
21 better -- the way I'm reading this is there was a modification, which is
22 what you're arguing here. There's a modification. Whether that was
23 through bankruptcy, or in this case it doesn't appear that it was through
24 bankruptcy, but there was a modification.

25 But I'm reading this and it seems to suggest that it doesn't

1 change the fact that Rippe is still -- or still liable for the amount of the
2 original note.

3 So this is a very short decision. It's only two pages. It's not --

4 MR. GEWERTER: Is that a published decision, Your Honor?

5 THE COURT: I'm sorry?

6 MR. GEWERTER: Is that a published decision?

7 THE COURT: It's not published and so I note that and I'm
8 looking at this really as persuasive information.

9 So what I want is the parties to take a look at this and I would
10 like this addressed in closing briefs. So there isn't a lot in Nevada on
11 this particular issue. This was the closest I could find. But take a look at
12 this, see if it changes the analysis, see if I am reading this correctly, and
13 I'm happy to be told that I'm reading it incorrectly and wouldn't be
14 offended by that in any way.

15 But I am concerned, reading what I've read, through this case
16 and the additional research I've done, that Mr. Robinson is still
17 responsible for his personal guarantee that the discharge is the
18 discharge of the VCC debt and not Mr. Robinson's personal guarantee.
19 And so I need more information to make my decision on that ultimately.

20 So I would like closing briefs, they don't need to be long.

21 MR. GEWERTER: And we don't need to rehash what you
22 already have --

23 THE COURT: No, no --

24 MR. GEWERTER: -- you just take from this case forward?

25 THE COURT: -- you can each just submit one.

1 MR. GEWERTER: Okay.

2 THE COURT: I would like no more than ten pages of closing
3 briefs. So I think it can be very concise. This was a short trial and I
4 appreciate the witnesses and the questions and answers that were
5 presented during the course of the trial.

6 So ultimately it's up to you how much you want to address this
7 particular issue or other issues you think are important.

8 And then my question for both sides is how much time would
9 you like to submit those closing briefs?

10 MR. GEWERTER: Can we -- and we can do simultaneous
11 exchange of briefs?

12 THE COURT: Yes.

13 MR. GEWERTER: And no response is required?

14 THE COURT: No.

15 MR. GEWERTER: None of that nonsense?

16 THE COURT: No.

17 MR. GEWERTER: Okay.

18 THE COURT: Simultaneous briefing, 30 days?

19 MR. GEWERTER: Yeah, 30 days is fine.

20 MR. LIEBRADER: 30 days, that'll be fine.

21 THE COURT: Does that work?

22 MR. LIEBRADER: Sure. Thank you.

23 THE COURT: Okay. Great. So 30 days would put us at
24 March 24th, is that we were saying this morning? Yes. March 24th,
25 which is a Tuesday, does that work for everybody?

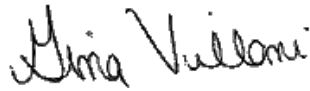
1 MR. GEWERTER: That's fine.
2 MR. LIEBRADER: Sure.
3 THE COURT: All right.
4 MR. GEWERTER: And just file it electronically?
5 THE COURT: Right.
6 MR. GEWERTER: Okay.
7 THE COURT: And then I'm going to put this on my chambers
8 calendar for April 20th that way I can get that decision out to you all.
9 MR. GEWERTER: And that's all you want briefed; correct?
10 THE COURT: That's right.
11 MR. GEWERTER: You said April 20th?
12 THE COURT: April 20th will be on my chambers calendar;
13 right.
14 MR. GEWERTER: Chambers; okay. Thank you, Your Honor.
15 THE COURT: All right?
16 MR. GEWERTER: Great. Thank you for your time.
17 THE COURT: Anything else you need from me?
18 MR. GEWERTER: Thank you for your patience.
19 THE COURT: No, no problem.
20 Do you all want to take a look -- a second look at this? This is
21 the exhibit book that I'm taking back with me.
22 MR. LIEBRADER: Oh, no, I --
23 MR. GEWERTER: No, no, it's --
24 MR. LIEBRADER: -- I did pull -- I pulled out the ones we
25 didn't cover, yes. Thank you.

1 THE COURT: Okay. All right. And you're okay with those?
2 MR. LIEBRADER: Yes.
3 MR. GEWERTER: No, why I wouldn't I be?
4 THE COURT: Okay. All right.
5 All right. Thank you all very much. I appreciate it.
6 MR. LIEBRADER: Thank you, Your Honor.
7 MR. GEWERTER: Thank you very much for your time, Your
8 Honor.
9 MR. LIEBRADER: I appreciate it. Thank you.
10 THE COURT: Have a good day. And, look at that, right at
11 almost 1 o'clock so.

12
13 [Trial day 2 concluded at 12:53 p.m.]

14 * * * * *

15
16
17
18
19 ATTEST: I do hereby certify that I have truly and correctly transcribed the
20 audio/video proceedings in the above-entitled case to the best of my ability.

21 
22

23 Gina Villani
24 Court Recorder/Transcriber
25 District Court Dept. IX

PROMISSORY NOTE

Principal: \$ 75,000.00
Interest Rate: 9% annual, interest-only payable monthly
Loan Term: 18 months from execution date with an option to extend for 6 months.

September 23, 2013
Las Vegas, NV

Borrower (Maker): VIRTUAL COMMUNICATIONS CORPORATION, a Nevada corporation and is the sole-owner of its subsidiary WinTech, LLC, a Nevada limited liability company
Borrower's Address: 311 E. Warm Springs Rd Suite 100
Las Vegas, NV 89119

Holder: PROVIDENT TRUST GROUP, LLC, FBO Steven A. Hotchkiss, Solo-K #136800142
Holder's Address: 8880 W. Sunset Road
Las Vegas, NV 89148

PROMISE TO PAY. The above-named Borrower promises to pay to the above-named Holder in lawful money of the United States of America, the principal amount shown above, at the interest rate shown above, until paid in full.

INTEREST CALCULATION METHODOLOGY. Interest shall be computed on a simple basis, starting on the Effective Date, and is furthermore to be computed by applying the Annual Interest Rate against the unpaid principal amount on the following basis (check one):

- ☐ Annual basis; that is, by applying the Annual Interest Rate every calendar year
☒ Monthly basis; that is, by applying the Annual Interest Rate, divided by twelve, every month
☐ Daily basis; that is, by applying the Annual Interest Rate, divided by 365, every day

With respect to prepayment, interest for partial years or months shall be computed on a pro-rated basis.

PAYMENT. Borrowers will pay this loan as follows:

1. **Periodicity (check one):**

- ☒ Balloon payment of principal, to be paid at end, with monthly interest-only payments
☐ Balloon payment of principal and all accrued interest; to be paid entirely upon final payment
☐ Regular payments of fully amortized principal plus interest

2. **Payments:**

Borrower shall make 18 equal payments to Holder, each in the amount of \$562.50 the first payment is due on November, 2013, and on the 23rd day of each calendar month thereafter, with the option of 6 additional payments.

3. **Application Order:**

Unless otherwise agreed or required by applicable law, payments will be applied first to any unpaid collection costs; then to any late charges; then to any accrued unpaid interest; then to any deferred interest; and then to principal.

4. **Payment Address:**

Lender

Borrower

Guarantor

Page 1



Borrower will pay Holder at any such place as Holder may designate.

PAYMENT METHOD. Borrower shall pay this Note on a monthly basis. Borrower shall make payments directly to Holder at Holder's address.

PREPAYMENT. At any time, Borrower may prepay a portion or the entirety of the principal and interest due under this Note, without penalty or fee. Prepayments will be first applied against accrued interest, then principal. Full prepayment will include payment of all principal plus all interest then due (including partial-month accrued interest) as of the payoff date. Partial prepayments will not, unless agreed to by Holder in writing, relieve Borrower of its obligation to continue to make regular payments under the foregoing payment schedule.

LATE FEE. A 5-day grace period exists. If a scheduled payment is not paid by the Borrower within the grace period, then that payment is deemed delinquent and a 5% non-compounding late fee on the delinquent payment is assessed.

SECURITY INTEREST. This note is secured.

GUARANTEE. This Note is guaranteed by: R. J. ROBINSON, as indicated below.

DEFAULT EVENT / ACCELERATION. If any scheduled payment remains delinquent and unpaid for 15 days or more, then upon failure of Borrower to cure after the expiration of a 10-day written notice from Holder to Borrower of a delinquency, then said failure to cure constitutes a default event of this note (a "Default Event"). The Holder cannot make itself unavailable, or otherwise refuse to take a payment, in order to cause a Default Event to occur; a Default Event must be non-performance on the Note on the part of the Borrower. If a Default Event does occur, then this Note is accelerated, the entire remaining amount under the Note becomes immediately due. Holder's failure to exercise any of its remedies in this section, or any other remedy provided by law, upon the occurrence of a Default Event, does not constitute a waiver of the right to exercise any remedy at any subsequent time in respect to the same or any other Default Event.

GENERAL PROVISIONS.

- **Governing Law.** This agreement will be governed by and construed in accordance with the laws of the state of Nevada.
- **Notice.** All notices must be in writing. A notice may be delivered to a party at the following address contained in the preamble to this Note, or to a new address that a party subsequently designates in writing.
- **Assignment and Succession.** Borrower may not assign its rights or delegate their obligations under this Note in whole or in part without the prior written consent of Holder. This Note is binding on and enforceable by each party's successors and assignees.
- **Severability.** If any court determines that any provision of this Note is invalid or unenforceable, any invalidity or unenforceability will affect only that provision and will not make any other provision of this agreement invalid or unenforceable.
- **Headings.** The section and other headings contained in this Note are for reference purposes only and shall not affect the meaning or interpretations of this Note.
- **Attorney's Fees.** In the event that litigation results from or arises out of this Note or the performance thereof, the parties agree to reimburse the prevailing party's reasonable attorney's fees and costs, in addition to any other relief to which the prevailing party may be entitled.
- **Modification.** This Note may be modified only by a writing signed by both Borrower and Holder.

Lender

Borrower

Page 2

Guarantor

[Signatures on Next Page]

BORROWER:

VIRTUAL COMMUNICATIONS CORPORATION

By: 

R. J. Robinson, Chairman and CEO

APPROVED:

By: 

Print Name: Provident Trust Group, FBO, Steven A. Hotchkiss, Solo-K # 130800142
Is: Consultant

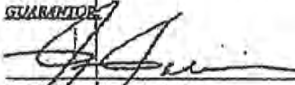
PERSONAL GUARANTEE:

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and to induce Holder to make this loan, the undersigned guarantor absolutely and unconditionally agrees to all terms of, and guarantees to Holder the payment and performance of, the entire debt evidenced by this Note, including, without limitation, all principal, accrued interest, attorneys' fees and collection costs that may become due in collecting and enforcing the debt, including collection and enforcement of this guarantee.

