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Elizabeth A. Brown  
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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. 9**

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

## **CHRONOLOGICAL INDEX TO VOL. 9**

<b>Date Filed</b>	<b>Document</b>	<b>Volume</b>	<b>Bates Stamp</b>
02/24/20	Trial Exhibit 14 - Preliminary Offering Circular	9	APP001116 APP001157
02/24/20	Trial Exhibit 15 - Judgment, Waldo v. Robinson	9	APP001158 APP001160
03/23/20	Defendants' Post-Trial Memorandum	9	APP001161 APP001168
03/23/20	Trial Brief (Closing Argument)	9	APP001169 APP001186
04/27/20	Decision and Order	9	APP001187 APP001194
05/08/20	Findings of Fact, Conclusions of Law and Order on Defendants Liability	9	APP001195 APP001199
05/11/20	Motion for Damages and Attorney's Fees	9	APP001200 APP001247
05/11/20	Declaration of David Liebrader in Support of Motion for Damages and Attorney's Fees	9	APP001248 APP001250

## **ALPHABETICAL INDEX TO APPELLANT'S APPENDICES**

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10/12/17	Class Action Complaint in Case No. A-17-763003-C	1	APP000017 APP000036
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11/13/17	Defendant Vernon Rodriguez's Answer to Complaint in Case No. A-17-763003-C	1	APP000045 APP000053
10/13/20	Defendant Vernon Rodriguez's Reply to Opposition to First Post-Judgment Motion	11	APP001535 APP001546

10/13/20	Defendant Vernon Rodriguez's Reply to Opposition to Second Post-Judgment Motion	11	APP001547 APP001553
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05/20/19	Order Granting Defendants Retire Happy, LLC, and Josh Stoll's Unopposed Good Faith Settlement Pursuant to NRS 17.245 and Dismissing All Claims against said Defendants with Prejudice	3	APP000412 APP000415
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6	02/25/20	Recorder's Transcript of Bench Trial - Day 2	5	APP000727 APP000820
7	10/12/20	Recorder's Transcript of hearing held on 01/29/19	2	APP000312 APP000321
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9	06/01/20	Reply to Defendant Ron Robinson's Opposition to Motion for Attorney's Fees and Damages	10	APP001349 APP001352
10	12/22/20	Reply to Defendant Vernon Rodriguez' Memorandum of Supplemental Authorities on Post Judgment Motions	11	APP001578 APP001608
11	05/28/20	Reply to Defendant Vernon Rodriguez's Opposition to Motion for Attorney's Fees and Damages	10	APP001328 APP001345
12	07/12/21	Reply to Defendant Vernon Rodriguez' <b>Second</b> Memorandum of Supplemental Authorities on Post Judgment Motions	11	APP001630 APP001654
13	11/27/18	Reply to Oppositions to Motion for Summary Adjudication of Issues	2	APP000259 APP000272
14	04/17/19	Reply to Opposition to Partial Motion to Dismiss	3	APP000398 APP000403
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06/04/18	Suggestion of Bankruptcy	1	APP000123 APP000133
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02/24/20	Trial Exhibit 2 - Emails, Agreement, dated 12/07/12, Accountant's Compilation for VCC, and Agreement, dated 01/15/13	6	APP000862 APP000870



02/24/20	Trial Exhibit 3 - Emails	6	APP000871 APP000879
02/24/20	Trial Exhibit 4 - Emails & Powerpoint Slides	6	APP000880 APP000899
02/24/20	Trial Exhibit 5 - Emails & Promissory Note	6	APP000880 APP000899
02/24/20	Trial Exhibit 6 - Emails, Promissory Note & Powerpoint Slides	6	APP000909 APP000930
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02/25/20	Trial Exhibit 8 - Spreadsheet	7	APP000950 APP000960
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02/24/20	Trial Exhibit 12 - Consolidated Financial Statements for VCC	7	APP000991 APP001003
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02/24/20	Trial Exhibit 14 - Preliminary Offering Circular	8/9	APP001048 APP001157
02/24/20	Trial Exhibit 15 - Judgment, Waldo v. Robinson	9	APP001158 APP001160

securities, or upon the exercise of options to purchase or rights to subscribe for such convertible or exchangeable securities and subsequent conversion or exchange thereof, shall be deemed to have been issued at the time such securities were issued or such options or rights were issued and for a consideration equal to the consideration received by the Corporation for any such securities and related options or rights (excluding any cash received on account of accrued interest or accrued dividends), plus the additional consideration, if any, to be received by the Corporation upon the conversion or exchange of such securities or the exercise of any related options or rights (the consideration in each case to be determined in the manner provided in subdivisions (B)(i) and (B)(ii) above);

- (3) on any change in the number of shares deliverable upon exercise of any such options or rights or conversion of or exchange for such convertible or exchangeable securities, or on any change in the purchase price of such options, rights or securities, other than a change resulting from the antidilution provisions of such options, rights or securities, the Conversion Price shall forthwith be readjusted to such Conversion Price as would have obtained had the adjustment made upon (x) the issuance of such options, rights or securities not exercised, converted or exchanged prior to such change or (y) the options or rights related to such securities not converted or exchanged prior to such change, as the case may be, been made upon the basis of such change; and

- (4) on the expiration of any such options or rights, the termination of any such rights to convert or exchange or the expiration of any options or rights related to such convertible or exchangeable securities, the Conversion Price shall forthwith be readjusted to such Conversion Price as would have obtained had the adjustment made upon the issuance of such options, rights, convertible or exchangeable securities or options or rights relate to such convertible or exchangeable securities, as the case may be, been made upon the basis of the issuance of only the number of shares actually issued upon the exercise of such options or rights, upon the conversion or exchange of such convertible or exchangeable securities or upon the exercise of the options or rights related to such convertible or exchangeable securities, as the case may be.

(iv) If the Corporation shall issue (or pursuant to this Section (g)(6), shall be deemed to have issued) in the same transaction (or a series of related transactions) any shares other than Excluded Shares at different prices, the shares issued in such transaction (or series of related transactions) shall be deemed to have been issued simultaneously for purposes of the computations in this Section (g)(6).

"Excluded Shares" shall mean:

- (1) Common Stock issued and outstanding on the date of this Certificate and Common Stock issuable upon exercise of options or other rights to subscribe for Common Stock outstanding on the date of this Certificate; and
- (2) shares of Common Stock (or options therefor) hereafter issued or issuable to officers, directors, employees or consultants of the Corporation pursuant to any present or future

employee, director or consultant stock option or stock purchase plan or arrangement approved by the Board (a "Stock Benefit Plan").

All outstanding Excluded Shares (including shares issuable upon conversion of the Preferred Stock, but excluding Common Stock issuable upon exercise of options) shall be deemed to be outstanding for all purposes of the computations of this Section (g)(6).

- (7) Minimal Adjustments. No adjustment in a Conversion Price need be made if such adjustment would result in a change in a Conversion Price of less than \$0.01. Any adjustment of less than \$0.01 which is not made shall be carried forward and shall be made at the time of and together with any subsequent adjustment which, on a cumulative basis, amounts to an adjustment of \$0.01 or more in a Conversion Price.
- (8) Certificate as to Adjustments. Upon the occurrence of each adjustment or readjustment of a Conversion Price pursuant to this Section (g), the Corporation at its expense shall promptly compute such adjustment or readjustment in accordance with the terms hereof and prepare and furnish to each holder of Series A Preferred Stock a certificate setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based. The Corporation shall, upon written request at any time of any holder of Series A Preferred Stock, furnish or cause to be furnished to such holder a like certificate setting forth (i) such adjustments and readjustments, (ii) the Conversion Price and Rate at the time in effect for all Preferred Stock held, and (iii) the number of shares of Common Stock and the amount, if any, of other property which at the time would be received upon the conversion of such Preferred Stock.
- (9) Notices of Record Date. In the event of any taking by the Corporation of a record of the holders of any class of securities for the purpose of determining the holders thereof who are entitled to receive any distribution (other than a cash distribution), the Corporation shall mail to each holder of Series A Preferred Stock, at least ten (10) days prior to the date specified therein, a notice

specifying the date on which any such record is to be taken for the purpose of such distribution.

- (10) Reservation of Shares Issuable Upon Conversion. The Corporation shall at all times reserve and keep available out of its authorized but unissued Common Stock solely for the purpose of effecting the conversion of the Series A Preferred Stock such number of shares of Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding Series A Preferred Stock; and if at any time the number of authorized but unissued Common Stock shall not be sufficient to effect the conversion of all then outstanding Series A Preferred Stock, the Corporation will take such action as may, in the opinion of its counsel, be necessary to increase its authorized but unissued Common Stock to such number of shares as shall be sufficient for such purpose.

- (11) Notices. Any notice required by the provisions of this Section (g) to be given to the holders of Series A Preferred Stock shall be deemed given if deposited in the United States mail, postage prepaid, and addressed to each holder of record at his latest address appearing on the books of the Corporation.

(h) Redemption.

The Series A Preferred Stock is not redeemable by the holders or the Corporation.

- (i) Replacement. Upon receipt of evidence reasonably satisfactory to the Corporation of the ownership and the loss, theft, destruction or mutilation of any certificate evidencing one or more shares of Series A Preferred Stock; and in the case of any such loss, theft or destruction, upon receipt of indemnity reasonably satisfactory to the Corporation; the Corporation will (at its expense) execute and deliver in lieu of such certificate a new certificate representing the number of shares represented by such lost, stolen, destroyed or mutilated certificate.

RESOLVED FURTHER, that the Chairman of the Board, the Chief Executive Officer, the President or any Vice President, and the Secretary, the Chief Financial Officer, the Treasurer, or any Assistant Secretary or Assistant Treasurer of this

Corporation are each authorized to execute, verify, and file a certificate of determination of preferences, rights and privileges in accordance with Nevada law.

IN WITNESS WHEREOF, this Certificate of Designation is executed on behalf of the Corporation by its Chief Executive Officer this 21th day of December, 2014.

  
Ronald Robinson, Chief Executive Officer

EX1A-3 HLDERS RTS 54 exhibit3-2.htm WARRANT

**WARRANT TO PURCHASE SHARES**

This Warrant is issued to \_\_\_\_\_ ("Holder") by Virtual Communications Corporation, a Nevada corporation (the "Company"), in connection with revenues received from Holder.

1. Purchase of Shares. Subject to the terms and conditions hereinafter set forth, the Holder of this Warrant is entitled, upon surrender of this Warrant at the principal office of the Company (or at such other place as the Company shall notify the holder hereof in writing), to purchase from the Company up to fully paid and nonassessable shares of the Company's Common Stock (each a "Share" and collectively the "Shares") at an exercise price of \$5 per Share (such price, as adjusted from time to time, is herein referred to as the "Exercise Price").

2. Exercise Period. This Warrant shall be exercisable, in whole or in part, during the term commencing on the issuance date of this Warrant and ending at 1 p.m. Nevada time on 2017 (the "Exercise Period").

3. Method of Exercise. While this Warrant remains outstanding and exercisable in accordance with Section 2 above, Holder may exercise from time to time, in whole or in part, the purchase rights evidenced hereby. Such exercise shall be effected by:

- (i) the surrender of the Warrant, together with a notice of exercise to the Secretary of the Company at its principal offices; and
- (ii) the payment to the Company of an amount equal to the aggregate Exercise Price for the number of Shares being purchased.

4. Certificates for Shares; Amendments of Warrants. Upon the exercise of the purchase rights evidenced by this Warrant, the Holder shall receive notice and evidence of the digital entry of the number of the Securities owned by undersigned reflected on the books and records of the Company and verified and by Empire Stock Transfer (the "Transfer Agent"), which books and records shall bear a notation that the Securities were sold in reliance upon Regulation A under the Securities Act of 1933, as amended (the "Securities Act"). Upon partial exercise, the Company shall promptly issue an amended Warrant representing the remaining number of Shares purchasable thereunder. All other terms and conditions of such amended Warrant shall be identical to those contained herein.

5. Issuance of Shares. The Company covenants that (i) the Shares, when issued pursuant to the exercise of this Warrant, will be duly and validly issued, fully paid and nonassessable and free from all taxes, liens, and charges with respect to the issuance thereof, (ii) during the Exercise Period the Company will reserve from its authorized and unissued Common Stock sufficient Shares in order to perform its obligations under this Warrant.

6. Adjustment of Exercise Price and Number of Shares. The number of and kind of securities purchasable upon exercise of this Warrant and the Exercise Price shall be subject to adjustment from time to time as follows:

(a) Subdivisions, Combinations and Other Issuances. If the Company shall at any time before the expiration of this Warrant subdivide the Shares, by split-up or otherwise, or combine its Shares, or issue additional shares of its Shares as a dividend, the number of Shares issuable on the exercise of this Warrant shall forthwith be proportionately increased in the case of a subdivision or stock dividend, or proportionately decreased in the case of a combination. Appropriate adjustments shall also be made to the purchase price payable per share, but the aggregate purchase price payable for the total number of Shares purchasable under this Warrant (as adjusted) shall remain the same. Any adjustment under this Section 6(a) shall become effective at the close of business on the date the subdivision or combination becomes effective, or as of the record date of such dividend, or in the event that no record date is fixed, upon the making of such dividend.

(b) Reclassification, Reorganization and Consolidation. In case of any reclassification, capital reorganization, or change in the capital stock (including because of a change of control) of the Company (other than as a result of a subdivision, combination, or stock dividend provided for in Section 6(a) above), then the Company shall make appropriate provision so that the holder of this Warrant shall have the right at any time before the expiration of this Warrant to purchase, at a total price equal to that payable upon the exercise of this Warrant, the kind and amount of shares of stock and other securities and property receivable in connection with such reclassification, reorganization, or change by a holder of the same number of Shares as were purchasable by the holder of this Warrant immediately before such reclassification, reorganization, or change. In any such case appropriate provisions shall be made with respect to the rights and interest of the holder of this Warrant so that the provisions hereof shall thereafter be applicable with respect to any shares of stock or other securities and property deliverable upon exercise hereof, and appropriate adjustments shall be made to the purchase price per share payable hereunder, provided the aggregate purchase price shall remain the same.

(c) Notice of Adjustment. When any adjustment is required to be made in the number or kind of shares purchasable upon exercise of the Warrant, or in the Exercise Price, the Company shall promptly notify the holder of such event and of the number of Shares or other securities or property thereafter purchasable upon exercise of this Warrant.

7. No Fractional Shares or Scrip. No fractional shares or scrip representing fractional shares shall be issued upon the exercise of this Warrant, but in lieu of such fractional shares the Company shall make a cash payment therefor on the basis of the Exercise Price then in effect.

8. Representations of the Company. The Company represents that all corporate actions on the part of the Company, its officers, directors and stockholders necessary for the sale and issuance of this Warrant have been taken.

9. Representations and Warranties by Holder. The representations and warranties made by Holder in the Subscription Agreement to which this Warrant was required (the "Subscription Agreement") are incorporated herein by reference, and the Holder agrees that any exercise of this Warrant shall constitute a reaffirmation of such representations and warranties at the date of such exercise.



**10. Warrants Transferable.** Subject to compliance with the terms and conditions of this Section 10, this Warrant and all rights hereunder are transferable, without charge to the holder hereof (except for transfer taxes), upon surrender of this Warrant properly endorsed or accompanied by written instructions of transfer. With respect to any offer, sale or other disposition of this Warrant or any Shares acquired pursuant to the exercise of this Warrant before registration of such Warrant or Shares, the holder hereof agrees to give written notice to the Company prior thereto, describing briefly the manner thereof, together with a written opinion of such holder's counsel, or other evidence, if requested by the Company, to the effect that such offer, sale or other disposition may be effected without registration or qualification (under the Securities Act as then in effect or any federal or state securities law then in effect) of this Warrant or the Shares. Upon receiving such written notice and reasonably satisfactory opinion or other evidence, if so requested, the Company, as promptly as practicable, shall notify such holder that such holder may sell or otherwise dispose of this Warrant or such Shares, all in accordance with the terms of the notice delivered to the Company. If a determination has been made pursuant to this Section 10 that the opinion of counsel for the holder or other evidence is not reasonably satisfactory to the Company, the Company shall so notify the holder promptly with details thereof after such determination has been made.

**12. Rights of Stockholders.** No holder of this Warrant shall be entitled, as a Warrant holder, to vote or receive dividends or be deemed the holder of the Shares or any other securities of the Company which may at any time be issuable on the exercise hereof for any purpose, nor shall anything contained herein be construed to confer upon the holder of this Warrant, as such, any of the rights of a stockholder of the Company or any right to vote for the election of directors or upon any matter submitted to stockholders at any meeting thereof, or to give or withhold consent to any corporate action (whether upon any recapitalization, issuance of stock, reclassification of stock, change of par value, consolidation, merger, conveyance, or otherwise) or to receive notice of meetings, or to receive dividends or subscription rights or otherwise until the Warrant shall have been exercised and the Shares purchasable upon the exercise hereof shall have become deliverable, as provided herein.

**13. Notices.** All notices and other communications required or permitted hereunder shall be in writing, shall be effective when given, and shall in any event be deemed to be given upon receipt or, if earlier, (a) five days after deposit with the U.S. Postal Service or other applicable postal service, if delivered by first class mail, postage prepaid, (b) upon delivery, if delivered by hand, (c) one business day after the business day of deposit with Federal Express or similar overnight courier, freight prepaid or (d) one business day after the business day of facsimile transmission, if delivered by facsimile transmission with copy by first class mail, postage prepaid, and shall be addressed (i) if to the Holder, at the Holder's address as set forth in the Subscription Agreement and (ii) if to the Company, to President, Virtual Communications Corporation, 319 E. Warm Springs Road, Suite 100, Las Vegas NV 89119 or at such other address as a party may designate by ten days advance written notice to the other party pursuant to the provisions above.

**14. Governing Law.** This Warrant and all actions arising out of or in connection with this Agreement shall be governed by and construed in accordance with the laws of Nevada, without regard to the conflicts of law provisions of Nevada or of any other state.

Virtual Communications Corporation: Exhibit 3.2 Warrant

<https://www.sec.gov/Archives/edgar/data/1625023/0001644600150...>

13. Rights and Obligations Survive Exercise of Warrant. Unless otherwise provided herein, the rights and obligations of the Company, of the holder of this Warrant and of the holder of the Shares issued upon exercise of this Warrant, shall survive the exercise of this Warrant.

*(Signature Page Follows)*

Holder

By:

Its:

**EXHIBIT A**

**NOTICE OF EXERCISE**

TO: Virtual Communications Corporation

319 E. Warm Springs Road, Suite 100  
Las Vegas NV 89119

Attention: President

1. The undersigned hereby elects to purchase \_\_\_\_\_ shares of Common Stock of Virtual Communications Corporation (the "Shares") pursuant to the terms of the attached Warrant.
2. The undersigned elects to exercise the attached Warrant by means of a cash payment, and tenders herewith payment in full for the purchase price of the shares being purchased, together with all applicable transfer taxes, if any.
3. Please issue a certificate or certificates representing said Shares in the name of the undersigned or in such other name as is specified below:

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Address)

4. The undersigned hereby represents and warrants that all representations and warranties of the undersigned set forth in Section 9 of the attached Warrant are true and correct as of the date hereof.

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Title)

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Virtual Communications Corporation: Exhibit 3.2 Warrant

<https://www.sec.gov/Archives/edgar/data/1625023/0001644600150...>

**EXHIBIT B**

**FORM OF TRANSFER**

(To be signed only upon transfer of Warrant)

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ the right represented by the attached Warrant to purchase \_\_\_\_\_ shares of Common Stock of Virtual Communications Corporation to which the attached Warrant relates, and appoints \_\_\_\_\_ Attorney to transfer such right on the books of Virtual Communications Corporation, with full power of substitution in the premises.

Dated: \_\_\_\_\_

\_\_\_\_\_  
(Signature must conform in all respects to  
name of Holder as specified on the face  
of the Warrant)

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Signed in the presence of: \_\_\_\_\_

EX1A-4 SUBS AGMT 55 exhibit4.htm SUBSCRIPTION AGREEMENT

## SUBSCRIPTION AGREEMENT

THIS INVESTMENT INVOLVES A HIGH DEGREE OF RISK. THIS INVESTMENT IS SUITABLE ONLY FOR PERSONS WHO CAN BEAR THE ECONOMIC RISK FOR AN INDEFINITE PERIOD OF TIME AND WHO CAN AFFORD TO LOSE THEIR ENTIRE INVESTMENT. FURTHERMORE, INVESTORS MUST UNDERSTAND THAT SUCH INVESTMENT IS ILLIQUID AND IS EXPECTED TO CONTINUE TO BE ILLIQUID FOR AN INDEFINITE PERIOD OF TIME. NO PUBLIC MARKET EXISTS FOR THE SECURITIES, AND NO PUBLIC MARKET IS EXPECTED TO DEVELOP FOLLOWING THIS OFFERING.

THE SECURITIES OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR ANY STATE SECURITIES OR BLUE SKY LAWS AND ARE BEING OFFERED AND SOLD IN RELIANCE ON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE ACT AND STATE SECURITIES OR BLUE SKY LAWS. ALTHOUGH AN OFFERING STATEMENT HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION (THE "SEC"), THAT OFFERING STATEMENT DOES NOT INCLUDE THE SAME INFORMATION THAT WOULD BE INCLUDED IN A REGISTRATION STATEMENT UNDER THE ACT. THE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SEC, ANY STATE SECURITIES COMMISSION OR OTHER REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON THE MERITS OF THIS OFFERING OR THE ADEQUACY OR ACCURACY OF THE SUBSCRIPTION AGREEMENT OR ANY OTHER MATERIALS OR INFORMATION MADE AVAILABLE TO SUBSCRIBER IN CONNECTION WITH THIS OFFERING OVER THE WEB-BASED PLATFORM MAINTAINED BY [PLATFORM] (THE "PLATFORM") OR THROUGH [BROKER] (THE "BROKER"). ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

THE SECURITIES CANNOT BE SOLD OR OTHERWISE TRANSFERRED EXCEPT IN COMPLIANCE WITH THE ACT. IN ADDITION, THE SECURITIES CANNOT BE SOLD OR OTHERWISE TRANSFERRED EXCEPT IN COMPLIANCE WITH THE APPLICABLE STATE SECURITIES OR BLUE SKY LAWS.

INVESTORS WHO ARE NOT "ACCREDITED INVESTORS" (AS THAT TERM IS DEFINED IN SECTION 501 OF REGULATION D PROMULGATED UNDER THE ACT) ARE SUBJECT TO LIMITATIONS ON THE AMOUNT THEY MAY INVEST, AS SET OUT IN SECTION XX. THE COMPANY IS RELYING ON THE REPRESENTATIONS AND WARRANTIES SET FORTH BY EACH SUBSCRIBER IN THIS SUBSCRIPTION AGREEMENT AND THE OTHER INFORMATION PROVIDED BY SUBSCRIBER IN CONNECTION WITH THIS OFFERING TO DETERMINE THE APPLICABILITY TO THIS OFFERING OF EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE ACT.

PROSPECTIVE INVESTORS MAY NOT TREAT THE CONTENTS OF THE SUBSCRIPTION AGREEMENT, THE OFFERING CIRCULAR OR ANY OF THE OTHER MATERIALS AVAILABLE ON THE PLATFORM (OR PROVIDED BY THE BROKER) (COLLECTIVELY, THE "OFFERING MATERIALS") OR ANY PRIOR OR SUBSEQUENT COMMUNICATIONS FROM THE COMPANY OR ANY OF ITS OFFICERS, EMPLOYEES OR AGENTS (INCLUDING "TESTING THE WATERS" MATERIALS) AS INVESTMENT, LEGAL OR TAX ADVICE. IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE COMPANY AND THE TERMS OF THIS OFFERING, INCLUDING THE MERITS AND THE RISKS INVOLVED.

EACH PROSPECTIVE INVESTOR SHOULD CONSULT THE INVESTOR'S OWN COUNSEL, ACCOUNTANT AND OTHER PROFESSIONAL ADVISOR AS TO INVESTMENT, LEGAL, TAX AND OTHER RELATED MATTERS CONCERNING THE INVESTOR'S PROPOSED INVESTMENT.

THE OFFERING MATERIALS MAY CONTAIN FORWARD-LOOKING STATEMENTS AND INFORMATION RELATING TO, AMONG OTHER THINGS, THE COMPANY, ITS BUSINESS PLAN AND STRATEGY, AND ITS INDUSTRY. THESE FORWARD-LOOKING STATEMENTS ARE BASED ON THE BELIEFS OF, ASSUMPTIONS MADE BY, AND INFORMATION CURRENTLY AVAILABLE TO THE COMPANY'S MANAGEMENT. WHEN USED IN THE OFFERING MATERIALS, THE WORDS "ESTIMATE," "PROJECT," "BELIEVE," "ANTICIPATE," "INTEND," "EXPECT" AND SIMILAR EXPRESSIONS ARE INTENDED TO IDENTIFY FORWARD-LOOKING STATEMENTS, WHICH CONSTITUTE FORWARD LOOKING STATEMENTS. THESE STATEMENTS REFLECT MANAGEMENT'S CURRENT VIEWS WITH RESPECT TO FUTURE EVENTS AND ARE SUBJECT TO RISKS AND UNCERTAINTIES THAT COULD CAUSE THE COMPANY'S ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE CONTAINED IN THE FORWARD-LOOKING STATEMENTS. INVESTORS ARE CAUTIONED NOT TO PLACE UNDUE RELIANCE ON THESE FORWARD-LOOKING STATEMENTS, WHICH SPEAK ONLY AS OF THE DATE ON WHICH THEY ARE MADE. THE COMPANY DOES NOT UNDERTAKE ANY OBLIGATION TO REVISE OR UPDATE THESE FORWARD-LOOKING STATEMENTS TO REFLECT EVENTS OR CIRCUMSTANCES AFTER SUCH DATE OR TO REFLECT THE OCCURRENCE OF UNANTICIPATED EVENTS.

