

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

FORM S-1

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

TimefireVR Inc.

(Exact name of registrant as specified in its charter)

Nevada
*(State or other jurisdiction of
incorporation or organization)*

1311
*(Primary Standard Industrial
Classification Code Number)*

88-0490034
*(I.R.S. Employer
Identification No.)*

**7600 E. Redfield Rd., #100, Building A
Scottsdale, AZ 85260
(888) 875-9928**

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

**Jeffrey Rassas
7600 E. Redfield Rd., #100, Building A
Scottsdale, AZ 85260
(888) 875-9928**

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:
**Michael D. Harris, Esq.
Leah E. Hutton, Esq.
Nason, Yeager, Gerson, White & Lioce, P.A.
3001 PGA Blvd., Suite 305
Palm Beach Gardens, FL 33410
(561) 686-3307**

Approximate date of commencement of proposed sale to the public: From time to time after the effective date of this registration statement.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box:

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration number of the earlier effective registration statement for the same offering.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer
Non-accelerated filer Smaller reporting company

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered(1)	Proposed Maximum Offering Price Per Share(2)	Proposed Maximum Aggregate Offering Price (2)	Amount of Registration Fee
Common stock, \$0.001 par value per share	19,044,273	\$ 0.35	\$ 6,665,496	\$ 773

(1) Under Rule 416 of the Securities Act of 1933, the shares being registered include such indeterminate number of shares of common stock as may be issuable with respect to the shares being registered in this registration statement as a result of any stock splits, stock dividends or similar transactions.

(2) The proposed maximum offering price per share and the proposed maximum aggregate offering price have been estimated solely for the purpose of calculating the amount of the registration fee in accordance with Rules 457(c) under the Securities Act of 1933 on the basis of the average of the bid and asked price of our common stock on the OTCQB on February 3, 2017, a date within five days prior to the date of the filing of this registration statement.

The registrant hereby amends this registration statement on such date or date(s) as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, or until the registration statement shall become effective on such date as the Commission acting pursuant to said Section 8(a) may determine.

The information in this prospectus is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission of which this prospectus is a part becomes effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

Subject to Completion, Dated February 8, 2017

TimefireVR Inc.

PROSPECTUS

19,044,273 Shares of Common Stock

This prospectus relates to the sale of up to 19,044,273 shares of TimefireVR Inc. common stock which may be offered by the selling shareholders identified in this prospectus, including (i) 2,586,207 shares of common stock issuable upon exercise of warrants, (ii) 14,849,154 shares of common stock issuable upon conversion of preferred stock, and (iii) 1,608,912 shares of common stock which are presently issued and outstanding, each of which may be offered by the selling shareholders identified in this prospectus. We will not receive any proceeds from the sales of shares of our common stock by the selling shareholders named on page 27. We will, however, receive proceeds in connection with the exercise of the warrants referred to above.

Our common stock trades on the OTCQB under the symbol "TFVR". As of the last trading day before the date of this prospectus, the closing price of our common stock was \$0.51 per share. All share numbers and prices used in this prospectus give effect to a one-for-10 reverse stock split effective November 21, 2016.

The common stock offered in this prospectus involves a high degree of risk. See "Risk Factors" beginning on page 4 of this prospectus to read about factors you should consider before buying shares of our common stock.

The selling shareholders are offering these shares of common stock. The selling shareholders may sell all or a portion of these shares from time to time in market transactions through any market on which our common stock is then traded, in negotiated transactions, or otherwise, and at prices and on terms that will be determined by the then prevailing market price or at negotiated prices directly or through a broker or brokers, who may act as agent or as principal, or by a combination of such methods of sale. The selling shareholders will receive all proceeds from the sale of the common stock. For additional information on the methods of sale, you should refer to the section entitled "Plan of Distribution."

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined whether this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is _____, 2017.

TABLE OF CONTENTS

	<u>Page</u>
PROSPECTUS SUMMARY	1
RISK FACTORS	4
FORWARD-LOOKING STATEMENTS	11
DILUTION	11
USE OF PROCEEDS	11
CAPITALIZATION	12
MARKET FOR COMMON STOCK	12
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS	13
BUSINESS	15
MANAGEMENT	18
EXECUTIVE COMPENSATION	21
PRINCIPAL SHAREHOLDERS	25
SELLING SHAREHOLDERS	27
RELATED PERSON TRANSACTIONS	29
DESCRIPTION OF SECURITIES	29
PLAN OF DISTRIBUTION	32
LEGAL MATTERS	34
EXPERTS	34
ADDITIONAL INFORMATION	34

You should rely only on information contained in this prospectus. We have not authorized anyone to provide you with information that is different from that contained in this prospectus. The selling shareholders are not offering to sell or seeking offers to buy shares of common stock in jurisdictions where offers and sales are not permitted. The information contained in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or of any sale of our common stock.

PROSPECTUS SUMMARY

This summary highlights information contained elsewhere in this prospectus. You should read the entire prospectus carefully including the section entitled "Risk Factors" before making an investment decision.

Overview

In September 2016, EnergyTek Corp., a Nevada corporation (the "Company"), ENTK Acquisition Corp., a Nevada corporation and wholly-owned subsidiary of the Company ("Merger Sub"), and Timefire LLC, a Phoenix-based virtual reality content developer that is an Arizona limited liability company ("Timefire"), entered into an Agreement and Plan of Merger (the "Merger Agreement") pursuant to which ENTK acquired Timefire, which is now a subsidiary of the Company. We refer to this as the "Merger." Effective November 21, 2016, we effected a 1-for-10 reverse stock split and changed our name to TimefireVR Inc. All references to "we," "our" and "us" refer to the Company and its subsidiaries (including Timefire), unless the context otherwise indicates.

We are focused on building a software-based virtual reality, or "VR," ecosystem designed to alter the course of social interaction, experiential learning, commerce, and culture by way of VR. Using our VR developed content as well as user community-developed content, we intend to provide a complex and massive virtual economy that is replete with the arts, culture, education, social interaction, and commerce. Our first product, which has been under full development for over two years, is the first VR global city, "Hypatia." Hypatia is designed to offer revolutionary social and experiential content and is expected to launch with over 40 hours of unique content. In addition, Hypatia will offer an expanding ecosystem where its users can create, market, and sell products and services, experience new content daily, and visit new features. Users can download Hypatia and explore basic features for free, while other features will require payment to utilize. Monetization opportunities include real estate, commerce, advertising and participation fees.

Hypatia is expected to launch in alpha, or test mode, during the first quarter of 2017.

Corporate Information

Our corporate headquarters are located at 7600 E. Redfield Rd., #100, Building A, Scottsdale, AZ 85260 and our phone number is (888) 875-9928. Our corporate website can be found at <http://timefirevr.com/investors/>. The information on our website is not incorporated in this prospectus.

Risks Affecting Us

Our business is subject to numerous risks as discussed more fully in the section entitled "Risk Factors" immediately following this Prospectus Summary. In particular, our business would be adversely affected if:

- We are unable to obtain additional sources of financing with attractive terms, or at all;
- We encounter unexpected difficulties and delays affecting the development and launch of our primary product, Hypatia;
- Our primary product fails to attract a wide user base;
- The monetization opportunities in our primary product fail to perform as expected;
- Our competitors offer a similar or superior product or beat us to market and thereby cut into our anticipated customer base;
- Our intellectual property is used without permission by others, or others claim we are using their intellectual property without permission; and
- Following launch of our product, an economic downturn reduces the amount of discretionary income of our target customers and we generate insufficient revenues to continue operating.

For a discussion of these and other risks you should consider before making an investment in our common stock, see the section entitled "Risk Factors" beginning on page 4 of this prospectus.

THE OFFERING

Common stock outstanding prior to the offering (1):	44,790,276 shares
Common stock offered by the selling shareholders, including upon exercise of warrants and conversion of preferred stock:	19,044,273 shares
Common stock outstanding immediately following the offering (assuming all warrants exercised and all preferred stock converted) (1):	62,225,637 shares
Use of proceeds:	Except for the proceeds we receive upon the exercise of warrants, we will not receive any proceeds from the sale of shares by the selling shareholders. See "Use of Proceeds" on page 11.
Stock symbol:	OTCQB: TFVR

(1) As of February 6, 2017. The number of shares of common stock to be outstanding prior to and after this offering excludes:

- a total of 3,300,000 shares of common stock reserved for future issuance under our 2016 Equity Incentive Plan, including 500,000 shares of common stock issuable upon the delivery of outstanding restricted stock units; and
- a total of 2,800,000 shares of common stock issuable upon the exercise of warrants, which does not include the warrants referred to above.

SUMMARY FINANCIAL DATA

The following summary of our financial data should be read in conjunction with, and is qualified in its entirety by reference to “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our consolidated financial statements appearing elsewhere in this prospectus.

Statements of Operations Data

	Nine Months Ended September 30,		Periods Ended December 31,	
	2016 (Unaudited)	2015 (Unaudited)	2015	2014
Revenue	\$ 203,640	\$ 6,500	\$ 59,404	\$ 42,094
Loss from operations	\$ (762,702)	\$ (299,465)	\$ (239,038)	\$ (394,993)
Net loss per common share, allocable to common stockholders (basic and diluted)	\$ (0.03)	\$ (0.01)	\$ (0.01)	\$ (0.01)
Weighted average number of common shares outstanding (basic and diluted)	41,456,782	41,400,000	41,400,000	41,400,000

Balance Sheet Data

	September 30, 2016 (Unaudited)	December 31, 2015	December 31, 2014
Total current assets	\$ 1,000,084	\$ 62,103	\$ 85,163
Total assets	\$ 7,247,076	\$ 104,400	\$ 114,125
Total current liabilities	\$ 209,887	\$ 320,417	\$ —
Accumulated deficit	\$ (1,265,711)	\$ (492,610)	\$ (110,875)
Total shareholders’ equity (deficit)	\$ 5,537,185	\$ (242,610)	\$ 114,125

RISK FACTORS

Investing in our common stock involves a high degree of risk. You should carefully consider the following Risk Factors before deciding whether to invest in our Company. Additional risks and uncertainties not presently known to us, or that we currently deem immaterial, may also impair our business operations or our financial condition. If any of the events discussed in the Risk Factors below occur, our business, consolidated financial condition, results of operations or prospects could be materially and adversely affected. In such case, the value and marketability of the common stock could decline.

Risks Relating to Our Business

If we are cannot complete a financing in the near future, we will be required to cease operations.

We incurred a net loss of approximately \$597,000 during the three months ended September 30, 2016. Prior to the Merger, both the Company and Timefire had histories of incurring losses. The Company incurred net losses of approximately \$239,000 and 395,000 in 2015 and 2014, respectively, and Timefire incurred net losses of approximately \$382,000 and \$111,000 in 2015 and 2014, respectively. At the time of our Merger in September 2016, we closed on a private placement which provided gross proceeds of \$1.5 million. We have \$154,000 of cash available as of the date of this prospectus and based on our estimated current liabilities, our working capital is \$146,000. We expect that we can manage our accounts payable and sustain operations until February 20, 2017. To remain operational beyond that time, we must complete a financing. Because small companies like ours generally face more obstacles in obtaining financing, we cannot assure you that we will be successful in raising additional capital if needed. Further, if we complete a financing it may be very dilutive to shareholders.

Our ability to continue as a going concern is in doubt unless we obtain adequate new debt or equity financing and achieve sufficient sales levels.

As noted above, we have incurred significant net losses to date. We anticipate that we will continue to lose money for the foreseeable future. Additionally, we have negative cash flows from operations. Our continued existence is dependent upon generating sufficient working capital and obtaining adequate new debt or equity financing. Because of our continuing losses, without improvements in our cash flow from operations or new financing, we may have to continue to restrict our expenditures. Working capital limitations may impinge on our day-to-day operations, which may contribute to continued operating losses.

Because we will not meet the conditions required to trigger the forced exercise provisions of the warrants sold in our September 2016 private placement, we will not be able to force the holders to exercise and provide us with needed cash.

Warrants issued in our September 2016 private placement offering contained a provision through which the Company could require holders to either exercise their warrants or tender them for cancellation along with certain other preferred securities, subject to the Company meeting certain requirements, including minimum volume and price thresholds for its common stock on the OTCQB. While the Company is not permitted to utilize the forced exercise provisions until March 2017, the Company does not presently meet the volume requirements and management does not believe it is likely that the volume requirements will be met in the future. Further, even if the Company met all the requirements to utilize the forced exercise mechanism, the Company could not guarantee that holders would choose to exercise their warrants rather than submit them for cancellation. Therefore, the Company cannot rely, and investors should not rely, on the exercise of these warrants as a means for providing financing to the Company.

Because our management team has been in place for a very short period, it may be difficult to evaluate our future prospects and the risk of success or failure of our business.

Jeffrey Rassas, our Chief Executive Officer, and John Wise, our President, have only served on our management team since September 2016, although they have each served on the management committee of Timefire since 2014. In addition, while Timefire has been in existence and pursuing its business objectives since January 2014, our Company has only existed in its present corporate structure since the Merger. These limited time periods make it difficult to project whether our management team and operations will be successful.