A guarantor's liability is not subject to any condition not expressly set forth in this guaranty or any instrument executed in connection with the debt.

This guarantee will be in default if, after 10 days' notice to perform on the guarantee is sent by Holder, guarantor fails to pay any amounts then due under this Note.

GUARANTOR:


R. J. Robinson, as an individual


Leader

Borrower

Page 3

Guarantor 

THE LAW OFFICES OF
DAVID LIEBRADER, INC.
WWW.INVESTMENTLOSS.COM
601 S. RANCHO DR. STE. D-29
LAS VEGAS, NV 89106
TELEPHONE (702) 380-3131
FACSIMILE (702) 583-4227

August 26, 2017

Mr. Ronald Robinson
Virtual Communications Corp.
311 E. Warm Springs Rd. Ste 100
Las Vegas, NV 89119

Re: Steve Hotchkiss

My office represents Steve Hotchkiss. Mr. Hotchkiss purchased a promissory note from VCC (which you personally guaranteed) on September, 23, 2014 for \$75,000.

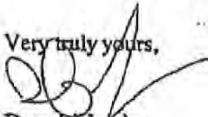
Under the clear, unambiguous terms of the note, interest payments were supposed to be made monthly. Despite this, VCC has not made payments to Mr. Hotchkiss since February, 2015. At present, the amount of \$16,875 in interest is due and owing. You are hereby notified that VCC is in default under the note. Demand is made to have the note immediately brought current.

Furthermore, as a result of VCC's use of Julie Minuskin and her firm Retire Happy to solicit Mr. Hotchkiss's purchase of the note (which is a security), VCC sold unregistered, non-exempt securities in violation of Nevada's securities laws, specifically, N.R.S. § 90.460. As a control person you are also personally liable.

Demand is hereby made for rescission pursuant N.R.S. § 90.660 and N.R.S. § 90.680. Pursuant to both notes and the statutes, Mr. Hotchkiss is entitled to interest and attorney's fees. The total amount demanded is \$122,469. Since you personally guaranteed the note, this demand is also made upon you.

As to your bogus offer to convert the note to shares in VCC, that offer is hereby rejected as being stale, delayed, untimely and expired.

Please contact me at your earliest convenience to arrange payment and rescission.

Very truly yours,

Dave Liebrader

C: Steve Hotchkiss

04/24/2014 13:14

0387411-1020

FEDERAL OFFICE

01/10

FMC 00

PROMISSORY NOTE

Principal: \$ 66,000.00
Interest Rate: 9% annual, interest-only payable monthly
Loan Term: 18 months from execution date with an option to extend for 6 months.

April 21, 2014
 Las Vegas, NV

Borrower (Maker): VIRTUAL COMMUNICATIONS CORPORATION, a Nevada corporation and is the sole-owner of its subsidiary WinTech, LLC, a Nevada limited liability company

Borrower's Address: 311 E. Warm Springs Rd Suite 100
 Las Vegas, NV 89119

Holder: Provident Trust Group FBO Stephens C. Ghesquiere; Roth acct. #140400029

Holder's Address: 8880 W. Sunset Rd. Suite #250
 Las Vegas, NV 89148

PROMISE TO PAY. The above-named Borrower promises to pay to the above-named Holder in lawful money of the United States of America, the principal amount shown above, at the interest rate shown above, until paid in full.

INTEREST CALCULATION METHODOLOGY. Interest shall be computed on a simple basis, starting on the Effective Date, and is furthermore to be computed by applying the Annual Interest Rate against the unpaid principal amount on the following basis (check one):

- ☐ Annual basis; that is, by applying the Annual Interest Rate every calendar year
☒ Monthly basis; that is, by applying the Annual Interest Rate, divided by twelve, every month
☐ Daily basis; that is, by applying the Annual Interest Rate, divided by 365, every day

With respect to prepayment, interest for partial years or months shall be computed on a pro-rated basis.

PAYMENT. Borrowers will pay this loan as follows:

1. **Periodicity (check one):**

- ☒ Balloon payment of principal, to be paid at end, with monthly interest-only payments
☐ Balloon payment of principal and all accrued interest, to be paid entirely upon final payment
☐ Regular payments of fully amortized principal plus interest

2. **Payments:**

Borrower shall make 18 equal payments to Holder, each in the amount of \$495.00. The first payment is due on May 1st, 2014 and on the 1st day of each calendar month thereafter, with the option of 6 additional payments.

3. **Application Order:**

Unless otherwise agreed or required by applicable law, payments will be applied first to any unpaid collection costs; then to any late charges; then to any accrued unpaid interest; then to any deferred interest; and then to principal.

4. **Payment Address:**

Lender

Borrower

Page 1

Guarantor

04/24/2014 10:12

0000411-1020

FEDERAL

0110

PAGE 01

Borrower will pay Holder at any such place as Holder may designate.

PAYMENT METHOD. Borrower shall pay this Note on a monthly basis. Borrower shall make payments directly to Holder at Holder's address.

PREPAYMENT. At any time, Borrower may prepay a portion or the entirety of the principal and interest due under this Note, without penalty or fee. Prepayments will be first applied against accrued interest, then principal. Full prepayment will include payment of all principal plus all interest then due (including partial-month accrued interest) as of the payoff date. Partial prepayments will not, unless agreed to by Holder in writing, relieve Borrower of its obligation to continue to make regular payments under the foregoing payment schedule.

LATE FEE. A 5-day grace period exists. If a scheduled payment is not paid by the Borrower within the grace period, then that payment is deemed delinquent and a 5% non-compounding late fee on the delinquent payment is assessed.

SECURITY INTEREST. This note is secured.

GUARANTEE. This Note is guaranteed by: R. J. ROBINSON, as indicated below.

DEFAULT EVENT / ACCELERATION. If any scheduled payment remains delinquent and unpaid for 15 days or more, then upon failure of Borrower to cure after the expiration of a 10-day written notice from Holder to Borrower of a delinquency, then said failure to cure constitutes a default event of this note (a "Default Event"). The Holder cannot make itself unavailable, or otherwise refuse to take a payment, in order to cause a Default Event to occur; a Default Event must be non-performance on the Note on the part of the Borrower. If a Default Event does occur, then this Note is accelerated, the entire remaining amount under the Note becomes immediately due. Holder's failure to exercise any of its remedies in this section, or any other remedy provided by law, upon the occurrence of a Default Event, does not constitute a waiver of the right to exercise any remedy at any subsequent time in respect to the same or any other Default Event.

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- **Severability.** If any court determines that any provision of this Note is invalid or unenforceable, any invalidity or unenforceability will affect only that provision and will not make any other provision of this agreement invalid or unenforceable.
- **Headings.** The section and other headings contained in this Note are for reference purposes only and shall not affect the meaning or interpretation of this Note.
- **Attorney's Fees.** In the event that litigation results from or arises out of this Note or the performance thereof, the parties agree to reimburse the prevailing party's reasonable attorney's fees and costs, in addition to any other relief to which the prevailing party may be entitled.
- **Modification.** This Note may be modified only by a writing signed by both Borrower and Holder.

Lender

Borrower

Page 2

Guarantor

04/24/2014 10:12

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FILED OFFICE

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PAGE 00

[Signatures on Next Page]

BORROWER:

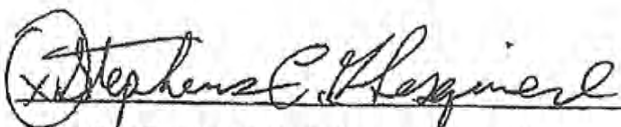
VIRTUAL COMMUNICATIONS CORPORATION

By:


R. J. Robinson, Chairman and CEO

APPROVED

By:


Print Name: Provident Trust Group FBO Stephens C. Ghesquiere; Roth acct. #140400029
Its: Consultant

PERSONAL GUARANTEE:

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and to induce Holder to make this loan, the undersigned guarantor absolutely and unconditionally agrees to all terms of, and guarantees to Holder the payment and performance of, the entire debt evidenced by this Note, including, without limitation, all principal, accrued interest, attorneys' fees and collection costs that may become due in collecting and enforcing the debt, including collection and enforcement of this guarantee.

A guarantor's liability is not subject to any condition not expressly set forth in this guaranty or any instrument executed in connection with the debt.

This guarantee will be in default if, after 10 days' notice to perform on the guarantee is sent by Holder, guarantor fails to pay any amounts then due under this Note.

GUARANTOR:


R. J. Robinson, as an individual

Lender

Borrower

Guarantor

THE LAW OFFICES OF
DAVID LIEBRADER, INC.
WWW.INVESTMENTLOSS.COM
601 S. RANCHO DR. STE. D-29
LAS VEGAS, NV 89106
TELEPHONE (702) 380-3131
FACSIMILE (702) 583-4227

November 14, 2017

Mr. Ronald Robinson
Virtual Communications Corp.
311 E. Warm Springs Rd. Ste 100
Las Vegas, NV 89119

Re: Steve Ghesquiere

My office represents Steve Ghesquiere. Mr. Ghesquiere purchased a promissory note from VCC, which you personally guaranteed in the amount of \$66,000

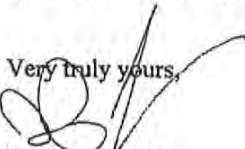
Under the clear, unambiguous terms of the note, interest payments were supposed to be made monthly. Despite this, VCC has not made payments to Mr. Ghesquiere since February, 2015. At present, the amount of \$16,335 in interest is due and owing. You are hereby notified that VCC is in default under the note. Demand is made to have the note immediately brought current.

Furthermore, as a result of VCC's use of Retire Happy to solicit Mr. Ghesquiere's purchase of the note (which is a security), VCC sold unregistered, non-exempt securities in violation of Nevada's securities laws, specifically, N.R.S. § 90.460. As a control person you are also personally liable.

Demand is hereby made for rescission pursuant N.R.S. § 90.660 and N.R.S. § 90.680. Pursuant to both notes and the statutes, Mr. Ghesquiere is entitled to interest and attorney's fees. The total amount demanded is \$109,753. Since you personally guaranteed the note, this demand is also made upon you.