THE COMPANY MAY NOT BE OFFERING THE SECURITIES IN EVERY STATE. THE OFFERING MATERIALS DO NOT CONSTITUTE AN OFFER OR SOLICITATION IN ANY STATE OR JURISDICTION IN WHICH THE SECURITIES ARE NOT BEING OFFERED.

THE INFORMATION PRESENTED IN THE OFFERING MATERIALS WAS PREPARED BY THE COMPANY SOLELY FOR THE USE BY PROSPECTIVE INVESTORS IN CONNECTION WITH THIS OFFERING. NO REPRESENTATIONS OR WARRANTIES ARE MADE AS TO THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED IN ANY OFFERING MATERIALS, AND NOTHING CONTAINED IN THE OFFERING MATERIALS IS OR SHOULD BE RELIED UPON AS A PROMISE OR REPRESENTATION AS TO THE FUTURE PERFORMANCE OF THE COMPANY.

THE COMPANY RESERVES THE RIGHT IN ITS SOLE DISCRETION AND FOR ANY REASON WHATSOEVER TO MODIFY, AMEND AND/OR WITHDRAW ALL OR A PORTION OF THE OFFERING AND/OR ACCEPT OR REJECT IN WHOLE OR IN PART ANY PROSPECTIVE INVESTMENT IN THE SECURITIES OR TO ALLOT TO ANY PROSPECTIVE INVESTOR LESS THAN THE AMOUNT OF SECURITIES SUCH INVESTOR DESIRES TO PURCHASE. EXCEPT AS OTHERWISE INDICATED, THE OFFERING MATERIALS SPEAK AS OF THEIR DATE. NEITHER THE DELIVERY NOR THE PURCHASE OF THE SECURITIES SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE COMPANY SINCE THAT DATE.

TO: Virtual Communications Corporation  
319 E. Warm Springs Road  
Suite 100  
Las Vegas, NV 89119

Ladies and Gentlemen:

1. Subscription.

(a) The undersigned ("Subscriber") hereby irrevocably subscribes for and agrees to purchase \_\_\_\_\_ Units, each Unit comprising one share of Common Stock of the Company and two warrants to purchase Common Stock of the Company on the terms set out in the Warrant attached hereto (the "Warrants" and together the "Securities"), of Virtual Communications Corporation, a corporation incorporated in the state of Nevada (the "Company"), at a purchase price of \$\_\_\_\_\_ per Unit, upon the terms and conditions set forth herein. The Common Stock being subscribed for under this Subscription Agreement and the Common Stock issuable upon exercise of the Warrants are also referred to as the "Securities."

(b) By executing this Subscription Agreement, Subscriber acknowledges that Subscriber has received this Subscription Agreement, a copy of the Offering Statement of the Company filed with the SEC and any other information required by the Subscriber to make an investment decision.

(c) This Subscription may be accepted or rejected in whole or in part, at any time prior to a Closing Date (as hereinafter defined), by the Company at its sole discretion. In addition, the Company, at its sole discretion, may allocate to Subscriber only a portion of the number of Securities Subscriber has subscribed for. The Company will notify Subscriber whether this subscription is accepted (whether in whole or in part) or rejected. If Subscriber's subscription is rejected, Subscriber's payment (or portion thereof if partially rejected) will be returned to Subscriber without interest and all of Subscriber's obligations hereunder shall terminate.

(d) The aggregate number of Securities sold shall not exceed \_\_\_\_\_ (the "Maximum Offering"). The Company may accept subscriptions until \_\_\_\_\_, 2016, unless otherwise extended by the Company in its sole discretion in accordance with applicable SEC regulations for such additional period required to sell the Maximum Units (the "Termination Date"). Providing that subscriptions for \_\_\_\_\_ Units of Securities are received (the "Minimum Offering"), the Company may elect at any time to close all or any portion of this offering, on various dates at or prior to the Termination Date (each a "Closing Date").

(e) In the event of rejection of this subscription in its entirety, or in the event the sale of the Securities (or any portion thereof) is not consummated for any reason, this Subscription Agreement shall have no force or effect, except for Section 5 hereof, which shall remain in force and effect.

2. Purchase Procedure.

(a) Payment. The purchase price for the Securities shall be paid simultaneously with the execution and delivery to the Company of the signature page of this Subscription Agreement. Subscriber shall deliver a signed copy of this Subscription Agreement, along with payment for the aggregate purchase price of the Securities by a check for available funds made payable to "\_\_\_\_\_", by wire transfer to an account designated by the Company, by cancellation of any indebtedness (and any notes or evidence thereof) made by the Company to the undersigned (the "Indebtedness"), or by any combination of such methods.

(b) Escrow arrangements. Payment for the Securities shall be received by Provident Trust Group (the "Escrow Agent") from the undersigned by transfer of immediately available funds or other means approved by the Company at least two days prior to the applicable Closing, in the amount as set forth in on the signature page hereto. Upon such Closing, the Escrow Agent shall release such funds to the Company. The undersigned shall receive notice and evidence of the digital entry (or other manner of record) of the number of the Securities owned by undersigned reflected on the books and records of the Company and verified and by Empire Stock Transfer (the "Transfer Agent"), which books and records shall bear a notation that the Securities were sold in reliance upon Regulation A.

3. Representations and Warranties of the Company.

The Company represents and warrants to Subscriber that the following representations and warranties are true and complete in all material respects as of the date of each Closing Date, except as otherwise indicated. For purposes of this Agreement, an individual shall be deemed to have "knowledge" of a particular fact or other matter if such individual is actually aware of such fact. The Company will be deemed to have "knowledge" of a particular fact or other matter if one of the Company's current officers has, or at any time had, actual knowledge of such fact or other matter.

(a) Organization and Standing. The Company is a corporation duly formed, validly existing and in good standing under the laws of the State of Nevada. The Company has all requisite power and authority to own and operate its properties and assets, to execute and deliver this Subscription Agreement, the Warrant and any other agreements or instruments required hereunder. The Company is duly qualified and is authorized to do business and is in good standing as a foreign corporation in all jurisdictions in which the nature of its activities and of its properties (both owned and leased) makes such qualification necessary, except for those jurisdictions in which failure to do so would not have a material adverse effect on the Company or its business.

(b) Issuance of the Securities. The issuance, sale and delivery of the Securities in accordance with this Subscription Agreement has been duly authorized by all necessary corporate action on the part of the Company. The Securities, when so issued, sold and delivered against payment therefor in accordance with the provisions of this Subscription Agreement, will be duly and validly issued, fully paid and non-assessable.



(c) Authority for Agreement. The execution and delivery by the Company of this Subscription Agreement and the consummation of the transactions contemplated hereby (including the issuance, sale and delivery of the Securities) are within the Company's powers and have been duly authorized by all necessary corporate action on the part of the Company. Upon full execution hereof, this Subscription Agreement shall constitute a valid and binding agreement of the Company, enforceable against the Company in accordance with its terms, except (i) as limited by applicable bankruptcy, insolvency, reorganization, moratorium, and other laws of general application affecting enforcement of creditors' rights generally, (ii) as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies and (iii) with respect to provisions relating to indemnification and contribution, as limited by considerations of public policy and by federal or state securities laws.

(d) No filings. Assuming the accuracy of the Subscriber's representations and warranties set forth in Section 4 hereof, no order, license, consent, authorization or approval of, or exemption by, or action by or in respect of, or notice to, or filing or registration with, any governmental body, agency or official is required by or with respect to the Company in connection with the execution, delivery and performance by the Company of this Subscription Agreement except (i) for such filings as may be required under Regulation A or under any applicable statescurities laws, (ii) for such other filings and approvals as have been made or obtained, or (iii) where the failure to obtain any such order, license, consent, authorization, approval or exemption or give any such notice or make any filing or registration would not have a material adverse effect on the ability of the Company to perform its obligations hereunder.

(e) Capitalization. The outstanding units and securities of the Company immediately prior to the initial investment in the Securities is as set forth in "Security Ownership" in the Offering Circular. Except as set forth in the Offering Circular, there are no outstanding options, warrants, rights (including conversion or preemptive rights and rights of first refusal), or agreements of any kind (oral or written) for the purchase or acquisition from the Company of any of its securities.

(f) Financial statements. Complete copies of the Company's financial statements consisting of the statement of financial position of the Company as at December 31, 2014 and the related consolidated statements of income and cash flows for the two-year period then ended (the "Financial Statements") have been made available to the Subscriber and appear in the Offering Circular. The Financial Statements are based on the books and records of the Company and fairly present the financial condition of the Company as of the respective dates they were prepared and the results of the operations and cash flows of the Company for the periods indicated. Scale & Beers, CPAs, which has audited the Financial Statements, is an independent accounting firm within the rules and regulations adopted by the SEC.

(g) Proceeds. The Company shall use the proceeds from the issuance and sale of the Securities as set forth in "Use of Proceeds to Issuer" in the Offering Circular.

(h) Litigation. Except as disclosed in the Offering Circular, there is no pending action, suit, proceeding, arbitration, mediation, complaint, claim, charge or investigation before any court, arbitrator, mediator or governmental body, or to the Company's knowledge, currently threatened in writing (a) against the Company or (b) against any consultant, officer, manager, director or key employee of the Company arising out of his or her consulting, employment or board relationship with the Company or that could otherwise materially impact the Company.

4. Representations and Warranties of Subscriber. By executing this Subscription Agreement, Subscriber (and, if Subscriber is purchasing the Securities subscribed for hereby in a fiduciary capacity, the person or persons for whom Subscriber is so purchasing) represents and warrants, which representations and warranties are true and complete in all material respects as of the date of each Closing Date:

(a) Requisite Power and Authority. Such Subscriber has all necessary power and authority under all applicable provisions of law to execute and deliver this Subscription Agreement, the Operating Agreement and other agreements required hereunder and to carry out their provisions. All action on Subscriber's part required for the lawful execution and delivery of this Subscription Agreement and other agreements required hereunder have been or will be effectively taken prior to the Closing. Upon their execution and delivery, this Subscription Agreement and other agreements required hereunder will be valid and binding obligations of Subscriber, enforceable in accordance with their terms, except (a) as limited by applicable bankruptcy, insolvency, reorganization, moratorium or other laws of general application affecting enforcement of creditors' rights and (b) as limited by general principles of equity that restrict the availability of equitable remedies.

(b) Investment Representations. Subscriber understands that the Securities have not been registered under the Securities Act of 1933, as amended (the "Securities Act"). Subscriber also understands that the Securities are being offered and sold pursuant to an exemption from registration contained in the Securities Act based in part upon Subscriber's representations contained in this Subscription Agreement.

(c) Illiquidity and Continued Economic Risk. Subscriber acknowledges and agrees that there is no ready public market for the Securities and that there is no guarantee that a market for their resale will ever exist. Subscriber must bear the economic risk of this investment indefinitely and the Company has no obligation to list the Securities on any market or take any steps (including registration under the Securities Act or the Securities Exchange Act of 1934, as amended) with respect to facilitating trading or resale of the Securities. Subscriber acknowledges that Subscriber is able to bear the economic risk of losing Subscriber's entire investment in the Securities. Subscriber also understands that an investment in the Company involves significant risks and has taken full cognizance of and understands all of the risk factors relating to the purchase of Securities.

(d) Accredited Investor Status or Investment Limits. Subscriber represents that either:

(i) Subscriber is an "accredited investor" within the meaning of Rule 501 of Regulation D under the Securities Act. Subscriber represents and warrants that the information set forth in response to question (c) on the signature page hereto concerning Subscriber is true and correct; or

(ii) The purchase price set out in paragraph (b) of the signature page to this Subscription Agreement, together with any other amounts previously used to purchase Securities in this offering, does not exceed 10% of the greater of the Subscriber's annual income or net worth.

Subscriber represents that to the extent it has any questions with respect to its status as an accredited investor, or the application of the investment limits, it has sought professional advice.

(c) Shareholder Information. Within five days after receipt of a request from the Company, the Subscriber hereby agrees to provide such information with respect to its status as a shareholder (or potential shareholder) and to execute and deliver such documents as may reasonably be necessary to comply with any and all laws and regulations to which the Company is or may become subject, including, without limitation, the need to determine the accredited status of the Company's shareholders. Subscriber further agrees that in the event it transfers any Securities, it will require the transferee of such Securities to agree to provide such information to the Company as a condition of such transfer.

(d) Company Information. The Subscriber has read the Offering Circular filed with the SEC, including the section titled "Risk Factors." Subscriber understands that the Company is subject to all the risks that apply to early-stage companies, whether or not those risks are explicitly set out in the Offering Circular. Subscriber has had an opportunity to discuss the Company's business, management and financial affairs with managers, officers and management of the Company and has had the opportunity to review the Company's operations and facilities. Subscriber has also had the opportunity to ask questions of and receive answers from the Company and its management regarding the terms and conditions of this investment. Subscriber acknowledges that except as set forth herein, no representations or warranties have been made to Subscriber, or to Subscriber's advisors or representative, by the Company or others with respect to the business or prospects of the Company or its financial condition.

(g) Valuation. The Subscriber acknowledges that the price of the Securities was set by the Company on the basis of the Company's internal valuation and no warranties are made as to value. The Subscriber further acknowledges that future offerings of Securities may be made at lower valuations, with the result that the Subscriber's investment will bear a lower valuation.

(h) Domicile. Subscriber maintains Subscriber's domicile (and is not a transient or temporary resident) at the address shown on the signature page.

(i) No Brokerage Fees. There are no claims for brokerage commission, finders' fees or similar compensation in connection with the transactions contemplated by this Subscription Agreement or related documents based on any arrangement or agreement binding upon Subscriber. The undersigned will indemnify and hold the Company harmless against any liability, loss or expense (including, without limitation, reasonable attorneys' fees and out-of-pocket expenses) arising in connection with any such claim.

(j) Foreign Investors. If Subscriber is not a United States person (as defined by Section 7701(a)(30) of the Internal Revenue Code of 1986, as amended), Subscriber hereby represents that it has satisfied itself as to the full observance of the laws of its jurisdiction in connection with any invitation to subscribe for the Securities or any use of this Subscription Agreement, including (i) the legal requirements within its jurisdiction for the purchase of the Securities, (ii) any foreign exchange restrictions applicable to such purchase, (iii) any governmental or other consents that may need to be obtained, and (iv) the income tax and other tax consequences, if any, that may be relevant to the purchase, holding, redemption, sale, or transfer of the Securities. Subscriber's subscription and payment for and continued beneficial ownership of the Securities will not violate any applicable securities or other laws of the Subscriber's jurisdiction.

5. Indemnity. The representations, warranties and covenants made by the Subscriber herein shall survive the closing of this Agreement. The Subscriber agrees to indemnify and hold harmless the Company and its respective officers, directors and affiliates, and each other person, if any, who controls the Company within the meaning of Section 15 of the Securities Act against any and all loss, liability, claim, damage and expense whatsoever (including, but not limited to, any and all reasonable attorneys' fees, including attorneys' fees on appeal) and expenses reasonably incurred in investigating, preparing or defending against any false representation or warranty or breach of failure by the Subscriber to comply with any covenant or agreement made by the Subscriber herein or in any other document furnished by the Subscriber to any of the foregoing in connection with this transaction.

6. Governing Law, Jurisdiction. This Subscription Agreement shall be governed and construed in accordance with the laws of the State of New York.

EACH OF THE SUBSCRIBERS AND THE COMPANY CONSENTS TO THE JURISDICTION OF ANY STATE OR FEDERAL COURT OF COMPETENT JURISDICTION LOCATED WITHIN THE STATE OF NEVADA AND NO OTHER PLACE AND IRREVOCABLY AGREES THAT ALL ACTIONS OR PROCEEDINGS RELATING TO THIS SUBSCRIPTION AGREEMENT MAY BE LITIGATED IN SUCH COURTS. EACH OF SUBSCRIBERS AND THE COMPANY ACCEPTS FOR ITSELF AND HIMSELF AND IN CONNECTION WITH ITS AND HIS RESPECTIVE PROPERTIES, GENERALLY AND UNCONDITIONALLY, THE EXCLUSIVE JURISDICTION OF THE AFORESAID COURTS AND WAIVES ANY DEFENSE OF FORUM NON CONVENIENS, AND IRREVOCABLY AGREES TO BE BOUND BY ANY JUDGMENT RENDERED THEREBY IN CONNECTION WITH THIS SUBSCRIPTION AGREEMENT. EACH OF SUBSCRIBERS AND THE COMPANY FURTHER IRREVOCABLY CONSENTS TO THE SERVICE OF PROCESS OUT OF ANY OF THE AFOREMENTIONED COURTS IN THE MANNER AND IN THE ADDRESS SPECIFIED IN SECTION 8 AND THE SIGNATURE PAGE OF THIS SUBSCRIPTION AGREEMENT.

EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED IN CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS SUBSCRIPTION AGREEMENT OR THE ACTIONS OF EITHER PARTY IN THE NEGOTIATION, ADMINISTRATION, PERFORMANCE AND ENFORCEMENT THEREOF. EACH OF THE PARTIES HERETO ALSO WAIVES ANY BOND OR SURETY OR SECURITY UPON SUCH BOND WHICH MIGHT, BUT FOR THIS WAIVER, BE REQUIRED OF SUCH PARTY. EACH OF THE PARTIES HERETO FURTHER WARRANTS AND REPRESENTS THAT IT HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL, AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING, AND THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS TO THIS SUBSCRIPTION AGREEMENT. IN THE EVENT OF LITIGATION, THIS SUBSCRIPTION AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

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7. Notices. Notice, requests, demands and other communications relating to this Subscription Agreement and the transactions contemplated hereby shall be in writing and shall be deemed to have been duly given if and when (a) delivered personally, on the date of such delivery; or (b) mailed by registered or certified mail, postage prepaid, return receipt requested, in the third day after the posting thereof; or (c) emailed, telecopied or cabled, on the date of such delivery to the address of the respective parties as follows:

If to the Company, to:

Ron Robinson  
Virtual Communications Corporation  
319 E. Warm Springs Road, Suite 100  
Las Vegas NV 89119

with a required copy to:

Sara Hanks  
KHUK LLP  
721 North Overlook Drive  
Alexandria VA 22305

If to a Subscriber, to Subscriber's address as shown on the signature page hereto or to such other address as may be specified by written notice from time to time by the party entitled to receive such notice. Any notices, requests, demands or other communications by telecopy or cable shall be confirmed by letter given in accordance with (a) or (b) above.

8. Miscellaneous.

(a) All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular or plural, as the identity of the person or persons or entity or entities may require.

(b) This Subscription Agreement is not transferable or assignable by Subscriber.

(c) The representations, warranties and agreements contained herein shall be deemed to be made by and be binding upon Subscriber and its heirs, executors, administrators and successors and shall inure to the benefit of the Company and its successors and assigns.

(d) None of the provisions of this Subscription Agreement may be waived, changed or terminated orally or otherwise, except as specifically set forth herein or except by a writing signed by the Company and Subscriber.

(e) In the event any part of this Subscription Agreement is found to be void or unenforceable, the remaining provisions are intended to be separable and binding with the same effect as if the void or unenforceable part were never the subject of agreement.

(f) The invalidity, illegality or unenforceability of one or more of the provisions of this Subscription Agreement in any jurisdiction shall not affect the validity, legality or enforceability of the remainder of this Subscription Agreement in such jurisdiction or the validity, legality or enforceability of this Subscription Agreement, including any such provision, in any other jurisdiction, it being intended that all rights and obligations of the parties hereunder shall be enforceable to the fullest extent permitted by law.

(g) This Subscription Agreement supersedes all prior discussions and agreements between the parties with respect to the subject matter hereof and contains the sole and entire agreement between the parties hereto with respect to the subject matter hereof.

(h) The terms and provisions of this Subscription Agreement are intended solely for the benefit of each party hereto and their respective successors and assigns, and it is not the intention of the parties to confer, and no provision hereof shall confer, third-party beneficiary rights upon any other person.

(i) The headings used in this Subscription Agreement have been inserted for convenience of reference only and do not define or limit the provisions hereof.

(j) This Subscription Agreement may be executed in any number of counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

(k) If any recapitalization or other transaction affecting the stock of the Company is effected, then any new, substituted or additional securities or other property which is distributed with respect to the Securities shall be immediately subject to this Subscription Agreement, to the same extent that the Securities, immediately prior thereto, shall have been covered by this Subscription Agreement.

(l) No failure or delay by any party in exercising any right, power or privilege under this Subscription Agreement shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.

[SIGNATURE PAGE FOLLOWS]

VIRTUAL COMMUNICATIONS CORPORATION

SUBSCRIPTION AGREEMENT SIGNATURE PAGE

The undersigned, desiring to purchase Units consisting of one Common Share and Two Warrants of Virtual Communications Corporation, by executing this signature page, hereby executes, adopts and agrees to all terms, conditions and representations of the Subscription Agreement.

(a) The number of Units the undersigned hereby irrevocably subscribes for is:

\_\_\_\_\_  
(print number of Securities)

(b) The aggregate purchase price (based on a purchase price of \$\_\_\_\_ per Unit) for the Units the undersigned hereby irrevocably subscribes for is:

\$ \_\_\_\_\_  
(print aggregate purchase price)

(c) EITHER:

(i) The undersigned is an accredited investor (as that term is defined in Regulation D under the Securities Act), or otherwise suited to make this investment, because the undersigned meets the criteria set forth in the following paragraph(s) of Appendix A, attached hereto; OR

\_\_\_\_\_  
(print applicable number from Appendix A)

(ii) The amount set forth in paragraph (b) above (together with any previous investments in the Securities pursuant to this offering) does not exceed 10% of the greater of the undersigned's net worth or annual income.

(d) The Securities being subscribed for will be owned by, and should be recorded on the Company's books as held in the name of:

\_\_\_\_\_  
(print name of owner or joint owners)

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Virtual Communications Corporation: Exhibit 4 Subscription Agre...

<https://www.sec.gov/Archives/edgar/data/1625023/0001644600150...>

If the Securities are to be purchased in joint names, both Subscribers must sign:	
Signature	Signature
Name (Please Print)	Name (Please Print)
Email address	Email address
Address	Address
Telephone Number	Telephone Number
Social Security Number/EIN	Social Security Number
Date	Date

\*\*\*\*\*

This Subscription is accepted  
on \_\_\_\_\_, 2015

Virtual Communications Corporation

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



**APPENDIX A**

*An accredited investor includes the following categories of investor:*

(1) Any bank as defined in section 3(a)(2) of the Act, or any savings and loan association or other institution as defined in section 3(a)(3)(A) of the Act whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to section 15 of the Securities Exchange Act of 1934; any insurance company as defined in section 2(a)(13) of the Act; any investment company registered under the Investment Company Act of 1940 or a business development company as defined in section 2(a)(48) of that Act; any Small Business Investment Company licensed by the U.S. Small Business Administration under section 301(c) or (d) of the Small Business Investment Act of 1958; any plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of \$5,000,000; any employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 if the investment decision is made by a plan fiduciary, as defined in section 3(21) of such act, which is either a bank, savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of \$5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors;

(2) Any private business development company as defined in section 202(a)(22) of the Investment Advisers Act of 1940;

(3) Any organization described in section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of \$5,000,000;

(4) Any director, executive officer, or general partner of the issuer of the securities being offered or sold, or any director, executive officer, or general partner of a general partner of that issuer;

(5) Any natural person whose individual net worth, or joint net worth with that person's spouse, exceeds \$1,000,000.

(i) Except as provided in paragraph (a)(5)(ii) of this section, for purposes of calculating net worth under this paragraph (a)(5):

(A) The person's primary residence shall not be included as an asset;

(B) Indebtedness that is secured by the person's primary residence, up to the estimated fair market value of the primary residence at the time of the sale of securities, shall not be included as a liability (except that if the amount of such indebtedness outstanding at the time of sale of securities exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of the primary residence, the amount of such excess shall be included as a liability); and

(C) Indebtedness that is secured by the person's primary residence in excess of the estimated fair market value of the primary residence at the time of the sale of securities shall be included as a liability;

(ii) Paragraph (a)(5)(i) of this section will not apply in any calculation of a person's net worth made in connection with a purchase of securities in accordance with a right to purchase such securities, provided that:

(A) Such right was held by the person on July 20, 2010;

(B) The person qualified as an accredited investor on the basis of net worth at the time the person acquired such right; and

(C) The person held securities of the same issuer, other than such right, on July 20, 2010.

(6) Any natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with that person's spouse in excess of \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year;

(7) Any trust, with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in §230.506(b)(2)(ii); and

(8) Any entity in which all of the equity owners are accredited investors.

EX1A-3 ESCW AGMT 24 exhibit8.htm EXHIBIT 3 ESCROW

**ESCROW & BACK OFFICE AGREEMENT**

Virtual Communications Corporation, a Nevada Corporation (hereinafter referred to as "VCC"), requests that Provident Trust Group, LLC, a Nevada limited liability company ("Service Provider") act in accordance with this Back Office Agreement ("Agreement"), and any written instructions which may supplement this Agreement. This Agreement is hereby entered into by and between VCC and the Service Provider effective the 24 day of May, 2012 ("Effective Date").

**RECITALS**

WHEREAS, VCC desires to hire Service Provider to perform escrow services and back office services (the "Services") listed on Exhibit B (attached hereto and made a part hereof by reference) and Service Provider desires to be hired by VCC to perform such Services according to the terms and conditions set forth herein;

WHEREAS, by the terms and conditions of this Agreement, VCC has been empowered to direct the disbursement of funds held or managed by Service Provider in accordance with the terms and conditions contained therein VCC's Company Agreement, as amended ("Company Agreement"). Authority must be received from an officer of VCC before any allocation or disbursement of funds will be made by Service Provider.