If we cannot manage our growth effectively, we may not become profitable.

Businesses which grow rapidly often have difficulty managing their growth. If we continue to grow as rapidly as we anticipate, we will need to expand our management by recruiting and employing experienced executives and key employees capable of providing the necessary support. We cannot assure you that our management will be able to manage our growth effectively or successfully. Our failure to meet these challenges could cause us to lose money, and your investment could be lost.

If we lose the services of key personnel, it could adversely affect our business.

Hypatia was initially conceived by our President, John Wise, and its continued development is heavily dependent on his ongoing vision and direction. If we were to lose his services, it would pose significant difficulties to the timely and successful launch of Hypatia and the development of future TimefireVR products and services. In addition, it could be costly and time-consuming to identify individuals to replace him and our other executive officers if they were to leave, and our operations would be adversely affected. We do not have life insurance covering Mr. Wise or our other officers.

Because we will operate in a new and rapidly changing industry, it may be difficult for investors to evaluate our business and prospects.

Virtual reality, or VR, through which we expect to derive substantially all of our revenue, is a new and rapidly evolving technology. The growth of the virtual reality industry and the level of demand and market acceptance of our primary product, Hypatia, are subject to a high degree of uncertainty. Our future operating results will depend on numerous factors affecting the VR industry, many of which are beyond our control, including:

- continued worldwide growth in the adoption and use of VR products, related hardware, and related social networks;
- changes in consumer demographics and public tastes and preferences;
- the availability and popularity of other forms of entertainment;
- the worldwide growth of personal computer, broadband Internet and mobile device users, and the rate of any such growth; and
- general economic conditions, particularly economic conditions adversely affecting discretionary consumer spending.

Our ability to plan for VR development, distribution and promotional activities will be significantly affected by our ability to anticipate and adapt to relatively rapid changes in the tastes and preferences of our current and potential users. New and different types of entertainment may increase in popularity at the expense of VR. A decline in the popularity of virtual reality in general or our products in particular would harm our business and prospects. In addition, any major shift in equipment platforms which we fail to anticipate would also adversely affect our business.

Because we are relying on a single product, Hypatia, to generate all of our revenue, we must continue to launch and enhance Hypatia features and services and attract a significant number of users in order to grow our revenues and sustain our competitive position.

Our ability to successfully launch, sustain and expand the Hypatia VR world and attract and retain users, including participants in the fee-generating components, largely will depend on our ability to:

- complete development of Hypatia;
- respond to bugs and possible early user concerns with the alpha and beta versions of Hypatia;
- accelerate the development of Hypatia to a point where we can launch a version we can monetize;
- anticipate and effectively respond to changing consumer interests and preferences;
- attract, retain and motivate talented designers, product managers and engineers;
- develop, sustain and expand features and products that are fun, interesting and compelling to use;
- effectively market new products and enhancements to our existing users and new users;
- minimize launch delays and cost overruns on new products and expansions;
- minimize downtime and other technical difficulties; and
- anticipate and adapt to new equipment platforms.

If we experience any failure or significant interruption in the performance of our network, our operations and business could be negatively impacted.

Our technology infrastructure is critical to the performance of our VR platform and to user satisfaction. Our VR platform will run on a complex distributed system, or what is commonly known as cloud computing. We anticipate that the primary elements of this system will be operated by third parties that we do not control and which would require significant time to replace. We may experience website disruptions, outages and other performance problems due to a variety of factors, including infrastructure changes, human or software errors and capacity constraints. A failure or significant interruption in our service would harm our reputation and operations. We expect to continue to make significant investments to our technology infrastructure to maintain and improve all aspects of user experience and product performance. To the extent that our disaster recovery systems are not adequate, or we do not effectively address capacity constraints, upgrade our systems as needed and continually develop our technology and network architecture to accommodate increasing traffic, our business and operating results may suffer. We do not maintain insurance policies covering losses relating to our systems and we do not have business interruption insurance.

If we are the target of security breaches, computer viruses and computer hacking attacks, our business and results of operations may be harmed.

Security breaches, computer malware and computer hacking attacks have become more prevalent in our industry and may occur on our systems in the future. Any security breach caused by hacking, which involves efforts to gain unauthorized access to information or systems, or to cause intentional malfunctions or loss or corruption of data, software, hardware or other computer equipment, and the inadvertent transmission of computer viruses could harm our business, financial condition and operating results. Though it is difficult to determine what harm may directly result from any specific interruption or breach, any failure to maintain performance, reliability, security and availability of our network infrastructure to the satisfaction of our users may harm our reputation and our ability to retain existing users and attract new users.

If we are unable to develop successful apps for mobile platforms, our growth prospects could suffer.

Developing Hypatia apps for mobile platforms is an important component of our strategy. We expect to devote substantial resources to the development of our mobile apps, and we cannot guarantee that our apps will appeal to users or advertisers. As discussed further below, the VR mobile platform is currently outperforming the headset platform with respect to accessible content, and presently the number of mobile platform users far exceeds the number of headset users.

The uncertainties we face include:

- we have relatively limited experience working with wireless carriers, mobile platform providers and other partners whose cooperation we may need in order to be successful;
- we may encounter difficulty in integrating features on apps developed for mobile platforms that a sufficient number of users will pay for; and
- we will need to move beyond payment methods provided by social networks and successfully allow for a variety of payment methods and systems based on the mobile platform, geographies and other factors.

These and other uncertainties make it difficult to know whether we will succeed in developing commercially viable apps for mobile. If we do not succeed in doing so, our growth prospects will suffer.

If high-quality stand-alone VR headsets do not become significantly less expensive, it may harm our ability to grow our user base, and our business may be adversely affected.

While VR headsets that work with mobile phones, such as Google Cardboard or Samsung Gear VR, presently retail below \$100, stand-alone headsets such as Playstation VR, HTC Vive, and Oculus Rift presently retail in the range of \$300-\$800. According to SuperData Research, Inc., approximately 89 million VR equipment platforms were sold in 2016, the vast majority of which were for use with mobile phones. Of the units sold, nearly 87 million were for use with mobile phones, and approximately 84 million were Google Cardboard units. While Google Cardboard is the least expensive VR platform presently available, with a retail price of around \$15 as of the date of this prospectus, it does not offer many of the features and the higher quality performance of the more expensive platforms. Some users have reported a disorienting or unpleasant experience while using lower-priced VR systems. Therefore, VR users are faced with a trade-off between affordability and a more immersive experience. If an insufficient number of Hypatia's potential users can afford stand-alone headsets, and if Hypatia is less enjoyable on a mobile platform, we may be unable to grow our business and generate sufficient revenues.

Because competition within the broader entertainment industry is intense and our potential users may be attracted to competing forms of entertainment such as offline and traditional online apps, television, movies and sports, as well as other entertainment options on the Internet, we may have difficulty generating revenues.

Our potential users face a vast array of entertainment choices. Other forms of entertainment, such as offline, traditional online, personal computer and console apps, television, movies, sports and the Internet, are much larger and more well-established markets and may be perceived by our potential users to offer greater variety, affordability, interactivity and enjoyment. These other forms of entertainment compete for the discretionary time and income of our potential users. If we are unable to sustain sufficient interest in our products in comparison to other forms of entertainment, including new forms of entertainment, our business model may not be viable.

Because competition in the VR industry is intense and many potential competitors have vastly greater resources, we may have difficulty developing products that attract sufficient market share to generate the revenues we need to be successful.

The VR industry is highly competitive and we expect more companies to enter the sector and a wider range of social apps to be introduced. Our competitors that develop social apps for social networks vary in size and include publicly-traded companies such as Alphabet Inc. (parent of Google Inc.), Microsoft Corporation, Apple Inc. (including through its acquisition of Metaio GmbH) and Nokia Corporation, and privately-held companies such as Altspace VR Inc., Linden Research, Inc., (doing business as Linden Lab); UK-based Starship Group, High Fidelity, Inc., VRChat LLC, and VR Life S.L. Some of these current and potential competitors have significant resources for developing or acquiring additional apps, may be able to incorporate their own strong brands and assets into their apps, have a more diversified set of revenue sources than we do and may be less severely affected by changes in consumer preferences, regulations or other developments that may impact the VR industry. In addition, we have limited experience in developing apps for mobile and other platforms and our ability to succeed on those platforms is uncertain. As we continue to devote significant resources to developing apps for those platforms, we will face significant competition from established companies, including Google, Microsoft, Apple and Nokia. We expect new VR competitors to enter the market and existing competitors to allocate more resources to develop and market competing apps and applications. The value of our virtual goods is highly dependent on how we manage the economies in our products. If we fail to manage these economies properly, our business may suffer.

If we fail to protect or enforce our intellectual property rights, or if the costs involved in protecting and defending these rights are prohibitively high, our business and operating results may suffer.

We regard the protection of our trade secrets, copyrights, trademarks, domain names and other product rights as critical to our success. We strive to protect our intellectual property rights by relying on federal, state and common law rights, as well as contractual restrictions. We enter into confidentiality and invention assignment agreements with our employees and contractors and confidentiality agreements with parties with whom we conduct business in order to limit access to, and disclosure and use of, our proprietary information. However, these contractual arrangements and the other steps we have taken to protect our intellectual property may not prevent the misappropriation of our proprietary information or deter independent development of similar technologies by others.

We will pursue the registration of our domain names, trademarks, and service marks in the United States and in certain locations outside the United States as we continue to grow and launch our products. We will seek to protect our trademarks, patents and domain names in an increasing number of jurisdictions, a process that is expensive and time-consuming and may not be successful or which we may not pursue in every location. We may, over time, increase our investment in protecting our innovations through increased patent filings that are expensive and time-consuming and may not result in issued patents that can be effectively enforced. The Leahy-Smith America Invents Act (“the Leahy-Smith Act”) was adopted in September 2011. The Leahy-Smith Act includes a number of significant changes to United States patent law, including provisions that affect the way patent applications will be prosecuted and may also affect patent litigation. One of the key provisions of this law, changing the U.S. patent registry from a “first to invent” to a “first inventor to file” system, has only been effective since March 2013, and the effects of this change on small businesses like ours are not yet clear. It remains possible that the Leahy-Smith Act and its implementation will increase the uncertainties and costs surrounding the prosecution of patent applications and the enforcement or defense of issued patents, all of which could harm our business.

If we are required to sue third parties who we allege are violating our intellectual property rights, or if we are sued for violating a third party's patents or other intellectual property rights, we may incur substantial expenses, and we could incur substantial damages, including amounts we cannot afford to pay.

Litigation may be necessary to enforce our intellectual property rights, protect our trade secrets or determine the validity and scope of proprietary rights claimed by others. Patent and intellectual property litigation is extremely expensive and beyond our ability to pay. While third parties do, under certain circumstances, finance litigation for companies that file suit, we cannot assure you we could find a third party to finance any claim we choose to pursue. Moreover, third parties do not finance companies that are sued. Any litigation of this nature, regardless of outcome or merit, could result in substantial costs, adverse publicity or diversion of management and technical resources, any of which could adversely affect our business and operating results. If we fail to maintain, protect and enhance our intellectual property rights, our business and operating results may be harmed.

From time to time, we may face allegations that we have infringed the trademarks, copyrights, patents and other intellectual property rights of third parties, including from our competitors and inactive entities. Patent and other intellectual property litigation may be protracted and expensive, and the results are difficult to predict. As the result of any court judgment or settlement we may be obligated to cancel the launch of a new feature or product, stop offering certain features or products, pay royalties or significant settlement costs, purchase licenses or modify our apps and features while we develop substitutes.

In addition, we use open source software in our products and expect to continue to use open source software in the future. From time to time, we may face claims from companies that incorporate open source software into their products, claiming ownership of, or demanding release of, the source code, the open source software and/or derivative works that were developed using such software, or otherwise seeking to enforce the terms of the applicable open source license. These claims could also result in litigation, require us to purchase a costly license or require us to devote additional research and development resources to change our products, any of which would have a negative effect on our business and operating results.

If our users discover programming errors or flaws in our VR platform, it could harm our reputation or decrease market acceptance of our VR platform and negatively impact our operating results.

Initial versions of our VR platform may contain errors, bugs, flaws or corrupted data, particularly as we launch our new VR platform and rapidly release new features under tight time constraints. While we will perform extensive testing and launch trial phases of our products before full-scale commercial launch, these defects may only become apparent after full commercial launch. We believe that if our users have a negative experience with our products, they may be less inclined to continue or resume playing our products or recommend our products to other potential users. Undetected programming errors, game defects and data corruption can disrupt our operations, adversely affect the experience of our users, harm our reputation, cause our users to stop engaging with our products, divert our resources and delay market acceptance of our products, any of which could result in legal liability to us or harm our operating results.

Evolving regulations concerning data privacy may result in increased regulation and different industry standards, which could prevent us from providing our current products to our users, or require us to modify our products, thereby harming our business.