Please contact me at your earliest convenience to arrange payment and rescission.

Very truly yours,


Dave Liebrader

C: Steve Ghesquiere
Harold Gewerter, Esq.

PROMISSORY NOTE

Principal: \$ 35,000.00
Interest Rate: 9% annual, interest-only payable monthly
Loan Term: 18 months from execution date with an option to extend for 6 months.

January 31, 2013
Las Vegas, NV

Borrower (Maker): VIRTUAL COMMUNICATIONS CORPORATION, a Nevada corporation and is the sole-owner of its subsidiary Wintech, LLC, a Nevada limited liability company

Borrower's Address: 311 E. Warm Springs Rd Suite 100
Las Vegas, NV 89119

Holder: PROVIDENT TRUST GROUP, LLC, a Nevada limited liability company

Holder's Address: 8880 W. Sunset Rd Suite 250
Las Vegas, NV 89148

PROMISE TO PAY. The above-named Borrower promises to pay to the above-named Holder in lawful money of the United States of America, the principal amount shown above, at the interest rate shown above, until paid in full.

INTEREST CALCULATION METHODOLOGY. Interest shall be computed on a simple basis, starting on the Effective Date, and is furthermore to be computed by applying the Annual Interest Rate against the unpaid principal amount on the following basis (check one):

- ☐ Annual basis; that is, by applying the Annual Interest Rate every calendar year
☒ Monthly basis; that is, by applying the Annual Interest Rate, divided by twelve, every month
☐ Daily basis; that is, by applying the Annual Interest Rate, divided by 365, every day

With respect to prepayment, interest for partial years or months shall be computed on a pro-rated basis.

PAYMENT. Borrowers will pay this loan as follows:

1. *Periodicity (check one):*

- ☒ Balloon payment of principal, to be paid at end, with monthly interest-only payments
☐ Balloon payment of principal and all accrued interest, to be paid entirely upon final payment
☐ Regular payments of fully amortized principal plus interest

2. *Payments:*

Borrower shall make 18 equal payments to Holder, each in the amount of \$ [REDACTED]. The first payment is due on [REDACTED] 2013, and on the [REDACTED] day of each calendar month thereafter, with the option of 6 additional payments.

3. *Application Order:*

Unless otherwise agreed or required by applicable law, payments will be applied first to any unpaid collection costs; then to any late charges; then to any accrued unpaid interest; then to any deferred interest; and then to principal.

4. *Payment Address:*

Borrower will pay Holder at any such place as Holder may designate.

Lender

Borrower

PAYMENT METHOD. Borrower shall pay this Note on a monthly basis. Borrower shall make payments directly to Holder at Holder's address.

PREPAYMENT. At any time, Borrower may prepay a portion or the entirety of the principal and interest due under this Note, without penalty or fee. Prepayments will be first applied against accrued interest, then principal. Full prepayment will include payment of all principal plus all interest then due (including partial-month accrued interest) as of the payoff date. Partial prepayments will not, unless agreed to by Holder in writing, relieve Borrower of its obligation to continue to make regular payments under the foregoing payment schedule.

LATE FEE. A 5-day grace period exists. If a scheduled payment is not paid by the Borrower within the grace period, then that payment is deemed delinquent and a 5% late fee on the delinquent payment is assessed.

SECURITY INTEREST. This note is unsecured.

GUARANTEE. This Note is guaranteed by: R. J. ROBINSON, as indicated below.

DEFAULT EVENT / ACCELERATION. If any scheduled payment remains delinquent and unpaid for 15 days or more, then upon failure of Borrower to cure after the expiration of a 10-day written notice from Holder to Borrower of a delinquency, then said failure to cure constitutes a default event of this note (a "Default Event"). The Holder cannot make itself unavailable, or otherwise refuse to take a payment, in order to cause a Default Event to occur; a Default Event must be non-performance on the Note on the part of the Borrower. If a Default Event does occur, then this Note is accelerated, the entire remaining amount under the Note becomes immediately due. Holder's failure to exercise any of its remedies in this section, or any other remedy provided by law, upon the occurrence of a Default Event, does not constitute a waiver of the right to exercise any remedy at any subsequent time in respect to the same or any other Default Event.

GENERAL PROVISIONS.

- **Governing Law.** This agreement will be governed by and construed in accordance with the laws of the state of Nevada.
- **Notices.** All notices must be in writing. A notice may be delivered to a party at the following address contained in the preamble to this Note, or to a new address that a party subsequently designates in writing.
- **Assignment and Succession.** Borrower may not assign its rights or delegate their obligations under this Note in whole or in part without the prior written consent of Holder. This Note is binding on and enforceable by each party's successors and assignees.
- **Severability.** If any court determines that any provision of this Note is invalid or unenforceable, any invalidity or unenforceability will affect only that provision and will not make any other provision of this agreement invalid or unenforceable.
- **Headings.** The section and other headings contained in this Note are for reference purposes only and shall not affect the meaning or interpretations of this Note.
- **Attorney's Fees.** In the event that litigation results from or arises out of this Note or the performance thereof, the parties agree to reimburse the prevailing party's reasonable attorney's fees and costs, in addition to any other relief to which the prevailing party may be entitled.
- **Modification.** This Note may be modified only by a writing signed by both Borrower and Holder.

[Signatures on Next Page]

Lender

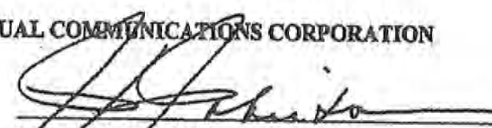
Borrower

Page 2

Guarantor

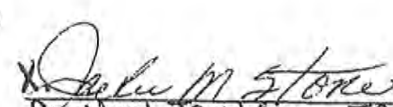
BORROWER:

VIRTUAL COMMUNICATIONS CORPORATION

By: 

R. J. Robinson, Chairman and CEO

APPROVED

By: 

Print Name:

President Trust Group, LLC, Jacqueline H. Stone, JTW hereited,
IRA, Account # 121200015

Its:

Consultant

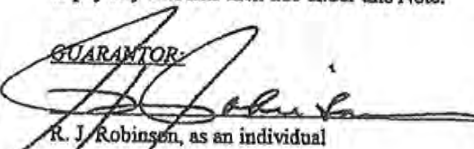
PERSONAL GUARANTEE:

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and to induce Holder to make this loan, the undersigned guarantor absolutely and unconditionally agrees to all terms of, and guarantees to Holder the payment and performance of, the entire debt evidenced by this Note, including, without limitation, all principal, accrued interest, attorneys' fees and collection costs that may become due in collecting and enforcing the debt, including collection and enforcement of this guarantee.

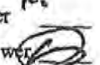
A guarantor's liability is not subject to any condition not expressly set forth in this guaranty or any instrument executed in connection with the debt.

This guarantee will be in default if, after 10 days' notice to perform on the guarantee is sent by Holder, guarantor fails to pay any amounts then due under this Note.

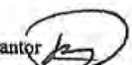
GUARANTOR:


R. J. Robinson, as an individual

Lender 

Borrower 

Page 3

Guarantor 

THE LAW OFFICES OF
DAVID LIEBRADER, INC.
WWW.INVESTMENTLOSS.COM
601 S. RANCHO DR. STE. D-29
LAS VEGAS, NV 89106
TELEPHONE (702) 380-3131
FACSIMILE (702) 583-4227

November 14, 2017

Mr. Ronald Robinson
Virtual Communications Corp.
311 E. Warm Springs Rd. Ste 100
Las Vegas, NV 89119

Re: Jackie Stone

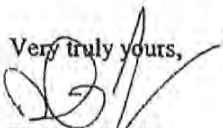
My office represents Jackie Stone. Ms. Stone purchased a promissory note from VCC (which you personally guaranteed) on January 31, 2013 for \$35,000

Under the clear, unambiguous terms of the note, interest payments were supposed to be made monthly. Despite this, VCC has not made payments to Ms. Stone since February, 2015. At present, the amount of \$8,663 in interest is due and owing. You are hereby notified that VCC is in default under the note. Demand is made to have the note immediately brought current.

Furthermore, as a result of VCC's use of Retire Happy to solicit Ms. Stone's purchase of the note (which is a security), VCC sold unregistered, non-exempt securities in violation of Nevada's securities laws, specifically, N.R.S. § 90.460. As a control person you are also personally liable.

Demand is hereby made for rescission pursuant N.R.S. § 90.660 and N.R.S. § 90.680. Pursuant to both notes and the statutes, Ms. Stone is entitled to interest and attorney's fees. The total amount demanded is \$58,203. Since you personally guaranteed the note, this demand is also made upon you.

Please contact me at your earliest convenience to arrange payment and rescission.

Very truly yours,

Dave Liebrader

C: Jackie Stone
Harold Gewerter, Esq.

PROMISSORY NOTE

Principal: \$35,000
Interest Rate: 9% annual, interest-only payable monthly
Loan Term: 18 months from execution date with an option to extend for 6 months.

October 15th, 2013
Las Vegas, NV

Borrower (Maker): VIRTUAL COMMUNICATIONS CORPORATION, a Nevada corporation and is the sole-owner of its subsidiary WinTech. LLC, a Nevada limited liability company
Borrower's Address: 311 E. Warm Springs Rd Suite 100
Las Vegas, NV 89119
Holder: PROVIDENT TRUST GROUP, FBO Robin L. Suntheimer, Roth IRA # 130900318
Holder's Address: 8880 W. SUNSET ROAD, STE. 250
LAS VEGAS, NV 89148

PROMISE TO PAY. The above-named Borrower promises to pay to the above-named Holder in lawful money of the United States of America, the principal amount shown above, at the interest rate shown above, until paid in full.

INTEREST CALCULATION METHODOLOGY. Interest shall be computed on a simple basis, starting on the Effective Date, and is furthermore to be computed by applying the Annual Interest Rate against the unpaid principal amount on the following basis (*check one*):

- ☐ Annual basis; that is, by applying the Annual Interest Rate every calendar year
☒ Monthly basis; that is, by applying the Annual Interest Rate, divided by twelve, every month
☐ Daily basis; that is, by applying the Annual Interest Rate, divided by 365, every day

With respect to prepayment, interest for partial years or months shall be computed on a pro-rated basis.

PAYMENT. Borrowers will pay this loan as follows:

1. *Periodicity (check one):*

- ☒ Balloon payment of principal, to be paid at end, with monthly interest-only payments
☐ Balloon payment of principal and all accrued interest, to be paid entirely upon final payment
☐ Regular payments of fully amortized principal plus interest

2. *Payments:*

Borrower shall make 18 equal payments to Holder, each in the amount of \$262.50. The first payment is due on November, 2013, and on the 1st day of each calendar month thereafter, with the option of 6 additional payments.