NOW, THEREFORE, in reliance on the foregoing recitals and in and for the consideration and mutual covenants set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties to this Agreement hereby agree as follows:

**1. ESCROW SERVICES**

1. **Appointment and Consent.** The Service Provider agrees to act as escrow agent and accept delivery of escrowed funds from VCC members prior to acceptance of members and disbursement for VCC realty operations ("Escrow Amounts") and to hold such Escrow Amounts delivered to it in escrow subject to the terms and conditions of this Escrow Agreement until the Service Provider is required to release such Escrow Amounts pursuant to the terms of this Escrow Agreement.

2. **Deposits:** Service Provider shall provide VCC with reasonable instructions explaining safe and proper procedure in depositing funds. VCC shall follow Service Provider's instructions. Service Provider shall not be liable for any Escrow Amount that was not deposited by VCC and by following all of Service Provider's instructions.

3. **Investment:** Upon receipt of Escrow Amounts, Service Provider shall invest said funds in a financial institution to be agreed upon by the VCC and the Service Provider. After payment of Service Provider fees, as directed by the VCC, the interest earned on said investments shall be for the benefit of Service Provider. In investing the Escrow Amounts received, the Service Provider shall invest such funds with the care, skill, prudence and diligence under the circumstances then prevailing that a

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prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aim.

4. **Disbursements.** VCC shall provide Service Provider with reasonable written instructions on when, what amounts and to whom Service Provider shall distribute Escrow Amounts. VCC represents that VCC has authority to order disbursement of Escrow Amounts and that Service Provider is not in violation of any law or agreement when it acts in conformity with VCC's instructions. Service Provider is not liable for any disbursement disbursed in accordance with VCC's instructions unless Service Provider is given 30 days written notice establishing reasonable grounds for non-disbursement prior to the disbursement date.

5. **Account Statements.** Service Provider shall provide account statements as requested to by VCC detailing itemized balances for the Escrow Account.

6. **Termination of the Escrow Agreement.** Distribution of the entire Escrow Amount and termination of further funding by VCC less any fees incurred for Escrow Services, pursuant to the terms and conditions of this Escrow Agreement, shall signify the termination of the escrow services.

7. **No Encumbrance.** No Escrow Amount or any beneficial interest therein may be pledged, sold, assigned or transferred, including by operation of law, by any Party hereto or, except as expressly provided herein, be taken or reached by any legal or equitable proceeding in satisfaction of any debt or other liability of any Party hereto.

8. **No Interest.** The Service Provider does not have any interest in the Escrow Amount; unless otherwise provided for in this Agreement, deposited hereunder but is serving as escrow holder only and having only possession thereof. The VCC shall pay or reimburse the Service Provider, upon request for any transfer taxes or other taxes relating to the Escrow Amount incurred in connection herewith and shall indemnify and hold harmless the Service Provider from any amounts that it is obligated to pay in the way of such taxes. Any payments of income from the Escrow Account shall be subject to withholding regulations then in force with respect to United States taxes. The VCC will provide the Service Provider with appropriate W-9 forms for tax I.D., number certifications, or W-8 forms for non-resident alien certifications. This paragraph shall survive notwithstanding any termination of this Agreement or the resignation or removal of the Service Provider.

9. **Limitation of Responsibility.** The Service Provider's duties are limited to those set forth in this Escrow Agreement, and no further or additional duties or obligations shall be implied; and the Service Provider may rely upon the written notices delivered to the Service Provider hereunder. Service Provider shall not be subject to, nor required to comply with, any other agreement between or among any or all of the prospective members of VCC or other agreements to which VCC is a party, even though reference thereto may be made herein; or to comply with any direction or instruction (other than those contained herein or delivered in accordance with this Agreement) from VCC or an entity acting on its behalf. Service Provider shall not be required to

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expend or risk any of its own funds or otherwise incur any financial or other liability in the performance of any of its duties hereunder.

#### 10. Legal Process.

(a) If at any time Service Provider is served with any judicial or administrative order, judgment, decree, writ or other form of judicial or administrative process which in any way affects the Escrow Amount (including but not limited to orders of attachment or garnishment or other forms of levies or injunctions or stays relating to the transfer of the Escrow Amount), Service Provider is authorized to comply therewith in any manner it or legal counsel of its own choosing deems appropriate; and if Service Provider complies with any such judicial or administrative order, judgment, decree, writ or other form of judicial or administrative process, Service Provider shall not be liable to any of the parties hereto or to any other person or entity even though such order, judgment, decree, writ or process may be subsequently modified or vacated or otherwise determined to have been without legal force or effect.

(b) Service Provider shall not be liable for any action taken or omitted or for any loss or injury resulting from its actions or its performance or lack of performance of its duties hereunder in the absence of gross negligence or willful misconduct on its part. In no event shall Service Provider be liable

(i) for acting in accordance with or relying upon any instruction, notice, demand, certificate or document from VCC or any entity acting on behalf of VCC.

(ii) for any indirect, consequential, punitive or special damages, regardless of the form of action and whether or not any such damages were foreseeable or contemplated.

(iii) for the acts or omissions of its nominees, correspondents, designers, agents, subagents or subcustodians,

(iv) for the investment or reinvestment of any cash held by it hereunder, in each case in good faith, in accordance with the terms hereof, including without limitation any liability for any delays (not resulting from its gross negligence or willful misconduct) in the investment or reinvestment of the Escrow Amount, or any loss of interest incident to any such delays; or

(v) for an amount in excess of the value of the Escrow Amount, valued as of the date of deposit, but only to the extent of direct money damages.

(c) Service Provider may consult with its legal counsel as to any matter relating to this Agreement, and Service Provider shall not incur any liability in acting in good faith in accordance with any advice from such counsel.

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(d) Service Provider shall not incur any liability for not performing any act or fulfilling any duty, obligation or responsibility hereunder by reason of any occurrence beyond the control of Service Provider (including but not limited to any act or provision of any present or future law or regulation or governmental authority, any act of God or war, or the unavailability of the Federal Reserve Bank wire or facsimile or other wire or communication facility).

(e) The Service Provider shall be entitled to rely upon any order, judgment, certification, demand, notice, instrument or other writing delivered to it hereunder without being required to determine the authenticity or the correctness of any fact stated therein or the propriety or validity of the service thereof. The Service Provider may act in reliance upon any instrument or signature believed by it to be genuine and may assume that any person purporting to give receipt or advice to make any statement or execute any document in connection with the provisions hereof has been duly authorized to do so.

11. **Authority; Validity.** Service Provider shall not be responsible in any respect for the form, execution, validity, value or genuineness of documents or securities deposited hereunder, or for any description therein, or for the identity, authority or rights of persons executing or delivering or purporting to execute or deliver any such document, security or endorsement. The Service Provider shall not be called upon to advise any party as to the wisdom in selling or retaining or taking or refraining from any action with respect to any securities or other property deposited hereunder.

12. **Duty of Care.** The Service Provider shall not be under any duty to give the Escrow Amount held by it hereunder any greater degree of care than it gives its own similar property and shall not be required to invest any funds held hereunder except as directed in this Agreement.

13. **Disputes; Ambiguities.**

(a) In the event of any ambiguity or uncertainty hereunder or in any notice, instruction or other communication received by Service Provider hereunder, Service Provider may, in its sole discretion, refrain from taking any action other than retain possession of the Escrow Amount, unless Service Provider receives written instructions, signed by VCC, which eliminates such ambiguity or uncertainty.

(b) In the event of any dispute between or conflicting claims by or among VCC with respect to any Escrow Amount, Service Provider shall be entitled, in its sole discretion, to refuse to comply with any and all claims, demands or instructions with respect to such Escrow Amount so long as such dispute or conflict shall continue, and Service Provider shall not be or become liable in any way to VCC for failure or refusal to comply with such conflicting claims, demands or instructions. Service Provider shall be entitled to refuse to act until such conflicting or adverse claims or demands shall have been determined by a final order, judgment or decree of a court of competent jurisdiction, which order, judgment or decree is not subject to appeal, or settled by agreement between the conflicting parties as evidenced in a writing satisfactory to Service Provider.

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## II. BACK OFFICE SERVICES

### 1. Back Office Specifications of Work

(a) The parties agree that the general scope and results of the Services to be completed by Service Provider shall be agreed in form and process by VCC and by Service Provider and consist primarily of the day-to-day operations of VCC, as more fully described in Exhibit B.

(b) The Service Provider shall act upon the verbal or written authorization of the officers of VCC. These officers shall be designated in writing and provided to Service Provider immediately upon engagement. If any of the officers designated by VCC are unable to give authority, VCC may provide an alternate officer in writing whose authorization may be accepted.

(c) VCC agrees that it will not directly or indirectly, during the term of this Agreement, solicit or utilize the services of any other vendor or contractor for the Services to be provided by Service Provider.

(d) **Optional Services.** The parties acknowledge and agree that from time to time during the term of this Agreement there may be additional services beyond what is set out in Exhibit B requested by VCC. The specifications and pricing of these services will be mutually agreed upon and confirmed via written instrument ("Statement of Work") which is signed by an authorized representative of each party and attached to this Agreement before such services shall be delivered. The parties acknowledge and agree that such written instrument shall be subject to the terms and conditions of this Agreement unless specific modifications to this Agreement are made to the contrary in such Statement of Work.

### 2. Back Office Fees.

(a) **Consideration.** In consideration of furnishing the Services, described herein, VCC shall pay to Service Provider fees in accord with Exhibit A, attached herein and incorporated as part of this Agreement ("Service Fee").

(b) **Payment.** VCC shall authorize the payment of the Service Fee from the Deposit Account (defined below), including all expenses, disbursements and advances incurred or made by Service Provider in accordance with the terms and conditions of this Agreement. All Service Fees shall be payable within 30 days of receipt of invoice. All Service Fees not paid within 30 days shall be subject to a monthly service charge of 1.5% of the unpaid balance.

(c) Each party shall maintain records of all activities subject to revenues, payments, fees, commissions and costs pursuant to this Agreement. Each party shall permit a reputable independent certified public accounting firm designated by the other party to have access, at a mutually agreed upon time during normal business hours, to the records and books of account which relate solely to this Agreement for the purpose of determining whether the appropriate distributions, fees and commissions have been paid. Such audits may not be required more often than once every year; provided, however, that either party may audit the other within six (6) months of any audit in which a discrepancy of 5% or greater is discovered. If a discrepancy is discovered, the party in whose favor the error was made will promptly pay the amount of the

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error to the other. The party requesting the audit will pay the cost of the audit, provided, that if a discrepancy is discovered of 5% or greater in favor of the party requesting the audit, then the audited party will be required to pay the reasonable costs of the audit.

3. **Back Office Account.** VCC shall designate an account ("Deposit Account") in which it shall deposit sufficient funds in order for Service Provider to perform the Services contemplated hereunder. The Service Provider shall have authority over such deposited amounts to the extent required to perform its obligation under this Agreement, and agrees to manage such amounts delivered to the Deposit Account subject to the terms and conditions of this Agreement until the Service Provider is required to distribute such deposited amounts pursuant to the terms of this Agreement. Service Provider is authorized to deduct its Service Fee from the Deposit Account. Distributions by the Service Provider pursuant to VCC's Company Agreement will be subject to and contingent upon availability of funds on deposit. Service Provider shall provide monthly reports to VCC detailing itemized receipts, expenditures and balances for the Deposit Account and any other account managed by Service Provider.

4. **Back Office Limitation of Liability**

(a) **Limitation of Remedies.** Service Provider and VCC's entire liability and exclusive remedy in any cause of action based on contract, tort or otherwise in connection with any Services furnished pursuant to this Agreement including its Exhibits shall be limited to the total fees paid by VCC to Service Provider. No action, regardless of form, arising out of this Agreement may be brought by either party more than one year after the occurrence of the event giving rise to such cause of action.

(b) EXCEPT WITH RESPECT TO AMOUNTS PAYABLE ARISING OUT OF CLAIMS BASED UPON VIOLATIONS OF SECTION 5 BELOW, AND INTENTIONAL, WILLFUL, MALICIOUS OR GROSSLY NEGLIGENT CONDUCT OF THE LIABLE PARTY, NEITHER SERVICE PROVIDER NOR ANYONE ELSE WHO HAS BEEN INVOLVED IN THE CREATION, PRODUCTION, OR DELIVERY OF THE SERVICES SHALL IN ANY EVENT WHATSOEVER BE LIABLE FOR ANY INDIRECT, CONSEQUENTIAL, PUNITIVE OR INCIDENTAL DAMAGES IN EXCESS OF THE TOTAL PRICE PAID BY VCC TO SERVICE PROVIDER (INCLUDING DAMAGES FOR LOSS OF BUSINESS PROFITS, BUSINESS INTERRUPTION, LOSS OF BUSINESS INFORMATION, AND THE LIKE) ARISING OUT OF THE USE OF OR INABILITY TO USE THE SERVICES EVEN IF VCC HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

5. **Back Office Proprietary Information.**

(a) Confidential Information is being provided from VCC to Service Provider solely for the purpose of enabling each party to perform under this Agreement and/or any agreements entered into by and between VCC and Service Provider. As used herein, the term "Confidential Information" shall include the unique marketing method utilized by VCC to place participations in fixed percentages of the proceeds of real estate and includes all materials (electronic, print or otherwise) related to such unique marketing method, all concepts, ideas, developments, processes, formulas, techniques, and related know-how, and the prospect for using such unique method and information for commercial purposes. The term "Confidential Information" also includes all written agreements, independent contractor data, customer and member lists, prospect lists, documents, accounts, financial information, correspondence, data, software developed or purchased by VCC or on behalf of VCC, files, list of due dates, amounts, lists of properties, and literature in whatever form respecting the business contemplated by this Agreement or any agreement entered into by and between VCC

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and Service Provider and the business operations of VCC, all brochures, pamphlets, and/or other sales or promotional publications in whatever form relating to the business of VCC and/or the independent contractors, clients, customers, or participants of VCC, all procedures and manuals relative to the operations of VCC, and all data, information, files, books, computer data, flowcharts, records, contracts, and personal/confidential financial or business information related to the independent contractors, clients, customers and/or participants of VCC.

(b) Without VCC's prior written consent, Service Provider shall not (i) disclose to any third party, any Confidential Information provided to Service Provider by VCC; or (ii) use Confidential Information for any purpose other than performing Service Provider's duties under this Agreement or any contract entered into by and between VCC and Service Provider. Service Provider shall only disclose Confidential Information to those of its employees, agents, and contracted consultants who shall reasonably need to know such information; provided that prior to any such disclosure, Service Provider shall have a written agreement in place with or other written obligation of confidentiality from such persons sufficient to require such persons to treat Confidential Information in accordance with the terms and conditions of this Agreement. Such disclosure shall be made only to the extent necessary in order to permit Service Provider to perform its duties and responsibilities under this Agreement and/or any other agreement entered into by and between VCC and Service Provider.

(c) The obligations assumed by Service Provider hereunder shall not apply to any Confidential Information if Service Provider can demonstrate that:

(i) The Confidential Information at issue is or became publicly available without breach of this Agreement;

(ii) Service Provider rightly received the information at issue without obligation of confidentiality from a third party;

(iii) Service Provider developed independently the information at issue; OR

(iv) Any of Service Provider's intellectual property, including but not limited to the knowledge of internal operations of the industry acquired through experience and implementation, development of business processes, and development of internal software to service clients (other than VCC) needs. This Agreement shall not preclude Service Provider's right to service future clients in a similar industry, but only the use and disclosure of Confidential Information, as defined in Sections 5(a) and (b).

(v) Notwithstanding the above, nothing herein shall prevent Service Provider from disclosing Confidential Information if Service Provider is required to disclose by court order pursuant to the rules and regulations of a governmental agency or body having jurisdiction over Service Provider, to the extent so required by such court order or the published rules and regulations of such governmental authority; provided, however, that prior to any such disclosure Service Provider shall (i) notify VCC promptly in writing of any order or request to disclose and of the facts and circumstances surrounding such order or request so that VCC may seek an appropriate protective order; and (ii) cooperate with VCC in any proceeding to obtain an appropriate protective order.

(d) Service Provider agrees to use the same care and discretion to avoid disclosure of Confidential Information as it uses with its own similar information it does not wish to disclose, but in no

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event less than a reasonable standard of care. Service Provider will promptly provide VCC with notice of any actual or threatened breach of the terms of this Agreement or unauthorized disclosure of Confidential Information.

(e) Service Provider agrees to indemnify VCC for damages arising from any breach of the terms of this Agreement by Service Provider and its affiliates' employees, agents and contracted consultants. In addition to any and all remedies available to VCC at law or in equity, Service Provider agrees to take all reasonable measures, including, but not limited to, court proceedings at Service Provider's expense, to restrain current or future employees, agents, or contracted consultants from unauthorized use or disclosure of Confidential Information.

(f) Service Provider shall, when requested by VCC, or at the end of this Agreement or any agreement entered into by and between VCC and Service Provider, promptly return and deliver to VCC, all Confidential Information, any copies thereof, and all notes, correspondence, documents or other records relating to the Confidential Information then in Service Provider's possession.

(g) Service Provider expressly acknowledges that damages alone may not be an adequate remedy for any breach by Service Provider of the covenants or agreements set forth herein and that VCC, in addition to any other remedies it may have, shall be entitled to seek injunctive relief, including specific performance with respect to any actual or threatened breach by Service Provider of any said covenants.

(h) For the term of this Agreement and/or any agreement entered into by and between VCC and Service Provider and a period of two years from the date of termination of this Agreement and any agreement entered into by and between VCC and Service Provider, Service Provider agrees that neither Service Provider nor its employees, agents or contracted consultants having knowledge of or access to Confidential Information will directly or indirectly call on, solicit, take away or attempt to call on, solicit, or take away any of the clients, customers, independent contractors and/or participants appearing in VCC's Confidential Information on Service Provider's behalf or for any other person, firm, association, corporation, or other entity. Further, with respect to the clients, customers, independent contractors and/or participants of VCC of which Service Provider gained knowledge as a result of this Agreement or any agreement entered into by and between VCC and Service Provider, Service Provider may not in any way present proposals with respect to purchasing participations in the proceeds, accept or receive commissions or other compensation relative to the placement of participations in the proceeds, or accept, process, administer, or transfer any of the clients, customers or participants of VCC appearing in the Confidential Information for a period of 24 months immediately following termination of this Agreement and any agreement entered into by and between VCC and Service Provider. Service Provider agrees that Service Provider will not at any time disclose any of VCC's Confidential Information or any part thereof to any person, firm, corporation, association, or other entity for any reason or purpose whatsoever. Service Provider will not hire or contract with VCC's or its affiliates' employees or independent contractors with whom Service Provider became aware of or familiar with during the term of this Agreement or any agreement entered into by and between VCC and Service Provider during the term of this Agreement and any agreement entered into by and between VCC and Service Provider or for a period of 24 months following the termination of such agreement. Should Service Provider violate or threaten to violate any of the provisions of this Section 5(h), VCC shall be entitled to an injunction enjoining the violation or threatened violation of any of the provisions of this Section 5(h) by Service Provider. The above remedy shall be available to VCC for the reason that any violation or threatened violation of the provisions of this Section 5(h) would cause immediate irreparable damage to VCC which such damage is incapable of measure in monetary terms.

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(i) Nothing in this Agreement is intended to grant any rights under any copyright or trademark of VCC, nor shall this Agreement grant any rights in or to VCC's Confidential Information, except as expressly permitted hereunder.

(j) The obligations regarding confidentiality and non-disclosure set out herein shall survive any termination or expiration of this Agreement and any agreement entered into by and between VCC and Service Provider as set out herein. In the event of a breach or threatened breach by Service Provider of any of the terms, conditions or agreements set out herein, VCC shall, in addition to any other available remedies, be entitled to appropriate equitable relief including an injunction, restraining Service Provider from violating any of the terms, conditions or agreements set out herein. The existence of any claim or cause of action by Service Provider against VCC under this Agreement or otherwise shall not constitute a defense to the enforcement of the terms, conditions and/or agreements set out herein.

6. **Return of Materials.** Upon termination of the activities for VCC or the termination of this Agreement, each party will promptly deliver to the other all copies and embodiments, in whatever form, of proprietary information and all other materials containing any proprietary information, which is in such party's possession or control, no matter where such material is located.

7. **Ownership Rights.** Except as expressly set forth in Section 5 above, and on any Statement of Work, all right, title and interest in and to all products, services and materials provided to VCC by Service Provider under this Agreement shall be and remain the property of Service Provider exclusively. VCC shall have no right, title or interest in or to any products, services or materials except as expressly set forth in this Agreement. Except as set forth in Section 5 above, Service Provider retains shall retain all rights and title to any and all capital improvements and intellectual property it utilizes or contributes as part of the Services.

#### 8. **Term and Termination.**

(a) This Agreement shall commence on the Effective Date and continue in full force and effect for five (5) years and the term of this Agreement may, upon mutual agreement by the parties, be extended for additional one (1) year periods, unless terminated as provided herein.

(b) If either party (the "Defaulting Party") materially defaults in the performance of its obligations under this Agreement, and if such default is not cured within 90 days after written notice is given to the Defaulting Party specifying the default, then the other party (the "Aggrieved Party") may, by giving written notice to the Defaulting Party, terminate this Agreement as of the date specified in the notice of termination.

(c) Each party, insofar as it becomes a Defaulting Party, agrees that, upon receipt of any notice of default, it will immediately commence all commercially reasonable efforts to cure the specified default and to commit the resources necessary at the Defaulting Party's expense, to accomplish such cure as promptly as is reasonably possible.

(d) Upon any termination of this Agreement, Service Provider will assist and comply with VCC's reasonable directions to cause the orderly transition and integration of the Services to VCC or a third party contractor to whom VCC chooses to transfer the Services.

## III. GENERAL

(a) **Governing Law.** The laws of Nevada shall govern the validity of this Agreement, the construction of its terms, and the interpretation and enforcement of the rights and duties of the parties to this Agreement.

(b) **Binding upon Successors and Assigns.** Subject to, and unless otherwise provided in this Agreement, each and all of the covenants, terms, provisions, and agreements contained in this Agreement shall be binding upon, and inure to the benefit of, the permitted successors, executors, heirs, representatives, administrators and assigns of the parties to this Agreement.

(c) **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original as against any party whose signature appears on such counterpart and all of which together shall constitute one and the same instrument. This Agreement shall become binding when one or more counterparts of this Agreement, individually or taken together, shall bear the signatures of all of the parties reflected in this Agreement as signatories.

(d) **Entire Agreement.** This Agreement, the documents referenced in this Agreement and the attachments, exhibits, or schedules to such Agreements, constitute the entire understanding and agreement of the parties hereto with respect to the subject matter of this Agreement and of such documents and supersede all prior and contemporaneous agreements or understandings, inducements or conditions, express or implied, written or oral, between the parties with respect to this Agreement.

(e) **Waivers.** No waiver by any party to this Agreement of any condition or of any breach of any provision of this Agreement will be effective unless in writing. No waiver by any party of any such condition or breach, in any one instance, will be deemed to be a further or continuing waiver of any such condition or breach or a waiver of any other condition or breach of any other provision contained in this Agreement.

(f) **Amendment.** This Agreement may be amended only by written agreement of the parties hereto and attached to this Agreement.

(g) **Taxes.** Service Provider shall be paid its compensation without any deductions made whatsoever for state or federal taxes of any kind. Service Provider agrees to pay all of Service Provider's applicable federal and/or state taxes and all local excise, sales, use, or other taxes, which arise as a result of payment of fees to Service Provider for services performed by Service Provider or any employee of Service Provider under this Agreement.

(h) **Independent Contractor Status.** It is expressly agreed and understood between VCC and Service Provider that Service Provider (and any person employed by Service Provider) is performing the Services hereunder as an independent contractor and is neither the employee nor the agent of or on behalf of VCC.

(i) **Continuation.** Neither party shall sell, transfer or assign any right or obligation hereunder without the prior written consent of the other party. Any act in derogation of the foregoing shall be null and void.

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(j) **Severability.** Should any provision hereof be deemed, for any reason whatsoever, to be invalid or inoperative, such provision shall be deemed severable and shall not affect the force and validity of other provisions of this Agreement.

(k) **Force Majeure.** Neither Service Provider nor VCC shall be held responsible for any delay or failure in performance under this Agreement arising out of causes beyond its control, or without its fault or negligence. Such causes may include, but are not limited to, fires, terrorist acts, strikes, embargoes, shortages or supplies of raw materials, or components or finished goods, acts of God, acts of regulatory agencies or national disasters.

(l) **Insurance.** Service Provider will provide Errors and Omissions Liability Insurance for Services which Service Provider provides under this Agreement to VCC in the minimum amount of \$1,000,000.00.

(m) **Compliance.** VCC represents and warrants to Service Provider that as of the Effective Date the operations of VCC and the provision of services to its customers is compliant with: (i) VCC's contracts; (ii) its vendor contracts; and (iii) to the best of VCC's knowledge, state or federal government laws, regulations and/or filing requirements related to VCC.

(n) **Assignment/Change of Control.** Neither party may, without the prior written consent of the other party, assign this Agreement, in whole or in part, either voluntarily or by operation of law, and any attempt to assign this Agreement in violation of this Section shall be a default of the Agreement and such assignment shall be null and void.

(o) **Notices.** Any notice provided for or permitted under the Agreement and General Provisions will be treated as having been received (i) when delivered personally, (ii) when sent by confirmed telecopy, (iii) one (1) day following when sent by commercial overnight courier with written verification of receipt, or (iv) three (3) days following when mailed postage prepaid by certified or registered mail, return receipt requested, to the party to be notified, at the address set forth below, or at such other place of which the other party has been notified in accordance with the provisions of this Section.