The regulatory framework for privacy issues worldwide is currently in flux and is likely to remain so for the foreseeable future. Practices regarding the collection, use, storage, transmission and security of personal information by companies operating over the Internet and mobile platforms have recently come under increased public scrutiny, and civil claims alleging liability for the breach of data privacy have been asserted against companies like ours. The U.S. government, including the Federal Trade Commission and the Department of Commerce, has announced that it is reviewing the need for greater regulation for the collection of information concerning consumer behavior on the Internet, including regulation aimed at restricting certain targeted advertising practices. In addition, the European Union is in the process of proposing reforms to its existing data protection legal framework, which may result in a greater compliance burden for companies with users in Europe. Various government and consumer agencies have also called for new regulation and changes in industry practices. In addition, our business could be adversely affected if laws or regulations are adopted, interpreted, or implemented in a manner that is inconsistent with our current business practices and that require changes to these practices, the design of our website, products, features or our privacy policy. In particular, the success of our business has been, and we expect will continue to be, driven by our ability to responsibly use the data that our users share with us. Therefore, our business could be harmed by any significant change to applicable laws, regulations or industry practices regarding the use or disclosure of data our users choose to share with us, or regarding the manner in which the express or implied consent of users for such use and disclosure is obtained. Such changes may require us to modify our products and features, possibly in a material manner, and may limit our ability to develop new products and features that make use of the data that our users voluntarily share with us.

Because we will process and store some of the personal information of our users, including credit card and other payment information, we are potentially vulnerable to security breaches resulting in the theft of confidential information, which would adversely affect our business.

We will receive, store and process personal information and other user data, and we enable our users to share their personal information with each other and with third parties, including on the Internet and mobile platforms. There are numerous federal, state and local laws around the world regarding privacy and the storing, sharing, use, processing, disclosure and protection of personal information and other user data on the Internet and mobile platforms, the scope of which are changing, subject to differing interpretations, and may be inconsistent between countries or conflict with other rules. Compliance with these rules may be costly. Further, while we will take steps to protect our users' confidential information from misuse and theft, we cannot guarantee that our electronic systems for storing and processing personal and credit card information will not be vulnerable to security breaches. Our own errors in the storage, use or transmission of personal information could also result in a breach of user privacy. If our users' confidential information is stolen or inadvertently disseminated, we may become subject to lawsuits or other proceedings for purportedly fraudulent transactions or invasions of privacy. In addition, we could face in liability under state and federal privacy statutes and legal or administrative actions by state attorneys general, private litigants, and federal regulators. Any such claim or proceeding, or any adverse publicity resulting from these allegations, may harm our reputation, discourage users and potential users, and have a material adverse effect on our business, financial condition, results of operations and cash flows.

Because we will be dependent on certain third party vendors for key services, we are vulnerable to disruptions in the supply of these services which are beyond our control, and which could harm our operations.

The Company will depend on a number of third parties to supply key elements of the VR technology, particularly content and information services. We cannot be certain that any of these providers will be willing and able to continue to provide these services in an efficient and cost-effective manner or that they will be willing or able to meet our evolving needs. If our potential vendors and/or content providers fail to meet their obligations, provide poor, inaccurate or untimely service, or we are unable to make alternative arrangements for the supply of these services, we may fail, in turn, to provide our services or to meet our obligations to our users and our business, financial condition and our operating results could be materially harmed.

Risks Relating to Our Common Stock

Because our common stock is subject to the “penny stock” rules, brokers cannot generally solicit the purchase of our common stock, which adversely affects its liquidity and market price.

The Securities and Exchange Commission (“SEC”) has adopted regulations which generally define “penny stock” to be an equity security that has a market price of less than \$5.00 per share, subject to specific exemptions. The market price of our common stock on the OTCQB is presently less than \$5.00 per share and therefore we are considered a “penny stock” according to SEC rules. Further, we do not expect our stock price to rise above \$5.00 in the immediate future. The “penny stock” designation requires any broker-dealer selling these securities to disclose certain information concerning the transaction, obtain a written agreement from the purchaser and determine that the purchaser is reasonably suitable to purchase the securities. These rules limit the ability of broker-dealers to solicit purchases of our common stock and therefore reduce the liquidity of the public market for our shares.

Moreover, as a result of apparent regulatory pressure from the SEC and the Financial Industry Regulatory Authority, a growing number of broker-dealers decline to permit investors to purchase and sell or otherwise make it difficult to sell shares of penny stocks. The “penny stock” designation may continue to have a depressive effect upon our common stock price.

Because of their share ownership, our management may be able to exert control over us to the detriment of minority shareholders.

Our executive officers and directors beneficially own approximately 75% of our common stock (including our President, John Wise, who beneficially owns approximately 69% of our outstanding common stock). These shareholders acting together, or even Mr. Wise acting alone, would be able to control our management and affairs and all matters requiring shareholder approval, including significant corporate transactions. This concentration of ownership may have the effect of delaying or preventing our change in control and might affect the market price of our common stock. For more information see page 30.

If our common stock becomes subject to a “chill” imposed by the Depository Trust Company, or DTC, your ability to sell your shares may be limited.

The DTC acts as a depository or nominee for street name shares that investors deposit with their brokers. DTC in the last several years has increasingly imposed a chill or freeze on the deposit, withdrawal and transfer of common stock of issuers whose common stock trades on the tiers of the OTC Markets. Depending on the type of restriction, a chill or freeze can prevent shareholders from buying or selling shares and prevent companies from raising money. A chill or freeze may remain imposed on a security for a few days or an extended period of time (in at least one instance a number of years). While we have no reason to believe a chill or freeze will be imposed against our common stock again in the future, if it were your ability to sell your shares would be limited. In such event, your investment will be adversely affected.

Due to factors beyond our control, our stock price may be volatile.

Any of the following factors could affect the market price of our common stock:

- Difficulties with the alpha or beta versions of Hypatia;
- Our failure to launch Hypatia on our previously announced timeline or with previously announced features;
- Our public disclosure of the terms of any financing which we consummate in the future;
- Our failure to generate increasing material revenues;
- Our failure to become profitable;
- Our failure to raise working capital;
- Announcements by us or our competitors of significant contracts, new services, acquisitions, commercial relationships, joint ventures or capital commitments;
- Our failure to meet financial analysts’ performance expectations;
- Changes in earnings estimates and recommendations by financial analysts;
- The sale of large numbers of shares of common stock which we have registered;
- Short selling activities; or
- Changes in market valuations of similar companies.

In the past, following periods of volatility in the market price of a company’s securities, securities class action litigation has often been instituted. A securities class action suit against us could result in substantial costs and divert our management’s time and attention, which would otherwise be used to benefit our business.

Because we may issue preferred stock without the approval of our shareholders and have other anti-takeover defenses, it may be more difficult for a third party to acquire us and could depress our stock price.

In general, our Board may issue, without a vote of our shareholders, one or more additional series of preferred stock that have more than one vote per share, although the Company’s ability to designate and issue preferred stock is currently restricted by covenants under our agreements with prior investors. Without these restrictions, our Board could issue preferred stock to investors who support us and our management and give effective control of our business to our management. Additionally, issuance of preferred stock could block an acquisition resulting in both a drop in our stock price and a decline in interest of our common stock. This could make it more difficult for shareholders to sell their common stock. This could also cause the market price of our common stock shares to drop significantly, even if our business is performing well.

Because we cannot raise capital from conventional bank financing, shareholders will be diluted in the future as a result of the issuance of additional securities.

To meet our working capital needs, we expect to issue additional shares of common stock or securities convertible, exchangeable or exercisable into common stock from time to time, which could result in substantial dilution to investors. Investors should anticipate being substantially diluted based upon the current condition of the capital and credit markets and their impact on small companies.

Because we may not be able to attract the attention of major brokerage firms, it could have a material impact upon the price of our common stock.

It is not likely that securities analysts of major brokerage firms will provide research coverage for our common stock since these firms cannot recommend the purchase of our common stock under the penny stock rules referenced in an earlier risk factor. The absence of such coverage limits the likelihood that an active market will develop for our common stock. It may also make it more difficult for us to attract new investors at times when we require additional capital.

Since we intend to retain any earnings for development of our business for the foreseeable future, you will likely not receive any dividends for the foreseeable future.

We have not paid dividends in the past and do not intend to pay any dividends in the foreseeable future, as we intend to retain any earnings for development and expansion of our business operations. As a result, you will not receive any dividends on your investment for an indefinite period of time.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus includes forward-looking statements including statements regarding liquidity, anticipated cash flows, future capital-raising activity, and the development of our primary product, Hypatia, including Hypatia's expected launch timeline, features, and distribution channels. All statements other than statements of historical facts contained in this prospectus, including statements regarding our future financial position, liquidity, business strategy and plans and objectives of management for future operations, are forward-looking statements. The words "believe," "may," "estimate," "continue," "anticipate," "intend," "should," "plan," "could," "target," "potential," "is likely," "will," "expect" and similar expressions, as they relate to us, are intended to identify forward-looking statements. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy and financial needs. These forward-looking statements are subject to a number of risks, uncertainties and assumptions described in "Risk Factors" elsewhere in this prospectus. Other sections of this prospectus may include additional factors which could adversely affect our business and financial performance. New risk factors emerge from time to time and it is not possible for us to predict all such risk factors, nor can we assess the impact of all such risk factors on our business or the extent to which any risk factor, or combination of risk factors, may cause actual results to differ materially from those contained in any forward-looking statements. Except as otherwise required by applicable laws, we undertake no obligation to publicly update or revise any forward-looking statements or the risk factors described in this prospectus, whether as a result of new information, future events, changed circumstances or any other reason after the date of this prospectus.

DILUTION

The shares being registered herein which underlie warrants and shares of preferred stock are not yet outstanding. Therefore, there will be dilution to our existing shareholders to the extent the warrants are exercised and the shares of preferred stock are converted.

USE OF PROCEEDS

We will not receive any proceeds upon the sale of shares by the selling shareholders. We will however receive proceeds from the exercise of the warrants. We plan on using these proceeds received from the selling shareholders to support our growth and for general corporate purposes, including working capital.

CAPITALIZATION

The following table sets forth our capitalization as of September 30, 2016. The table should be read in conjunction with the consolidated financial statements and related notes included elsewhere herein:

	As of September 30, 2016	
	(Unaudited)	
Cash and cash equivalents	\$	774,363
Debt:		
Shareholders' equity:		
Preferred Series A stock		396,728
Preferred Series A-1 stock		204
Preferred Series B stock		0
Preferred Series C stock		8
Common stock		43,009
Additional paid-in capital		6,759,675
Accumulated deficit		(1,265,711)
Total shareholders' equity	\$	5,537,185

MARKET FOR COMMON STOCK

Our stock trades on the OTCQB, under the symbol "TFVR." The last reported sale price of our common stock as reported by the OTCQB on February 3, 2017 was \$0.37. As of that date, we had approximately 550 record holders of our common stock and we believe that there are substantially more beneficial owners than record holders.

The following table provides the high and low bid price information for our common stock as quoted on the OTCQB for the periods indicated. Prices reflect inter-dealer prices, without retail mark-up, mark-down or commission and do not necessarily represent actual transactions. Our common stock does not trade on a regular basis.

Year	Period Ended	Prices (1)	
		High	Low
2016	March 31	\$ 0.60	\$ 0.20
	June 30	\$ 0.50	\$ 0.40
	September 30	\$ 0.80	\$ 0.40
	December 31	\$ 2.50	\$ 0.40
2015	March 31	\$ 2.00	\$ 0.80
	June 30	\$ 1.30	\$ 0.80
	September 30	\$ 0.80	\$ 0.50
	December 31	\$ 0.50	\$ 0.20

(1) All prices give effect to a one-for-10 reverse stock split effected in November 2016.

Dividend Policy

We have not paid cash dividends on our common stock and do not plan to pay such dividends in the foreseeable future. Our Board will determine our future dividend policy on the basis of many factors, including results of operations, capital requirements, and general business conditions.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This discussion should be read in conjunction with the other sections contained herein, including the risk factors and the consolidated financial statements and the related exhibits contained herein. The various sections of this discussion contain a number of forward-looking statements, all of which are based on our current expectations and could be affected by the uncertainties and risk factors described throughout this prospectus as well as other matters over which we have no control. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors, including but not limited to those set forth in this prospectus. See "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements."

Company Overview

The Company is a Nevada corporation. Effective September 13, 2016, the Company entered into an Agreement and Plan of Merger ("Merger Agreement") through which the Company acquired Timefire, a Phoenix-based virtual reality content developer that is an Arizona Limited Liability Company. As consideration for the Merger, the Company issued the equity holders of Timefire a total of 41,400,000 shares of the Company's common stock, and 2,800,000 five year warrants exercisable at \$0.58 per share for 100% of the membership interests of Timefire. As a result, the former members of Timefire owned approximately 99% of the then outstanding shares of common stock. The operations of the Company from the acquisition date represent the business of Timefire. Effective November 21, 2016, the Company effected a 1-for-10 reverse stock split and changed our name to TimefireVR Inc. The foregoing numbers give effect to the reverse split. All references to "we," "our" and "us" refer to the Company and its subsidiaries (including Timefire), unless the context otherwise indicates.