3. *Application Order:*

Unless otherwise agreed or required by applicable law, payments will be applied first to any unpaid collection costs; then to any late charges; then to any accrued unpaid interest; then to any deferred interest; and then to principal.

4. *Payment Address:*

 Lender
 Borrower

Page 1

Guarantor 

Borrower will pay Holder at any such place as Holder may designate.

PAYMENT METHOD. Borrower shall pay this Note on a monthly basis. Borrower shall make payments directly to Holder at Holder's address.

PREPAYMENT. At any time, Borrower may prepay a portion or the entirety of the principal and interest due under this Note, without penalty or fee. Prepayments will be first applied against accrued interest, then principal. Full prepayment will include payment of all principal plus all interest then due (including partial-month accrued interest) as of the payoff date. Partial prepayments will not, unless agreed to by Holder in writing, relieve Borrower of its obligation to continue to make regular payments under the foregoing payment schedule.

LATE FEE. A 5-day grace period exists. If a scheduled payment is not paid by the Borrower within the grace period, then that payment is deemed delinquent and a 5% non-compounding late fee on the delinquent payment is assessed.

SECURITY INTEREST. This note is secured.

GUARANTEE. This Note is guaranteed by: R. J. ROBINSON, as indicated below.

DEFAULT EVENT / ACCELERATION. If any scheduled payment remains delinquent and unpaid for 15 days or more, then upon failure of Borrower to cure after the expiration of a 10-day written notice from Holder to Borrower of a delinquency, then said failure to cure constitutes a default event of this note (a "Default Event"). The Holder cannot make itself unavailable, or otherwise refuse to take a payment, in order to cause a Default Event to occur; a Default Event must be non-performance on the Note on the part of the Borrower. If a Default Event does occur, then this Note is accelerated, the entire remaining amount under the Note becomes immediately due. Holder's failure to exercise any of its remedies in this section, or any other remedy provided by law, upon the occurrence of a Default Event, does not constitute a waiver of the right to exercise any remedy at any subsequent time in respect to the same or any other Default Event.

GENERAL PROVISIONS.

- **Governing Law.** This agreement will be governed by and construed in accordance with the laws of the state of Nevada.
- **Notices.** All notices must be in writing. A notice may be delivered to a party at the following address contained in the preamble to this Note, or to a new address that a party subsequently designates in writing.
- **Assignment and Succession.** Borrower may not assign its rights or delegate their obligations under this Note in whole or in part without the prior written consent of Holder. This Note is binding on and enforceable by each party's successors and assignees.
- **Severability.** If any court determines that any provision of this Note is invalid or unenforceable, any invalidity or unenforceability will affect only that provision and will not make any other provision of this agreement invalid or unenforceable.
- **Headings.** The section and other headings contained in this Note are for reference purposes only and shall not affect the meaning or interpretations of this Note.
- **Attorney's Fees.** In the event that litigation results from or arises out of this Note or the performance thereof, the parties agree to reimburse the prevailing party's reasonable attorney's fees and costs, in addition to any other relief to which the prevailing party may be entitled.
- **Modification.** This Note may be modified only by a writing signed by both Borrower and Holder.

Lender _____
Borrower 

Page 2

Guarantor 

[Signatures on Next Page]

BORROWER:

VIRTUAL COMMUNICATIONS CORPORATION

By: _____

R. J. Robinson, Chairman and CEO

APPROVED

By: _____

Print Name: PROVIDENT TRUST GROUP, FBO Robin L. Suntheimer, Roth IRA # 130900318
Its: Consultant

PERSONAL GUARANTEE:

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and to induce Holder to make this loan, the undersigned guarantor absolutely and unconditionally agrees to all terms of, and guarantees to Holder the payment and performance of, the entire debt evidenced by this Note, including, without limitation, all principal, accrued interest, attorneys' fees and collection costs that may become due in collecting and enforcing the debt, including collection and enforcement of this guarantee.

A guarantor's liability is not subject to any condition not expressly set forth in this guaranty or any instrument executed in connection with the debt.

This guarantee will be in default if, after 10 days' notice to perform on the guarantee is sent by Holder, guarantor fails to pay any amounts then due under this Note.

GUARANTOR:

R. J. Robinson, as an individual

Lender _____
Borrower _____

Page 3

Guarantor _____

PROMISSORY NOTE

Principal: \$ 52,000.00
Interest Rate: 9% annual, interest-only payable monthly
Loan Term: 18 months from execution date with an option to extend for 6 months.

Nov. 14th, 2013
Las Vegas, NV

Borrower (Maker): VIRTUAL COMMUNICATIONS CORPORATION, a Nevada corporation and is the sole-owner of its subsidiary WinTech, LLC, a Nevada limited liability company

Borrower's Address: 311 E. Warm Springs Rd Suite 100
Las Vegas, NV 89119

Holder: Provident Trust Group FBO Troy Suntheimer Solo K Acct. 13100086

Holder's Address: 8880 W. Sunset Rd. Ste. 250
Las Vegas, NV 89148

PROMISE TO PAY. The above-named Borrower promises to pay to the above-named Holder in lawful money of the United States of America, the principal amount shown above, at the interest rate shown above, until paid in full.

INTEREST CALCULATION METHODOLOGY. Interest shall be computed on a simple basis, starting on the Effective Date, and is furthermore to be computed by applying the Annual Interest Rate against the unpaid principal amount on the following basis (check one):

- ☐ Annual basis; that is, by applying the Annual Interest Rate every calendar year
☒ Monthly basis; that is, by applying the Annual Interest Rate, divided by twelve, every month
☐ Daily basis; that is, by applying the Annual Interest Rate, divided by 365, every day

With respect to prepayment, interest for partial years or months shall be computed on a pro-rated basis.

PAYMENT. Borrowers will pay this loan as follows:

1. *Periodicity (check one):*

- ☒ Balloon payment of principal, to be paid at end, with monthly interest-only payments
☐ Balloon payment of principal and all accrued interest, to be paid entirely upon final payment
☐ Regular payments of fully amortized principal plus interest

2. *Payments:*

Borrower shall make 18 equal payments to Holder, each in the amount of \$390.00. The first payment is due on Dec. 1st, 2013, and on the 1st day of each calendar month thereafter, with the option of 6 additional payments.

3. *Application Order:*

Unless otherwise agreed or required by applicable law, payments will be applied first to any unpaid collection costs; then to any late charges; then to any accrued unpaid interest; then to any deferred interest; and then to principal.

4. *Payment Address:*

Lender

Borrower

Guarantor

Borrower will pay Holder at any such place as Holder may designate.

PAYMENT METHOD. Borrower shall pay this Note on a monthly basis. Borrower shall make payments directly to Holder at Holder's address.

PREPAYMENT. At any time, Borrower may prepay a portion or the entirety of the principal and interest due under this Note, without penalty or fee. Prepayments will be first applied against accrued interest, then principal. Full prepayment will include payment of all principal plus all interest then due (including partial-month accrued interest) as of the payoff date. Partial prepayments will not, unless agreed to by Holder in writing, relieve Borrower of its obligation to continue to make regular payments under the foregoing payment schedule.

LATE FEE. A 5-day grace period exists. If a scheduled payment is not paid by the Borrower within the grace period, then that payment is deemed delinquent and a 5% non-compounding late fee on the delinquent payment is assessed.

SECURITY INTEREST. This note is secured.

GUARANTEE. This Note is guaranteed by: R. J. ROBINSON, as indicated below.

DEFAULT EVENT / ACCELERATION. If any scheduled payment remains delinquent and unpaid for 15 days or more, then upon failure of Borrower to cure after the expiration of a 10-day written notice from Holder to Borrower of a delinquency, then said failure to cure constitutes a default event of this note (a "Default Event"). The Holder cannot make itself unavailable, or otherwise refuse to take a payment, in order to cause a Default Event to occur; a Default Event must be non-performance on the Note on the part of the Borrower. If a Default Event does occur, then this Note is accelerated, the entire remaining amount under the Note becomes immediately due. Holder's failure to exercise any of its remedies in this section, or any other remedy provided by law, upon the occurrence of a Default Event, does not constitute a waiver of the right to exercise any remedy at any subsequent time in respect to the same or any other Default Event.

GENERAL PROVISIONS.

- **Governing Law.** This agreement will be governed by and construed in accordance with the laws of the state of Nevada.
- **Notices.** All notices must be in writing. A notice may be delivered to a party at the following address contained in the preamble to this Note, or to a new address that a party subsequently designates in writing.
- **Assignment and Succession.** Borrower may not assign its rights or delegate their obligations under this Note in whole or in part without the prior written consent of Holder. This Note is binding on and enforceable by each party's successors and assigns.
- **Severability.** If any court determines that any provision of this Note is invalid or unenforceable, any invalidity or unenforceability will affect only that provision and will not make any other provision of this agreement invalid or unenforceable.
- **Headings.** The section and other headings contained in this Note are for reference purposes only and shall not affect the meaning or interpretations of this Note.
- **Attorney's Fees.** In the event that litigation results from or arises out of this Note or the performance thereof, the parties agree to reimburse the prevailing party's reasonable attorney's fees and costs, in addition to any other relief to which the prevailing party may be entitled.
- **Modification.** This Note may be modified only by a writing signed by both Borrower and Holder.

Lender

Borrower

Page 2

Guarantor

[Signatures on Next Page]

BORROWER:

VIRTUAL COMMUNICATIONS CORPORATION

By: _____

R. J. Robinson, Chairman and CEO

APPROVED:

By: _____

Print Name: Provident Trust Group FBO Troy Sunshine Sole K Acct. 131000086
Its: Consultant

PERSONAL GUARANTEE:

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and to induce Holder to make this loan, the undersigned guarantor absolutely and unconditionally agrees to all terms of, and guarantees to Holder the payment and performance of, the entire debt evidenced by this Note, including, without limitation, all principal, accrued interest, attorneys' fees and collection costs that may become due in collecting and enforcing the debt, including collection and enforcement of this guarantee.

A guarantor's liability is not subject to any condition not expressly set forth in this guaranty or any instrument executed in connection with the debt.

This guarantee will be in default if, after 10 days' notice to perform on the guarantee is sent by Holder, guarantor fails to pay any amounts then due under this Note.