Service Provider:	Provident Trust Group 8380 W. Sunset Road, Suite 250 Las Vegas, Nevada 89148 P. 702.434.0023 F. 702.253.7565
VCC:	Virtual Communications Corporation c/o S. Vernon Rodriguez, CEO 311 East Warm Springs Road, Suite 100 Las Vegas, NV 89119 P. 214.293.8404 F. 214.432.2871

11 of 14

Initials: *SHD*, Initials: *SHD*

IN WITNESS WHEREOF, the parties have duly executed this Agreement effective as of the day and year first above written.

**SERVICE PROVIDER:**

Provident Trust Group, LLC, a Nevada limited liability company

By:   
Theresa Felle, Chief Executive Officer

Date: 5/24/2012

VCC:

Virtual Communications Corporation, a Nevada Corporation

By:   
S. Vernon Rodriguez, Chief Executive Officer

Date: 5/24/12

**EXHIBIT A**

**FEE SCHEDULE**

Provident shall be paid monthly on the date of this Agreement. The fee shall be calculated on the following schedule:

1. VCC seeks to accumulate Ten Million Dollars (\$10,000,000.00) to be held and administered by Service Provider;
2. Service Provider is entitled to .110 Basis Points of each client investment dollar (One-Time Fee) held and administered plus any applicable check or wire fees;
3. An initial set-up fee of \$2,000 for the escrow account and to begin fund accumulation thereafter. Upon escrow account accumulating two hundred fifty thousand dollars (\$250,000.00), Service Provider shall credit the initial set-up fee back to VCC;
4. If such fund/escrow shall liquidate or otherwise terminate prior to the end of such term stated in this Agreement or this Exhibit A, any accumulated fees, stated in Exhibit A, shall be immediately due and payable in full to Provident.

This Exhibit A is attached and made a part of this Agreement predicated on the above fee schedule with respect to the funds held in the escrow account.

**EXHIBIT 8**  
**SERVICES**

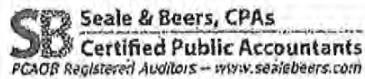
- Escrow Account Maintenance
- Accounts Maintenance
- Record Keeping
- Transfers
- Distributions
- Commission/Fee Distributions at VCC's direction
- Accounting Process
- Account Reconciliation
- Statements as requested
- Audit Facilitator

14 of 14



EX11A-11 CONSENT 41 exhibit11.htm AUDITORS CONSENT

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**CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

We consent to the use, in the statement on the Offering Circular dated June 19, 2015 of Virtual Communications Corporation, of our report dated August 4, 2015 on our audit of the financial statements of Virtual Communications Corporation as of December 31, 2014, and the related statements of operations, stockholders' equity and cash flows for the year ended December 31, 2014, and the reference to us under the caption "Experts".

*/s/ Seale and Beers, CPAs*

Seale and Beers, CPAs  
Las Vegas, Nevada  
August 14, 2015

---

EX1A-12 OPN CNSL 43 exhibit12.htm LEGAL OPINION

---

## khik LLP

Virtual Communications Corporation  
319 E. Warm Springs Road, Suite 100  
Las Vegas, NV 89119

To the Board of Directors:

We are acting as counsel to Virtual Communications Corporation (the "Company") with respect to the preparation and filing of an offering statement on Form 1-A. The offering statement covers the contemplated sale of up to 10 million Units, each Unit consisting of one share of Common Stock of the Company, and two warrants to purchase Common Stock.

In connection with the opinion contained herein, we have examined the offering statement, the articles of incorporation and bylaws, the minutes of meetings of the Company's board of directors, as well as all other documents necessary to render an opinion. In our examination, we have assumed the legal capacity of all natural persons, the genuineness of all signatures, the authenticity of all documents submitted to us as originals, the conformity to original documents of all documents submitted to us as certified or photostatic copies and the authenticity of the originals of such copies.

Based upon the foregoing, we are of the opinion that the common shares being sold pursuant to the offering statement are duly authorized and will be, when issued in the manner described in the offering statement, legally and validly issued, fully paid and non-assessable.

No opinion is being rendered hereby with respect to the truth and accuracy, or completeness of the offering statement or any portion thereof.

We further consent to the use of this opinion as an exhibit to the offering statement.

Yours truly,

KHLK, LLP  
/s/KHLK LLP  
By Sara Hanks, Managing Partner

---



4 Attorney for Plaintiff

5 DISTRICT COURT  
6 CLARK COUNTY, NEVADA

7 IN THE MATTER BETWEEN )

Case No. A-15-725246

8 Reva Waldo, )

Dept.: 16

9 PLAINTIFF, )

JUDGMENT

10 v. )

11 Ronald J. Robinson, Virtual Communications )  
12 Corporation, Retire Happy, LLC, Julie Minuskin )  
and DOES 1-10 and ROES 1-10, inclusively )

13 DEFENDANTS )  
14

JUDGMENT

15 This matter was submitted for a bench trial before the Hon. Timothy Williams  
16 on June 25-27, 2018.

17 The Court found Defendant Ronald J. Robinson liable as a guarantor of the  
18 Virtual Communications Corporation promissory note, and liable for violations of  
19 NRS 90.460 (sale of unregistered securities) and 90.660 (civil liability under the  
20 Nevada Securities Laws) as a control person for Defendant Virtual Communications  
21 Corporation.

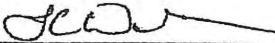
APP001158

4 This is comprised of \$111,000 in principal, and interest and penalties in the  
5 amount of \$41,958.24<sup>1</sup>. Plaintiff is <sup>possibly</sup> also entitled to her costs and attorney's fees.<sup>1</sup>

6 subject to filing the appropriate motion  
7 motion and hearing. JCL

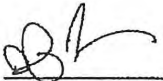
IT IS SO ORDERED:

8 Dated this 31<sup>st</sup> day of January 2019

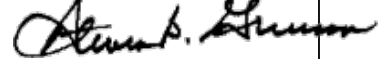
9   
10 Hon. Timothy Williams  
11 District Court Judge

CII + TEW

12 Submitted by:

13   
14 David Liebrader, Esq.  
15 Attorney for Plaintiff  
16  
17  
18  
19  
20  
21





**MEMO**

HAROLD P. GEWERTER, ESQ.  
Nevada Bar No. 499  
1212 S. Casino Center Blvd.  
Las Vegas, Nevada 89101  
Tel: (702) 382-1714  
Fax: (702) 382-1759  
Email: harold@gewerterlaw.com  
Attorneys for Defendants, Ronald J. Robinson,  
Vern Rodriguez, and Alisa Davis

**DISTRICT COURT**  
**CLARK COUNTY, NEVADA**  
\*\*\*

Steven A. Hotchkiss,

PLAINTIFF,

vs.

RONALD J. ROBINSON, VERN  
RODRIGUEZ, VIRTUAL  
COMMUNICATIONS CORPORATION,  
WINTech, LLC, RETIRE HAPPY,  
LLC, JOSH STOLL, FRANK YODER,  
ALISA DAVIS, and DOES 1-10 and  
ROES 1-10, inclusive,

Defendants.

AND ALL CONSOLIDATED ACTIONS

CASE NO.: A-17-762264-C  
DEPT NO.: IX

CONSOLIDATED WITH

Case No. A-17-763003-C

**DEFENDANTS' POST-TRIAL**  
**MEMORANDUM**

COME NOW, Defendants, RONALD J. ROBINSON and VERN RODRIGUEZ, by and  
through their attorney of record, HAROLD P. GEWERTER, ESQ., of HAROLD P.  
GEWERTER, ESQ., LTD., and hereby submit their Post-Trial Memorandum.

1 **I. Introduction**

2 The Bench Trial in the instant matter was held on February 24, 2020 through February  
3 25, 2020. The claims against Defendants were as follows:

- 4 1. Fraud, misrepresentations and omissions  
5 2. Violation of Nevada securities licensing and registration laws NRS 90.310, 90.460 and  
6 90.660  
7 3. Violation of Nevada Securities laws (misrepresentations and omissions) 90.570 and  
8 90.660  
9 4. Breach of written contract  
10

11 **II. Issues Following Trial**

12 **Validity of Loan Guarantee**

13  
14 Following the testimony and evidence presented at trial, the Court asked for cursory briefs  
15 addressing the Findings of Fact and Conclusions of Law from *Donell v. Perpetual Investment*  
16 *Inc.*, Case No. 2:04:cv-1172-KJD-LRL. The Federal Court's holding in that case has no  
17 precedential value to the instant case and it has no persuasive value as the facts therein are  
18 materially dissimilar to those in the Case before this Court.  
19

20 As such, *Marion Properties, Ltd. v. Goff*, 108 Nev. 946, 840 P.2d 1230 (1992) is still the  
21 operative law in this matter. In *Marion Properties*, the plaintiff alleged that Americana  
22 Construction ("Americana") had entered into an agreement with Marion Properties, Ltd.  
23 ("Marion") to build condominiums on Marion's property, that Americana had breached its  
24 contract with Marion, that Americana's officers, directors, shareholders or owners had signed  
25 personal guaranties agreeing to indemnify Americana's creditors and that such individuals were  
26 liable on the guaranties. The defendants moved to dismiss the Complaint on the ground that the  
27  
28



1 plaintiff's claim was barred due to a stipulated judgment between Americana and Marion in  
2 another case whereby each dismissed with prejudice its claims against the other relating to the  
3 construction agreement.

4 The District Court granted the motion to dismiss. On appeal, the Supreme Court affirmed.

5 It stated:

6  
7 It is well-settled that guarantors and sureties are exonerated if the creditor alters  
8 the obligation of the principal without the consent of the guarantor or surety.  
9 *Williams v. Crusader Disc. Corp.*, 75 Nev. 67, 70-71, 334 P.2d 843, 846 (1959);  
10 *Howard v. Associated Grocers*, 123 Ariz. 593, 595, 601 P.2d 593, 595 (1979)  
(discharge of the debtor's obligation to the creditor without consent of the  
guarantor discharges the obligation of the guarantor).

11 In this case, the debt has been completely extinguished as between Marion and  
12 Americana. The discharge of Americana's obligation to Marion, without the  
13 consent of respondents, discharged the obligation of respondents as guarantors  
14 and as sureties. We therefore conclude that the district court correctly dismissed  
Marion's complaint, and we affirm the order of the district court. *Id.* at 108 Nev.  
948-949, 840 P.2d 1231-1232 (footnote omitted).

15 The Court's holdings in *Marion Properties* can be traced back to the decades-old decision  
16 in *Williams v. Crusader Discount Corp.*, 75 Nev. 67, 334 P. 2d 843 (1959). In *Williams*, the  
17 Court dealt with the issue of a creditor who alters the obligation of a guarantor or surety. In  
18 finding that such act exonerates the responsibilities of guarantors/sureties, the *Williams* Court  
19 stated:  
20

21 It is settled law that the novation of a contract, the performance of which is  
22 guaranteed by sureties who do not consent to the novation absolves them of their  
23 liability, which disappears with the debt 846\*846 to which it was collateral. 66  
C.J.S., Novation, § 22, 39 Am.Jur., Novation, § 27.

24 "Guarantors and sureties are exonerated if the creditor, by any act done  
25 without their consent, alters the obligation of the principal in any respect,  
26 or impairs or suspends the remedy for its enforcement. Where after breach  
27 of contract, the performance of which is guaranteed, the creditor and  
28 principal debtor enter into a new contract by which the amount of damages  
then due is made payable on a future day, and upon terms different from  
those imposed by the original agreement, such new contract presumptively

merges the old. In such a case the new obligation \* \* \* becomes the exclusive medium by which the rights of the parties in respect to the payment of damages are to be ascertained. Such a contract is not collateral to the original, but, in respect to the subject to which it appertains, it merges and supersedes the other.” *Weed S.M. Co. v. Winchell*, 107 Ind. 260, 7 N.E. 881, 884.

“[A] surety is discharged by the novation of the debt; for he can no longer be bound for the first debt for which he was a surety, since it no longer subsists, having been extinguished by the novation; neither can he be bound for the new debt, into which the first has been converted, since this new debt was not the debt to which he acceded.” *Frost v. Harbert*, 20 Idaho 336, 118 P. 1095, 1096, 38 L.R.A.,N.S., 875.

Not only is the Court’s holdings in *Marion Properties* rooted in established law, said holdings have since been **subsequently affirmed by the Court**. In *Southwest Securities v. AMFAC, Inc.*, 110 Nev. 1036, 879 P.2d 755 (1994), the Court upheld the holding of *Marion Properties*. In ruling in favor of the Defendant, the Court in *Southwest Securities* held:

“It is well-settled that guarantors and sureties are exonerated if the creditor alters the obligation of the principal without the consent of the guarantor or surety.” *Marion Properties, Ltd. v. Goff*, 108 Nev. 946, 948, 840 P.2d 1230, 1231 (1992). Thus, if [Plaintiff], as lessor-creditor, altered the obligation of Airport, the lessee-principal, without the consent of [Defendant], the guarantor, then [Defendant’s] obligation as guarantor was exonerated.

A review of published opinions by the undersigned reveals no other commentary on the clear holding of *William, Marion Properties*, and *Southwest Securities*. As such, this Court can avail itself in deciding the instant matter to the operative and current Nevada law holding that guarantors and sureties are exonerated if the creditor alters the obligation of the principal without the consent of the guarantor or surety.

#### Officers and Directors are not liable for the acts of a Corporation

The second issue which Defendants wish to address in this Post-Trial Brief which will aid the Court in its decision is the axiomatic rule that officers and directors cannot be liable for the acts of a corporation except in very limited circumstances, none of which are present in this

1 case. NRS 78.747, entitled “Liability of another person for debt or liability of corporation,”  
2 provides *in toto*:

3 1. Except as otherwise specifically provided by statute or agreement, no  
4 person other than a corporation is individually liable for a debt or liability of the  
5 corporation unless the person acts as the alter ego of the corporation.

6 2. A person acts as the alter ego of a corporation only if:

7 (a) The corporation is influenced and governed by the person;

8 (b) There is such unity of interest and ownership that the corporation and the  
9 person are inseparable from each other; and

10 (c) Adherence to the notion of the corporation being an entity separate from  
11 the person would sanction fraud or promote a manifest injustice.

12 3. The question of whether a person acts as the alter ego of a corporation  
13 must be determined by the court as a matter of law.

14 In the instant matter, the fact that Plaintiffs refer to Defendant Vern Rodriguez as a  
15 “control person” is legally of **zero consequence**. A person must be involved in the sale or  
16 purchase of a security as a threshold issue before even being considered as a control person for  
17 liability purposes. Vern Rodriguez was not so involved. *See* NRS 90.660, which provides:

18 1. A person who offers or sells a security in violation of any of the following  
19 provisions:

20 (a) Subsection 1 of NRS 90.310;

21 (b) NRS 90.460;

22 (c) Subsection 10 of NRS 90.500;

23 (d) Subsection 2 of NRS 90.570;

24 (e) Subsection 2 of NRS 90.610; or

25 (f) A condition imposed in subsection 8 or 9 of NRS 90.500,

26 is liable to the person purchasing the security. Upon tender of the security, the  
27 purchaser may recover the consideration paid for the security and interest at the  
28 legal rate of this State from the date of payment, costs and reasonable attorney’s  
fees, less the amount of income received on the security. A purchaser who no  
longer owns the security may recover damages. Damages are the amount that  
would be recoverable upon a tender less the value of the security when the  
purchaser disposed of it, plus interest at the legal rate of this State from the date  
of disposition of the security, costs and reasonable attorney’s fees determined by  
the court. Tender requires only notice of willingness to exchange the security for  
the amount specified.

2. A person who offers or sells a security in violation of subsection 2 of NRS  
90.570 is not liable under subsection 1 of this section if:

(a) The purchaser knew that a statement of a material fact was untrue or that  
there was an omission of a statement of a material fact; or

1 (b) The seller did not know and in the exercise of reasonable care could not  
2 have known of the untrue statement or misleading omission.

3 3. A person who willfully participates in any act or transaction in violation  
4 of NRS 90.580 is liable to a person who purchases or sells a security, other than  
5 a security traded on a national securities exchange or quoted on a national  
6 automated quotation system administered by a self-regulatory organization, at a  
7 price that was affected by the act or transaction for the damages sustained as a  
8 result of the act or transaction. Damages are the difference between the price at  
9 which the securities were purchased or sold and the market value the securities  
10 would have had at the time of the person's purchases or sale in the absence of the  
11 act or transaction, plus interest at the legal rate of this State from the date of the  
12 act or transaction and reasonable attorney's fees.

13 4. A person who directly or indirectly controls another person who is liable  
14 under subsection 1 or 3, a partner, officer or director of the person liable, a person  
15 occupying a similar status or performing similar functions, any agent of the person  
16 liable, an employee of the person liable if the employee materially aids in the act,  
17 omission or transaction constituting the violation, and a broker-dealer or sales  
18 representative who materially aids in the act, omission or transaction constituting  
19 the violation, are also liable jointly and severally with and to the same extent as  
20 the other person, but it is a defense that the person did not know, and in the  
21 exercise of reasonable care could not have known, of the existence of the facts by  
22 which the liability is alleged to exist. With respect to a person who directly or  
23 indirectly, controls another person who is liable under subsection 3, it is also a  
24 defense that the controlling person acted in good faith and did not, directly or  
25 indirectly, induce the act, omission or transaction constituting the violation.  
26 Contribution among the several persons liable is the same as in cases arising out  
27 of breach of contract.  
28

Furthermore, the Federal Courts have previously held that the allegation that a defendant  
was a director is not sufficient to make him or her a "controlling person." *For example, see*  
*Jacobs v. Coopers Lybrand, LLP*, 1999 WL 101772 (S.D.N.Y. March 1, 1999).

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Dated this 23rd day of March, 2020.

HAROLD P. GEWERTER, ESQ., LTD.

*/s/: Harold P. Gewerter*  

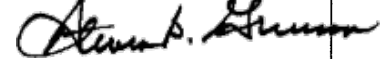

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 Attorneys for Defendants

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David Liebrader, Esq.  
The Law Offices of David Liebrader, APC  
601 S. Rancho Dr., Ste. D-29  
Las Vegas, NV 89106

- 8 -



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STATE BAR NO. 5048  
THE LAW OFFICES OF DAVID LIEBRADER, APC  
601 S. RANCHO DR. STE. D-29  
LAS VEGAS, NV 89106  
PH: (702) 380-3131  
Attorney for Plaintiffs

DISTRICT COURT  
CLARK COUNTY, NEVADA

IN THE MATTER BETWEEN	)	Case No. A-17-762264-C
	)	
Steven A. Hotchkiss,	)	Dept.: 8
	)	
PLAINTIFF,	)	TRIAL BRIEF (CLOSING
v.	)	ARGUMENT)
	)	
Ronald J. Robinson, Vernon Rodriguez, Frank	)	
Yoder, Alisa Davis and DOES 1-10 and ROES 1-	)	
10, inclusively	)	
	)	
DEFENDANTS	)	CONSOLIDATED WITH
Anthony White, et al.	)	
	)	Case No. A-17-763003-C
PLAINTIFFS	)	
v.	)	
	)	
Ronald J. Robinson, Vernon Rodriguez, Frank	)	
Yoder, Alisa Davis and DOES 1-10 and ROES 1-	)	
10, inclusively,	)	
DEFENDANTS	)	

**TRIAL BRIEF (CLOSING ARGUMENT)**

Plaintiffs submit this closing brief for consideration by the Court.

The following three issues of fact and law were established at trial:

1. That the Virtual Communications Corporation ("VCC") Promissory Notes sold to the Plaintiffs are unregistered securities sold in violation of NRS 90.460;
2. That Mr. Robinson and Mr. Rodriguez are "control persons" pursuant to NAC

1 90.035.

2 3. Mr. Robinson is liable as a guarantor of the VCC Notes.

3 I. THE NOTES ARE SECURITIES

4 The evidence introduced conclusively established that the promissory notes  
5 sold to the Plaintiffs are securities within the meaning of NRS 90.295. Defendants  
6 themselves referred to the notes as securities in three separate PowerPoint  
7 presentations, even going so far as to invoke the federal securities laws. The  
8 presentations were created by VCC to persuade investors to invest.

9 In addition, for the reasons set forth in Plaintiff's trial brief, the notes meet the  
10 requirements set forth in State v. Friend, 118 Nev. 115 (2002) and SEC v. Howey, 328  
11 U.S. 293 (1946), and are securities. Mr. Robinson testified that no registration or  
12 claim of exemption was ever filed with the SEC, or with the Nevada Secretary of State;  
13 Exhibit 11, page 135 is the proof. Defendants also never claimed an exemption in  
14 their pleadings, or at any time prior to trial. The burden of proving an exemption is  
15 upon the person claiming it. The effect is to shift the burden of going forward with  
16 evidence to the defendant. People v. Feno, 201 Cal. Rptr. 513, 518 (Cal. Ct. App.  
17 1984).

18 If Defendants attempt to claim an exemption for the first time in closing, it  
19 should not be allowed. Defendants have the burden of introducing evidence to prove  
20 each and every element of any claimed exemption. If proof is not offered as to any  
21 one element, the entire exemption is lost. *See e.g.,* Sheets v. Dziabis, 738 F. Supp.  
22 307 (N.D. Ind. 1990). Because Defendants have wholly failed to claim or introduce  
23 any evidence of an exemption, none may be relied upon at this late date to negate the  
24  
25  
26



1 clear evidence that VCC sold unregistered, non-exempt securities to the Plaintiffs.

2 II. MR. ROBINSON AND MR. RODRIGUEZ ARE CONTROL PERSONS

3 Nevada law defines a control person as:

4 **NAC 90.035 “Control person” defined.** “Control person” includes a person  
5 who:

- 6 1. Owns or controls 10 percent or more of the voting stock of a corporation;
- 7 2. Is an officer or director of a corporation; or
- 8 3. Is in a position to influence the decision-making processes of a corporation.

9 NAC 90.035 “Control person” defined.

10 The evidence established that Ron Robinson was the CEO and Vernon  
11 Rodriguez was the CFO during the time the offering of unregistered securities took  
12 place. See Exhibit 13, page 185.

13 In addition to their status as officers and directors of the small company that  
14 raised \$4.5 million, both men were intimately involved with the unregistered  
15 offering; Mr. Robinson was to provide his “absolute and unconditional guarantee” to  
16 persuade the investors to invest (Exhibit 2, p. 48), while Mr. Rodriguez was the  
17 “direct contact” to speak with any investors (Ex 2, p. 4) who were “wary of making an  
18 investment with the company” (per Ms. Davis’ testimony). He also spoke with and  
19 met with investors (Frank Yoder testimony). Both men were closely involved with the  
20 preparation of the power point presentation that was used as a selling tool by  
21 unregistered broker dealer Retire Happy. Mr. Rodriguez testified that he brought  
22 Retire Happy to VCC as a result of a referral from Provident Trust, the company that  
23 served as IRA Custodian for most of the investors’ Notes. It is clear from the evidence  
24 that both men not only meet the statutory definition of control persons, they each

1 actively participated in the offering of unregistered securities.

2 NRS 90.660, the civil liability section of the Nevada Securities Act imposes  
3 liability on control people:

4 "A person who directly or indirectly controls another person who is liable  
5 under subsection 1 or 3 [unlicensed broker dealers, sale of unregistered  
6 securities], a partner, officer or director of the person liable, a person  
7 occupying a similar status or performing similar functions... are also liable  
8 jointly and severally with and to the same extent as the other person, but it is a  
9 defense that the person did not know, and in the exercise of reasonable care  
10 could not have known, of the existence of the facts by which the liability is  
11 alleged to exist."

12 NRS 90.660

13 Control person liability under NRS §90.660 is virtually strict liability, but for  
14 the affirmative defense of "did not know, and in the exercise of reasonable care could  
15 not have known of the existence of the facts by which liability is alleged to exist."  
16 Here liability is based upon the sale of unregistered securities. Both Mr. Robinson  
17 and Mr. Rodriguez knew of, and participated in the offering; Mr. Rodriguez  
18 presented Mr. Robinson with a contract to compensate him for guaranteeing the fund  
19 raise (Ex 2, p 48.) Should they have known that the sale required a registration or  
20 exemption filing? As the Chairman of the board, "in charge of all policies and  
21 operations for the company," and a veteran businessman, clearly Robinson should  
22 have been aware of the registration requirement. As to Mr. Rodriguez, as the chief  
23 financial officer with a business degree from the University of New Mexico, he had, at  
24 the very least, the duty of inquiry to make sure that the fund raise was being done in  
25 compliance with the securities laws. He took no steps to do so.

26 Both men were obviously aware that the securities laws applied, as the  
PowerPoint presanctions that they both reviewed and approved contained a

1 statement referencing the securities laws (Ex 4, pp. 50, 64). In the “exercise of  
2 reasonable care” the CEO and CFO are obligated to make the necessary inquiries to  
3 counsel and accountants to ensure a registration statement or claim for exemption is  
4 filed and effective prior to the commencement of the offering. Their failure to do so  
5 was “unreasonable,” and eliminates their ability to rely on the affirmative defenses  
6 available to control persons under NRS 90.660.

7 Secondary liability has always been a part of the Uniform Securities Act  
8 (upon which the Nevada Securities Act is based):

9 “The right to control can be either direct or indirect. As a result, control  
10 becomes a question of fact. Further it is unimportant how the control exists, as  
11 long as it, in fact, exists. It is also unimportant whether the right to control is  
exercised, merely that the person has such right.” See, Stern v. American  
Bankshares Corp., 429 F. Supp. 818 9E.D. Wis. 1977).

12 Joseph P. Long, Blue Sky Law §9:78 p 9-145 (2005)

13 Professor Long, who provided expert testimony for the State of Nevada in  
14 State v. Friend, and was a co drafter of the Uniform Securities Act defined the  
15 “Affirmative Defense” available to control persons as an “inverse negligence  
16 standard”:

17 “In that the defendants must prove themselves free from negligence. It is not  
18 sufficient that they establish that they did not know the facts. They are charged  
with an affirmative duty to investigate to attempt to discover such facts<sup>1</sup>.”