Results of Operations

For the Nine Months Ended September 30, 2016 Compared with the Nine Months Ended September 30, 2015

Total revenue for the nine months ended September 30, 2016 was \$203,640 as compared to \$6,500 for the nine months ended September 30, 2015. This is a result of the completion of a software development project for a related party, totaling \$202,500. Operating expenses in the nine months ended September 30, 2016 amounted to \$762,702 as compared to \$299,465 for the nine months ended September 30, 2015. The increase in operating expenses is primarily due to costs related to the merger transaction as well as increased employee headcount resulting in additional research and development costs. The net loss for the nine months ended September 30, 2016 was \$773,101 as compared to \$300,619 for the nine ended September 30, 2015, the difference being primarily due to the merger-related costs and payroll expenses.

For the Year Ended December 31, 2015 Compared with the Period from January 23, 2014 (Commencement of Operations) to December 31, 2014

Total revenue for the year ended December 31, 2015 was \$6,500 as compared to \$0 for the period from January 23, 2014 (commencement of operations) to December 31, 2014. The result is the completion of a small software development project. Operating expenses in the year ended December 31, 2015 were \$386,418 as compared to \$110,875 in 2014. The increase was primarily due to research and development expenses totaling \$353,398 versus \$94,136, an increase of \$259,262. The net loss for the year ended December 31, 2015 was \$381,735, as compared to \$110,875 for 2014. The difference is primarily due to the increase research and development costs.

Liquidity and Capital Resources

We have \$154,000 of cash available as of the date of this prospectus and based on our estimated current liabilities, our working capital is \$146,000. We expect that we can manage our accounts payable and sustain operations until February 20, 2017. To remain operational beyond that time, we must complete a financing. We cannot guarantee you that we will be successful in obtaining such financing, or that the terms of such financing will be favorable to us. See "Risk Factors," above.

Going Concern

We have not attained profitable operations and are dependent upon obtaining financing to continue our operating activities. For these reasons, our auditors stated in their report on our audited financial statements that they have substantial doubt that we will be able to continue as a going concern

Critical Accounting Policies and Estimates

Our financial statements and accompanying notes have been prepared in accordance with United States generally accepted accounting principles applied on a consistent basis. The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods.

We regularly evaluate the accounting policies and estimates that we use to prepare our financial statements. A complete summary of these policies is included in the notes to our financial statements. In general, management's estimates are based on historical experience, on information from third party professionals, and on various other assumptions that are believed to be reasonable under the facts and circumstances. Actual results could differ from those estimates made by management.

The Company has implemented all new accounting pronouncements that are in effect. These pronouncements did not have any material impact on the financial statements unless otherwise disclosed, and the Company does not believe that there are any other new accounting pronouncements that have been issued that might have a material impact on its financial position or results of operations.

Off Balance Sheet Arrangements

We do not engage in any activities involving variable interest entities or off-balance sheet arrangements.

BUSINESS

Description of Business

History

The Company was originally incorporated in the State of Colorado on February 16, 1984 under the name of Oravest Interests, Inc. On March 14, 2002, after several prior name changes, we changed our name to Broadleaf Capital Partners, Inc. On April 10, 2002 we effectuated a merger with Broadleaf Capital Partners, Inc., a Nevada corporation (which had been formed on March 19, 2001) and as a result re-domiciled to the State of Nevada. On July 23, 2014 we changed our name to EnergyTek Corp.

On March 31, 2014 we closed a transaction whereby we acquired certain assets and assumed certain liabilities of Texas Gulf Oil & Gas, Inc., a Nevada corporation, which were contributed to our then wholly-owned subsidiary Texas Gulf Exploration & Production, Inc. On March 31, 2014, we also closed a transaction whereby we acquired certain assets and assumed certain liabilities of Litigation Capital, Inc., a Nevada corporation, which were contributed to our then wholly-owned subsidiary Legal Capital Corp.

On January 6, 2015, we entered into a Joint Venture Agreement with Wagley Offshore-Onshore, Inc. to pursue a distressed energy asset acquisition program. The joint venture was formed as Wagley-EnergyTEK J.V. LLC, a Texas limited liability company to which we issued 2,000,000 restricted shares of our common stock.

Effective September 13, 2016, the Company acquired Timefire, a Phoenix-based virtual reality content developer that is an Arizona limited liability company which is now a wholly-owned subsidiary of the Company. As consideration for the acquisition, the Company issued the equity holders of Timefire a total of 41,400,000 shares of the Company's common stock and 2,800,000 five-year warrants, which constituted a change of control of the Company (the "Merger"). Effective November 21, 2016, we effected a one-for-10 reverse stock split and changed our name to TimefireVR Inc. The common stock share numbers used throughout this prospectus give effect to the reverse split.

In connection with the Merger, the Company dissolved Wagley-EnergyTEK J.V. LLC and cancelled its shares of the Company. In December 2016, the Company transferred ownership of Texas Gulf Oil & Gas, Inc. and Legal Capital Corp. to Litigation Capital, Inc. in exchange for Litigation Capital, Inc. assuming \$178,000 of the Company's debt. This had the effect of terminating the Company's oil and gas business.

Description of our Products and Services

The focus of Timefire's business is building a software-based virtual reality, or "VR," ecosystem designed to alter the course of social interaction, experiential learning, commerce, and culture by way of VR. Using our VR developed content as well as community-developed content, we intend to provide a complex and massive virtual economy that is replete with the arts, culture, education, social interaction, and commerce. We sometimes refer to this VR ecosystem as a "metaverse."

The virtual reality industry is an emerging industry that finds a number of major computer companies including Alphabet Inc. (the parent of Google Inc.), Sony Corporation, Apple Inc., Facebook, Inc., HTC Corporation, Valve Corporation, Intel Corporation, and Microsoft Corporation positioning themselves as leaders. While these major companies have focused on the hardware or headset side of the VR business, their immense resources and software expertise makes it likely that they will focus on the software side as well.

Timefire's planned role is as a software developer aimed at creating products like Hypatia which are useful and enjoyable for consumers. However, for the Company to be able to successfully deploy Hypatia, there must be a robust, useful and relatively inexpensive VR headset as widely sold and used by consumers as devices such as PlayStation and X-Box. While VR headsets that work with mobile phones, such as Google Cardboard or Samsung Gear VR, presently retail below \$100, stand-alone headsets such as PlayStation VR, HTC Vive, and Oculus Rift presently retail in the range of \$300-800. According to SuperData Research, Inc., approximately 89 million VR equipment platforms were sold in 2016, the vast majority of which were for use with mobile phones. See "Risk Factors," above for how our business may be affected by the price and features of available equipment platforms.

Our first product, which has been under full development for over two years, is the first VR global city, "Hypatia." Hypatia is designed to offer revolutionary social and experiential content and is expected to launch with over 40 hours of unique content. In addition, Hypatia will offer an expanding ecosystem where its users can create, market, and sell products and services, experience new content daily, and visit new features.

Hypatia will launch with a master planned community of 50,000 buildings containing shops, apartments, museums, and other facilities featuring over 150 miles of streets, paths, and riverways. Timefire will expand Hypatia as the VR market demands. While our initial launch is influenced by Amsterdam and Barcelona, we are also building towns influenced by a number of different international capitals, including Venice, Paris, London, Osaka, New York City, Mexico City, Washington D.C., and more.

Hypatia will be free to download and explore basic features, while other features will require payment to utilize. In addition, users will be able to purchase virtual business space where they can offer both virtual and real world goods for sale, as well as offer and purchase services, such as courses and classes. The site will offer third-party branded content as well as tasteful advertising on street signs and benches similar to real world advertising. Our revenue model is based on the utilization of both soft and hard currency, where real dollars are used to acquire in-game dollars. We will face challenges maintaining and regulating our in-game currency and facilitating the process of converting it to real world dollars.

Hypatia's unique architecture and features afford multiple monetization opportunities, including real estate, advertising, participation fees, and commerce. Hypatia is developing a wide number of activities for the player, some of which include participation fees, including commerce, music and art creation, holographic books, voice chat, 360 degree video experience, games and puzzles, trains, bicycles, Vespas, boating, karaoke, apartments for sale, business space for sale, and an avatar builder. In November 2016, we entered an agreement to build Hypatia's first virtual store with State Bicycle Co., a real world bicycle retailer that will rent branded virtual bicycles to Hypatia visitors and residents.

Anticipated Trial and Launch Timeline

The Company expects to launch its first, or test, version of Hypatia – which we refer to as “Alpha Phase I” - in the first quarter of 2017. The initial test field will be comprised of VR industry experts and seasoned gamers, as well as some users with no prior VR or gaming experience. The test phase is expected to last approximately one month, providing detailed analysis which the Company will use to make adjustments and modifications to the product. Our Alpha Phase II trial is expected to launch in the third quarter of 2017, involving a total of 5,000 test users, including our original Alpha Phase I testers.

We expect to launch Hypatia in its substantially final form, or the beta version, in the fourth quarter of 2017. We are planning the commercial launch of our complete, fully market-ready product to coincide with the CES 2018 Consumer Electronics Show taking place in January 2018 in Las Vegas, Nevada.

Hypatia’s initial commercial roll-out will be social media driven, including through the Steam VR store, which had approximately 125 million users as of April 25, 2016, according to a Valve Corporation press release. Subsequent roll-out is planned for platforms such as Oculus (which remains a closed system until 2018), PlayStation, and Google Direct Venture, with planned applications for Google Play and the Apple App Store.

Competition & Competitive Strengths

The primary competitors to Hypatia are AltspaceVR (developed by Altspace VR Inc.), Sansar and Second Life (developed by Linden Research, Inc., doing business as Linden Lab); vTime (developed by the UK-based Starship Group); High Fidelity (developed by High Fidelity, Inc.); VRChat (developed by VRChat LLC), and VR Life (developed by VR Life S.L.) all of which are virtual environments. Other than Sansar, Second Life and High Fidelity, our competitors primarily provide seated-only chat in a fixed area environment.

To the Company’s knowledge, only Sansar, Second Life and High Fidelity are planning the launch of a metaverse built for the immersive tethered headset VR platform. These environments are expected to be more heavily curated by users than Hypatia will be, which creates the risk that they will be less suitable environments for younger users. Hypatia is developing and integrating a review process for all community-generated content prior to that content going live. In addition, these competitive worlds appear to be geared primarily at the social space, with entertainment playing a large role. In contrast, Hypatia’s ultimate focus is experiential learning involving cultural immersion, social interaction, collaborative participation, and commerce in addition to entertainment. We expect that Hypatia’s city elements will be further distinguished from our competitors’ by the incorporation of density and scarcity largely influenced by international capitals, including Amsterdam, Barcelona, Venice, Paris, London, Osaka, New York, Mexico City, and Washington, D.C.

Employees

As of February 3, 2017, we had 29 full-time employees. None of our employees are parties to any collective bargaining arrangement. We believe our relationships with our employees are good.

Regulation

Because we will receive, store and process personal information and other user data, we are subject to numerous federal, state and local laws around the world regarding privacy and the storing, sharing, use, processing, disclosure and protection of personal information and other user data on the Internet and mobile platforms. The scope of these regulations are continuing to evolve, and they may be inconsistent among the locations in which we operate and our users reside. Compliance with these rules may be difficult and costly, and if we fail to comply, we could face in liability under these statutes and legal or administrative actions by government entities and private litigants. See “Risk Factors,” above, for further discussion of the risks we face related to safeguarding our electronic systems and user information.

Property

The Company’s principal office is located at 7600 E. Redfield Rd., #100, Building A, Scottsdale, AZ 85260 for which the Company pays monthly rent in the amount of \$8,121.

Legal Proceedings

From time to time, we may be party to, or otherwise involved in, legal proceedings arising in the normal and ordinary course of business. As of the date of this report, we are not aware of any proceeding, threatened or pending, against us which, if determined adversely, would have a material effect on our business, results of operations, cash flows or financial position.

MANAGEMENT

As disclosed above and described further below, effective September 13, 2016, the Company consummated a merger transaction, or the Merger, with Timefire. In connection with the Merger, the Company made changes to the persons serving as executive officers and directors of the Company. These changes constituted a change of control of the Company. The table below reflects the Company’s management as of February 3, 2017.

<u>Name</u>	<u>Age</u>	<u>Position</u>
Jeffrey Rassas	54	Chief Executive Officer
John M. Wise	53	President and Director
Jessica L. Smith	38	Interim Chief Financial Officer and Treasurer
Lou Werner, III	47	Director

Jeffrey Rassas has served as the Company’s Chief Executive Officer since January 31, 2017. He also served as Chief Strategy Officer from September 7, 2016 through January 31, 2017 and a director since December 5, 2016. Mr. Rassas has served as the Chief Executive Officer and Chairman of Airware Labs Corp. (OTCQB: AIRW), a Class 1 consumer medical device company, since 2012. In addition, since 2014, he has served on the management committee of Timefire. He previously served as founder, Chief Executive Officer and Chairman of YouChange Holdings Corp (merged with Quest Resource Management, NASDAQ:QRHC) from 2008 through 2012.