GUARANTOR:

R. J. Robinson, as an individual

Lender

Borrower

Guarantor

THE LAW OFFICES OF
DAVID LIEBRADER, INC.
WWW.INVESTMENTLOSS.COM
601 S. RANCHO DR. STE. D-29
LAS VEGAS, NV 89106
TELEPHONE (702) 380-3131
FACSIMILE (702) 583-4227

November 18, 2017

Mr. Ronald Robinson
Virtual Communications Corp.
311 E. Warm Springs Rd. Ste 100
Las Vegas, NV 89119

Re: Troy and Robin Suntheimer

My office represents Troy Suntheimer and Robin Suntheimer. Mr. and Mrs. Suntheimer purchased two promissory notes from VCC, which you personally guaranteed in the amounts of \$52,000 and \$35,000, respectively.

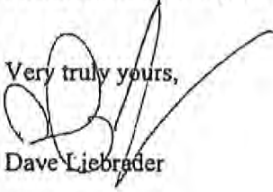
Under the clear, unambiguous terms of the notes, interest payments were supposed to be made monthly. Despite this, VCC has not made payments to Mr. and Mrs. Suntheimer since February, 2015. At present, the amount of \$22,448 in interest is due and owing. You are hereby notified that VCC is in default under the notes. Demand is made to have the notes immediately brought current.

Furthermore, as a result of VCC's use of Retire Happy to solicit the Suntheimer's purchases of the notes (which are securities), VCC sold unregistered, non-exempt securities in violation of Nevada's securities laws, specifically, N.R.S. § 90.460. As a control person you are also personally liable.

Demand is hereby made for rescission pursuant N.R.S. § 90.660 and N.R.S. § 90.680. Pursuant to both the notes and the Nevada statutes, Mr. and Mrs. Suntheimer are entitled to interest and attorney's fees. The total amount demanded is \$145,894. Since you personally guaranteed the notes, this demand is also made upon you.

Please contact me at your earliest convenience to arrange payment and rescission.

Very truly yours,


Dave Liebrader

C: Troy Suntheimer
Harold Gewerter, Esq.

Borrower (MAKER): VIRTU/IS COMMUNICATIONS CORPORATION, a Nevada corporation that is the sole owner of its subsidiary WmTech, LLC, a Nevada limited liability company.

Borrower's Address: 311 E. Warm Springs Rd Suite 100
Las Vegas, NV 89148

Holder: Provident Trust Group FBO Anthony J. White, III, Account #13ED00263

Holder's Address: 8880 W. Sunset Rd. Suite #250
Las Vegas, NV 89148

PROMISE TO PAY: The above-named Borrower promises to pay to the above named Holder in the money of the United States of America, the principal amount shown above, the interest and all above, until paid in full.

INTEREST CALCULATION METHODOLOGY: Interest shall be computed on a simple basis, starting on the Effective Date, and is furthermore to be computed by applying the Annual Interest Rate against the unpaid principal amount on the following basis (check one):

- ☐ Annual basis, that is, by applying the Annual Interest Rate every calendar year.
- ☒ Monthly basis, that is, by applying the Annual Interest Rate, divided by twelve, every month.
- ☒ Daily basis, that is, by applying the Annual Interest Rate, divided by 365, every day.

With respect to prepayment, interest for partial years or months shall be computed on a pro-rated basis.

PAYMENT: Borrower will pay this loan as follows:

1. Periodically (check one)

- ☒ Balloon payment of principal to be paid at end, with monthly interest only payments.
- ☐ Balloon payment of principal and all accrued interest to be paid entirely in a final payment.
- ☐ Regular payments of fully amortized principal plus interest.

2. Payments:

Borrower shall make 4 equal payments to Holder, each in the amount of \$1500. The first payment is due on February 1, 2011, and on the 1st day of each calendar month thereafter, until the payment of all scheduled payments.

3. Applicable Grace:

Unless otherwise specified, a grace period of 15 days shall be applied for late payments. After 15 days, the late fee shall be \$50.00 per month. If the borrower is late for more than 30 days, the lender shall have the right to demand immediate payment of the entire loan.

4. Term of Loan:

The term of this loan shall be 4 months, commencing on the date of the first payment, and ending on the date of the final payment.

PREPAYMENT. At any time, Borrower may prepay a portion or the entirety of the principal and interest due under this Note, without penalty or fee. Prepayments will be first applied against accrued interest, then principal. Full prepayment will include payment of all principal plus all interest then due (including partial months' accrued interest) as of the payoff date. Partial prepayments will not, unless agreed to by Holder in writing, relieve Borrower of its obligation to continue to make regular payments under the foregoing payment schedule.

LATE FEE. A 5-day grace period exists. If a scheduled payment is not paid by the Borrower within the grace period, then that payment is deemed delinquent and a 5% non-compounding late fee on the delinquent payment is assessed.

SECURITY INTEREST. This note is secured.

GUARANTEE. This Note is guaranteed by R. J. ROBINSON, as indicated below.

DEFAULT EVENT / ACCELERATION. If any scheduled payment remains delinquent and unpaid for 30 days or more, then upon failure of Borrower to cure after the expiration of a 10-day written notice from Holder, and in the event of a delinquency, then said failure to cure constitutes a default event of this note (a "Default Event"). If Borrower cannot make itself unavailable, or otherwise refuse to take a payment, in order to cause a Default Event to occur, Default Event must be non-performance on the Note on the part of the Borrower. If a Default Event does occur, then this Note is accelerated, the entire remaining amount under the Note becomes immediately due. Holder's failure to exercise any of its remedies in this section, or any other remedy provided by law, upon the occurrence of a Default Event, does not constitute a waiver of the right to exercise any remedy at any subsequent time in respect to this sum or any other Default Event.

GENERAL PROVISIONS

Governing Law. This agreement will be governed by and construed in accordance with the laws of the State of Nevada.

Notices. All notices must be in writing. A notice may be delivered to a party at the following address contained in the preamble to this Note, or to a new address that a party subsequently designates in writing.

Assignment and Successors. Borrower may not assign its rights or delegate its obligations under this Note in whole or in part without the prior written consent of Holder. This Note is binding on and enforceable by both party's successors and assigns.

Severability. If any court determines that any provision of this Note is unenforceable, void, illegal, or unenforceable, it will affect only that provision and will not make any other provision of this agreement invalid or unenforceable.

Headings. The section and other headings contained in this Note are for reference purposes only and shall not affect the meaning or interpretation of this Note.

Entire Agreement. This Note and the documents and results from the execution of this Note constitute the entire agreement between the parties and supersede all prior agreements, understandings, and negotiations between the parties, and no oral or written agreement, understanding, or negotiation shall be binding on the parties if it conflicts with the terms of this Note.

Amendment. This Note may only be amended by a written agreement signed by both parties.

By

R. J. Robinson, Chairman and CEO

APPROVED

By

Print Name: Provident Trust Group PBO Anthony J. White IRA Account #111200263
Title: Consultant

PERSONAL GUARANTEE

For good and valuable consideration, the receipt and sufficiency of which is hereby solemnly acknowledged, and to induce Holder to make this loan, the undersigned guarantor absolutely and unconditionally agrees to all terms of and guarantees to Holder the payment and performance of the entire debt evidenced by this Note, including without limitation all principal, accrued interest, attorneys' fees and collection costs that may become due in collecting and enforcing the debt, including collection and enforcement of this guarantee.

A guarantor's liability is not subject to any condition not expressly set forth in this guaranty or any agreement entered into in connection with the debt.

This guaranty will be in default if, after 10 days' notice to perform on the guaranty is sent by Holder, guarantor fails to pay any amounts then due under this Note.

Signature

Signature of individual

Virtual Communications Corporation
2017

April 10,

Ronald Robinson
311 E Warm Springs Rd
Suite 100
Las Vegas, NV 89119

Dear Mr. Robinson,

My name is Anthony White and I am very upset as well as exhausted with the efforts to resolve a matter that I shouldn't have to resolve. On January 16, 2014, I agree to loan you and Virtual Communications Corporation, a Nevada Corporation, \$20,000 of my hard earned money for use in your business. This agreement was under the direction of Retire Happy and to be placed in the care of Provident Trust. This agreement was to be for 18 months with an option to extend for 6 months. Under this agreement, you, Mr. Robinson, received my \$20,000 of which you would return at the end of 18 months as a balloon payment along with making monthly interest only payments of 9% annual interest.

You signed a promissory note stating that Virtual Communications Corporation would make 18 equal payments in the amount of \$150 beginning February 1st, 2014. You signed a promissory note stating that after 5 days, any scheduled payments not made within the grace period would be deemed delinquent and subject to 5% non-compounding late fee. You signed a promissory note that stated that this note is secured. You also signed a promissory note that stated if any scheduled payment remained delinquent and unpaid for 15 or more days and without a cure, that the note has constituted a default. In the event of a DEFAULT, this note is accelerated and the entire remaining amount under the note becomes immediately due.

That brings us to the present situation that you, Virtual Communications Corporations, and I find us in. There has not been a payment made since February 2015. That is more 25 months ago and more 750 days in default. I have contacted you numerous times via email and phone. To my dismay, I have only received fleeting promises of rectifying the situation through obtaining funding from some other source. That has nothing to do with me or the financial responsibilities that you are due. VCC has not been in default on this note for 25 months. You personally secured and guaranteed this note. I respectfully do not wish to invest in any future options. I would simply like to receive my money that is owed without having to pursue this through court system. However, I am not opposed to it. This is my formal request to be made whole on this situation.

At current, the \$20,000 is due immediately per the provisions in the note as well as 25 months of interest only payments of \$150. With the 5% non-compounding late fee assessed, the total is \$23,927.50. This does not reflect the loss value of money or opportunities due to the staunch stance on not resolving this matter. This matter does not include legal counsel fees should anymore be incurred in an effort to resolve the said matter. I hope to have this matter resolved quickly and amicably. I can be reached at 678-863-0141.

Sincerely,
Anthony White
KFI Enterprises LLC

ALICE

PROMISSORY NOTE

Principal: \$ 100,000.00
Interest Rate: 9% annual, interest-only payable monthly
Loan Term: 18 months from execution date with an option to extend for 6 months.