19 “The key to the defense is the phrase “existence of the facts” “If the defendant  
20 knows or should have known the facts, it is no defense that he did not  
21 understand the materiality of those facts, or relied upon advice of counsel, as  
to their materiality.<sup>2</sup>”

22 <sup>1</sup> Hines v. Data Line Systems., 114 Wash 2d 127; 787 P.2d 8 (1990). Arnold v. Dirrim, 398  
23 N.E. 2d.426 (Ind. App. 1979).

24 <sup>2</sup> See, Hines, *ibid*.

1 “This fact means that the affirmative defense will not be available in most  
2 cases involving registration violations...The Defendant will know or should  
3 have known that the seller was selling something, and that something was  
being sold by a particular individual. This is sufficient. The Defendant does not  
have to know that the something being sold was a security.<sup>3</sup>”

4 Joseph P. Long. Blue Sky Law §9:101 pp 9-166 - 9-167(2005)

5 Because Mr. Robinson and Mr. Rodriguez organized and directed every aspect  
6 of the unregistered offering, and were officers and directors of the company at the  
7 time VCC offered the unregistered securities, they both should be found liable as  
8 control persons for purposes of application of the securities laws.

9 III. DISCHARGE OF MR. ROBINSON FOR HIS PERSONAL GUARANTEE

10 Mr. Robinson argues that his personal guarantee was extinguished by the VCC  
11 Bankruptcy. Plaintiffs’ incorporate the arguments made in their Opposition to  
12 Defendants’ Pre Trial Brief , and offer the following analysis based upon the Court’s  
13 interest in the Amended Order issued by the USDC on 10/11/06 in Donnell v.  
14 Perpetual Investments, Inc.

15 The issue in Donnell was the modification of an agreement which was not signed  
16 by the original guarantor Robert Rippe. Mr. Rippe (like Mr. Robinson here) then  
17 claimed he wasn’t liable on the original guarantee. The District Court performed an  
18 analysis, and found that exceptions exist at law to hold a guarantor liable for his  
19 original guarantee, even when there is a novation or modification.  
20  
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22

23 <sup>3</sup> See Marshall v. Harris, 276 Or. 447, 555 P.2d 756 (1976).  
24  
25  
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1 The Court found that where the modification was in furtherance of the guarantor's  
2 own business interests, was knowingly made, and did not increase the guarantor's  
3 risk or cause him injury, an exception to the general rule may be found.

4 Applying the analysis in Donnell, the Court should come to the same conclusion.  
5 After a hearing on April 5, 2018 where Judge Williams found that VCC was liable  
6 under the Note terms in the Waldo case, and sold unregistered securities, Robinson -  
7 as Chairman of VCC's Board - convened a board meeting and, on April 26, 2018,  
8 voted to file for Chapter 11 bankruptcy (reorganization, not Chapter 7 liquidation).  
9 (See Exhibit "A", attached).

10 Filing for bankruptcy was a tactical move. By filing to reorganize and issue the  
11 shareholders illiquid preferred stock, VCC eliminated its obligation to pay \$4.5  
12 million in principal and 9% interest. Robinson was clearly the beneficiary of this  
13 move, because in voting for the Chapter 11 reorganization, he sought to extinguish his  
14 personal guarantee, while preserving his equity position as VCC's largest shareholder.  
15 Had the VCC board chosen to liquidate under Chapter 7, Robinson's equity would  
16 have been wiped out, and the investors would have pursued litigation against him on  
17 the guarantee. In this regard, applying the test from Donnell, the modification (a  
18 Chapter 11 filing seeking to substitute equity for debt) was in furtherance of  
19 Robinson's own business interests, was knowingly made, was done to eliminate risk,  
20 and avoid liability under the guarantee.

21  
22 Similarly, like the Defendant in Marc Nelson Oil Prods. V. Grim Logging Co.,  
23 110P. 3d 120, (hereafter "Nelson") a case relied on by the Court in Donnell, Robinson

1 took steps to “insulate himself from potential personal liability on those accounts for  
2 which he was a personal guarantor.” Nelson at 122.

3 “[i]n order to determine whether a guarantor or other surety is discharged  
4 by alteration of the underlying contractual obligation, a court must first ask  
5 whether the guarantor consented to the modification. If so, the guarantor is  
6 not discharged. If not, the court must determine whether the guarantor is an  
7 uncompensated or compensated surety. If the guarantor is uncompensated, a  
8 change to the guaranteed contract discharges the guarantor if the change is  
9 material, as long as the change is not one that could inure only to the  
10 guarantor's benefit. If, on the other hand, the guarantor is compensated, an  
11 alteration to the contract discharges the guarantor only if it materially  
12 increases the guarantor's risk on the contract

13 Nelson at 124.

14 Under the Nelson analysis because Robinson consented to the modification, he  
15 is not discharged. Going further, Robinson is a compensated guarantor; defined in  
16 Nelson as:

17 “a guarantor who acts as the president of the guaranteed company, see Nike,  
18 Inc., 75 Or. App. at 369, 707 P.2d 589, as well as one who undertakes the  
19 obligation in order to further his own business interests, Equitable Savings &  
20 Loan, 268 Or. at 492, 522 P.2d 217.”

21 Nelson at 125.

22 As President, CEO and Chairman, Robinson is clearly a “compensated guarantor.”  
23 As a compensated guarantor, Robinson wouldn't be discharged because the  
24 modification did not materially increase his risk. Quite the contrary, the exchange of  
25 equity for debt was intended to eliminate his \$4.5 million obligation. As to the  
26 Bankruptcy, the Order specifically excluded the release of third party claims against  
anyone other than VCC. This is totally consistent with the general rule that a

1 discharge of the debtor does not affect the liability of another entity for the  
2 discharged debt.

3 Except as provided in subsection (a)(3) of this section, discharge of a debt of  
4 the debtor does not affect the liability of any other entity on, or the property of  
any other entity for, such debt.

5 11 USC 524(e)

6 "A discharge in bankruptcy does not extinguish the debt itself, but merely  
7 releases the debtor from personal liability for the debt." In re Edgeworth, 993 F.2d 51,  
53 (5th Cir. 1993). Following the discharge, section 524(a)(2) enjoins "actions against  
8 a debtor," Owaski v. Jet Florida Sys., Inc. (In re Jet Florida Sys., Inc.), 883 F.2d 970,  
972 (11th Cir. 1989), but section 524(e) "specifies that the debt still exists and can be  
collected from any other entity that might be liable."

10 In re Edgeworth, 993 F.2d at 53; see also In re Jet Florida, 883 F.2d at 973.

11 The sole Nevada case cited by Defendants, Marion Properties, Ltd. by Loyal  
12 Crownover v. Goff, 108 Nev. 946 (1992) is easily distinguished. In that case a creditor  
13 voluntarily dismissed claims against the debtor with prejudice, then later tried to sue  
14 the guarantor. The court found that in voluntarily dismissing the debtor, the claim  
15 against the guarantor was extinguished. Mr. Robinson cannot point to any  
16 similarities to the facts in Marion; no settlement, no dismissal with prejudice, no  
17 intent to release claims.

18 In any event, VCC's bankruptcy discharge does not discharge Robinson's  
19 guarantee, and Defendants have not offered a single bankruptcy case or citation in  
20 support. And, even if the bankruptcy extinguished the guarantee, it wouldn't relieve  
21 him (or Mr. Rodriguez) of liability under the securities laws.

22 CONCLUSION

23 The sale of unregistered securities is not a victimless crime; it is a felony in  
24  
25  
26

1 Nevada – NRS §90.650. VCC sold \$4.5 million of unregistered securities to nearly  
2 100 “mom and pop” investors. Nearly all of them used IRA or retirement funds to  
3 invest. Most of the Plaintiffs in this case didn’t have it in their budget to come out to  
4 Las Vegas to testify. The Court observed the hardship that Mr. Hotchkiss endured to  
5 come out and testify to get his money back.

6 This unregistered offering was conceived and successfully implemented by Mr.  
7 Robinson and Mr. Rodriguez as control persons for VCC. They are the ones who  
8 described the investments as securities and cited the securities laws in the  
9 PowerPoint presentations. They are both clearly liable as control persons.

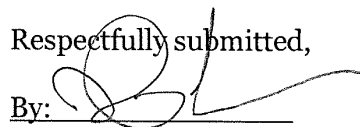
10 As to Mr. Robinson individually, rather than honoring his “unconditional and  
11 absolute” guarantee, and in spite of all the evidence, he refused to concede; he even  
12 forced his own granddaughter to take the stand to testify against him.

13 In light of the evidence, Plaintiffs ask the Court to find that VCC sold  
14 unregistered securities to Plaintiffs; that Robinson and Rodriguez are liable as control  
15 persons; and for an affirmative finding that Robinson is liable as a guarantor.

16 In terms of damages, Plaintiffs seek damages under the Securities Act against  
17 both Mr. Robinson and Mr. Rodriguez (see Statement of Damages filed February 22,  
18 2020). As to Mr. Robinson alone, under the guarantee, Plaintiffs seek damages as set  
19 forth in the Statement of Damages filed on February 3, 2020.

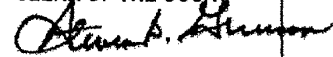
20 Dated: March 23, 2020

Respectfully submitted,

21 By:   
22 David Liebrader  
23 Attorney for Plaintiffs  
24  
25  
26



## **EXHIBIT “A”**



1 DAVID LIEBRADER, ESQ.  
2 STATE BAR NO. 5048  
3 THE LAW OFFICES OF DAVID LIEBRADER, APC  
4 601 S. RANCHO DR. STE. D-29  
5 LAS VEGAS, NV 89106  
6 PH: (702) 380-3131  
7 Attorney for Plaintiff

8 DISTRICT COURT  
9 CLARK COUNTY, NEVADA

10 IN THE MATTER BETWEEN

) Case No. A-15-725246

11 Reva Waldo,

) Dept.: 16

12 PLAINTIFF,

) ORDER ON:

13 v.

) 1. PLAINTIFF'S MOTION  
) FOR SUMMARY  
) JUDGMENT

14 Ronald J. Robinson, Virtual Communications  
15 Corporation, Retire Happy, LLC, Julie Minuskin  
16 and DOES 1-10 and ROES 1-10, inclusively

) 2. PLAINTIFF'S MOTION  
) FOR SUMMARY  
) ADJUDICATION

17 DEFENDANTS

) 3. DEFENDANTS'  
) MOTION TO DISMISS  
) FOR FAILURE TO  
) NAME INDISPENSIBLE  
) PARTIES  
) 4. DEFENDANT DAVIS'  
) MOTION TO DISMISS

18 ORDER ON MOTIONS

19 The following motions were considered by the court:

- 20 1. Plaintiff's motion for summary judgment against Defendant Virtual Communications  
21 Corporation;
- 22 2. Plaintiff's motion for summary adjudication of issues;
- 23 3. Defendants Virtual Communications Corp., Alisa Davis and Ronald Robinson's  
24 counter motion to dismiss Plaintiff's complaint for failure to name indispensable  
25 parties;
- 26 4. Defendant Alisa Davis' motion to dismiss/motion for summary judgment/motion for

APR 16 2018

1 judgment on the pleadings.

2 The four motions were the subject of two hearings; one on March 8, 2018, the second  
3 on April 5, 2018. Appearing for Plaintiff was David Liebrader; appearing for Defendants was  
4 Harold Gewerter.

5  
6 FINDINGS OF FACT; CONCLUSIONS OF LAW

7 After considering the briefs, oppositions, replies and supporting Declarations  
8 submitted, as well as argument by counsel at the two hearings, the Court rules as follows:

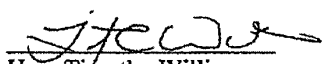
- 9 1. Plaintiff entered into a valid, binding contract with Defendant Virtual  
10 Communications Corporation. Based upon the sworn testimony of VCC's officers  
11 Ronald Robinson and Vernon Rodriguez, VCC acknowledged that it is in default  
12 under the terms of the promissory note. As a result Plaintiff's motion for summary  
13 judgment against VCC is GRANTED.
- 14 2. Plaintiff raised the following issues in her motion for summary adjudication; (a) that  
15 the VCC note is a security; (b) that the VCC Note was not registered nor exempt from  
16 registration; (c) that VCC employed an unlicensed broker dealer to sell the VCC  
17 Notes; and (d) that Ronald Robinson is a control person under the Nevada Securities  
18 Act. Based upon the authorities cited by Plaintiff in her motion for summary  
19 adjudication, including NRS 90.295 and State v. Friend, 40 P. 3d 436; 118 Nev. 115  
20 (2002) and the certification from the Nevada Secretary of State, the Court Orders that  
21 Plaintiff's motion for summary adjudication on the four issues raised is GRANTED.
- 22 3. Defendants' motion to dismiss for failure to name an indispensable party, specifically  
23 Provident Trust Group was the subject of extensive briefing. In addition to the motion,  
24

1 opposition and reply the court also asked for and received supplemental briefing from  
2 the parties, as well as out of jurisdiction authorities lodged with the court by Plaintiff.  
3 The issue of whether a self-directed IRA Custodian is a necessary party such that the  
4 Plaintiff lacks standing to sue is an issue of first impression in Nevada. Based upon  
5 the filings the Court finds that Provident Trust owed limited duties to Plaintiff and did  
6 not direct, consent, approve or disapprove of Plaintiff's investment decisions in the  
7 self-directed account. Instead, it was Plaintiff, the owner of the Provident Trust Group  
8 custodial account who managed, directed and controlled the investments. See FBO  
9 David Sweet IRA v. Taylor, 4 F. Supp. 3d 1282 (E.D. Ala. 2014). Because Plaintiff  
10 was the sole decision maker on the account, and Provident Trust Group expressly, by  
11 contract, declined to undertake any action to pursue remedies for default on the  
12 investment, the Court finds that Provident Trust Group is not a necessary or  
13 indispensable party and on the basis DENIES Defendant's motion.

- 14 4. The Court considered Defendant Alisa Davis' motion for summary judgment/motion  
15 to dismiss/motion for judgment on the pleadings. The Court finds that Plaintiff has  
16 plead sufficient material facts, including offering the sworn deposition testimony of  
17 Ronald Robinson that contradicts the contentions raised in Davis' motion. Because  
18 Ms. Davis' motion is contradicted by the sworn testimony of Mr. Robinson, the Court  
19 rules that Ms. Davis' motion is DENIED.

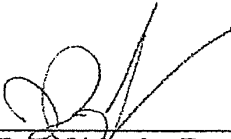
20  
21 IT IS SO ORDERED:

22 Dated this 16<sup>th</sup> day of April, 2018

23   
Hon. Timothy Williams  
District Court Judge

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Submitted by:

  
\_\_\_\_\_  
David Liebrader, Esq.  
Attorney for Plaintiff

**UNANIMOUS WRITTEN CONSENT IN LIEU OF SPECIAL MEETING  
OF THE BOARD OF DIRECTORS OF  
VIRTUAL COMMUNICATIONS CORPORATION,  
A NEVADA CORPORATION**

The undersigned, being all of the Directors of VIRTUAL COMMUNICATIONS CORPORATION, a Nevada corporation (the "Corporation"), hereby waive notice of meeting and consent to the following resolutions in lieu of a Special Meeting in accordance with Nevada Revised Statutes ("NRS") §78.315 and with the Corporation's Bylaws with the same effect as if those resolutions had been duly proposed and adopted at a Special Meeting of Directors of the Corporation duly called and held in accordance with applicable law and the Bylaws of this Corporation:

**APPROVAL OF BANKRUPTCY**

**WHEREAS**, NRS §78.315 provides, in pertinent part, that unless otherwise restricted by the articles of incorporation or bylaws, any action required or permitted to be taken at a meeting of the board of directors may be taken without a meeting if, before or after the action, a written consent thereto is signed by all the members of the board; and

**WHEREAS**, there is nothing under the Articles of Incorporation, as amended, of the Corporation or the Bylaws of the Corporation that expressly restricts the right of the Board of Directors of the Corporation (the "Board") to take action by written consent in accordance with NRS §78.315; and

**WHEREAS**, the Board has determined that the Corporation is unable to meet its obligations as they become due in the ordinary course of business; and

**WHEREAS**, the Board believes it is advisable and in the best interest of the Corporation to proceed with the approval and filing of a Chapter 11 bankruptcy petition for the Corporation (the "Bankruptcy").

**NOW, THEREFORE, BE IT RESOLVED**, that the Bankruptcy is hereby authorized and approved; and

**BE IT FURTHER RESOLVED**, that each of the President, Treasurer, Secretary and any other officer of the Corporation (each, an "Authorized Officer") be and hereby is authorized and directed to execute any and all documents necessary to effect the Bankruptcy and is hereby further authorized to take such actions, including those necessary to obtain any necessary consents or approvals, to make such filings and to prepare, execute and deliver such other letters, agreements, instruments and documents as an Authorized Officer, in his sole discretion, deems necessary or advisable to effect the foregoing resolutions and the transactions contemplated thereby.

**APPROVAL OF BANKRUPTCY COUNSEL**

**WHEREAS**, in connection with the Bankruptcy, the Board believes it is advisable and in the best interest of the Corporation to retain Kolesar & Leatham as counsel to the Corporation.

**NOW, THEREFORE, BE IT RESOLVED**, that Kolesar & Leatham is hereby approved as Bankruptcy counsel for the Corporation; and

**BE IT FURTHER RESOLVED**, that each Authorized Officer be and hereby is authorized and directed to execute any and all documents necessary to retain *Kolesar & Leatham* as *Bankruptcy* counsel for the Corporation.

**GENERAL AUTHORIZING RESOLUTION**

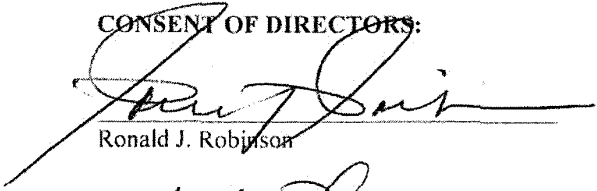
**BE IT FURTHER RESOLVED**, that an Authorized Officer be and hereby is, authorized and directed, for and on behalf of the Corporation, to take or cause to be taken any and all actions, to make all such arrangements, and to execute and deliver such other instruments and documents as an Authorized Officer may deem necessary or appropriate in order to effectuate fully the purpose of each and all of the foregoing resolutions and consummate the transactions contemplated herein, the taking of any such action being conclusive evidence of such determination, and any and all actions taken heretofore and hereafter to accomplish such purposes, all or singular, are hereby ratified and confirmed; and

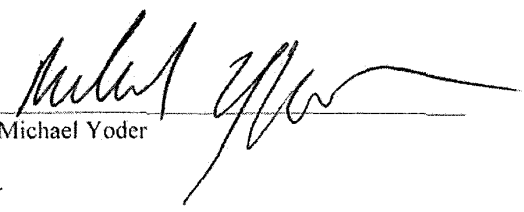
**BE IT FINALLY RESOLVED**, that this *Unanimous Written Consent* in Lieu of Special Meeting of the Board of Directors of the Corporation may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an *original* and all of which taken together shall constitute but one and the same consent.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]**

IN WITNESS WHEREOF, the undersigned have executed this Unanimous Written Consent in lieu of a Special Meeting of the Board of Directors of Virtual Communications Corporation, a Nevada corporation, effective the 26 day of April, 2018.

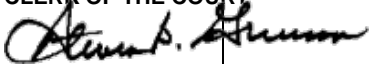
CONSENT OF DIRECTORS:

  
\_\_\_\_\_  
Ronald J. Robinson

  
\_\_\_\_\_  
Michael Yoder

  
\_\_\_\_\_  
S. Vernon Rodriguez





DECN  
Judge Cristina D. Silva  
Eighth Judicial District Court  
Department IX  
Regional Justice Center  
200 Lewis Avenue  
Las Vegas, Nevada 89155

EIGHTH JUDICIAL DISTRICT COURT  
CLARK COUNTY, NEVADA

STEVEN A. HOTCHKISS,  
  
Plaintiff,

Case No.: A-17-762264-C  
Dept. No.: IX

vs.

RONALD J. ROBINSON; VERNON  
RODRIGUEZ; VIRTUAL  
COMMUNICATIONS CORPORATION;  
WINTech, LLC; RETIRE HAPPY, LLC;  
JOSH STOLL; FRANK YODER; ALISA  
DAVIS; and DOES 1-10; and ROES 1-10,  
inclusively,

Defendants.

Consolidated with:

ANTHONY WHITE; ROBIN  
SUNTHEIMER; TROY SUNTHEIMER;  
STEPHENS GHESQUIERE; JACKIE  
STONE; GAYLE CHANY; KENDALL  
SMITH; GABRIELE LAVERNICOCCA;  
and ROBERT KAISER,

Case No.: A-17-763003-C  
Dept. No.: IX

Plaintiffs,

vs.

RONALD J. ROBINSON; VERNON  
RODRIGUEZ; VIRTUAL  
COMMUNICATIONS CORPORATION;  
WINTech, LLC; RETIRE HAPPY, LLC;  
JOSH STOLL; FRANK YODER; ALISA  
DAVIS; and DOES 1-10; and ROES 1-10,  
inclusively,

Defendants.

1 DECISION

2 This case came before the Court for Decision following a two-day bench trial in  
3 February of 2020. Having considered the evidence presented at trial, together with the  
4 arguments presented in the parties' closing briefs, the Court hereby enters the following  
5 Decision.

6 I. Virtual Communications Corporation ("VCC") Note was a Security as  
7 defined by the Nevada Securities Act (*see* NRS §90.295)

8 In Nevada, NRS 90.295 defines what qualifies as a "security," which includes,  
9 amongst other things, "a note." *See* NRS 90.295. This does not mean that all notes qualify as  
10 securities. Rather, the Supreme Court of Nevada established a test for determining whether or  
11 not a note qualifies as a security in *State v. Friend*, 118 Nev. 115, 120-121 (2002). Under the *Friend*  
12 analysis, the court begins with the presumption that every note is a security, which is  
13 rebuttable under one of two steps:

- 14 (1) The note subject to review is compared to a series of notes that are not  
15 securities; and  
16 (2) The note subject to review is examined according to four factors: (1)  
motivation; (2) plan of distribution; (3) expectations, and (4) need for  
securities law.

17 The VCC notes do not qualify as: (1) consumer financing; (2) a mortgage on a home; (3)  
18 something suggesting it is a "character" loan to a bank customer; (4) an open-account debt  
19 incurred in the ordinary course of business; (5) a loan by commercial banks for current  
20 operations; (6) short-term notes secured by a lien on a small business or some of its assets; or  
21 (7) short-term notes secured by an assignment of accounts receivable. *Friend*, 118 Nev. at 121. As  
22 a result, the Court moves to the second part of the test to determine if, upon review, the notes  
23 meet the four factors demonstrating they qualify as a security.

24 An examination of the promissory notes issued by VCC actually meets all four factors.

1 Much like any other investment opportunity, the evidence at trial revealed that the motivation  
2 behind the issuance of the Notes was to raise funds to support VCC<sup>1</sup> and the related “Alice”  
3 technology, and that investment in VCC would result in a favorable monetary return.<sup>2</sup>  
4 Testimony from Mr. Robinson and Mr. Rodriguez confirmed the Notes were issued to raise  
5 money. Promises of financial gain were made to the purchasers of the Notes; those promises  
6 would lead a reasonable person to want to purchase the Notes as an investment. The  
7 Defendants’ sale of the Notes resulted in them raising over 4 million dollars.

8 Further, the PowerPoint presentations introduced as exhibits at trial set forth clear plan  
9 of distribution and the expectations (i.e. returns) that would result from the distribution of the  
10 Notes.<sup>3</sup> Testimony from the Defendants, Ms. Davis and Mr. Frank Yoder, confirmed that the  
11 Defendants were consulted on the content of the PowerPoints setting forth the plan of  
12 distribution, which included language about the personal guarantee by Mr. Robinson and a  
13 referral of the notes as “securities.”

14 Last but not least, the end-result of the Notes demonstrates that the purchasers  
15 reasonably viewed the Notes as investments. They were presented to investors and potential  
16 investors as “securities,”<sup>4</sup> which is prima facie proof that the Notes were investments. The  
17 purpose of selling the Notes was also to raise money, which further demonstrates that they  
18 were intended to be investments.

---

20 <sup>1</sup> See Exhibit 4 at Bates No. 00066, PowerPoint presentation for potential investors indicating the “target  
21 goal was \$120 billion dollars in the global market.”; *see also* Exhibit 6 at Bates No. 0096 (same).

22 <sup>2</sup> See *id.* at Bates No. 0074 stating the terms of the securities included a “[T]erm of 18 months, with a 6  
month extension option. Notes pay 9% annually with interest paid monthly.” (Emphasis added); *see also* Exhibit 6  
at 00150 (same).

23 <sup>3</sup> See Exhibit 4 at Bates No. 0070, setting for the “Revenue Forecast,” and Bates No. 0074, setting forth the  
“Growth Strategy.”; *see also* Exhibit 6 at Bates No. 00100 and 00104 (same).

24 <sup>4</sup> See Exhibit 5 at Bates No. 74; Exhibit 6 at Bates No. 00150. In fact, the PowerPoints even included  
information about the Securities Exchange Act of 1934. See Exhibit 4 at Bates No. 0064; Exhibit No. 6 at Bates No.  
0094.