John M. Wise has served as the Company’s President and a director since September 7, 2016. Mr. Wise, founded Timefire in 2014 and has served as a member of its management committee since its inception. Mr. Wise has also been an author since 2010.

Jessica L. Smith was appointed as Interim Chief Financial Officer of the Company effective September 13, 2016 and Treasurer of the Company on September 26, 2016. Ms. Smith is a certified public accountant in the State of Arizona. Ms. Smith has served as the Chief Financial Officer of Airware Labs Corp. (OTCQB: AIRW) since December 2012 and as its Secretary and Treasurer since January 2013. Since 2008, she has also provided accounting and financial consulting services through her company, JS Accounting & Tax, PLLC.

Lou Werner, III was appointed as a director on December 5, 2016. Mr. Werner is an architect and has been the owner of Formwerks Studios, L.L.C. since 2001. Since 2014, he has also served on the Board of Directors of Technisoil Industrial, LLC.

There are no family relationships among our directors and/or executive officers.

Board Committees and Charters

Our Board of Directors does not currently have any committees and as such the Board as a whole carries out the functions of audit, nominating and compensation committees due to our limited size and resources. The Board of Directors has determined that the functions of such committees will be undertaken by the entire Board.

Director Independence

Our Board of Directors affirmatively determines the independence of each director and nominee for election as a director in accordance with the independence standards of the Nasdaq Listing Rules. Based on this standard, the Board of Directors has determined that Mr. Werner qualifies as independent.

Code of Ethics

Our Board of Directors intends to adopt a revised Code of Ethics which will cover all directors, executive officers, and employees and will comply with the requirements of the Sarbanes-Oxley Act of 2002 and the rules and regulations of the SEC thereunder. Following its adoption, a copy of the Code of Ethics will be made available upon request at no charge. Requests should be directed in writing to the Company at 7600 E. Redfield Rd., #100, Building A, Scottsdale, Arizona, 85260.

Shareholder Communications

Although we do not have a formal policy regarding communications with the Board, shareholders may communicate with the Board by writing to us at 7600 E. Redfield Rd., #100, Building A, Scottsdale, Arizona, 85260, Attention: Corporate Secretary. Shareholders who would like their submission directed to a member of the Board may so specify, and the communication will be forwarded, as appropriate.

Board Structure

At the present time, we do not have a designated Chairman of the Board, which we believe is appropriate given the small size of our present Board. We may, in the future, re-evaluate whether to designate a Chairman, and if so, whether that position should be held by a director who is also an executive officer.

Board Assessment of Risk

Our risk management function is overseen by our Board. Our management keeps its Board apprised of material risks and provides its directors access to all information necessary for them to understand and evaluate how these risks interrelate, how they affect us, and how management addresses those risks. Our Chief Executive Officer works closely together with the Board once material risks are identified on how to best address such risks. If the identified risk poses an actual or potential conflict with management, our independent director may conduct the assessment.

Risk Assessment Regarding Compensation Policies and Practices as they Relate to Risk Management

Our compensation program for employees does not create incentives for excessive risk-taking by our employees or involve risks that are reasonably likely to have a material adverse effect on us. Our compensation has the following risk-limiting characteristics:

- Our base pay programs consist of competitive salary rates that represent a reasonable portion of total compensation and provide a reliable level of income on a regular basis, which decreases incentive on the part of our executives to take unnecessary or imprudent risks;
- We do not presently have any executive officers eligible to receive incentive-based compensation that might encourage risk-taking to increase short-term compensation at the expense of longer term company results;
- Our 2016 Equity Incentive Plan provides that equity awards may be recovered by us should a restatement of earnings occur upon which incentive compensation awards were based, or in the event of other wrongdoing by the recipient; and
- Equity awards, including those granted to date, will generally provide for multi-year vesting which aligns the long-term interests of our executives with those of our shareholders and, again, discourages the taking of short-term risk at the expense of long-term performance.

EXECUTIVE COMPENSATION

Any compensation received by our officers, directors, and management personnel will be determined from time to time by our Board of Directors. Our officers, directors, and management personnel will be reimbursed for any out-of-pocket expenses incurred on our behalf.

Summary Compensation Table

The following information is related to the compensation paid, distributed or accrued by us to our present Chief Executive Officer (principal executive officer), the individual serving as Chief Executive Officer at the end of the last fiscal year, and the two other most highly compensated executive officers serving at the end of the last fiscal year whose total compensation exceeded \$100,000 in 2016. We refer to these persons as the "Named Executive Officers." The Company had no executive officers whose compensation exceeded \$100,000 in 2016; accordingly, only our present and former Chief Executive Officers are included in the table below.

Name and Principal Position	Year Ended	Salary \$	Bonus \$	Stock Awards \$	Option Awards \$	Non-Equity Incentive Plan Compensation \$	Non- qualified Deferred Compensation Earnings \$	All Other Compensation \$	Total \$
Jeffrey Rassas, CEO and Secretary (1)	2016	67,634	—	—	—	—	—	—	67,634
	2015	—	—	—	—	—	—	—	—
Jonathan R. Read CEO and Former President (2)	2016	80,634	—	226,000	—	—	—	—	306,634
	2015	10,000	—	—	—	—	—	—	10,000

(1) Mr. Rassas served as Chief Strategy Officer from September 13, 2016 through January 31, 2017, when he was appointed Chief Executive Officer.

(2) Mr. Read served as President and Chief Executive Officer from November 2015 through September 13, 2016 and as Chief Executive Officer, Secretary, and Chairman from September 13, 2016 through January 31, 2017.

Employment Agreements

We presently have the following employment arrangements with our executive officers:

Jeffrey Rassas

In connection with the Merger, Mr. Rassas entered into an employment agreement with the Company pursuant to which he receives \$150,000 a year for his services. The employment agreement has an initial term of two years and automatically renews for one-year terms thereafter unless terminated by either Mr. Rassas or the Company. Mr. Rassas will also be eligible for a bonus at the discretion of the Company's Board of Directors.

John M. Wise

In connection with the Merger, Mr. Wise entered into an employment agreement with the Company pursuant to which he receives \$150,000 a year for his services. The employment agreement has an initial term of two years and automatically renews for one-year terms thereafter unless terminated by either Mr. Wise or the Company. Mr. Wise will also be eligible for a bonus at the discretion of the Company's Board of Directors.

Jessica L. Smith

Ms. Smith is compensated \$5,000 per month for her part-time services to the Company and her employment is on an at-will basis.

Stock Options/SAR Grants

The Company has not granted any stock options or stock appreciation rights since our date of incorporation on September 3, 2010.

Outstanding Equity Awards at Fiscal Year-end and Equity Compensation Plans

As of the year ended December 31, 2016, our only grant of options or other equity awards to a Named Executive Officer or other officer was the following: Effective September 13, 2016, in connection with the Merger, we granted 500,000 restricted stock units to Mr. Jonathan Read, of which 166,667 were fully vested, with the balance vesting in equal installments on the first and second anniversary of the grant date. In connection with Mr. Read's resignation in January 2017, all his remaining unvested restricted stock units were vested.

Effective September 13, 2016, the Company adopted its 2016 Equity Incentive Plan (the "Plan") and made certain equity awards thereunder in connection with the Merger. The Plan provides that the Board may make equity awards to employees, directors, and consultants representing a maximum of 3,300,000 shares of the Company's common stock (including the 500,000 restricted stock units granted to Mr. Read, as described above). The purpose of the Plan is to retain qualified and competent officers, employees, directors and consultants. Our Board of Directors administers the Plan and is authorized, in its sole and absolute discretion, to grant options thereunder to all of our eligible employees, including officers, and to our directors, whether or not those directors are also our employees. Equity awards will be granted pursuant to the provisions of the Plan on such terms, subject to such conditions and at such exercise prices as shall be determined by our Board of Directors. Our Plan and the Plan award agreements will provide that equity awards granted pursuant to the Plan shall not be exercisable after the expiration of 10 years from the date of grant.

Listed below is information with respect to unexercised options and shares of common stock that had not vested for each Named Executive Officer outstanding as of December 31, 2016:

Name	Stock Awards	
	Number of Shares or Units of Stock That Have Not Vested (#) (1)	Market Value of Shares or Units of Stock That Have Not Vested (\$) (1)
Jeffrey Rassas	—	—
Jonathan Read (2)	333,333	\$ 283,333

(1) Represents unvested restricted stock units. Market value is based on \$0.85 closing price on December 30, 2016.

(2) Mr. Read resigned as an officer January 31, 2017, and all unvested equity awards vested at that time.

Name Of Plan	Number of shares of common stock to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options warrants and rights (b)(\$)	Number of shares remaining available for future issuance under equity compensation plans (excluding the shares reflected in column (a)) (c)
Equity compensation plans approved by security holders (N/A)			
Equity compensation plans not approved by security holders ⁽¹⁾	500,000 ⁽²⁾	—	2,800,000
Total	500,000	\$ —	2,800,000

(1) Represents 2016 Equity Incentive Plan.

(2) Represents 500,000 undelivered restricted stock units granted to Mr. Read, of which 333,333 were unvested at December 31, 2016. All have subsequently vested.

Termination Provisions

The following provisions apply to each of our executive officers other than Ms. Smith, whose employment is at-will:

In the event of the executive's death, such executive's estate will be entitled to three months' base salary. In the event of the executive's total disability, the executive will be entitled to six months' base salary and a pro-rated bonus payment. In the event of the executive's resignation for Good Reason or the Company's termination of the executive without Cause or within two years of a Change of Control (each capitalized term as defined in the employment agreements), the executive will be entitled to two years' base salary and any bonus to which he would otherwise be entitled, and all unvested equity awards held by the executive shall immediately vest. In all other circumstances, any unvested equity awards will expire upon the executive's termination.

The Company entered an agreement with former Chief Executive Officer Jonathan Read following his resignation, effective January 31, 2017, pursuant to which he agreed to provide certain consulting services to the Company for a period of six months, for which he would be compensated \$12,500 monthly. In addition, under the agreement, 333,333 unvested restricted stock units previously granted to Mr. Read immediately vested.

Director Compensation

We do not pay cash compensation to our directors for service on our Board and our employees do not receive compensation for serving as members of our Board. Directors are reimbursed for reasonable expenses incurred in attending meetings and carrying out duties as Board and committee members. Under the Plan, our non-employee directors may receive grants of stock options or other equity awards as compensation for their services on our Board, as described above.

We made no equity grants and paid no compensation to non-employee directors during the years ended December 31, 2016 and 2015. We are presently evaluating how to compensate our non-employee directors during 2017, but we have not formalized any arrangements as of the date of this prospectus.

PRINCIPAL SHAREHOLDERS

Voting Securities and Principal Holders Thereof

The following table sets forth the number of shares of our common stock beneficially owned as of February 3, 2017 by (i) those persons known by us to be owners of more than 5% of our common stock, (ii) each director, (iii) our Named Executive Officers (as defined by the rules of the Securities and Exchange Commission) for the year ended December 31, 2016 and (iv) all of our current executive officers and directors as a group. Unless otherwise specified in the notes to this table, the address for each person is: c/o TimefireVR Inc., 7600 E. Redfield Rd., #100, Building A, Scottsdale Arizona, 85260.

Class Type	Beneficial Owner Name and Address	Amount of Ownership	Percentage Ownership
Officers and Directors			
Common Stock	Jeffrey Rassas, Chief Executive Officer (1)	539,013	1.2%
Common Stock	John M. Wise, President and Director (2)	32,358,215	69.0%
Common Stock	Lou Werner, III Director (3)	2,181,125	4.8%
Common Stock	Jonathan R. Read Former Chief Executive Officer and Chairman of the Board (4)	—	0%
Common Stock	Craig Crawford Former Chief Financial Officer and Director (5)	11,818	*
Common Stock	All Present Executive Officers and Directors as a Group – 5 members (6)	35,078,353	75.1%
5% Shareholders			
Common Stock	Stockbridge Enterprises, L.P. (7)	6,323,554	14.0%

(1) Includes 34,089 shares underlying warrants.

(2) Includes 2,046,413 shares underlying warrants.

(3) Includes 137,940 shares underlying warrants.

(4) Mr. Read resigned as an officer and director of the Company effective January 31, 2017.

(5) Mr. Crawford resigned as an officer and director of the Company effective July 21, 2016.

(6) Includes Messrs. Rassas, Wise, and Werner and Interim Chief Financial Officer, Ms. Jessica Smith.

(7) Includes 399,917 shares underlying warrants. Address is 7377 E. Doubletree Ranch Road, Suite 200, Scottsdale, AZ 85258. Mitchell A. Saltz has voting and investment power over these securities.

* Less than 1%.