September 15, 2014
Las Vegas, NV

Borrower (Maker): VIRTUAL COMMUNICATIONS CORPORATION, a Nevada corporation and is the sole-owner of its subsidiary WinTech, LLC, a Nevada limited liability company

Borrower's Address: 311 E. Warm Springs Rd Suite 100
Las Vegas, NV 89119

Holder: Provident Trust Group FBO Gabriele Lavermicocca; SoloK Acct. #140800341

Holder's Address: 8880 W. Sunset Rd. Suite #250
Las Vegas, NV 89148

PROMISE TO PAY. The above-named Borrower promises to pay to the above-named Holder in lawful money of the United States of America, the principal amount shown above, at the interest rate shown above, until paid in full.

INTEREST CALCULATION METHODOLOGY. Interest shall be computed on a simple basis, starting on the Effective Date, and is furthermore to be computed by applying the Annual Interest Rate against the unpaid principal amount on the following basis (*check one*):

- ☐ Annual basis; that is, by applying the Annual Interest Rate every calendar year
☒ Monthly basis; that is, by applying the Annual Interest Rate, divided by twelve, every month
☐ Daily basis; that is, by applying the Annual Interest Rate, divided by 365, every day

With respect to prepayment, interest for partial years or months shall be computed on a pro-rated basis.

PAYMENT. Borrowers will pay this loan as follows:

1. *Periodicity (check one):*

- ☒ Balloon payment of principal, to be paid at end, with monthly interest-only payments
☐ Balloon payment of principal and all accrued interest, to be paid entirely upon final payment
☐ Regular payments of fully amortized principal plus interest

2. *Payments:*

Borrower shall make 18 equal payments to Holder, each in the amount of \$750.00. The first payment is due on October 1st, 2014 and on the 1st day of each calendar month thereafter, with the option of 6 additional payments.

3. *Application Order:*

Unless otherwise agreed or required by applicable law, payments will be applied first to any unpaid collection costs; then to any late charges; then to any accrued unpaid interest; then to any deferred interest; and then to principal.

4. *Payment Address:*

Lender

[Signature]

Borrower

[Signature]

Page 1

Guarantor

[Signature]

Borrower will pay Holder at any such place as Holder may designate.

PAYMENT METHOD. Borrower shall pay this Note on a monthly basis. Borrower shall make payments directly to Holder at Holder's address.

PREPAYMENT. At any time, Borrower may prepay a portion or the entirety of the principal and interest due under this Note, without penalty or fee. Prepayments will be first applied against accrued interest, then principal. Full prepayment will include payment of all principal plus all interest then due (including partial-month accrued interest) as of the payoff date. Partial prepayments will not, unless agreed to by Holder in writing, relieve Borrower of its obligation to continue to make regular payments under the foregoing payment schedule.

LATE FEE. A 5-day grace period exists. If a scheduled payment is not paid by the Borrower within the grace period, then that payment is deemed delinquent and a 5% non-compounding late fee on the delinquent payment is assessed.

SECURITY INTEREST. This note is secured.

GUARANTEE. This Note is guaranteed by: R. J. ROBINSON, as indicated below.

DEFAULT EVENT / ACCELERATION. If any scheduled payment remains delinquent and unpaid for 15 days or more, then upon failure of Borrower to cure after the expiration of a 10-day written notice from Holder to Borrower of a delinquency, then said failure to cure constitutes a default event of this note (a "Default Event"). The Holder cannot make itself unavailable, or otherwise refuse to take a payment, in order to cause a Default Event to occur; a Default Event must be non-performance on the Note on the part of the Borrower. If a Default Event does occur, then this Note is accelerated, the entire remaining amount under the Note becomes immediately due. Holder's failure to exercise any of its remedies in this section, or any other remedy provided by law, upon the occurrence of a Default Event, does not constitute a waiver of the right to exercise any remedy at any subsequent time in respect to the same or any other Default Event.

GENERAL PROVISIONS.

- **Governing Law.** This agreement will be governed by and construed in accordance with the laws of the state of Nevada.
- **Notices.** All notices must be in writing. A notice may be delivered to a party at the following address contained in the preamble to this Note, or to a new address that a party subsequently designates in writing.
- **Assignment and Succession.** Borrower may not assign its rights or delegate their obligations under this Note in whole or in part without the prior written consent of Holder. This Note is binding on and enforceable by each party's successors and assignees.
- **Severability.** If any court determines that any provision of this Note is invalid or unenforceable, any invalidity or unenforceability will affect only that provision and will not make any other provision of this agreement invalid or unenforceable.
- **Headings.** The section and other headings contained in this Note are for reference purposes only and shall not affect the meaning or interpretations of this Note.
- **Attorney's Fees.** In the event that litigation results from or arises out of this Note or the performance thereof, the parties agree to reimburse the prevailing party's reasonable attorney's fees and costs, in addition to any other relief to which the prevailing party may be entitled.
- **Modification.** This Note may be modified only by a writing signed by both Borrower and Holder.

Lender

Borrower

SLX
[Signature]

Page 2

Guarantor

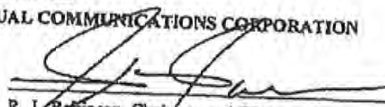
[Signature]

[Signatures on Next Page]

BORROWER:

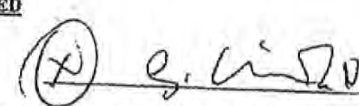
VIRTUAL COMMUNICATIONS CORPORATION

By:


R. J. Robinson, Chairman and CEO

APPROVED

By:


Print Name: Provident Trust Group FBO Gabriele Lavermicocca; SoloK Acct. #140800341
Its: Consultant

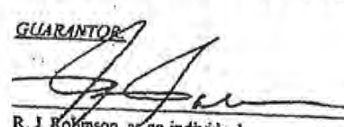
PERSONAL GUARANTEE:

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and to induce Holder to make this loan, the undersigned guarantor absolutely and unconditionally agrees to all terms of, and guarantees to Holder the payment and performance of, the entire debt evidenced by this Note, including, without limitation, all principal, accrued interest, attorneys' fees and collection costs that may become due in collecting and enforcing the debt, including collection and enforcement of this guarantee.

A guarantor's liability is not subject to any condition not expressly set forth in this guaranty or any instrument executed in connection with the debt.

This guarantee will be in default if, after 10 days' notice to perform on the guarantee is sent by Holder, guarantor fails to pay any amounts then due under this Note.

GUARANTOR:


R. J. Robinson, as an individual

Lender

Borrower 

Page 3

Guarantor 

PROMISSORY NOTE

Principal: \$ 59,000.00
Interest Rate: 9% annual, interest-only payable monthly
Loan Term: 18 months from execution date with an option to extend for 6 months.

September 11, 2014
Las Vegas, NV

Borrower (Maker): VIRTUAL COMMUNICATIONS CORPORATION, a Nevada corporation and is the sole-owner of its subsidiary WinTech. LLC, a Nevada limited liability company
Borrower's Address: 311 E. Warm Springs Rd Suite 100
Las Vegas, NV 89119

Holder: Provident Trust Group FBO Gayle G. Chany; IRA Acct. #140800344
Holder's Address: 8880 W. Sunset Rd. Suite #250
Las Vegas, NV 89148

PROMISE TO PAY. The above-named Borrower promises to pay to the above-named Holder in lawful money of the United States of America, the principal amount shown above, at the interest rate shown above, until paid in full.

INTEREST CALCULATION METHODOLOGY. Interest shall be computed on a simple basis, starting on the Effective Date, and is furthermore to be computed by applying the Annual Interest Rate against the unpaid principal amount on the following basis (*check one*):

- ☐ Annual basis; that is, by applying the Annual Interest Rate every calendar year
☒ Monthly basis; that is, by applying the Annual Interest Rate, divided by twelve, every month
☐ Daily basis; that is, by applying the Annual Interest Rate, divided by 365, every day

With respect to prepayment, interest for partial years or months shall be computed on a pro-rated basis.

PAYMENT. Borrowers will pay this loan as follows:

1. *Periodicity (check one):*

- ☒ Balloon payment of principal, to be paid at end, with monthly interest-only payments
☐ Balloon payment of principal and all accrued interest, to be paid entirely upon final payment
☐ Regular payments of fully amortized principal plus interest

2. *Payments:*

Borrower shall make 18 equal payments to Holder, each in the amount of \$442.50. The first payment is due on October 1st, 2014 and on the 1st day of each calendar month thereafter, with the option of 6 additional payments.

3. *Application Order:*

Unless otherwise agreed or required by applicable law, payments will be applied first to any unpaid collection costs; then to any late charges; then to any accrued unpaid interest; then to any deferred interest; and then to principal.

4. *Payment Address:*

Lender

GBC *X*

Borrower

PCP

Page 1

Guarantor

PCP

Borrower will pay Holder at any such place as Holder may designate.

PAYMENT METHOD. Borrower shall pay this Note on a monthly basis. Borrower shall make payments directly to Holder at Holder's address.

PREPAYMENT. At any time, Borrower may prepay a portion or the entirety of the principal and interest due under this Note, without penalty or fee. Prepayments will be first applied against accrued interest, then principal. Full prepayment will include payment of all principal plus all interest then due (including partial-month accrued interest) as of the payoff date. Partial prepayments will not, unless agreed to by Holder in writing, relieve Borrower of its obligation to continue to make regular payments under the foregoing payment schedule.

LATE FEE. A 5-day grace period exists. If a scheduled payment is not paid by the Borrower within the grace period, then that payment is deemed delinquent and a 5% non-compounding late fee on the delinquent payment is assessed.

SECURITY INTEREST. This note is secured.

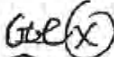
GUARANTEE. This Note is guaranteed by: R. J. ROBINSON, as indicated below.

DEFAULT EVENT / ACCELERATION. If any scheduled payment remains delinquent and unpaid for 15 days or more, then upon failure of Borrower to cure after the expiration of a 10-day written notice from Holder to Borrower of a delinquency, then said failure to cure constitutes a default event of this note (a "Default Event"). The Holder cannot make itself unavailable, or otherwise refuse to take a payment, in order to cause a Default Event to occur; a Default Event must be non-performance on the Note on the part of the Borrower. If a Default Event does occur, then this Note is accelerated, the entire remaining amount under the Note becomes immediately due. Holder's failure to exercise any of its remedies in this section, or any other remedy provided by law, upon the occurrence of a Default Event, does not constitute a waiver of the right to exercise any remedy at any subsequent time in respect to the same or any other Default Event.

GENERAL PROVISIONS.