1           Testimony from Plaintiff Mr. Hotchkiss is more evidence that that the VCC Notes meet  
2 the four factors. Mr. Hotchkiss testified that he used 1/3 of his personal savings to purchase the  
3 notes as part of his overall retirement plan. Specifically he purchased the Notes because of (1)  
4 the personal guarantee, and (2) the expectation of a 9% return. Moreover, Mr. Hotchkiss  
5 testified that when he repeatedly attempted to contact Vernon Rodriguez to figure out where  
6 his returns were, Rodriguez asked him “for patience.” Finally, he testified that he never received  
7 any of his funds back. The Court notes that there was no evidence introduced at trial that any  
8 of the investors received their funds back.

9           **II.     The VCC Note Was Not registered as a Security; Defendant Failed to**  
10           **Provide Any Evidence that it was Exempt from the Registration**  
              **Requirements.**

11           There was no evidence introduced at trial to demonstrate that the VCC Note was  
12 exempt from registration as a security. Therefore, the Notes are not exempted.

13           **III.     Ronald Robinson and Vernon Rodriguez were control persons as defined in**  
14           **NAC 90.035.**

15           Nevada Administrative Code (NAC) section 90.035 defines a “control person” as an  
16 individual who (1) owns or controls 10 percent or more of the voting stock of a corporation; (2)  
17 is an officer or director of a corporation; or (3) is in a position to influence the decision-making  
18 processes of a corporation. “In general, the determination of who is a controlling person ... is an  
19 intensely factual question.” *Arthur Children's Trust v. Keim*, 994 F.2d 1390, 1396 (9th Cir.1993)  
20 (discussing a “control person” under Federal Securities law). To establish “controlling person”  
21 liability, the plaintiff must show that a primary violation was committed and that the  
22 defendant “directly or indirectly” controlled the violator. *See Hollinger v. Titan Capital Corp.*, 914  
23 F.2d 1564, 1575 (9th Cir. 1990), cert. denied, 499 U.S. 976, 111 S.Ct. 1621, 113 L.Ed.2d 719 (1991).

1 As established above, Plaintiffs have established that VCC was issuing un-exempted,  
2 unregistered securities. Plaintiffs also alleged that Ronald Robinson and Vernon Rodriguez are  
3 control persons. The evidence at trial proves this allegation by more than a preponderance of  
4 the evidence. Robinson and Rodriguez were officers in the corporation. Robinson was a  
5 President, Chief Executive Officer (CEO), Chairman of the Board, and a signer on the financial  
6 accounts. Rodriguez spoke and gave advice to potential investors. According to Frank Yoder's  
7 testimony, Rodriguez was also fully involved in the finances of the corporation. The Court  
8 believes Yoder's testimony, in part because Rodriguez was listed as the Chief Financial Officer  
9 (CFO) in the various PowerPoints presented to potential investors.<sup>5</sup>

10 If the plaintiff establishes that a defendant is a "controlling person," then the defendant  
11 bears the burden of proving that he "acted in good faith and did not directly or indirectly  
12 induce the act or acts constituting the violation or cause of action." *Paracor Fin., Inc. v. Gen. Elec.*  
13 *Capital Corp.*, 96 F.3d 1151, 1161 (9th Cir. 1996) (citing 15 U.S.C. § 78t(a)); *see also Hollinger*, 914  
14 F.2d at 1575. While the testimony of Robinson and Rodriguez suggests that they believed they  
15 were acting in good faith, based in part on an alleged lack of knowledge of Nevada security  
16 laws, they failed to present any evidence that they were not directly or indirectly involved in  
17 the acts regarding the violation of Nevada security regulations. Rather, the evidence  
18 demonstrates that they were directly and intimately involved in creating the material to sell the  
19 Notes; Robinson then served as the personal guarantor of the Notes and Rodriguez was the  
20 proverbial "closer" who spoke to investors when necessary.

21 ...

22 ...

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24 <sup>5</sup> The PowerPoints also belie Rodriguez's testimony that he did not become CFO until 2014.

1           **IV.     Ronald Robinson is Liable as a Guarantor**

2           There is no disagreement that Robinson personally guaranteed the Notes/Securities at  
3 issue in this case.<sup>6</sup> In fact, Robinson admitted to guaranteeing the Notes during trial, albeit  
4 noting he only intended to personally guarantee some of them.<sup>7</sup> Qualified or not, his guarantee  
5 was “absolute” and “unconditional.”<sup>8</sup> With his admission, the Court must then determine if he  
6 is still liable pursuant to personal guarantee after VCC’s bankruptcy proceedings. The Court  
7 finds that VCC’s bankruptcy did not extinguish Robinson’s personal guarantee of the  
8 promissory notes. The Court adopts the reasoning in the *Domell* and *Nelson* cases in reaching  
9 this decision. Specifically, the Court agrees with Plaintiff’s argument that VCC’s bankruptcy  
10 was a tactical, self-interested decision by Robinson to try and eliminate his responsibilities as  
11 the personal guarantor. His decision constitutes as consent to the modification, and further did  
12 not increase his liability risk. Consequently, he is still liable as a personal guarantor. *See generally*  
13 *Marc Nelson Oil Products v. Grim Logging Co.*, 110 P.3d 120, 122-125.

14           **V.     Conclusion**

15           Within 30 days of this decision, the parties shall meet and confer and submit a proposed  
16 Findings of Fact and Conclusions of Law consistent with this Decision. Further, Plaintiff must  
17 submit a brief regarding damages, and the evidence that supports the requested damages  
18 within 45 days. Defendant may file an opposition 14 days after the filing of Plaintiff’s brief.  
19 Plaintiff may file a reply within 7 days of any filed opposition.

20           ...

21           ...

22  
23           <sup>6</sup> See Exhibit 5 at Bates No. 0088.

24           <sup>7</sup> During trial, Robinson testified that Julie Minushkin issued some of the Notes with his personal  
guarantee without his permission. No other evidence was introduced to support his position.

<sup>8</sup> See Exhibit 5 at Bates No. 0088.

1 After the Court receives and reviews the proposed Findings of Fact and Conclusions of  
2 Law, and full briefing on the issue of damages, the Court will issue the Findings of Fact and  
3 Conclusion of Law. Thereafter a judgment shall issue in favor of the Plaintiffs and against  
4 Defendants.

5 DATED this 27th day of April, 2020.



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CRISTINA D. SILVA  
DISTRICT COURT JUDGE

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CERTIFICATE OF SERVICE

I hereby certify that on the date filed, a copy of the foregoing DECISION was electronically served, pursuant to N.E.F.C.R. Rule 9, to all registered parties in the Eighth Judicial District Court Electronic Filing Program (EFP) and/or emailed to any party or proper person not registered with the District Court EFP system.

Jaye L. Beltran  
Judicial Executive Assistant





1 Ronald Robinson and Vern Rodriguez. In addition, the court heard testimony from  
2 Alisa Davis and Frank Yoder, named Defendants who were dismissed at the  
3 conclusion of Plaintiffs' case in chief. Prior to trial there was briefing on the issues of  
4 whether the notes were securities and whether Plaintiffs had standing to bring their  
5 claim. Furthermore, after trial the court received post trial briefs from the parties.

6 FINDINGS OF FACT; CONCLUSIONS OF LAW

7 After considering the testimony of the parties and witnesses, the exhibits  
8 offered and received into evidence, the parties' briefs, the arguments of counsel, and  
9 the rulings issued by this court on previously submitted matters, the Court makes the  
10 following findings:

11 That Plaintiffs invested in Virtual Communications Corporation's 9%  
12 Promissory Notes which were personally guaranteed by Ronald Robinson.

13 That VCC stopped making payments in February, 2015 and the company and  
14 Ronald Robinson were notified of the default, with a demand to bring all amounts  
15 due current, and to repay the principal.

16 That VCC filed for Chapter 11 bankruptcy protection, and all proceedings  
17 against VCC were stayed. The case proceeded against the other, nonbankrupt  
18 defendants.

19 As to the legal issues, the Court makes the following findings:

20 1. VCC sold unregistered nonexempt securities.

21 Applying the test set forth in State v. Friend, 118 Nev. 115 (2002) the Court finds that  
22 the Promissory Notes offered by VCC and sold to the Plaintiffs meet the definition of  
23 a security under NRS §90.295. Further, none of the Defendants either claimed or  
24

1 attempted to prove that any exemption from registration applied to the offering or  
2 any of the individual transactions. As a result, the court finds that VCC sold  
3 unregistered nonexempt securities to the Plaintiff in violation of NRS §90.460.

4 2. Ronald Robinson and Vernon Rodriguez are liable as Control Persons.

5 Nevada Administrative Code (NAC) section 90.035 defines a "control person" as  
6 an individual who (1) owns or controls 10 percent or more of the voting stock of a  
7 corporation; (2) is an officer or director of a corporation; or (3) is in a position to  
8 influence the decision-making processes of a corporation.

9 The evidence at trial proved by more than a preponderance of the evidence  
10 that Mr. Robinson and Mr. Rodriguez were VCC's officers, and that they were in a  
11 position to, and did in fact, influence the unregistered Promissory Note offering.

12 Mr. Robinson was VCC's President, Chief Executive Officer (CEO) and the  
13 Chairman of the Board. Mr. Rodriguez was the CFO, and was designated as the point  
14 of contact for investors who had questions about the Promissory Note offering. Both  
15 men were fully involved in the finances of the company, and both were aware of the  
16 Power Point presentations that were prepared by VCC to show to prospective  
17 investors.

18 Based upon this evidence, Plaintiffs met their burden of establishing that Mr.  
19 Robinson and Mr. Rodriguez were statutory control persons within the definition of  
20 NAC 90.035.

21 3. Mr. Robinson is liable as a guarantor

22 The evidence introduced at trial proved by a preponderance of the evidence  
23 that the Note bears the signature of Defendant Ronald Robinson, as guarantor. Mr.  
24

1 Robinson claimed that his signature was used without his permission, and that he did  
2 not intend to guarantee repayment.

3 The Court found Defendant Robinson's position unpersuasive. No less than six  
4 separate documents introduced at trial evidenced Mr. Robinson's intent to guarantee  
5 the Note.

6 The Court also finds that the VCC Bankruptcy did not extinguish Mr.  
7 Robinson's personal guarantee. The Court asked for and received post trial briefs on  
8 this issue, and relying on the reasoning set forth in Donnell v. Perpetual Investments,  
9 Inc. (USDC Nevada, case 2:04-cv-01172, Decision issued 10/11/06) and Marc Nelson  
10 Oil Prods. v. Grim Logging Co., 110P. 3d 120 (Or. App. 2005) finds that the VCC  
11 bankruptcy did not extinguish Mr. Robinson's liability as guarantor of the Notes.

12 As Chairman of the Board, Robinson directed VCC to file for Chapter 11  
13 bankruptcy with full knowledge that such a filing would preserve his equity position  
14 in the company, while simultaneously hoping the filing would extinguish his \$4  
15 million personal liability under the Notes. As a result, the Court finds such conduct  
16 serves as a defacto consent to the modification, which also did not increase Mr.  
17 Robinson's risk under the Note terms.

18 As a result of the sale of unregistered securities under NRS §90.460, the Court  
19 finds control persons Robinson and Rodriguez liable for the sale of unregistered  
20 securities, and finds that Plaintiffs are entitled to damages under NRS §90.660.

21 The Court further finds that VCC was in breach of contract, and that as  
22 guarantor Ronald Robinson is liable to the Plaintiffs for damages under the Note  
23 terms.



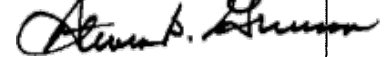
1           Upon the submission of briefs detailing their statutory and contract damages  
2 the Court will issue judgment in favor of Plaintiffs.

3                           IT IS SO ORDERED:

4           Dated this 4th day of May, 2020

  
\_\_\_\_\_  
Hon. Cristina Silva  
District Court Judge  


8           Submitted by: /s/ David Liebrader  
9                           David Liebrader, Esq.  
10                          Attorney for Plaintiff



1 DAVID LIEBRADER, ESQ.  
2 STATE BAR NO. 5048  
3 THE LAW OFFICES OF DAVID LIEBRADER, APC  
4 601 S. RANCHO DR. STE. D-29  
5 LAS VEGAS, NV 89106  
6 PH: (702) 380-3131  
7 Attorney for Plaintiff

8 DISTRICT COURT  
9 CLARK COUNTY, NEVADA

10 IN THE MATTER BETWEEN ) Case No. A-17-762264-C  
11 Steven A. Hotchkiss, )  
12 ) Dept.: 8  
13 PLAINTIFF, ) **HEARING NOT REQUESTED**  
14 )  
15 v. )  
16 ) MOTION FOR DAMAGES AND  
17 Ronald J. Robinson and Vernon Rodriguez ) ATTORNEY'S FEES  
18 )  
19 DEFENDANTS )  
20 )  
21 CONSOLIDATED WITH CASE A-17-763003-C )  
22 )  
23 )

24 **MOTION FOR DAMAGES AND ATTORNEY'S FEES**

25 Plaintiffs by and through counsel, The Law Office of David Liebrader, hereby  
26 move this court for an Order awarding Plaintiffs their damages and attorney's fees.  
Because damages are interconnected with attorney's fees due to the provisions in the  
VCC contracts as well as under NRS §90.660, Plaintiffs bring this as a single motion.

This motion is made and based upon the memorandum of points and  
authorities, sworn testimony and evidence received at trial, the complete record on  
file with the court, and any oral argument that may be allowed at the time of hearing.

Dated: May 12, 2020

Respectfully submitted,

By: 

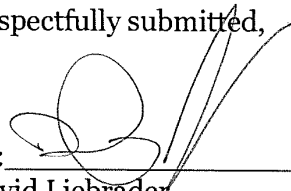
David Liebrader  
Attorney for Plaintiff

**NOTICE OF MOTION**

YOU AND EACH OF YOU, PLEASE TAKE NOTICE that the undersigned brings the foregoing motion for damages and attorney's fees pursuant to the Decision and Order of the Court entered on April 27, 2020.

Dated: May 12, 2020

Respectfully submitted,

By:   
David Liebrader  
Attorney for Plaintiffs

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1. That the VCC promissory note was an unregistered security, sold in violation of NRS 90.460;
2. That Ronald Robinson and Vernon Rodriguez were control persons for VCC; and,
3. That Ronald Robison is liable as a guarantor of the VCC Notes.

Both NRS §90.660 and the VCC Note provide for the return of principal, interest and costs and attorney's fees, while the VCC Note also allows for late fees and a higher, fixed rate of interest.

3



1  
2 **Damages and Attorney's Fees under the VCC Promissory Note**

3 As guarantor, Ron Robison is liable to the Plaintiffs for the return of their  
4 principal, interest, a late fee, and costs and attorney's fees. The provision providing  
5 for default, acceleration and remedies is contained on page two of the identical notes  
6 purchased by Plaintiffs. Plaintiff Hotchkiss' note is attached as Exhibit "C", while the  
7 other Plaintiffs' Notes were received into evidence as part of Exhibit One.

8 Plaintiffs each provided notice of default to Mr. Robinson and VCC, and the  
9 Notes and the notices to cure were all admitted into evidence. Further, Robinson  
10 didn't deny that VCC had received the funds from Plaintiffs as indicated on the Notes,  
11 or that VCC had been in default since February, 2015.

12 As a result, Plaintiffs are entitled to their principal, interest and late fees  
13 against Mr. Robinson as set forth in the attached Exhibit "B".  
14

15 **Damages under the Nevada Securities Act NRS 90.660**

16 NRS §90.660, the civil liability section of the Nevada Securities Act provides:

17 1. A person who offers or sells a security in violation of any of the following  
18 provisions:

19 (b) NRS 90.460;

20 is liable to the person purchasing the security. Upon tender of the security, the  
21 purchaser may recover the consideration paid for the security and interest at  
the legal rate of this State from the date of payment, costs and reasonable  
attorney's fees, less the amount of income received on the security.

22 NRS §90.660 Civil liability.

23 The liability section also provides for control person liability.  
24  
25  
26

1 "A person who directly or indirectly controls another person who is liable ...  
2 are also liable jointly and severally with and to the same extent as the other  
3 person..."

4 NRS §90.660

5 The court made a finding that Robinson and Rodriguez are liable as control  
6 persons for VCC's sale of unregistered securities. As a result, they are both liable for  
7 statutory damages under NRS.90.660 as set forth in Exhibit "A".

8 Plaintiffs received restricted shares from the VCC bankruptcy, which have  
9 theoretical value. However, they are not publicly traded, there is no market for them,  
10 and Plaintiffs have not received any distributions from owning them. However,  
11 because Plaintiffs received these shares in exchange for their VCC notes, under the  
12 rescission standard sought by Plaintiffs under NRS 90.660, Defendants would be  
13 entitled to receive those shares upon payment of the statutory damages mandated in  
14 NRS §90.660.

15  
16 **STATEMENT OF THE LAW ON ATTORNEY'S FEES**

17 **A. Plaintiffs are entitled to their reasonable attorney's fees under the**  
18 **Note terms and pursuant to NRS §90.660.**

19 The VCC promissory notes provide:

20 **Attorney's Fees.** In the event that litigation results from or arises out  
21 of his Note or the performance thereof, the parties agree to reimburse  
22 the prevailing party's reasonable attorney's fees and costs, in addition  
23 to any other relief to which the prevailing party may be entitled.

1 See Exhibit "C" attached.

2 In addition, as the prevailing party, the court can award Plaintiffs their attorney's  
3 fees based upon its findings that Defendants Robinson and Rodriguez violated NRS  
4 §90.460 and §90.660.

5 **B. Reasonable Attorney's Fees Standards; Brunzell Factors**

6 In Nevada, "the method upon which a reasonable fee is determined is subject to  
7 the discretion of the court," which "is tempered only by reason and fairness."

8 University of Nevada v. Tarkanian, 110 Nev. 581, 594, 591, 879 P.2d 1180, 1188, 1186  
9 (1994).

10 "Accordingly, in determining the amount of fees to award, the court is not limited  
11 to one specific approach; its analysis may begin with any method rationally designed  
12 to calculate a reasonable amount, including those based on a "lodestar" amount or a  
13 contingency fee."

14 Shuette v. Beazer Homes Holdings Corp., 124 P.3d 530, 548 (NV, 2005)

15 "We emphasize that, whichever method is chosen as a starting point, however, the  
16 court must continue its analysis by considering the requested amount in light of the  
17 factors enumerated by this court in Brunzell v. Golden Gate National Bank, 85 Nev.  
18 345, 349, 455 P.2d 31, 33 (1969) (recognizing that the factors relevant to determining  
19 the reasonableness of an attorney fee award include: "(1) the qualities of the advocate:  
20 his ability, his training, education, experience, professional standing and skill; (2) the  
21 character of the work to be done: its difficulty, its intricacy, its importance, time and  
22 skill required, the responsibility imposed and the prominence and character of the  
23 parties where they affect the importance of the litigation; (3) the work actually

1 performed by the lawyer: the skill, time and attention given to the work; (4) the  
2 result: whether the attorney was successful and what benefits were derived." (quoting  
3 Schwartz v. Schwerin, 85 Ariz. 242, 336 P.2d 144, 146 (1959)."  
4 Shuette v. Beazer Homes Holdings Corp., 124 P.3d 530 (NV, 2005).

5  
6 **C. Application of the Brunzell Factors**

7 **(1) the qualities of the advocate: his ability, his training, education,**  
8 **experience, professional standing and skill;**

9 While this matter started as a straightforward breach of promissory note case,  
10 there was significant overlap with the Nevada securities laws. It was important to  
11 pursue the securities law claims, because Defendant Robinson attempted to extract  
12 himself from his personal guarantee obligations by claiming that VCC's bankruptcy  
13 discharged his liability under the Note. Along the way Defendant also argued that  
14 Plaintiffs lacked standing. This issue had to be addressed.

15 Plaintiff's counsel has been practicing law since 1993. He is a member in good  
16 standing before the state bars of Nevada and California, and has never been the  
17 subject of any disciplinary proceedings. Counsel practices primarily in the securities  
18 law field, and has resolved well over 1000 investor loss claims, primarily before  
19 FINRA (formerly NASD), the primary dispute resolution forum for investment  
20 related disputes. He is a member of PIABA, the public investor's arbitration bar  
21 association, which is dedicated to assisting investors in matters involving investment  
22 fraud, as well as the Nevada Justice Association.

1           **(2) the character of the work to be done: its difficulty, its intricacy,**  
2           **its importance, time and skill required, the responsibility imposed**  
3           **and the prominence and character of the parties where they affect**  
4           **the importance of the litigation;**

5           Despite the apparent simplicity of filing a breach of contract case, this matter  
6           was made significantly more difficult because Defendant Robinson repeatedly lied  
7           under oath, claiming that he did not intend to guarantee the promissory note. This  
8           required Plaintiffs to amend the complaint and bring in third parties that Robinson  
9           claimed used his guarantee without his permission. These lies were exposed at trial  
10          when these third parties testified that Robinson did indeed intend to guarantee the  
11          note. Rather than honor the demand letter sent prior to the filing of this case,  
12          Robinson required a trial on the merits involving multiple Plaintiffs, including Mr.  
13          Hotchkiss, who travelled from Nebraska in order to see justice done.

14          In addition to a full trial on the merits regarding Robinson's guarantee on the  
15          promissory note, intertwined were issues related to the securities laws, including  
16          proving whether the note was a security, and whether Robinson and Rodriguez were  
17          control persons. Preparing the securities law claims for adjudication required  
18          expending significant amounts of time, as these matters were separate and apart from  
19          the breach of contract claim. In effect, counsel was forced to try two cases, and meet  
20          two burdens of proof; breach of contract, and violations under the securities laws.

21           **(3) the work actually performed by the lawyer: the skill, time and**  
22           **attention given to the work;**

1 In addition to a multi-day bench trial on the merits involving two distinct  
2 theories (breach of contract and securities law claims – both of which were decided in  
3 Plaintiff's favor) there was extensive pretrial briefing.

4 Mr. Robinson argued that Plaintiffs lacked standing because the investment  
5 was made through IRAs. This was the subject of briefing and research from other  
6 jurisdictions to assist the court in making its decision.

7 Robinson also claimed that the VCC Bankruptcy extinguished his liability  
8 under the guarantee. This too was the subject of a separate round of briefing.

9 **(4) the result: whether the attorney was successful and what**  
10 **benefits were derived.**

11 Plaintiffs prevailed on all of the theories advanced. It was important to pursue  
12 claims separate from the breach of contract claim because of the potential that Mr.  
13 Robinson would attempt to avoid repayment either via bankruptcy or appeal based  
14 upon his theory that VCC's bankruptcy nullified the guarantee. He has no such  
15 escape route on the securities law issues, which established that he was a control  
16 person for an entity that sold unregistered securities. This result greatly benefits  
17 Plaintiffs as it will permit Plaintiffs to enforce the judgment immediately, regardless  
18 of whether Robinson chooses to appeal the guarantee issue, as his counsel has  
19 inferred.

20 The court made findings of fact that VCC sold unregistered nonexempt  
21 securities via control persons. Under NRS §90.660 Plaintiffs are entitled to  
22 rescission, interest at the legal rate and attorney's fees. Likewise, under the VCC Note  
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1 terms, Plaintiffs are entitled to a return of the accumulated interest, late fees and  
2 attorney's fees.

3 By any standard this was a successful prosecution. For Plaintiffs to prevail on  
4 two separate theories, and be entitled to their funds back, with interest, while having  
5 Defendants liable for paying their attorney's fees is clearly a substantial benefit to  
6 them.

### 7 ARGUMENT

8 The attorney client fee agreements entered into between counsel and Plaintiffs  
9 provide for a fee contingent on the outcome. The amount is 30% of any amounts  
10 recovered. See Exhibit "D" attached.

11 As this court is aware, contingency fees are common in this community, and a  
12 structure of 30% for amounts recovered is customary and reasonable in Clark County.  
13 As Judge Williams opined in the Waldo case, when Plaintiff sought her attorney's fees  
14 against Mr. Robinson after a successful prosecution of another VCC Note case: "In my  
experience, 30% is on the low side for taking a case like this to trial."

15 As to the reasonableness of the use of a contingency fee generally, this court  
16 knows that permitting only hourly fee agreements effectively denies access to the  
17 courthouse for all but the wealthiest clients. In a case like this, where the key players  
18 were deposed, motions were contested, a full trial on the merits was conducted, and  
19 post-trial briefing was done, the costs would have been prohibitive, and the only  
20 winner would have been Mr. Robinson, who was in a position to outspend the  
Plaintiffs.

21 Not only did Mr. Robinson require Plaintiffs to take the case to trial, he openly  
22 mocked them, counsel and the court by asserting meritless and fraudulent defenses,  
23 including blaming his own granddaughter for utilizing his guarantee without his  
24

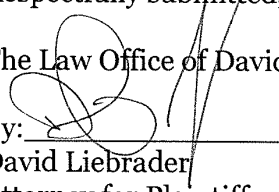
1 permission. At every turn, Mr. Robinson came up with a new ruse to deflect liability.  
2 He should not be heard now to complain that he isn't responsible for the full amount  
3 of attorney's fees on the promissory note he willingly signed as guarantor.

4 Wherefore, Plaintiff asks the court to make a finding that Mr. Robinson is  
5 liable for damages under both NRS §90.660 as well as the VCC Note terms, and is  
6 ordered to pay Plaintiffs the higher amount of \$1,098,782<sup>1</sup> as set forth in Exhibit "B".  
7 As to Mr. Rodriguez, Plaintiffs request a finding that because Mr. Rodriguez is liable  
8 as a control person under NRS. §90.660, he is ordered to pay Plaintiff their statutory  
9 damages of \$960,402<sup>2</sup>, as described in Exhibit "A".

10 Dated: May 12, 2020

Respectfully submitted,

The Law Office of David Liebrader, Inc.

11 By:   
12 David Liebrader  
13 Attorney for Plaintiff  
14  
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21 <sup>1</sup> Principal: \$574,000; Interest: \$258,300; Late Fee: \$12,917; Total P, I, LF: \$845,217; AF:  
22 \$253,565. Total \$1,098,782. (See Exhibit "B").