Applicable percentages are based on 44,840,276 shares of common stock outstanding as of February 3, 2017. Beneficial ownership is determined under the rules of the SEC and generally includes voting or investment power with respect to securities. Shares of common stock subject to options, warrants, convertible notes and preferred stock currently exercisable or convertible or exercisable or convertible within 60 days are deemed outstanding for computing the percentage of the person holding such securities but are not deemed outstanding for computing the percentage of any other person. The table includes shares of common stock, options, warrants, and preferred stock exercisable or convertible into common stock and vested or vesting within 60 days. Unless otherwise indicated in the footnotes to this table, we believe that each of the shareholders named in the table has sole voting and investment power with respect to the shares of common stock indicated as beneficially owned by them. Certain shareholders who would beneficially own greater than 5% of our outstanding common stock were it not for 2.49% blocker provisions in their securities are excluded from the table.

SELLING SHAREHOLDERS

The following table provides information about the selling shareholders, including how many shares of our common stock each owns on the date of this prospectus, how many shares are offered for sale by this prospectus, and the number and percentage of outstanding shares the selling shareholders will own after the offering assuming all shares covered by this prospectus are issued and sold.

We do not know when or in what amounts the selling shareholders will offer shares for sale. The selling shareholders may not sell any or all of the shares offered by this prospectus. Pursuant to leak-out agreements between the Company and certain of the selling shareholders which will remain in effect through March 2017, we know such individuals cannot sell more than 50% of the daily average composite trading volume of the common stock as reported by Bloomberg, LP any given trading day for so long as such agreements remain in effect. In addition, due to 2.49% blocker provisions contained in all of our series of preferred stock and the warrants issued to our investors in September 2016, certain of our selling shareholders cannot hold more than 2.49% of the Company's common stock at any given time, which impacts their ability to sell shares of our common stock. However, beyond that, we cannot estimate in any meaningful way the rate at which our selling shareholders will sell the shares registered herein, or the number of the shares that will be held by the selling shareholders after completion of the offering.

For purposes of the table below, we have assumed that, after completion of the offering, all of the shares covered by this prospectus will be sold by the selling shareholders following conversion of preferred stock or exercise of warrants.

All of the information contained in the table below is based upon information provided to us by the selling shareholders, and we have not independently verified this information. The selling shareholders may have sold, transferred or otherwise disposed of, or may sell, transfer or otherwise dispose of, at any time or from time to time since the date on which each provided the information regarding the shares beneficially owned, all or a portion of the shares beneficially owned in transactions exempt from the registration requirements of the Securities Act of 1933, or the Securities Act.

The number of shares outstanding and the percentages of beneficial ownership are based on 44,840,276 shares of our common stock issued and outstanding as of February 3, 2017, plus shares which are being registered hereunder underlying preferred stock and warrants. For the purposes of the following table, the number of shares common stock beneficially owned has been determined in accordance with Rule 13d-3 under the Securities Exchange Act of 1934, or the Exchange Act, and such information is not necessarily indicative of beneficial ownership for any other purpose. Under Rule 13d-3, beneficial ownership includes any shares as to which a selling shareholder has sole or shared voting power or investment power and also any shares which that selling shareholder has the right to acquire within 60 days of the date of this prospectus through the exercise of any stock option, warrant or other rights. The 2.49% blocker limits beneficial ownership.

Name	Number of securities beneficially owned before offering (a)	Number of securities to be offered (b)	Number of securities beneficially owned after offering (c)	Percentage of securities beneficially owned after offering (d)
Cavalry Fund I LP (1)	1,116,523	6,211,385	0	*
Hudson Bay Master Fund Ltd. (2)	1,116,523	10,030,468	0	*
WWOD Holdings, LLC (3)	928,495	928,495	0	*
L1 Capital Global Master Fund Ltd. (4)	1,116,523	1,642,603	0	*
Edward Slade Meade (5)	231,322	231,322	0	*

* Less than 1%.

- (1) Includes 4,537,077 shares underlying preferred stock and 754,308 warrants. The preferred stock and warrants issued to the selling shareholder contain a blocker limiting conversions or exercises to 2.49% of Timefire's outstanding shares of common stock. Therefore, the number of shares beneficially owned by the selling shareholder has been limited to 2.49% in column (a) of this table; however, this prospectus includes all of the shares underlying the preferred stock issued to the selling shareholder, and the number of shares listed in column (b) does not reflect this blocker. Thomas Walsh has voting and investment power over these securities.
- (2) Includes 8,248,449 shares underlying preferred stock and 1,293,107 warrants. The preferred stock and warrants issued to the selling shareholder contain a blocker limiting conversions or exercises to 2.49% of Timefire's outstanding shares of common stock. Therefore, the number of shares beneficially owned by the selling shareholder has been limited to 2.49% in column (a) of this table; however, this prospectus includes all of the shares underlying the preferred stock issued to the selling shareholder, and the number of shares listed in column (b) does not reflect this blocker. Hudson Bay Capital Management LP, the investment manager of Hudson Bay Master Fund Ltd., has voting and investment power over these securities. Sander Gerber is the managing member of Hudson Bay Capital GP LLC, which is the general partner of Hudson Bay Capital Management LP. Each of Hudson Bay Master Fund Ltd. and Sander Gerber disclaims beneficial ownership over these securities.
- (3) Includes 599,185 shares underlying preferred stock and 129,310 warrants. Neil Rock has voting and investment power over these securities.
- (4) Includes 1,297,776 shares underlying preferred stock and 344,827 warrants. The preferred stock and warrants issued to the selling shareholder contain a blocker limiting conversions or exercises to 2.49% of Timefire's outstanding shares of common stock. Therefore, the number of shares beneficially owned by the selling shareholder has been limited to 2.49% in column (a) of this table; however, this prospectus includes all of the shares underlying the preferred stock issued to the selling shareholder, and the number of shares listed in column (b) does not reflect this blocker. David Feldman has voting and investment power over these securities.
- (5) Includes 166,667 shares underlying preferred stock and 64,655 warrants.

RELATED PERSON TRANSACTIONS

Certain Relationships and Related Transactions

When the Company is contemplating entering into any transaction in which any executive officer, director, nominee or any family member of the foregoing would have any direct or indirect interest, regardless of the amount involved, the terms of such transaction have to be presented to the full Board of Directors (other than any interested director) for approval. The Board has not adopted a written policy for related party transaction review but when presented with such transaction, they are discussed by the full Board of Directors and documented in the Board minutes.

Since the beginning of the fiscal year ended December 31, 2016, the Company engaged in the following transactions with a related person:

Effective July 21, 2016, we entered into an agreement with the joint venture we formed in 2015, Wagley-EnergyTEK J.V. LLC (the "Wagley J.V."), our subsidiary Texas Gulf Exploration & Production, Inc. ("TGEP"), Damon Wagley, the former president of TGEP, our subsidiary Legal Capital Corp., and our former director and executive officer, Mr. Craig Crawford, among other parties. Pursuant to the agreement, the Wagley J.V. was dissolved, the 2,000,000 shares we contributed to the Wagley J.V. were cancelled, TGEP assumed approximately \$178,000 of the Company's debt which was then owed to Texas Gulf, Oil & Gas, Inc., and all the equity interests of TGEP and Legal Capital Corp. were transferred to Litigation Capital, Inc. in exchange for the issuance to Litigation Capital, Inc. of 30,000 shares of the Company's common stock in redemption of Litigation Capital, Inc.'s shares of the Company's Series B Preferred Stock. Pursuant to this agreement, Mr. Crawford also resigned as an executive officer and director of the Company.

During the year ended December 31, 2015, Timefire entered into an agreement to provide software development services with an entity in which Mitchell A. Saltz, who beneficially owns over 10% of the Company's securities, has a significant ownership interest. During 2015, Timefire received \$156,000 in payments for these services. The contracted services had not yet been completed as of December 31, 2015, and all amounts received were classified as unearned revenue. During the nine months ended September 30, 2016, the Company completed this work, recognizing the previously unearned revenue from 2015 as well as an additional \$46,500, for a total of \$202,500.

Subsequent to the year ended December 31, 2016, the Company entered into a severance agreement with former Chief Executive Officer Jonathan Read pursuant to which Mr. Read will earn a total of \$75,000 providing consulting services to the Company from February 2017 through July 2017.

DESCRIPTION OF SECURITIES

We are authorized to issue 500,000,000 shares of common stock, par value \$0.001 per share, and 10,000,000 shares of preferred stock, par value \$0.01 per share. As of the date of this prospectus, 44,840,276 shares of common stock and 154,319.54 shares of preferred stock are outstanding, consisting of 133,334 shares of our Series A Convertible Preferred Stock, 20,371 shares of our Series A-1 Convertible Preferred Stock, and 614.54 shares of our Series C Convertible Preferred Stock.

Common Stock

The holders of common stock are entitled to one vote per share on all matters submitted to a vote of shareholders, including the election of directors. There is no cumulative voting in the election of directors. The holders of common stock are entitled to any dividends that may be declared by the Board of Directors out of funds legally available for payment of dividends subject to the prior rights of holders of preferred stock and any contractual restrictions we have against the payment of dividends on common stock. In the event of our liquidation or dissolution, holders of common stock are entitled to share ratably in all assets remaining after payment of liabilities and the liquidation preferences of any outstanding shares of preferred stock. Holders of common stock have no preemptive rights and have no right to convert their common stock into any other securities.

Preferred Stock

We are authorized to issue 10,000,000 shares of \$0.001 par value preferred stock in one or more series with such designations, voting powers, if any, preferences and relative, participating, optional or other special rights, and such qualifications, limitations and restrictions, as are determined by resolution of our Board of Directors. The issuance of preferred stock may have the effect of delaying, deferring or preventing a change in control of our company without further action by shareholders and could adversely affect the rights and powers, including voting rights, of the holders of common stock. In certain circumstances, the issuance of preferred stock could depress the market price of the common stock.

The following discussion of our capital stock and charter documents is qualified in its entirety by our Articles of Incorporation, including the Certificates of Designation for our series of preferred stock, our Bylaws and by the full text of the agreements pursuant to which the securities were issued. We urge you to review these documents, copies of which have been filed with the SEC, for a more complete description of the rights and liabilities of holders of our securities.

Our charter documents include provisions that may have the effect of discouraging, delaying or preventing a change in control or an unsolicited acquisition proposal that a shareholder might consider favorable, including a proposal that might result in the payment of a premium over the market price for the shares held by our shareholders. Certain of these provisions are summarized in the following paragraphs.

Effects of authorized but unissued common stock and blank check preferred stock.

One of the effects of the existence of authorized but unissued common stock and undesignated preferred stock may be to make it more difficult to obtain control of us by means of a merger, tender offer, proxy contest or otherwise, and thereby to protect the continuity of management. If, in the due exercise of its fiduciary obligations, our Board were to determine that a takeover proposal was not in our best interest, such shares could be issued by our Board without shareholder approval in one or more transactions that might impede the completion of the takeover transaction by diluting the voting rights of the proposed acquirer, by putting a substantial voting block into hands that might support the position of the incumbent Board, by effecting an acquisition that might complicate the takeover, or otherwise.

In addition, our Articles of Incorporation grant our Board broad power to establish the rights and preferences of authorized and unissued shares of preferred stock, although the Company's ability to designate and issue preferred stock is currently restricted by covenants under our agreements with prior investors. The issuance of shares of preferred stock could decrease the amount of earnings and assets available for distribution to holders of shares of common stock. The issuance also may adversely affect the rights and powers, including voting rights, of those common stock holders.

Series A Convertible Preferred Stock.

On September 7, 2016, the Company filed a Certificate of Designations with the Nevada Secretary of State designating 134,000 shares of the Company's authorized preferred stock as the Series A Convertible Preferred Stock, par value \$0.01 per share. Each share of the Series A is convertible, at the option of the holder, into 50 shares of Common Stock, subject to certain adjustments. Upon liquidation, dissolution or winding up of the Company, the Series A ranks senior to all other classes and series of the Company's capital stock. Holders of the Series A are entitled to receive dividends and vote together with holders of the Common Stock on an as-converted basis.

Series A-1 Convertible Preferred Stock

On August 24, 2016, the Company filed a Certificate of Designations with the Nevada Secretary of State designating 21,000 shares of the Company's authorized preferred stock as the Series A-1 Convertible Preferred Stock, par value \$0.01 per share. Each share of the Series A-1 is convertible, at the option of the holder, into 100 shares of Common Stock, subject to certain adjustments. Upon liquidation, dissolution or winding up of the Company, the Series A-1 ranks senior to the Common Stock and junior to the Company's Series C Convertible Preferred Stock. Holders of the Series A-1 are entitled to receive dividends and vote together with holders of the Common Stock on an as-converted basis.

Series C Convertible Preferred Stock

On May 20, 2014, the Company filed a Certificate of Designations with the Nevada Secretary of State designating 900 shares of the Company's authorized preferred stock as the C Convertible Preferred Stock, par value \$0.01 per share. As subsequently amended, each share of the Series C is convertible, at the option of the holder, into 10,000 shares of Common Stock, subject to certain adjustments. Upon distributions, liquidation, dissolution or winding up of the Company, the Series C ranks senior to the Common Stock and Series A-1 Convertible Preferred Stock and junior to the Company's Series A Convertible Preferred Stock. The Holders of the Series C vote together with holders of the Common Stock and are entitled to one vote per share of Series C.