- **Governing Law.** This agreement will be governed by and construed in accordance with the laws of the state of Nevada.
- **Notices.** All notices must be in writing. A notice may be delivered to a party at the following address contained in the preamble to this Note, or to a new address that a party subsequently designates in writing.
- **Assignment and Succession.** Borrower may not assign its rights or delegate their obligations under this Note in whole or in part without the prior written consent of Holder. This Note is binding on and enforceable by each party's successors and assignees.
- **Severability.** If any court determines that any provision of this Note is invalid or unenforceable, any invalidity or unenforceability will affect only that provision and will not make any other provision of this agreement invalid or unenforceable.
- **Headings.** The section and other headings contained in this Note are for reference purposes only and shall not affect the meaning or interpretations of this Note.
- **Attorney's Fees.** In the event that litigation results from or arises out of this Note or the performance thereof, the parties agree to reimburse the prevailing party's reasonable attorney's fees and costs, in addition to any other relief to which the prevailing party may be entitled.
- **Modification.** This Note may be modified only by a writing signed by both Borrower and Holder.

Lender



Borrower



Page 2

Guarantor



[Signatures on Next Page]

BORROWER:

VIRTUAL COMMUNICATIONS CORPORATION

By: _____

R. J. Robinson, Chairman and CEO

APPROVED

By: _____

Print Name:

Provident Trust Group FBO Gayle G. Chany; IRA Acct. #140800344

Its:

Consultant

PERSONAL GUARANTEE:

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and to induce Holder to make this loan, the undersigned guarantor absolutely and unconditionally agrees to all terms of, and guarantees to Holder the payment and performance of, the entire debt evidenced by this Note, including, without limitation, all principal, accrued interest, attorneys' fees and collection costs that may become due in collecting and enforcing the debt, including collection and enforcement of this guarantee.

A guarantor's liability is not subject to any condition not expressly set forth in this guaranty or any instrument executed in connection with the debt.

This guarantee will be in default if, after 10 days' notice to perform on the guarantee is sent by Holder, guarantor fails to pay any amounts then due under this Note.

GUARANTOR:

R. J. Robinson, as an individual

Lender _____

Borrower _____

Guarantor _____

PROMISSORY NOTE

Principal: \$28,000.00
Interest Rate: 9% annual, interest-only payable monthly
Loan Term: 18 months from execution date with an option to extend for 6 months.

December 24, 2014
Las Vegas, NV

Borrower (Maker): VIRTUAL COMMUNICATIONS CORPORATION, a Nevada corporation and is the sole-owner of its subsidiary WinTech, LLC, a Nevada limited liability company
Borrower's Address: 311 E. Warm Springs Rd Suite 100
Las Vegas, NV 89119

Holder: Provident Trust Group FBO Kendall Smith; Solo-K Acct. #121100087
Holder's Address: 8880 W. Sunset Rd, Suite #250
Las Vegas, NV 89148

PROMISE TO PAY. The above-named Borrower promises to pay to the above-named Holder in lawful money of the United States of America, the principal amount shown above, at the interest rate shown above, until paid in full.

INTEREST CALCULATION METHODOLOGY. Interest shall be computed on a simple basis, starting on the Effective Date, and is furthermore to be computed by applying the Annual Interest Rate against the unpaid principal amount on the following basis (*check one*):

- ☐ Annual basis; that is, by applying the Annual Interest Rate every calendar year
☒ Monthly basis; that is, by applying the Annual Interest Rate, divided by twelve, every month
☐ Daily basis; that is, by applying the Annual Interest Rate, divided by 365, every day

With respect to prepayment, interest for partial years or months shall be computed on a pro-rated basis.

PAYMENT. Borrowers will pay this loan as follows:

1. *Periodicity (check one):*

- ☒ Balloon payment of principal, to be paid at end, with monthly interest-only payments
☐ Balloon payment of principal and all accrued interest, to be paid entirely upon final payment
☐ Regular payments of fully amortized principal plus interest

2. *Payments:*

Borrower shall make 18 equal payments to Holder, each in the amount of \$210.00. The first payment is due on January 1st, 2015 and on the 1st day of each calendar month thereafter, with the option of 6 additional payments.

3. *Application Order:*

Unless otherwise agreed or required by applicable law, payments will be applied first to any unpaid collection costs; then to any late charges; then to any accrued unpaid interest; then to any deferred interest; and then to principal.

4. *Payment Address:*

Lender

Borrower

Page 1

Guarantor

Borrower will pay Holder at any such place as Holder may designate.

PAYMENT METHOD. Borrower shall pay this Note on a monthly basis. Borrower shall make payments directly to Holder at Holder's address.

PREPAYMENT. At any time, Borrower may prepay a portion or the entirety of the principal and interest due under this Note, without penalty or fee. Prepayments will be first applied against accrued interest, then principal. Full prepayment will include payment of all principal plus all interest then due (including partial-month accrued interest) as of the payoff date. Partial prepayments will not, unless agreed to by Holder in writing, relieve Borrower of its obligation to continue to make regular payments under the foregoing payment schedule.

LATE FEE. A 5-day grace period exists. If a scheduled payment is not paid by the Borrower within the grace period, then that payment is deemed delinquent and a 5% non-compounding late fee on the delinquent payment is assessed.

SECURITY INTEREST. This note is secured.

GUARANTEE. This Note is guaranteed by: R. J. ROBINSON, as indicated below.

DEFAULT EVENT / ACCELERATION. If any scheduled payment remains delinquent and unpaid for 15 days or more, then upon failure of Borrower to cure after the expiration of a 10-day written notice from Holder to Borrower of a delinquency, then said failure to cure constitutes a default event of this note (a "Default Event"). The Holder cannot make itself unavailable, or otherwise refuse to take a payment, in order to cause a Default Event to occur; a Default Event must be non-performance on the Note on the part of the Borrower. If a Default Event does occur, then this Note is accelerated, the entire remaining amount under the Note becomes immediately due. Holder's failure to exercise any of its remedies in this section, or any other remedy provided by law, upon the occurrence of a Default Event, does not constitute a waiver of the right to exercise any remedy at any subsequent time in respect to the same or any other Default Event.

GENERAL PROVISIONS.

- **Governing Law.** This agreement will be governed by and construed in accordance with the laws of the state of Nevada.
- **Notices.** All notices must be in writing. A notice may be delivered to a party at the following address contained in the preamble to this Note, or to a new address that a party subsequently designates in writing.
- **Assignment and Succession.** Borrower may not assign its rights or delegate their obligations under this Note in whole or in part without the prior written consent of Holder. This Note is binding on and enforceable by each party's successors and assignees.
- **Severability.** If any court determines that any provision of this Note is invalid or unenforceable, any invalidity or unenforceability will affect only that provision and will not make any other provision of this agreement invalid or unenforceable.
- **Headings.** The section and other headings contained in this Note are for reference purposes only and shall not affect the meaning or interpretations of this Note.
- **Attorney's Fees.** In the event that litigation results from or arises out of this Note or the performance thereof, the parties agree to reimburse the prevailing party's reasonable attorney's fees and costs, in addition to any other relief to which the prevailing party may be entitled.
- **Modification.** This Note may be modified only by a writing signed by both Borrower and Holder.

Lender

Borrower

Page 2

Guarantor

[Signatures on Next Page]

BORROWER:

VIRTUAL COMMUNICATIONS CORPORATION

By: _____

R. J. Robinson, Chairman and CEO

APPROVED

By: _____

Print Name: Provident Trust Group FBO Kendall Smith; Solo-K Acct. #121100087
Its: Consultant

PERSONAL GUARANTEE:

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and to induce Holder to make this loan, the undersigned guarantor absolutely and unconditionally agrees to all terms of, and guarantees to Holder the payment and performance of, the entire debt evidenced by this Note, including, without limitation, all principal, accrued interest, attorneys' fees and collection costs that may become due in collecting and enforcing the debt, including collection and enforcement of this guarantee.

A guarantor's liability is not subject to any condition not expressly set forth in this guaranty or any instrument executed in connection with the debt.

This guarantee will be in default if, after 10 days' notice to perform on the guarantee is sent by Holder, guarantor fails to pay any amounts then due under this Note.

GUARANTOR

R. J. Robinson, as an individual

Lender

Borrower

Page 3

Guarantor

PROMISSORY NOTE

Principal: \$ 62,000⁰⁰
Interest Rate: 9% annual, interest-only payable monthly
Loan Term: 18 months from execution date with an option to extend for 6 months.

Jan. 3, 2013
Las Vegas, NV

Borrower (Maker): VIRTUAL COMMUNICATIONS CORPORATION, a Nevada corporation and is the sole-owner of it's subsidiary Wintech. LLC, a Nevada limited liability company
Borrower's Address: 311 E. Warm Springs Rd Suite 100
Las Vegas, NV 89119
Holder: PROVIDENT TRUST GROUP, LLC, a Nevada limited liability company
Holder's Address: 8880 W. Sunset Rd Suite 250
Las Vegas, NV 89148

PROMISE TO PAY. The above-named Borrower promises to pay to the above-named Holder in lawful money of the United States of America, the principal amount shown above, at the interest rate shown above, until paid in full.

INTEREST CALCULATION METHODOLOGY. Interest shall be computed on a simple basis, starting on the Effective Date, and is furthermore to be computed by applying the Annual Interest Rate against the unpaid principal amount on the following basis (check one):

- ☐ Annual basis; that is, by applying the Annual Interest Rate every calendar year
☒ Monthly basis; that is, by applying the Annual Interest Rate, divided by twelve, every month
☐ Daily basis; that is, by applying the Annual Interest Rate, divided by 365, every day

With respect to prepayment, interest for partial years or months shall be computed on a pro-rated basis.

PAYMENT. Borrowers will pay this loan as follows:

1. Periodicity (check one):

- ☒ Balloon payment of principal, to be paid at end, with monthly interest-only payments
☐ Balloon payment of principal and all accrued interest, to be paid entirely upon final payment
☐ Regular payments of fully amortized principal plus interest

2. Payments:

Borrower shall make 18 equal payments to Holder, each in the amount of \$ 1165⁰⁰. The first payment is due on [REDACTED] 2013, and on the 1st day of each calendar month thereafter, with the option of 6 additional payments.

3. Application Order:

Unless otherwise agreed or required by applicable law, payments will be applied first to any unpaid collection costs; then to any late charges; then to any accrued unpaid interest; then to any deferred interest; and then to principal.

4. Payment Address:

Borrower will pay Holder at any such place as Holder may designate.

Lender

Borrower

Page 1

Guarantor

PAYMENT METHOD. Borrower shall pay this Note on a monthly basis. Borrower shall make payments directly to Holder at Holder's address.