23 <sup>2</sup> Principal: \$574,000; Interest: \$164,770. Total P, I: \$738,770; AF: \$221,631. Total:  
24 \$960,401. (See Exhibit "A").  
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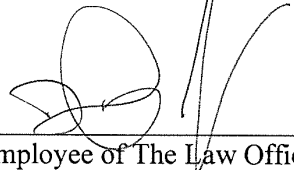


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CERTIFICATE OF MAILING

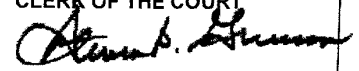
I hereby certify that on the <sup>12</sup>~~11~~th day of May, 2020, I mailed a copy of the foregoing  
MOTION FOR DAMAGES AND ATTORNEY'S FEES  
to the following

Harold Gewerter, Esq.  
Gewerter Law Office  
1212 Casino Center Boulevard  
Las Vegas, NV 89104



\_\_\_\_\_  
An Employee of The Law Office of David Liebrader

## **EXHIBIT “A”**



DAVID LIEBRADER, ESQ.  
STATE BAR NO. 5048  
THE LAW OFFICES OF DAVID LIEBRADER, APC  
601 S. RANCHO DR. STE. D-29  
LAS VEGAS, NV 89106  
PH: (702) 380-3131  
Attorney for Plaintiffs

DISTRICT COURT  
CLARK COUNTY, NEVADA

IN THE MATTER BETWEEN

Steven A. Hotchkiss,

PLAINTIFF,

v.

Ronald J. Robinson, Vernon Rodriguez, Frank  
Yoder, Alisa Davis and DOES 1-10 and ROES 1-  
10, inclusively

DEFENDANTS

Anthony White, Robin Suntheimer, Troy  
Suntheimer, Stephens Ghesquiere, Jackie Stone,  
Gayle Chany, Kendall Smith, Gabriele  
Lavermicocca and Robert Kaiser,

PLAINTIFFS

v.

Ronald J. Robinson, Vernon Rodriguez, Virtual  
Communications Corporation, Frank Yoder, Alisa  
Davis and DOES 1-10 and ROES 1-10, inclusively

) Case No. A-17-762264-C

) Dept.: 8

) STATEMENT OF DAMAGES  
) NRS §90.660

) CONSOLIDATED WITH

) Case No. A-17-763003-C

**STATEMENT OF DAMAGES NRS §90.660**

Plaintiffs submit this statement of damages on their Securities Law claims against Vernon  
Rodriguez and Ronald Robinson pursuant to NRS §90.660:

Plaintiff	Amount invested	Date of investment	Legal Interest	Total Principal and Int.	.30 Attorney's fees	Total NRS \$90.660 Damages
Hotchkiss	\$75,000	11/2013	\$20,250	\$95,250	\$28,575	\$123,825
White	\$20,000	1/2014	\$5,525	\$25,525	\$7,658	\$33,183
Troy Suntheimer	\$52,000	11/2013	\$15,405	\$67,405	\$20,222	\$87,627
Robin Suntheimer	\$35,000	10/2013	\$10,260	\$45,260	\$13,578	\$58,838
Ghesquiere	\$66,000	4/2014	\$19,059	\$85,059	\$25,518	\$110,577
Lavermicocca	\$100,000	9/2014	\$30,438	\$130,438	\$39,131	\$169,569
Stone	\$35,000	1/2013	\$8,357	\$43,357	\$13,007	\$56,364
Chany	\$59,000	9/2014	\$18,217	\$77,217	\$23,165	\$100,382
Smith	\$28,000	12/2014	\$8,698	\$36,698	\$11,009	\$47,707
Kaiser1	\$62,000	1/2013	\$16,432	\$78,432	\$23,530	\$101,962
Kaiser2	\$42,000	10/2013	\$12,129	\$54,129	\$16,239	\$70,368
<b>Total</b>	<b>\$574,000</b>					<b>\$960,402</b>

# TABLE OF INTEREST RECEIVED AND DUE

Plaintiff	Total Statutory Interest NRS §90.660	Interest Received from VCC @ .09 from DOP - Jan, 15	Net Statutory Interest Owed
Hotchkiss	\$28,688	\$8,438	\$20,250
White	\$7,475	\$1,950	\$5,525
Troy Suntheimer	\$21,255	\$5,850	\$15,405
Robin Suntheimer	\$14,460	\$4,200	\$10,260
Ghesquiere	\$23,514	\$4,455	\$19,059
Lavermicocca	\$33,438	\$3,000	\$30,438
Stone	\$14,920	\$6,563	\$8,357
Chany	\$19,987	\$1,770	\$18,217
Smith	\$9,118	\$420	\$8,698
Kaiser 1	\$28,057	\$11,625	\$16,432
Kaiser 2	\$17,169	\$5,040	\$12,129

## **Legal Interest Rate**

Begin Date	End Date	Interest Rate
January 1, 2020	- July 1, 2020	6.75
July 1, 2019	- December 31, 2019	7.5
January 1, 2019	- June 30, 2019	7.5
July 1, 2018	- December 31, 2018	7
January 1, 2018	June 30, 2018	6.5
July 1, 2017	- December 31, 2017	6.25
January 1, 2017	June 30, 2017	5.75
July 1, 2016	- December 31, 2016	5.5
January 1, 2016	June 30, 2016	5.5
July 1, 2015	December 31, 2015	5.25
January 1, 2015	June 30, 2015	5.25
July 1, 2014	December 31, 2014	5.25
January 1, 2014	June 30, 2014	5.25
July 1, 2013	December 31, 2013	5.25
January 1, 2013	June 30, 2013	5.25
July 1, 2012	December 31, 2012	5.25

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January 1, 2012 June 30, 2012 5.25

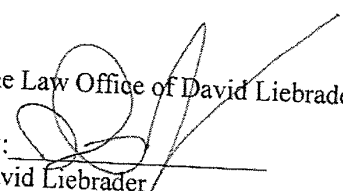
*"When no rate of interest is provided by contract, or otherwise by law, or specified in the judgment, the judgment draws interest at a rate equal to the prime rate at the largest bank in Nevada as ascertained by the commissioner of financial institutions on January 1 or July 1, as the case may be, immediately preceding the date of judgment, plus 2 percent. The rate must be adjusted accordingly on each January 1 and July 1 thereafter until the judgment is satisfied."*

NRS 99.040 (See also) NRS 17.130, NRS 37.175, , NRS 108.237, NRS 147.220, NRS 233.170 and NRS 645.84:

Dated: February 22, 2020

Respectfully submitted,

The Law Office of David Liebrader, Inc.

By:   
David Liebrader  
601 S. Rancho Dr. Ste. D-29  
Las Vegas, NV 89106  
Attorney for Plaintiff

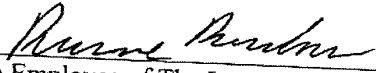
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CERTIFICATE OF MAILING

I hereby certify that on the 22 day of February, 2020, I mailed a copy of the foregoing Plaintiff's updated

PLAINTIFF'S STATEMENT OF DAMAGES

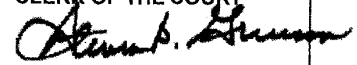
in a sealed envelope, to the following counsel of record and that postage was fully prepaid thereon

  
An Employee of The Law Office of David Liebrader

Harold Gewerter, Esq.  
Gewerter Law Office  
1212 Casino Center Boulevard  
Las Vegas, NV 89104  
Attorney for Defendants

## **EXHIBIT “B”**





DAVID LIEBRADER, ESQ.  
STATE BAR NO. 5048  
THE LAW OFFICES OF DAVID LIEBRADER, APC  
601 S. RANCHO DR. STE. D-29  
LAS VEGAS, NV 89106  
PH: (702) 380-3131  
Attorney for Plaintiffs

DISTRICT COURT  
CLARK COUNTY, NEVADA

IN THE MATTER BETWEEN	)	Case No. A-17-762264-C
	)	
Steven A. Hotchkiss,	)	Dept.: 8
	)	
PLAINTIFF,	)	STATEMENT OF DAMAGES
	)	
v.	)	
	)	
Ronald J. Robinson, Vernon Rodriguez, Frank	)	
Yoder, Alisa Davis and DOES 1-10 and ROES 1-	)	
10, inclusively	)	CONSOLIDATED WITH
	)	
DEFENDANTS	)	Case No. A-17-763003-C
	)	
Anthony White, Robin Suntheimer, Troy	)	
Suntheimer, Stephens Ghesquiere, Jackie Stone,	)	
Gayle Chany, Kendall Smith, Gabriele	)	
Lavermicocca and Robert Kaiser,	)	
	)	
PLAINTIFFS	)	
	)	
v.	)	
	)	
Ronald J. Robinson, Vernon Rodriguez, Virtual	)	
Communications Corporation, Frank Yoder, Alisa	)	
Davis and DOES 1-10 and ROES 1-10, inclusively	)	
	)	
	)	
	)	

**STATEMENT OF DAMAGES**

Plaintiffs submit this statement of damages:

Plaintiff	Amount invested	Date of investment	9% int. x 5 years (Feb 2015 - Feb 2020)/ Total Int.	5% late fee on Int.	Total Principal, Int + Late Fee	.30 Attorney's fees
Hotchkiss	\$75,000	11/2013	\$6,750/ \$33,750	\$1,688	\$110,438	\$33,131
White	\$20,000	1/2014	\$1,800/ \$9,000	\$450	\$29,450	\$8,835
Troy Suntheimer	\$52,000	11/2013	\$4,680/ \$23,400	\$1,170	\$76,570	\$22,971
Robin Suntheimer	\$35,000	10/2013	\$3,150/ \$15,750	\$788	\$51,538	\$15,461
Ghesquiere	\$66,000	4/2014	\$5,940/ \$29,700	\$1,485	\$97,185	\$29,156
Lavermicocca	\$100,000	9/2014	\$9,000 \$45,000	\$2,250	\$147,250	\$44,175
Stone	\$35,000	1/2013	\$3,150/ \$15,750	\$788	\$51,538	\$15,461
Chany	\$59,000	9/2014	\$5,310/ \$26,550	\$1,328	\$86,878	\$26,663
Smith	\$28,000	12/2014	\$2,520/ \$12,600	\$630	\$41,230	\$12,369
Kaiser1	\$62,000	1/2013	\$5,580/ \$27,900	\$1,395	\$91,295	\$27,389
Kaiser2	\$42,000	10/2013	\$3,780/ \$18,900	\$945	\$61,845	\$18,554

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			\$18,900			
Total	\$574,000		\$258,300		\$845,217	\$253,565

Dated: February 3, 2020

Respectfully submitted,

The Law Office of David Liebrader, Inc.

By: 

David Liebrader

601 S. Rancho Dr. Ste. D-29

Las Vegas, NV 89106

Attorney for Plaintiff

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CERTIFICATE OF MAILING

I hereby certify that on the 3rd day of February, 2020, I mailed a copy of the foregoing Plaintiff's updated

PLAINTIFF'S STATEMENT OF DAMAGES

in a sealed envelope, to the following counsel of record and that postage was fully prepaid thereon



An Employee of The Law Office of David Liebrader

Harold Gewerter, Esq.  
Gewerter Law Office  
1212 Casino Center Boulevard  
Las Vegas, NV 89104  
Attorney for Defendants

## **EXHIBIT “C”**

**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 #130800142

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 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.

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.

**GUARANTEES.** 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

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 # 130890142  
Its: Consultant

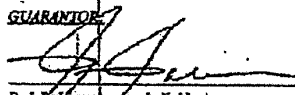
**PERSONAL GUARANTEE:**

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 



## **EXHIBIT “D”**

White

THE LAW OFFICES OF DAVID LIEBRADER, INC.  
601 S. RANCHO DR. STE. D-29  
LAS VEGAS, NEVADA 89106  
(702) 380-3131

**ATTORNEY CLIENT AGREEMENT**

This document is the written fee agreement (the "agreement") between The Law Offices of David Liebrader, Inc. (hereinafter ("**FIRM**") and Anthony White (hereinafter "**CLIENT**") on the terms set forth below:

**I. SCOPE OF SERVICES**

Client is hiring **FIRM** to commence representation of the interests of Anthony White concerning a dispute with Virtual Communications Corporation ("the dispute"). Unless **CLIENT** and **FIRM** make a different agreement in writing, this agreement will govern all future services **FIRM** will provide to **CLIENT**.

**II. CLIENT's DUTIES**

**CLIENT** agrees to be truthful with **FIRM**, to cooperate and to keep **FIRM** informed of developments.

**CLIENT** understands that he will be asked to serve as a class representative, as the underlying dispute will be filed as a class action. Accordingly **CLIENT** acknowledges that he has a fiduciary duty to absent class members, and that a proposed compromise or settlement of this matter may require court approval.

**III. LEGAL FEES, EXPERT FEES, AND BILLING PRACTICES**

**CLIENT** agrees to pay to **FIRM** all costs reasonably incurred relating to the dispute (including but not limited to xerox, postage, long distance, telephone delivery, travel expenses etc.) which **CLIENT** agrees to pay to **FIRM** at the conclusion of the case. No recovery, no fee. In the event this case is certified as a class, **CLIENT** will pay no more than his proportionate share of costs.

**CLIENT** hereby agrees to pay to **FIRM** a contingency fee based on the following sliding scale: If this matter is resolved within six months of the filing of the case 25% of any recovery; Thereafter, if the case is resolved at any other time, or recovery is obtained through award, judgment, collection or otherwise, **FIRM** shall be entitled to 30% of any recovery.

**IV. CONTINGENCY FEE NEGOTIABILITY**

**CLIENT** acknowledges that **CLIENT** has been advised by **FIRM** and is aware that contingency fee arrangements are not set by law, and that a contingency fee agreement between parties is negotiable.

**V. ATTORNEY'S LIEN**

To secure payment to **FIRM** of all sums due under this agreement for services rendered and value added, **CLIENT** hereby grants to **FIRM** a lien on this case. **FIRM** may retain its share of fees out of the amounts received by settlement, suit or otherwise. **CLIENT** authorizes **FIRM** to endorse **CLIENT**'s name to all proceeds checks for deposit in the **FIRM**'s trust account.

**CLIENT** may terminate **FIRM** at any time, provided it is done in writing. In the event **CLIENT** terminates firm or in the event **FIRM** learns that **CLIENT** has not been truthful with **FIRM**, or refuses to cooperate with **FIRM**, **CLIENT** grants firm a lien on this case for the greater of either:

- a) all accrued expenses plus attorney's fees calculated on the basis of the amount of time **FIRM** has spent on the case, and value added, based on **FIRM**'s regular hourly billing rate which is \$300 per hour for attorneys or,
- b) in the event an offer is extended to **CLIENT** during the duration of this agreement, **FIRM** is granted a lien on the case for the amount of contingency fees **FIRM** would have received had **CLIENT** accepted the offer.

**VI. DISCLAIMER OF GUARANTEE**

Nothing in this agreement and nothing in **FIRM**'s statement to **CLIENT** shall be construed as a promise or guarantee about the outcome of this dispute. **FIRM makes no such guarantees**. **FIRM**'s comments about any possible outcome of this matter are expressions of opinion only.

**VII. ADDITIONAL DISCLOSURES REQUIRED**

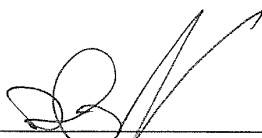
Nevada Supreme Court Rule 155 requires the following disclosures be provided to all clients.

- 1) In the event a case is lost, a client may be liable for the opposing party's attorney's fees and costs; 2) A suit brought solely to harass or to coerce a settlement may result in liability for malicious prosecution or abuse of process.

I accept and agree to be bound by the terms of this agreement

  
\_\_\_\_\_  
CLIENT

  
\_\_\_\_\_  
Dated

  
On behalf of **FIRM**

10.10.19  
Dated

Troy, Robin Suntheimer

THE LAW OFFICES OF DAVID LIEBRADER, INC.  
601 S. RANCHO DR. STE. D-29  
LAS VEGAS, NEVADA 89106  
(702) 380-3131

ATTORNEY CLIENT AGREEMENT

This document is the written fee agreement (the "agreement") between The Law Offices of David Liebrader, Inc. (hereinafter ("**FIRM**") and Troy Suntheimer (hereinafter "**CLIENT**") on the terms set forth below:

Robin Suntheimer *RS*

I. SCOPE OF SERVICES

Client is hiring **FIRM** to commence representation of the interests of Troy Suntheimer concerning a dispute with Virtual Communications Corporation ("the dispute"). Unless **CLIENT** and **FIRM** make a different agreement in writing, this agreement will govern all future services **FIRM** will provide to **CLIENT**.

*RS*  
Robin Suntheimer

II. CLIENT'S DUTIES

**CLIENT** agrees to be truthful with **FIRM**, to cooperate and to keep **FIRM** informed of developments.

**CLIENT** understands that he will be participating in a class action. Accordingly any proposed compromise or settlement of this matter may require court approval.

III. LEGAL FEES, EXPERT FEES, AND BILLING PRACTICES

**CLIENT** agrees to pay to **FIRM** all costs reasonably incurred relating to the dispute (including but not limited to copy, postage, long distance, telephone delivery, travel expenses etc.) which **CLIENT** agrees to pay to **FIRM** at the conclusion of the case. No recovery, no fee. In the event this case is certified as a class, **CLIENT** will pay no more than his proportionate share of costs.

**CLIENT** hereby agrees to pay to **FIRM** a contingency fee based on the following sliding scale: If this matter is resolved within six months of the signing of this agreement 25% of any recovery; If this matter is resolved between six months of the signing of this agreement and up to one month prior to the date set for trial 30% of any recovery; Thereafter, if the case is resolved at any other time, or recovery is obtained through award, judgment, collection or otherwise, **FIRM** shall be entitled to 33 1/3% of any recovery.

IV. CONTINGENCY FEE NEGOTIABILITY

CLIENT acknowledges that CLIENT has been advised by FIRM and is aware that contingency fee arrangements are not set by law, and that a contingency fee agreement between parties is negotiable.

**V. ATTORNEY'S LIEN**

To secure payment to FIRM of all sums due under this agreement for services rendered and value added, CLIENT hereby grants to FIRM a lien on this case. FIRM may retain its share of fees out of the amounts received by settlement, suit or otherwise. CLIENT authorizes FIRM to endorse CLIENT's name to all proceeds checks for deposit in the FIRM's trust account.

CLIENT may terminate FIRM at any time, provided it is done in writing. In the event CLIENT terminates firm or in the event FIRM learns that CLIENT has not been truthful with FIRM, or refuses to cooperate with FIRM, CLIENT grants firm a lien on this case for the greater of either:

- a) all accrued expenses plus attorney's fees calculated on the basis of the amount of time FIRM has spent on the case, and value added, based on FIRM's regular hourly billing rate which is \$300 per hour for attorneys or,
- b) in the event an offer is extended to CLIENT during the duration of this agreement, FIRM is granted a lien on the case for the amount of contingency fees FIRM would have received had CLIENT accepted the offer.

**VI. DISCLAIMER OF GUARANTEE**

Nothing in this agreement and nothing in FIRM's statement to CLIENT shall be construed as a promise or guarantee about the outcome of this dispute. FIRM makes no such guarantees. FIRM's comments about any possible outcome of this matter are opinion only.

**VII. ADDITIONAL DISCLOSURES REQUIRED**

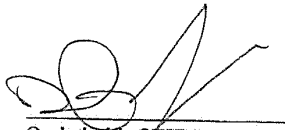
Nevada Supreme Court Rule 155 requires the following disclosures be provided to all clients.

- 1) In the event a case is lost, a client may be liable for the opposing party's attorney's fees and costs; 2) A suit brought solely to harass or to coerce a settlement may result in liability for malicious prosecution or abuse of process.

I accept and agree to be bound by the terms of this agreement.

*Tony Supera*  
CLIENT  
*Robo Smith*

*11/16/17*  
Dated  
*11/17/17*

  
On behalf of **FIRM**

11.25.17  
Dated

Lavermicocca

THE LAW OFFICES OF DAVID LIEBRADER, INC.  
601 S. RANCHO DR. STE. D-29  
LAS VEGAS, NEVADA 89106  
(702) 380-3131

### ATTORNEY CLIENT AGREEMENT

This document is the written fee agreement (the "agreement") between The Law Offices of David Liebrader, Inc. (hereinafter ("FIRM") and Gabriele Lavermicocca (hereinafter "CLIENT") on the terms set forth below:

#### I. SCOPE OF SERVICES

Client is hiring FIRM to commence representation of the interests of Gabriele Lavermicocca concerning a dispute with Virtual Communications Corporation ("the dispute"). Unless CLIENT and FIRM make a different agreement in writing, this agreement will govern all future services FIRM will provide to CLIENT.

#### II. CLIENT'S DUTIES

CLIENT agrees to be truthful with FIRM, to cooperate and to keep FIRM informed of developments.

CLIENT understands that she will be participating in a class action. Accordingly any proposed compromise or settlement of this matter may require court approval.

#### III. LEGAL FEES, EXPERT FEES, AND BILLING PRACTICES

CLIENT agrees to pay to FIRM all costs reasonably incurred relating to the dispute (including but not limited to copy, postage, long distance, telephone delivery, travel expenses etc.) which CLIENT agrees to pay to FIRM at the conclusion of the case. No recovery, no fee. In the event this case is certified as a class, CLIENT will pay no more than his proportionate share of costs.

CLIENT hereby agrees to pay to FIRM a contingency fee based on the following sliding scale: If this matter is resolved within six months of the signing of this agreement: 25% of any recovery. Thereafter, if the case is resolved at any other time, or recovery is obtained through award, judgment, collection or otherwise, FIRM shall be entitled to 33 1/3% of any recovery.

#### IV. CONTINGENCY FEE NEGOTIABILITY

CLIENT acknowledges that CLIENT has been advised by FIRM and is aware that



contingency fee arrangements are not set by law, and that a contingency fee agreement between parties is negotiable.

#### V. ATTORNEY'S LIEN

To secure payment to FIRM of all sums due under this agreement for services rendered and value added, CLIENT hereby grants to FIRM a lien on this case. FIRM may retain its share of fees out of the amounts received by settlement, suit or otherwise. CLIENT authorizes FIRM to endorse CLIENT's name to all proceeds checks for deposit in the FIRM's trust account.

CLIENT may terminate FIRM at any time, provided it is done in writing. In the event CLIENT terminates firm or in the event FIRM learns that CLIENT has not been truthful with FIRM, or refuses to cooperate with FIRM, CLIENT grants firm a lien on this case for the greater of either:

- a) all accrued expenses plus attorney's fees calculated on the basis of the amount of time FIRM has spent on the case, and value added, based on FIRM's regular hourly billing rate which is \$300 per hour for attorneys or;
- b) in the event an offer is extended to CLIENT during the duration of this agreement, FIRM is granted a lien on the case for the amount of contingency fees FIRM would have received had CLIENT accepted the offer.

#### VI. DISCLAIMER OF GUARANTEE


Nothing in this agreement and nothing in FIRM's statement to CLIENT shall be construed as a promise or guarantee about the outcome of this dispute. FIRM makes no such guarantees. FIRM's comments about any possible outcome of this matter are opinion only.

#### VII. ADDITIONAL DISCLOSURES REQUIRED

Nevada Supreme Court Rule 155 requires the following disclosures be provided to all clients.

- 1) In the event a case is lost, a client may be liable for the opposing party's attorney's fees and costs; 2) A suit brought solely to harass or to coerce a settlement may result in liability for malicious prosecution or abuse of process.

I accept and agree to be bound by the terms of this agreement

  
CLIENT Gabriele Levermore

7/17/2018  
Dated

  
On behalf of FIRM

  
Dated

Stone

**THE LAW OFFICES OF DAVID LIEBRADER, INC.  
601 S. RANCHO DR. STE. D-29  
LAS VEGAS, NEVADA 89106  
(702) 380-3131**

**ATTORNEY CLIENT AGREEMENT**

This document is the written fee agreement (the "agreement") between The Law Offices of David Liebrader, Inc. (hereinafter ("**FIRM**") and Jackie Stone (hereinafter "**CLIENT**") on the terms set forth below:

**I. SCOPE OF SERVICES**

Client is hiring **FIRM** to commence representation of the interests of Jackie Stone concerning a dispute with Virtual Communications Corporation ("the dispute"). Unless **CLIENT** and **FIRM** make a different agreement in writing, this agreement will govern all future services **FIRM** will provide to **CLIENT**.

**II. CLIENT's DUTIES**

**CLIENT** agrees to be truthful with **FIRM**, to cooperate and to keep **FIRM** informed of developments.

**CLIENT** understands that she will be participating in a class action. Accordingly any proposed compromise or settlement of this matter may require court approval.

**III. LEGAL FEES, EXPERT FEES, AND BILLING PRACTICES**

**CLIENT** agrees to pay to **FIRM** all costs reasonably incurred relating to the dispute (including but not limited to xerox, postage, long distance, telephone delivery, travel expenses etc.) which **CLIENT** agrees to pay to **FIRM** at the conclusion of the case. No recovery, no fee. In the event this case is certified as a class, **CLIENT** will pay no more than her proportionate share of costs.

**CLIENT** hereby agrees to pay to **FIRM** a contingency fee based on the following sliding scale: If this matter is resolved within six months of the filing of the case 30% of any recovery; Thereafter, if the case is resolved at any other time, or recovery is obtained through award, judgment, collection or otherwise, **FIRM** shall be entitled to 33% of any recovery.

**IV. CONTINGENCY FEE NEGOTIABILITY**

**CLIENT** acknowledges that **CLIENT** has been advised by **FIRM** and is aware that

contingency fee arrangements are not set by law, and that a contingency fee agreement between parties is negotiable.