Anti-takeover Effects of Nevada Law and of Our Charter and Bylaws

In addition to the features of our charter document related to the issuance of preferred stock, which are described above, the Nevada Revised Statutes (“NRS”) contain several provisions which may make a hostile take-over or change of control of our Company more difficult to accomplish. They include the following:

Under Nevada law, any one or all of the directors of a corporation may be removed by the holders of not less than two-thirds of the voting power of a corporation’s issued and outstanding stock. All vacancies on the board of directors of a Nevada corporation may be filled by a majority of the remaining directors, though less than a quorum, unless the articles of incorporation provide otherwise. In addition, unless otherwise provided in the articles of incorporation, the board may fill the vacancies for the entire remainder of the term of office of the resigning director or directors. Our Articles of Incorporation do not provide otherwise.

In addition, Nevada law provides that unless otherwise provided in a corporation’s articles of incorporation or bylaws, shareholders do not have the right to call special meetings. Our Articles of Incorporation and our Bylaws do not give shareholders this right. In accordance with Nevada law, we also require advance notice of any shareholder proposals.

Nevada law provides that, unless otherwise prohibited by any bylaws adopted by the shareholders, the board of directors may amend any bylaw, including any bylaw adopted by the shareholders. Pursuant to Nevada law, our Articles of Incorporation grant the authority to adopt, amend or repeal bylaws exclusively to our directors.

Nevada’s “combinations with interested stockholders” statutes prohibit certain business “combinations” between certain Nevada corporations and any person deemed to be an “interested stockholder” for two years after the such person first becomes an “interested stockholder” unless (i) the corporation’s board of directors approves the combination (or the transaction by which such person becomes an “interested stockholder”) in advance, or (ii) the combination is approved by the board of directors and sixty percent of the corporation’s voting power not beneficially owned by the interested stockholder, its affiliates and associates. Furthermore, in the absence of prior approval, certain restrictions may apply even after such two-year period. For purposes of these statutes, an “interested stockholder” is any person who is (x) the beneficial owner, directly or indirectly, of ten percent or more of the voting power of the outstanding voting shares of the corporation, or (y) an affiliate or associate of the corporation and at any time within the two previous years was the beneficial owner, directly or indirectly, of ten percent or more of the voting power of the then outstanding shares of the corporation. Subject to certain timing requirements set forth in the statutes, a corporation may elect not to be governed by these statutes. However, we have not included any such provision in our Certificate of Incorporation or Bylaws, which means these provisions apply to us.

Nevada’s “acquisition of controlling interest” statutes contain provisions governing the acquisition of a controlling interest in certain Nevada corporations. These “control share” laws provide generally that any person who acquires a “controlling interest” in certain Nevada corporations may be denied certain voting rights, unless a majority of the disinterested stockholders of the corporation elects to restore such voting rights. These statutes provide that a person acquires a “controlling interest” whenever a person acquires shares of a subject corporation that, but for the application of these provisions of the NRS, would enable that person to exercise (1) one-fifth or more, but less than one-third, (2) one-third or more, but less than a majority or (3) a majority or more, of all of the voting power of the corporation in the election of directors. Once an acquirer crosses one of these thresholds, shares which it acquired in the transaction taking it over the threshold and within the 90 days immediately preceding the date when the acquiring person acquired or offered to acquire a controlling interest become “control shares” to which the voting restrictions described above apply. Our Articles of Incorporation and Bylaws currently contain no provisions relating to these statutes, and unless our Articles of Incorporation or Bylaws in effect on the tenth day after the acquisition of a controlling interest were to provide otherwise, these laws would apply to us if we were to (i) have 200 or more stockholders of record (at least 100 of which have addresses in the State of Nevada appearing on our stock ledger) and (ii) do business in the State of Nevada directly or through an affiliated corporation. As of the date of this prospectus, we have less than 100 record stockholders with Nevada addresses. However, if these laws were to apply to us, they might discourage companies or persons interested in acquiring a significant interest in or control of the company, regardless of whether such acquisition may be in the interest of our stockholders.

PLAN OF DISTRIBUTION

We are registering the shares of common stock issuable to certain persons to permit the resale of these shares by the selling shareholders from time to time after the date of this prospectus. We will not receive any of the proceeds from the sale by the selling shareholders of the shares of common stock. However, we will receive proceeds from the exercise of the warrants from which some of the registered shares are issuable. We will bear all fees and expenses incident to our obligation to register the shares of common stock.

The selling shareholders may sell all or a portion of the shares of common stock beneficially owned by them and offered hereby from time to time directly or through one or more underwriters, broker-dealers or agents. If the shares of common stock are sold through underwriters or broker-dealers, the selling shareholders will be responsible for underwriting discounts or commissions or agent's commissions. The shares of common stock may be sold in one or more transactions at fixed prices, at prevailing market prices at the time of the sale, at varying prices determined at the time of sale, or at negotiated prices. These sales may be effected in transactions, which may involve crosses or block transactions, which are:

- on any national securities exchange or quotation service on which the securities may be listed or quoted at the time of sale;
- in the over-the-counter market;
- in transactions otherwise than on these exchanges or systems or in the over-the-counter market;
- through the writing of options, whether such options are listed on an options exchange or otherwise;
- ordinary brokerage transactions and transactions in which the broker-dealer solicits purchasers;
- block trades in which the broker-dealer will attempt to sell the shares as agent but may position and resell a portion of the block as principal to facilitate the transaction;
- purchases by a broker-dealer as principal and resale by the broker-dealer for its account;
- an exchange distribution in accordance with the rules of the applicable exchange;
- privately negotiated transactions;
- short sales;
- sales pursuant to Rule 144;
- agreements between broker-dealers and the selling security holders to sell a specified number of such shares at a stipulated price per share;
- a combination of any such methods of sale; and
- any other method permitted pursuant to applicable law.

If the selling shareholders effect such transactions by selling shares of common stock to or through underwriters, broker-dealers or agents, such underwriters, broker-dealers or agents may receive commissions in the form of discounts, concessions or commissions from the selling shareholders or commissions from purchasers of the shares of common stock for whom they may act as agent or to whom they may sell as principal (which discounts, concessions or commissions as to particular underwriters, broker-dealers or agents may be in excess of those customary in the types of transactions involved). In connection with sales of the shares of common stock or otherwise, the selling shareholders may enter into hedging transactions with broker-dealers, which may in turn engage in short sales of the shares of common stock in the course of hedging in positions they assume. The selling shareholders may also sell shares of common stock short and deliver shares of common stock covered by this prospectus to close out short positions and to return borrowed shares in connection with such short sales. The selling shareholders may also loan or pledge shares of common stock to broker-dealers that in turn may sell such shares

The selling shareholders may pledge or grant a security interest in some or all of the shares of common stock owned by them and, if they default in the performance of their secured obligations, the pledgees or secured parties may offer and sell the shares of common stock from time to time pursuant to this prospectus or any amendment to this prospectus under Rule 424(b)(3) or other applicable provision of the Securities Act, amending, if necessary, the list of selling shareholders to include the pledgee, transferee or other successors in interest as selling shareholders under this prospectus. The selling shareholders also may transfer and donate the shares of common stock in other circumstances in which case the transferees, donees, pledgees or other successors in interest will be the selling beneficial owners for purposes of this prospectus.

The selling shareholders and any broker-dealer participating in the distribution of the shares of common stock may be deemed to be “underwriters” within the meaning of the Securities Act, and any commission paid, or any discounts or concessions allowed to, any such broker-dealer may be deemed to be underwriting commissions or discounts under the Securities Act. At the time a particular offering of the shares of common stock is made, a prospectus supplement, if required, will be distributed which will set forth the aggregate amount of shares of common stock being offered and the terms of the offering, including the name or names of any broker-dealers or agents, any discounts, commissions and other terms constituting compensation from the selling shareholders and any discounts, commissions or concessions allowed or reallocated or paid to broker-dealers.

Under the securities laws of some states, the shares of common stock may be sold in such states only through registered or licensed brokers or dealers. In addition, in some states the shares of common stock may not be sold unless such shares have been registered or qualified for sale in such state or an exemption from registration or qualification is available and is complied with.

There can be no assurance that any selling shareholder will sell any or all of the shares of common stock registered pursuant to the shelf registration statement, of which this prospectus forms a part.

The selling shareholders and any other person participating in such distribution will be subject to applicable provisions of the Exchange Act, and the rules and regulations thereunder, including, without limitation, Regulation M of the Exchange Act, which may limit the timing of purchases and sales of any of the shares of common stock by the selling shareholders and any other participating person. Regulation M may also restrict the ability of any person engaged in the distribution of the shares of common stock to engage in market-making activities with respect to the shares of common stock. All of the foregoing may affect the marketability of the shares of common stock and the ability of any person or entity to engage in market-making activities with respect to the shares of common stock.

We will pay all expenses of the registration of the shares of common stock pursuant to the registration rights agreement, estimated to be \$[●] in total, including, without limitation, SEC filing fees and expenses of compliance with state securities or “blue sky” laws; provided, however, that a selling shareholder will pay all underwriting discounts and selling commissions, if any. We will indemnify the selling shareholders against liabilities, including some liabilities under the Securities Act, in accordance with the registration rights agreements, or the selling shareholders will be entitled to contribution. We may be indemnified by the selling shareholders against civil liabilities, including liabilities under the Securities Act that may arise from any written information furnished to us by the selling shareholder specifically for use in this prospectus, in accordance with the related registration rights agreement, or we may be entitled to contribution.

Once sold under the registration statement of which this prospectus forms a part, the shares of common stock will be freely tradable in the hands of persons other than our affiliates.

Transfer Agent

Equity Stock Transfer is our transfer agent, located at 237 W 37th St. Suite 601, New York, NY 10018.

LEGAL MATTERS

The validity of the securities offered hereby will be passed upon for us by Nason, Yeager, Gerson, White & Lioce, P.A., Palm Beach Gardens, Florida.

EXPERTS

The consolidated financial statements appearing in this prospectus and registration statement for TimefireVR Inc. and its subsidiaries for the year ended December 31, 2015 and for the period from January 23, 2014 (Commencement of Operations) to December 31, 2014 have been audited by Berkower LLC, an independent registered public accounting firm, as set forth in their report appearing elsewhere herein, and are included in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

ADDITIONAL INFORMATION

We have filed with the SEC a registration statement on Form S-1, including the exhibits, schedules, and amendments to this registration statement, under the Securities Act with respect to the shares of common stock to be sold in this offering. This prospectus, which is part of the registration statement, does not contain all the information set forth in the registration statement. For further information with respect to us and the shares of our common stock to be sold in this offering, we make reference to the registration statement. Although this prospectus contains all material information regarding us, statements contained in this prospectus as to the contents of any contract, agreement or other document referred to are not necessarily complete, and in each instance we make reference to the copy of such contract, agreement, or other document filed as an exhibit to the registration statement, each such statement being qualified in all respects by such reference. We also file periodic reports and other information with the SEC. You may read and copy all or any portion of the registration statement or any other information, which we file at the SEC's public reference room at 100 F Street, N.E., Washington, DC 20549, on official business days during the hours of 10:00 AM to 3:00 PM. We also file periodic reports and other information with the SEC. You can request copies of these documents, upon payment of a duplicating fee, by writing to the SEC. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the public reference rooms. Our SEC filings, including the registration statement, are also available to you on the SEC's website, www.sec.gov.