PREPAYMENT. At any time, Borrower may prepay a portion or the entirety of the principal and interest due under this Note, without penalty or fee. Prepayments will be first applied against accrued interest, then principal. Full prepayment will include payment of all principal plus all interest then due (including partial-month accrued interest) as of the payoff date. Partial prepayments will not, unless agreed to by Holder in writing, relieve Borrower of its obligation to continue to make regular payments under the foregoing payment schedule.

LATE FEE. A 5-day grace period exists. If a scheduled payment is not paid by the Borrower within the grace period, then that payment is deemed delinquent and a 5% late fee on the delinquent payment is assessed.

SECURITY INTEREST. This note is unsecured.

GUARANTEE. This Note is guaranteed by: R. J. ROBINSON, as indicated below.

DEFAULT EVENT / ACCELERATION. If any scheduled payment remains delinquent and unpaid for 15 days or more, then upon failure of Borrower to cure after the expiration of a 10-day written notice from Holder to Borrower of a delinquency, then said failure to cure constitutes a default event of this note (a "Default Event"). The Holder cannot make itself unavailable, or otherwise refuse to take a payment, in order to cause a Default Event to occur; a Default Event must be non-performance on the Note on the part of the Borrower. If a Default Event does occur, then this Note is accelerated, the entire remaining amount under the Note becomes immediately due. Holder's failure to exercise any of its remedies in this section, or any other remedy provided by law, upon the occurrence of a Default Event, does not constitute a waiver of the right to exercise any remedy at any subsequent time in respect to the same or any other Default Event.

GENERAL PROVISIONS.

- **Governing Law.** This agreement will be governed by and construed in accordance with the laws of the state of Nevada.
- **Notices.** All notices must be in writing. A notice may be delivered to a party at the following address contained in the preamble to this Note, or to a new address that a party subsequently designates in writing.
- **Assignment and Succession.** Borrower may not assign its rights or delegate their obligations under this Note in whole or in part without the prior written consent of Holder. This Note is binding on and enforceable by each party's successors and assignees.
- **Severability.** If any court determines that any provision of this Note is invalid or unenforceable, any invalidity or unenforceability will affect only that provision and will not make any other provision of this agreement invalid or unenforceable.
- **Headings.** The section and other headings contained in this Note are for reference purposes only and shall not affect the meaning or interpretations of this Note.
- **Attorney's Fees.** In the event that litigation results from or arises out of this Note or the performance thereof, the parties agree to reimburse the prevailing party's reasonable attorney's fees and costs, in addition to any other relief to which the prevailing party may be entitled.
- **Modification.** This Note may be modified only by a writing signed by both Borrower and Holder.

[Signatures on Next Page]

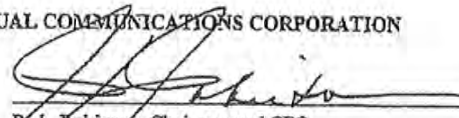
Lender 
Borrower 

Page 2

Guarantor 

BORROWER:

VIRTUAL COMMUNICATIONS CORPORATION

By: 

R. J. Robinson, Chairman and CEO

APPROVED

By: 

Print Name: Robert Kaiser

Its: Consultant

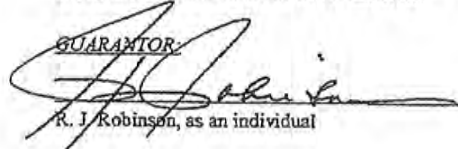
PERSONAL GUARANTEE:

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and to induce Holder to make this loan, the undersigned guarantor absolutely and unconditionally agrees to all terms of, and guarantees to Holder the payment and performance of, the entire debt evidenced by this Note, including, without limitation, all principal, accrued interest, attorneys' fees and collection costs that may become due in collecting and enforcing the debt, including collection and enforcement of this guarantee.

A guarantor's liability is not subject to any condition not expressly set forth in this guaranty or any instrument executed in connection with the debt.

This guarantee will be in default if, after 10 days' notice to perform on the guarantee is sent by Holder, guarantor fails to pay any amounts then due under this Note.

GUARANTOR:


R. J. Robinson, as an individual

Lender 

Borrower 

Page 3

Guarantor 

PROMISSORY NOTE

Principal: \$42,000
Interest Rate: 9% annual, interest-only payable monthly
Loan Term: 18 months from execution date with an option to extend for 6 months.

October 8th, 2013
Las Vegas, NV

Borrower (Maker): VIRTUAL COMMUNICATIONS CORPORATION, a Nevada corporation and is the sole-owner of its subsidiary WinTech, LLC, a Nevada limited liability company
Borrower's Address: 311 E. Warm Springs Rd Suite 100
Las Vegas, NV 89119
Holder: PROVIDENT TRUST GROUP, FBO Robert R. Kaiser, IRA # 121000141
Holder's Address: 8880 W. SUNSET ROAD, STE. 250
LAS VEGAS, NV 89148

PROMISE TO PAY. The above-named Borrower promises to pay to the above-named Holder in lawful money of the United States of America, the principal amount shown above, at the interest rate shown above, until paid in full.

INTEREST CALCULATION METHODOLOGY. Interest shall be computed on a simple basis, starting on the Effective Date, and is furthermore to be computed by applying the Annual Interest Rate against the unpaid principal amount on the following basis (*check one*):

- ☐ Annual basis; that is, by applying the Annual Interest Rate every calendar year
☒ Monthly basis; that is, by applying the Annual Interest Rate, divided by twelve, every month
☐ Daily basis; that is, by applying the Annual Interest Rate, divided by 365, every day

With respect to prepayment, interest for partial years or months shall be computed on a pro-rated basis.

PAYMENT. Borrowers will pay this loan as follows:

1. *Periodicity (check one):*

- ☒ Balloon payment of principal, to be paid at end, with monthly interest-only payments
☐ Balloon payment of principal and all accrued interest, to be paid entirely upon final payment
☐ Regular payments of fully amortized principal plus interest

2. *Payments:*

Borrower shall make 18 equal payments to Holder, each in the amount of \$315.00. The first payment is due on November, 2013, and on the 1st day of each calendar month thereafter, with the option of 6 additional payments.

3. *Application Order:*

Unless otherwise agreed or required by applicable law, payments will be applied first to any unpaid collection costs; then to any late charges; then to any accrued unpaid interest; then to any deferred interest; and then to principal.

4. *Payment Address:*

Lender: 
Borrower: 

Page 1

Guarantor: 

Borrower will pay Holder at any such place as Holder may designate.

PAYMENT METHOD. Borrower shall pay this Note on a monthly basis. Borrower shall make payments directly to Holder at Holder's address.

PREPAYMENT. At any time, Borrower may prepay a portion or the entirety of the principal and interest due under this Note, without penalty or fee. Prepayments will be first applied against accrued interest, then principal. Full prepayment will include payment of all principal plus all interest then due (including partial-month accrued interest) as of the payoff date. Partial prepayments will not, unless agreed to by Holder in writing, relieve Borrower of its obligation to continue to make regular payments under the foregoing payment schedule.

LATE FEE. A 5-day grace period exists. If a scheduled payment is not paid by the Borrower within the grace period, then that payment is deemed delinquent and a 5% non-compounding late fee on the delinquent payment is assessed.

SECURITY INTEREST. This note is secured.

GUARANTEE. This Note is guaranteed by: R. J. ROBINSON, as indicated below.

DEFAULT EVENT / ACCELERATION. If any scheduled payment remains delinquent and unpaid for 15 days or more, then upon failure of Borrower to cure after the expiration of a 10-day written notice from Holder to Borrower of a delinquency, then said failure to cure constitutes a default event of this note (a "Default Event"). The Holder cannot make itself unavailable, or otherwise refuse to take a payment, in order to cause a Default Event to occur; a Default Event must be non-performance on the Note on the part of the Borrower. If a Default Event does occur, then this Note is accelerated, the entire remaining amount under the Note becomes immediately due. Holder's failure to exercise any of its remedies in this section, or any other remedy provided by law, upon the occurrence of a Default Event, does not constitute a waiver of the right to exercise any remedy at any subsequent time in respect to the same or any other Default Event.

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Lender

X RK

Borrower

[Signature]

Page 2

Guarantor

[Signature]

[Signatures on Next Page]

BORROWER:

VIRTUAL COMMUNICATIONS CORPORATION

By: _____

R. J. Robinson, Chairman and CEO

APPROVED

By: _____

Print Name: PROVIDENT TRUST GROUP, FBO Robert R. Kaiser, IRA # 121000141
Its: Consultant

PERSONAL GUARANTEE:

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GUARANTOR:

R. J. Robinson, as an individual

Lender _____

Borrower _____

Page 3

Guarantor _____

THE LAW OFFICES OF
DAVID LIEBRADER, INC.
WWW.INVESTMENTLOSS.COM
601 S. RANCHO DR. STE. D-29
LAS VEGAS, NV 89106
TELEPHONE (702) 380-3131
FACSIMILE (702) 583-4227

July 28, 2018

Mr. Ronald Robinson
Virtual Communications Corp.
319 E. Warm Springs Rd. Ste 100
Las Vegas, NV 89119

Re: Gabriele Lavermicocca, Gayle Chany, Kendall Smith, Robert Kaiser

Mr. Robinson:

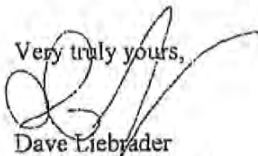
My office represents Gabriele Lavermicocca, Gayle Chany, Kendall Smith and Robert Kaiser (the "clients"). These clients purchased promissory notes from VCC, which you personally guaranteed.

Under the clear, unambiguous terms of the Notes, interest payments were supposed to be made monthly. Despite this, VCC has not made payments to these clients since February, 2015. At present, the full principal amount, plus nine percent interest, a five percent annual penalty, attorney's fees and costs are due and owing. You are hereby notified that VCC is in default under the Notes. Demand is made to have the Notes immediately brought current, subject to the automatic stay as to VCC only.

Furthermore, as a result of VCC's use of Retire Happy to solicit the clients' purchases of the Notes (which are securities), VCC sold unregistered, non-exempt securities in violation of Nevada's securities laws, specifically, N.R.S. § 90.460. As a control person you are also personally liable.

Demand is hereby made for rescission pursuant N.R.S. § 90.660 and N.R.S. § 90.680. Pursuant to both notes and the statutes, the clients are entitled to interest and attorney's fees.

Please contact me at your earliest convenience to arrange payment.

Very truly yours,

Dave Liebrader

C: Harold Gewerter, Esq.