**V. ATTORNEY'S LIEN**

To secure payment to **FIRM** of all sums due under this agreement for services rendered and value added, **CLIENT** hereby grants to **FIRM** a lien on this case. **FIRM** may retain its share of fees out of the amounts received by settlement, suit or otherwise. **CLIENT** authorizes **FIRM** to endorse **CLIENT**'s name to all proceeds checks for deposit in the **FIRM**'s trust account.

**CLIENT** may terminate **FIRM** at any time, provided it is done in writing. In the event **CLIENT** terminates firm or in the event **FIRM** learns that **CLIENT** has not been truthful with **FIRM**, or refuses to cooperate with **FIRM**, **CLIENT** grants firm a lien on this case for the greater of either:

- a) all accrued expenses plus attorney's fees calculated on the basis of the amount of time **FIRM** has spent on the case, and value added, based on **FIRM**'s regular hourly billing rate which is \$300 per hour for attorneys or,
- b) in the event an offer is extended to **CLIENT** during the duration of this agreement, **FIRM** is granted a lien on the case for the amount of contingency fees **FIRM** would have received had **CLIENT** accepted the offer.

**VI. DISCLAIMER OF GUARANTEE**

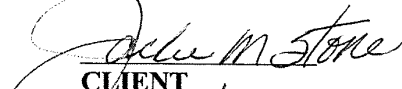

Nothing in this agreement and nothing in **FIRM**'s statement to **CLIENT** shall be construed as a promise or guarantee about the outcome of this dispute. **FIRM makes no such guarantees**. **FIRM**'s comments about possible outcomes are expressions of opinion only.

**VII. ADDITIONAL DISCLOSURES REQUIRED**

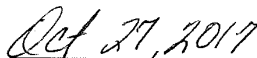
Nevada Supreme Court Rule 155 requires the following disclosures be provided to all clients.

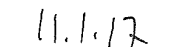
- 1) In the event a case is lost, a client may be liable for the opposing party's attorney's fees and costs; 2) A suit brought solely to harass or to coerce a settlement may result in liability for malicious prosecution or abuse of process.

I accept and agree to be bound by the terms of this agreement

  
**CLIENT**  


On behalf of **FIRM**

  
Dated

  
Dated

Chany

THE LAW OFFICES OF DAVID LIEBRADER, INC.  
601 S. RANCHO DR. STE. D-29  
LAS VEGAS, NEVADA 89106  
(702) 380-3131

**ATTORNEY CLIENT AGREEMENT**

This document is the written fee agreement (the "agreement") between The Law Offices of David Liebrader, Inc. (hereinafter "**FIRM**") and Gayle Chany (hereinafter "**CLIENT**") on the terms set forth below:

**I. SCOPE OF SERVICES**

Client is hiring **FIRM** to commence representation of the interests of Gayle Chany concerning a dispute with Virtual Communications Corporation ("the dispute"). Unless **CLIENT** and **FIRM** make a different agreement in writing, this agreement will govern all future services **FIRM** will provide to **CLIENT**.

**II. CLIENT'S DUTIES**

**CLIENT** agrees to be truthful with **FIRM**, to cooperate and to keep **FIRM** informed of developments.

**CLIENT** understands that he will be participating in a mass action. Accordingly any proposed compromise or settlement of this matter may require court approval.

**III. LEGAL FEES, EXPERT FEES, AND BILLING PRACTICES**

**CLIENT** agrees to pay to **FIRM** all costs reasonably incurred relating to the dispute (including but not limited to copy, postage, long distance, telephone delivery, travel expenses etc.) which **CLIENT** agrees to pay to **FIRM** at the conclusion of the case. No recovery, no fee.

**CLIENT** hereby agrees to pay to **FIRM** a contingency fee of 30% of any recovery obtained through award, judgment, collection or otherwise.

**IV. CONTINGENCY FEE NEGOTIABILITY**

**CLIENT** acknowledges that **CLIENT** has been advised by **FIRM** and is aware that contingency fee arrangements are not set by law, and that a contingency fee agreement between parties is negotiable.

**V. ATTORNEY'S LIEN**

To secure payment to **FIRM** of all sums due under this agreement for services rendered and value added, **CLIENT** hereby grants to **FIRM** a lien on this case. **FIRM** may retain its share of fees out of the amounts received by settlement, suit or otherwise. **CLIENT** authorizes **FIRM** to endorse **CLIENT**'s name to all proceeds checks for deposit in the **FIRM**'s trust account.

**CLIENT** may terminate **FIRM** at any time, provided it is done in writing. In the event **CLIENT** terminates firm or in the event **FIRM** learns that **CLIENT** has not been truthful with **FIRM**, or refuses to cooperate with **FIRM**, **CLIENT** grants firm a lien on this case for the greater of either:

- a) all accrued expenses plus attorney's fees calculated on the basis of the amount of time **FIRM** has spent on the case, and value added, based on **FIRM**'s regular hourly billing rate which is \$300 per hour for attorneys or.
- b) in the event an offer is extended to **CLIENT** during the duration of this agreement, **FIRM** is granted a lien on the case for the amount of contingency fees **FIRM** would have received had **CLIENT** accepted the offer.

**VI. DISCLAIMER OF GUARANTEE**

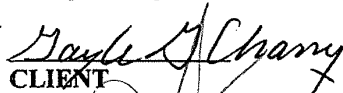
Nothing in this agreement and nothing in **FIRM**'s statement to **CLIENT** shall be construed as a promise or guarantee about the outcome of this dispute. **FIRM makes no such guarantees**. **FIRM**'s comments about any possible outcome of this matter are opinion only.

**VII. ADDITIONAL DISCLOSURES REQUIRED**

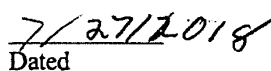
Nevada Supreme Court Rule 155 requires the following disclosures be provided to all clients.

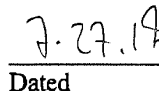
- 1) In the event a case is lost, a client may be liable for the opposing party's attorney's fees and costs; 2) A suit brought solely to harass or to coerce a settlement may result in liability for malicious prosecution or abuse of process.

I accept and agree to be bound by the terms of this agreement

  
CLIENT

On behalf of **FIRM**

  
Dated

  
Dated

Smith

**THE LAW OFFICES OF DAVID LIEBRADER, INC.  
601 S. RANCHO DR. STE. D-29  
LAS VEGAS, NEVADA 89106  
(702) 380-3131**

**ATTORNEY CLIENT AGREEMENT**

This document is the written fee agreement (the "agreement") between The Law Offices of David Liebrader, Inc. (hereinafter ("FIRM")) and Kendall Smith (hereinafter "CLIENT") on the terms set forth below:

**I. SCOPE OF SERVICES**

Client is hiring FIRM to commence representation of the interests of Kendall Smith concerning a dispute with Virtual Communications Corporation ("the dispute"). Unless CLIENT and FIRM make a different agreement in writing, this agreement will govern all future services FIRM will provide to CLIENT.

**II. CLIENT's DUTIES**

CLIENT agrees to be truthful with FIRM, to cooperate and to keep FIRM informed of developments.

CLIENT understands that he will be participating in a mass action. Accordingly any proposed compromise or settlement of this matter may require court approval.

**III. LEGAL FEES, EXPERT FEES, AND BILLING PRACTICES**

CLIENT agrees to pay to FIRM all costs reasonably incurred relating to the dispute (including but not limited to copy, postage, long distance, telephone delivery, travel expenses etc.) which CLIENT agrees to pay to FIRM at the conclusion of the case. No recovery, no fee. In the event this case is certified as a class, CLIENT will pay no more than his proportionate share of costs.

CLIENT hereby agrees to pay to FIRM a contingency fee of 30% of any recovery obtained through award, judgment, collection or otherwise.

**IV. CONTINGENCY FEE NEGOTIABILITY**

CLIENT acknowledges that CLIENT has been advised by FIRM and is aware that contingency fee arrangements are not set by law, and that a contingency fee agreement between parties is negotiable.

**V. ATTORNEY'S LIEN**

To secure payment to **FIRM** of all sums due under this agreement for services rendered and value added, **CLIENT** hereby grants to **FIRM** a lien on this case. **FIRM** may retain its share of fees out of the amounts received by settlement, suit or otherwise. **CLIENT** authorizes **FIRM** to endorse **CLIENT**'s name to all proceeds checks for deposit in the **FIRM**'s trust account.

**CLIENT** may terminate **FIRM** at any time, provided it is done in writing. In the event **CLIENT** terminates firm or in the event **FIRM** learns that **CLIENT** has not been truthful with **FIRM**, or refuses to cooperate with **FIRM**, **CLIENT** grants firm a lien on this case for the greater of either:

- a) all accrued expenses plus attorney's fees calculated on the basis of the amount of time **FIRM** has spent on the case, and value added, based on **FIRM**'s regular hourly billing rate which is \$300 per hour for attorneys or,
- b) in the event an offer is extended to **CLIENT** during the duration of this agreement, **FIRM** is granted a lien on the case for the amount of contingency fees **FIRM** would have received had **CLIENT** accepted the offer.

**VI. DISCLAIMER OF GUARANTEE**

Nothing in this agreement and nothing in **FIRM**'s statement to **CLIENT** shall be construed as a promise or guarantee about the outcome of this dispute. **FIRM** makes no such guarantees. **FIRM**'s comments about any possible outcome of this matter are opinion only.

**VII. ADDITIONAL DISCLOSURES REQUIRED**

Nevada Supreme Court Rule 155 requires the following disclosures be provided to all clients.

- 1) In the event a case is lost, a client may be liable for the opposing party's attorney's fees and costs; 2) A suit brought solely to harass or to coerce a settlement may result in liability for malicious prosecution or abuse of process.

I accept and agree to be bound by the terms of this agreement

  
\_\_\_\_\_  
CLIENT

7-26-18  
Dated

  
\_\_\_\_\_  
On behalf of **FIRM**

7.26.18  
Dated

Kaiser

**THE LAW OFFICES OF DAVID LIEBRADER, INC.  
601 S. RANCHO DR. STE. D-29  
LAS VEGAS, NEVADA 89106  
(702) 380-3131**

**ATTORNEY CLIENT AGREEMENT**

This document is the written fee agreement (the "agreement") between The Law Offices of David Liebrader, Inc. (hereinafter "**FIRM**") and Robert Kaiser (hereinafter "**CLIENT**") on the terms set forth below:

**I. SCOPE OF SERVICES**

Client is hiring **FIRM** to commence representation of the interests of Robert Kaiser concerning a dispute with Virtual Communications Corporation ("the dispute"). Unless **CLIENT** and **FIRM** make a different agreement in writing, this agreement will govern all future services **FIRM** will provide to **CLIENT**.

**II. CLIENT'S DUTIES**

**CLIENT** agrees to be truthful with **FIRM**, to cooperate and to keep **FIRM** informed of developments.

**CLIENT** understands that he will be participating in a mass action. Accordingly any proposed compromise or settlement of this matter may require court approval.

**III. LEGAL FEES, EXPERT FEES, AND BILLING PRACTICES**

**CLIENT** agrees to pay to **FIRM** all costs reasonably incurred relating to the dispute (including but not limited to copy, postage, long distance, telephone delivery, travel expenses etc.) which **CLIENT** agrees to pay to **FIRM** at the conclusion of the case. No recovery, no fee.

**CLIENT** hereby agrees to pay to **FIRM** a contingency fee of 30% of any recovery obtained through award, judgment, collection or otherwise.

**IV. CONTINGENCY FEE NEGOTIABILITY**

**CLIENT** acknowledges that **CLIENT** has been advised by **FIRM** and is aware that contingency fee arrangements are not set by law, and that a contingency fee agreement between parties is negotiable.



**V. ATTORNEY'S LIEN**

To secure payment to **FIRM** of all sums due under this agreement for services rendered and value added, **CLIENT** hereby grants to **FIRM** a lien on this case. **FIRM** may retain its share of fees out of the amounts received by settlement, suit or otherwise. **CLIENT** authorizes **FIRM** to endorse **CLIENT**'s name to all proceeds checks for deposit in the **FIRM**'s trust account.

**CLIENT** may terminate **FIRM** at any time, provided it is done in writing. In the event **CLIENT** terminates firm or in the event **FIRM** learns that **CLIENT** has not been truthful with **FIRM**, or refuses to cooperate with **FIRM**, **CLIENT** grants firm a lien on this case for the greater of either:

- a) all accrued expenses plus attorney's fees calculated on the basis of the amount of time **FIRM** has spent on the case, and value added, based on **FIRM**'s regular hourly billing rate which is \$300 per hour for attorneys or,
- b) in the event an offer is extended to **CLIENT** during the duration of this agreement, **FIRM** is granted a lien on the case for the amount of contingency fees **FIRM** would have received had **CLIENT** accepted the offer.

**VI. DISCLAIMER OF GUARANTEE**

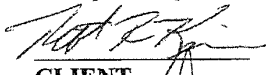
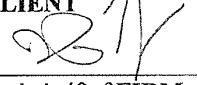
Nothing in this agreement and nothing in **FIRM**'s statement to **CLIENT** shall be construed as a promise or guarantee about the outcome of this dispute. **FIRM makes no such guarantees**. **FIRM**'s comments about any possible outcome of this matter are opinion only.

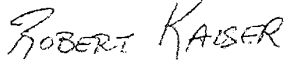
**VII. ADDITIONAL DISCLOSURES REQUIRED**

Nevada Supreme Court Rule 155 requires the following disclosures be provided to all clients.

- 1) In the event a case is lost, a client may be liable for the opposing party's attorney's fees and costs; 2) A suit brought solely to harass or to coerce a settlement may result in liability for malicious prosecution or abuse of process.

I accept and agree to be bound by the terms of this agreement

  
\_\_\_\_\_  
**CLIENT**  
  
\_\_\_\_\_  
On behalf of **FIRM**

  
\_\_\_\_\_  
7/27/18  
Dated  
7.27.18  
Dated

Ghesquiere

**THE LAW OFFICES OF DAVID LIEBRADER, INC.  
601 S. RANCHO DR. STE. D-29  
LAS VEGAS, NEVADA 89106  
(702) 380-3131**

**ATTORNEY CLIENT AGREEMENT**

This document is the written fee agreement (the "agreement") between The Law Offices of David Liebrader, Inc. (hereinafter ("FIRM")) and Steve Ghesquiere (hereinafter "CLIENT") on the terms set forth below:

**I. SCOPE OF SERVICES**

Client is hiring FIRM to commence representation of the interests of Steve Ghesquiere concerning a dispute with Virtual Communications Corporation ("the dispute"). Unless CLIENT and FIRM make a different agreement in writing, this agreement will govern all future services FIRM will provide to CLIENT.

**II. CLIENT's DUTIES**

CLIENT agrees to be truthful with FIRM, to cooperate and to keep FIRM informed of developments.

CLIENT understands that she will be participating in a class action. Accordingly any proposed compromise or settlement of this matter may require court approval.

**III. LEGAL FEES, EXPERT FEES, AND BILLING PRACTICES**

CLIENT agrees to pay to FIRM all costs reasonably incurred relating to the dispute (including but not limited to copy, postage, long distance, telephone delivery, travel expenses etc.) which CLIENT agrees to pay to FIRM at the conclusion of the case. No recovery, no fee. In the event this case is certified as a class, CLIENT will pay no more than his proportionate share of costs.

CLIENT hereby agrees to pay to FIRM a contingency fee based on the following sliding scale: If this matter is resolved within six months of the filing of the case 25% of any recovery; Thereafter, if the case is resolved at any other time, or recovery is obtained through award, judgment, collection or otherwise, FIRM shall be entitled to 30% of any recovery.

**IV. CONTINGENCY FEE NEGOTIABILITY**

CLIENT acknowledges that CLIENT has been advised by FIRM and is aware that

contingency fee arrangements are not set by law, and that a contingency fee agreement between parties is negotiable.

**V. ATTORNEY'S LIEN**

To secure payment to **FIRM** of all sums due under this agreement for services rendered and value added, **CLIENT** hereby grants to **FIRM** a lien on this case. **FIRM** may retain its share of fees out of the amounts received by settlement, suit or otherwise. **CLIENT** authorizes **FIRM** to endorse **CLIENT**'s name to all proceeds checks for deposit in the **FIRM**'s trust account.

**CLIENT** may terminate **FIRM** at any time, provided it is done in writing. In the event **CLIENT** terminates firm or in the event **FIRM** learns that **CLIENT** has not been truthful with **FIRM**, or refuses to cooperate with **FIRM**, **CLIENT** grants firm a lien on this case for the greater of either:

- a) all accrued expenses plus attorney's fees calculated on the basis of the amount of time **FIRM** has spent on the case, and value added, based on **FIRM**'s regular hourly billing rate which is \$300 per hour for attorneys or,
- b) in the event an offer is extended to **CLIENT** during the duration of this agreement, **FIRM** is granted a lien on the case for the amount of contingency fees **FIRM** would have received had **CLIENT** accepted the offer.

**VI. DISCLAIMER OF GUARANTEE**

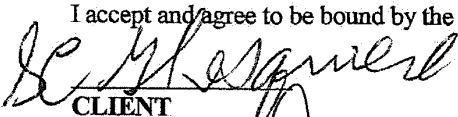
Nothing in this agreement and nothing in **FIRM**'s statement to **CLIENT** shall be construed as a promise or guarantee about the outcome of this dispute. **FIRM** makes no such guarantees. **FIRM**'s comments about any possible outcome of this matter are opinion only.

**VII. ADDITIONAL DISCLOSURES REQUIRED**

Nevada Supreme Court Rule 155 requires the following disclosures be provided to all clients.

- 1) In the event a case is lost, a client may be liable for the opposing party's attorney's fees and costs; 2) A suit brought solely to harass or to coerce a settlement may result in liability for malicious prosecution or abuse of process.

I accept and agree to be bound by the terms of this agreement

  
CLIENT

  
Dated

  
On behalf of **FIRM**

  
Dated

Hotchkiss

**THE LAW OFFICES OF DAVID LIEBRADER, INC.  
601 S. RANCHO DR. STE. D-29  
LAS VEGAS, NEVADA 89106  
(702) 380-3131**

**ATTORNEY CLIENT AGREEMENT**

This document is the written fee agreement (the "agreement") between The Law Offices of David Liebrader, Inc. (hereinafter ("**FIRM**") and Steve Hotchkiss (hereinafter "**CLIENT**") on the terms set forth below:

**I. SCOPE OF SERVICES**

Client is hiring **FIRM** to commence representation of the interests of Steve Hotchkiss concerning a dispute with Virtual Communications Corporation ("the dispute"). Unless **CLIENT** and **FIRM** make a different agreement in writing, this agreement will govern all future services **FIRM** will provide to **CLIENT**.

**II. CLIENT'S DUTIES**

**CLIENT** agrees to be truthful with **FIRM**, to cooperate and to keep **FIRM** informed of developments.

**III. LEGAL FEES, EXPERT FEES, AND BILLING PRACTICES**

**CLIENT** agrees to pay to **FIRM** all costs reasonably incurred relating to the dispute (including but not limited to xerox, postage, long distance, telephone delivery, travel expenses etc.) which **CLIENT** agrees to pay to **FIRM** at the conclusion of the case. No recovery, no fee.

**CLIENT** hereby agrees to pay to **FIRM** a contingency fee based on the following sliding scale: If this matter is resolved up to three weeks prior to the first scheduled trial date: 30% of any recovery; Thereafter, if the case is resolved at any other time, or recovery is obtained through award, judgment, collection or otherwise, **FIRM** shall be entitled to 33 1/3% of any recovery.

**IV. CONTINGENCY FEE NEGOTIABILITY**

**CLIENT** acknowledges that **CLIENT** has been advised by **FIRM** and is aware that contingency fee arrangements are not set by law, and that a contingency fee agreement between parties is negotiable.

**V. ATTORNEY'S LIEN**

To secure payment to **FIRM** of all sums due under this agreement for services rendered and value added, **CLIENT** hereby grants to **FIRM** a lien on this case. **FIRM** may retain its share of fees out of the amounts received by settlement, suit or otherwise. **CLIENT** authorizes **FIRM** to endorse **CLIENT**'s name to all proceeds checks for deposit in the **FIRM**'s trust account.

**CLIENT** may terminate **FIRM** at any time, provided it is done in writing. In the event **CLIENT** terminates firm or in the event **FIRM** learns that **CLIENT** has not been truthful with **FIRM**, or refuses to cooperate with **FIRM**, **CLIENT** grants firm a lien on this case for the greater of either:

- a) all accrued expenses plus attorney's fees calculated on the basis of the amount of time **FIRM** has spent on the case, and value added, based on **FIRM**'s regular hourly billing rate which is \$300 per hour for attorneys or,
- b) in the event an offer is extended to **CLIENT** during the duration of this agreement, **FIRM** is granted a lien on the case for the amount of contingency fees **FIRM** would have received had **CLIENT** accepted the offer.

#### **VI. DISCLAIMER OF GUARANTEE**

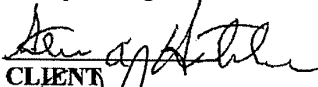
Nothing in this agreement and nothing in **FIRM**'s statement to **CLIENT** shall be construed as a promise or guarantee about the outcome of this dispute. **FIRM** makes no such guarantees. **FIRM**'s comments about any possible outcome of this matter are expressions of opinion only.

#### **VII. ADDITIONAL DISCLOSURES REQUIRED**

Nevada Supreme Court Rule 155 requires the following disclosures be provided to all clients.

- 1) In the event a case is lost, a client may be liable for the opposing party's attorney's fees and costs; 2) A suit brought solely to harass or to coerce a settlement may result in liability for malicious prosecution or abuse of process.

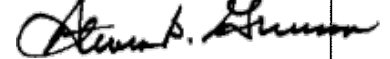
I accept and agree to be bound by the terms of this agreement

  
CLIENT

8/25/2017  
Dated

  
On behalf of **FIRM**

8.25.17  
Dated



1 DAVID LIEBRADER, ESQ.  
2 STATE BAR NO. 5048  
3 THE LAW OFFICES OF DAVID LIEBRADER, APC  
4 3960 HOWARD HUGHES PARKWAY STE 500  
5 LAS VEGAS, NV 89169  
6 PH: (702) 380-3131  
7 Attorney for Plaintiff

8 DISTRICT COURT  
9 CLARK COUNTY, NEVADA

10 IN THE MATTER BETWEEN ) Case No. A-17-762264-C  
11 Steven A. Hotchkiss, )  
12 ) Dept.: 8  
13 PLAINTIFF, )  
14 ) DECLARATION OF DAVID  
15 v. ) LIEBRADER IN SUPPORT OF  
16 ) MOTION FOR DAMAGES AND  
17 ) ATTORNEY'S FEES  
18 Ronald J. Robinson and Vernon Rodriguez )  
19 )  
20 DEFENDANTS )  
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**DECLARATION OF DAVID LIEBRADER**

David Liebrader, being duly sworn states as follows:

1. I am the attorney for Plaintiffs. If called upon to testify I would do so truthfully as to the matters stated in this Declaration. I make this Declaration based upon facts within my own knowledge, save and except for those matters based upon information and belief and upon those matters I believe them to be true.
2. That Exhibit One received as evidence at trial contains true and correct copies of the promissory notes entered into between Plaintiffs and VCC, guaranteed by Ron Robinson.
3. That attached as Exhibit "D" to the Motion for Attorney's Fees are true and correct copies of my attorney client agreements with Plaintiffs. These are provided solely to establish

1 attorney's fees, and their inclusion as an exhibit is not a waiver of any attorney client  
2 privilege, which is specifically asserted.

3 4. That I am an attorney licensed to practice law in Nevada and California. I have been  
4 licensed in both states since 1993. I have never been the subject of a disciplinary  
5 complaint in either state.

6 5. Since 1993 I have practiced primarily in the field of investment loss recovery, with an  
7 emphasis on securities industry related disputes.

8 6. Since 1993 I have personally handled and resolved well over 1000 investment loss  
9 securities related disputes via arbitrations before FINRA, NASD, NYSE, JAMS and  
10 AAA, and in state and federal court. Many of those cases involved unregistered securities.

11 7. I regularly attend continuing education seminars to keep informed of the latest  
12 developments in the securities field, and am a member of a bar organization (PIABA)  
13 dedicated to representing investors in claims against their financial advisors. I have also  
14 been a FINRA approved arbitrator since 2002.

15 8. This case involved securities; specifically, unregistered securities sold by Virtual  
16 Communications Corporation.

17 9. I took on the representation of the Plaintiffs on a blended 30/33 1/3% contingency fee.  
18 The Plaintiffs were not required to advance any fees or costs. In that regard I bore all the  
19 risk of my time, efforts and costs in the case.

20 10. While some of the Plaintiffs signed agreements with higher contingency percentages than  
21 30% (due to retaining my firm at different times,) during the pendency of the case I  
22 unilaterally reduced the fee to a flat 30%, thereby making the fee structure uniform.

23 11. I was the attorney responsible for all aspects of the case, from client contact to trial  
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1 preparation, trial and post hearing matters.

2 12. The complex issues required extensive research and were the subject of a fair amount of  
3 motion practice. In addition, depositions were noticed and taken of the key parties.


4 13. As I took this case on a contingency fee basis I did not keep strict track of my time.

5 However, if I had to make an educated guess on the amount of time I spent on this case, I  
6 would estimate it is well over 250 hours.

7 14. I am familiar with fees charged by practitioners in this field. Contingency fees are  
8 generally in the 25-40% range, with 25% the rare exception, and generally only when the  
9 matter can be resolved pre filing. Given the extensive amount of work done for the  
10 clients, I believe 30% is well within the boundaries of a generally accepted fee  
11 arrangement in this field and in this community.

12 FURTHER DECLARANT SAYETH NAUGHT

13 I declare under penalty of perjury under the laws of the state of Nevada the above is true and  
14 correct.

15   
16 David Liebrader, Esq.

17 **Dated: May 11, 2020**  
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