TimefireVR Inc. and Subsidiaries
Index to Consolidated Financial Statements

Condensed Consolidated Balance Sheets as of September 30, 2016 (unaudited)	F-2
Condensed Consolidated Statements of Operations for the nine months ended September 30, 2016 and 2015 (unaudited)	F-3
Condensed Consolidated Statements of Cash Flows for the nine months ended September 30, 2016 and 2015 (unaudited)	F-4
Notes to Condensed Consolidated Financial Statements (unaudited)	F-5
Independent Auditors' Report	F-13
Balance Sheets as of December 31, 2015 and 2014	F-14
Statements of Operations for the year ended December 31, 2015 and for the period from January 23, 2014 (Commencement of Operations) to December 31, 2014	F-15
Statements of Cash Flows for the year ended December 31, 2015 and for the period from January 23, 2014 (Commencement of Operations) to December 31, 2014	F-16
Statements of Changes in Members' Deficit for the period ended December 31, 2015 and 2014	F-17
Notes to Financial Statements	F-18

**TIMEFIREVR INC.
(FORMERLY ENERGYTEK CORP.)
CONDENSED CONSOLIDATED BALANCE SHEETS**

	September 30, 2016 <hr/> (Unaudited)
ASSETS	
Current Assets:	
Cash	\$ 774,363
Escrow fund	214,750
Deferred contract software development costs - related party	—
Prepaid expenses and other current assets	10,971
Total current assets	1,000,084
Other Assets:	
Goodwill	6,160,229
Property and equipment, net	41,887
Deposit	44,876
Total Assets	\$ 7,247,076
LIABILITIES AND SHAREHOLDERS' EQUITY/(DEFICIT)	
Current Liabilities:	
Accounts payable and accrued expenses	\$ 35,829
Notes payable - related party	174,058
Unearned revenue - related party	—
Loans from officer	—
Total current liabilities	209,887
Long Term Liabilities:	
Convertible notes payable	—
Accrued interest	—
Derivative liability	1,103,276
Total long term liabilities	1,103,276
Total liabilities	1,313,163
Commitments and Contingencies	
—	
Mezzanine Equity	
Preferred Series A stock, par value \$.01 per share, 134,000 shares authorized; 133,334 shares issued and outstanding at September 30, 2016. Stated at redemption value net of discount.	396,728
Shareholders' Equity/(Deficit):	
Preferred Stock, par value \$.01, 10,000,000 shares authorized all series:	
Preferred Series A-1 stock, par value \$.01 per share, 21,000 shares authorized; 20,371 shares issued and outstanding at September 30, 2016	204
Preferred Series B stock, par value \$.01 per share, 300,000 shares authorized; no shares issued and outstanding at September 30, 2016	—
Series C stock, par value \$.01 per share, 753 shares issued and outstanding at September 30, 2016	8
Common stock, par value \$.001 per share, 500,000,000 shares authorized; 43,008,796 shares issued and outstanding at September 30, 2016	43,009
Additional paid-in capital	6,759,675
Accumulated deficit	(1,265,711)
Total shareholders' equity/(deficit)	5,537,185
Total Liabilities and Shareholders' Equity/(Deficit)	\$ 7,247,076

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

TIMEFIREVR INC.
(FORMERLY ENERGYTEK CORP.)
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	Nine Months Ended	
	September 30, 2016	September 30, 2015
Revenues	\$ 203,640	\$ 6,500
Operating expenses:		
Research and development	544,235	279,640
Occupancy	27,595	7,500
Depreciation	9,147	6,731
Other operating expenses	385,365	12,094
Total operating expenses	966,342	305,965
Loss from operations	(762,702)	(299,465)
Other income (expense):		
Interest expense	(10,399)	(1,154)
Total other income (expense)	(10,399)	(1,154)
Loss before income taxes	(773,101)	(300,619)
Income tax expense	—	—
Net loss	(773,101)	(300,619)
Accretion on Series A preferred stock	(397,591)	—
Net loss attributed to common shareholders	\$ (1,170,692)	\$ (300,619)
Basic net loss per common share	\$ (0.03)	\$ (0.01)
Diluted net loss per common share	\$ (0.03)	\$ (0.01)
Basic weighted average common shares outstanding	41,456,782	41,400,000
Diluted weighted average common shares outstanding	41,456,782	41,400,000

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

TIMEFIREVR INC.
(FORMERLY ENERGYTEK CORP.)
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Nine Months Ended	
	September 30, 2016	September 30, 2015
Operating Activities:		
Net loss	\$ (773,101)	\$ (300,619)
Adjustments to reconcile net loss to net cash used in operating activities:		
Stock based compensation	78,472	—
Depreciation	9,147	6,731
Changes in operating assets and liabilities:		
Prepaid expenses and other current assets	(7,971)	—
Deferred contracted software development costs - related party	55,938	—
Escrow fund payments	250	—
Deposits	(44,876)	—
Accrued interest	8,040	1,030
Accounts payable and accrued expenses	2,112	5,284
Unearned revenue - related party	(156,000)	81,000
Net Cash Used in Operating Activities	(827,989)	(206,574)
Investing Activities:		
Purchases of property and equipment	(8,737)	(22,781)
Cash acquired in merger	420	—
Net Cash Used in Investing Activities	(8,317)	(22,781)
Financing Activities:		
Proceeds from sale of Series A Preferred stock	1,500,004	—
Escrow fund cash received	(215,000)	—
Capital contributions	325,000	25,000
Proceeds from notes payable	25,000	—
Payments on notes payable	(27,500)	—
Proceeds from convertible notes payable - members	—	25,000
Proceeds from officer loans	—	111,300
Net Cash Provided by Financing Activities	1,607,504	161,300
Net Increase (Decrease) in Cash	771,198	(68,055)
Cash - Beginning of Period	3,165	85,163
Cash - End of Period	\$ 774,363	\$ 17,108
Supplemental disclosure of non-cash investing and financing activities:		
Net assets acquired in reverse acquisition:		
Goodwill	\$ 6,160,229	\$ —
Accounts payable	(31,100)	—
Notes payable - related party	(174,058)	—
	<u>\$ 5,955,071</u>	<u>\$ —</u>
Derivative liability	<u>\$ 1,103,276</u>	<u>\$ —</u>
Common stock issued for officers loans, related party notes and accrued interest	<u>\$ 193,933</u>	<u>\$ —</u>
Conversion of Series C Preferred stock to common stock	<u>\$ 10,000</u>	<u>\$ —</u>
Supplemental disclosure of cash flow information:		
Interest paid in cash	<u>\$ 1,268</u>	<u>\$ —</u>
Income taxes paid in cash	<u>\$ —</u>	<u>\$ —</u>

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

TIMEFIREVR INC.
(FORMERLY ENERGYTEK CORP.)
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

1. Summary of Significant Accounting Policies and Use of Estimates

Basis of Presentation and Organization and Reorganization

TimefireVR Inc. is a Nevada corporation which, until December 2016, had two wholly-owned subsidiaries, Texas Gulf Exploration & Production, Inc., and Legal Capital Corp. In December 2016, the Company transferred ownership of Texas Gulf Oil & Gas, Inc. and Legal Capital Corp. to Litigation Capital, Inc. in exchange for Litigation Capital, Inc. assuming \$178,000 of the Company's debt. This had the effect of terminating the Company's oil and gas business. In January 2015, TimefireVR Inc. entered into a Joint Venture with Wagley Offshore-Onshore, Inc. to acquire distressed energy assets. The joint venture was formed as Wagley-EnergyTEK J.V. LLC, a Texas limited liability company to which we issued 2,000,000 restricted shares of our common stock. In July 2016, the Company entered into an agreement to terminate this Joint Venture and it was dissolved on September 26, 2016. Effective September 13, 2016, TimefireVR Inc. entered into an Agreement and Plan of Merger ("Merger Agreement") through which it acquired Timefire, LLC, a Phoenix-based virtual reality content developer that is an Arizona Limited Liability Company. As consideration for the merger, TimefireVR Inc. issued the equity holders of Timefire, LLC a total of 41,400,000 shares of its common stock, and 2,800,000 five year warrants exercisable at \$0.58 per share for 100% of the membership interests of Timefire, LLC. As a result, the former members of Timefire, LLC owned approximately 99% of the then outstanding shares of common stock. The consolidated entities hereinafter are referred to as the "Company." The operations of the Company from the acquisition date represent the business of Timefire, LLC.

For accounting purposes the transaction is being recorded as a reverse acquisition, with Timefire, LLC as the accounting acquirer. The 41,400,000 shares of common stock issued in the transaction are shown as outstanding for all periods presented in the same manner as a stock split. The accompanying consolidated financial statements reflect the consolidated operations of the Company from September 13, 2016.

Unaudited Interim Financial Statements

The interim condensed consolidated financial statements of the Company as of September 30, 2016 and 2015, and for the periods then ended, are prepared in accordance with the instructions to Form 10-Q. Accordingly, the accompanying condensed consolidated financial statements and notes thereto do not reflect all disclosures required under accounting principles generally accepted in the United States of America. However, in the opinion of management, the interim financial statements include all adjustments, consisting of only normal recurring adjustments, necessary to present fairly the Company's financial position as of September 30, 2016 and the results of its operations and its cash flows for the periods ended September 30, 2016 and 2015. These results are not necessarily indicative of the results expected for the year ended December 31, 2016. The financial statements should be read in conjunction with the latest annual financial statements.

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. All significant intercompany transactions and balances have been eliminated. Equity investments through which we exercise significant influence over but do not control the investee and are not the primary beneficiary of the investee's activities are accounted for using the equity method where applicable.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could materially differ from those estimates. Significant estimates of the Company include accounting for depreciation and amortization, derivative liability, accruals and contingencies, the fair value of Company common stock and the estimated fair value of warrants.

Revenue Recognition

The Company uses Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") No. 605 for revenue recognition. The Company recognizes revenue when it is realized or realizable and earned. The Company considers revenue realized or realizable and earned when all of the following criteria are met: (i) persuasive evidence of an arrangement exists, (ii) the sales price is fixed or determinable, and (iii) collectability is reasonably assured.

Cash and Cash Equivalents

The Company considers all highly liquid instruments, with original maturity of three months or less when purchased, to be cash equivalents.

Escrow Fund

Pursuant to the Series A Preferred Stock Securities Purchase Agreement ("SPA") (see Note 7), the Company was required to hold an initial amount of \$215,000 in cash in escrow. The cash is restricted to be used for certain expenses as defined in the agreement. In addition, for the 24 months following the closing of the SPA, the Company is required to deposit 15% of the gross proceeds of any offering of securities with the Company or any cash exercise of any common stock equivalents, including cash proceeds from the exercise of any warrants issued to investors involved with the SPA. As of September 30, 2016, \$250 has been disbursed from the escrow account, leaving a remaining balance of \$214,750.

Property and Equipment

Property and equipment are recorded at cost. Depreciation is provided for on the straight-line method, over the estimated useful lives of the assets. Maintenance and repairs that neither materially add to the value of the property nor appreciably prolong its life are charged to expense as incurred. Betterments or renewals are capitalized when incurred. Gains and losses on the disposition of property and equipment are recorded in the period incurred.

The estimated useful lives of property and equipment are:

- Office furniture and equipment 5 years

Impairment of Long-Lived Assets and Amortizable Intangible Assets

The Company follows ASC 360-10, "Property, Plant, and Equipment," which established a "primary asset" approach to determine the cash flow estimation period for a group of assets and liabilities that represents the unit of accounting for a long-lived asset to be held and used. Long-lived assets to be held and used are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The carrying amount of a long-lived asset is not recoverable if it exceeds the sum of the undiscounted cash flows expected to result from the use and eventual disposition of the asset. Long-lived assets to be disposed of are reported at the lower of carrying amount or fair value less cost to sell.

Intangible Assets - Goodwill

The excess of the purchase price over net tangible and identifiable intangible assets of the business acquired is carried as Goodwill on the balance sheet. Goodwill is not amortized, but instead is assessed for impairment at least annually and upon the occurrence of certain triggering events or substantive changes in circumstances that indicate that the fair value of goodwill may be impaired. Measurement of the impairment loss, if any, is based on the difference between the carrying value and fair value of reporting unit. The goodwill impairment test follows a two-step process. In the first step, the fair value of a reporting unit is compared to its carrying value. If the carrying value of a reporting unit exceeds its fair value, the second step of the impairment test is performed for purposes of measuring the impairment. In the second step, the fair value of the reporting unit is allocated to all of the assets and liabilities of the reporting unit to determine an implied goodwill value. If the carrying amount of the reporting unit's goodwill exceeds the implied fair value of goodwill, an impairment loss will be recognized in an amount equal to that excess. During the quarter ended September 30, 2016, the Company did not recognize any impairment charges.

Business segments

ASC 280, "Segment Reporting" requires use of the "management approach" model for segment reporting. The management approach model is based on the way a company's management organizes segments within the Company for making operating decisions and assessing performance. The Company determined it has one operating segment as of September 30, 2016.

Income Taxes

The Company accounts for income taxes under FASB ASC 740, *Income Taxes*. Deferred income tax assets and liabilities are determined based upon differences between financial reporting and tax bases of assets and liabilities and are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse.

Net Loss per Share

Basic earnings per share does not include dilution and is computed by dividing income available to common stockholders by the weighted average number of common shares outstanding for the period. Diluted earnings per share reflect the potential dilution of securities that could share in the earnings of an entity. Dilutive securities are not included in the weighted average number of shares when inclusion would be anti-dilutive. Due to the net losses for the periods ended September 30, 2016 and 2015, basic and diluted loss per common share were the same, as the effect of potentially dilutive securities would have been anti-dilutive.

As of September 30, 2016, there was a total of 22,119,943 shares of common stock issuable upon conversion of preferred stock and the exercise of warrants and vesting of restricted stock units that were not included in the earnings per share calculation as they were anti-dilutive.

Fair Value Measurements

ASC 820 Fair Value Measurements defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles, and expands disclosure about fair value measurements.

The following provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which fair value is observable:

Level 1- fair value measurements are those derived from quoted prices (unadjusted in active markets for identical assets or liabilities);

Level 2- fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3- fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Financial instruments classified as Level 1 - quoted prices in active markets include cash.

These financial instruments are measured using management's best estimate of fair value, where the inputs into the determination of fair value require significant management judgment to estimation. Valuations based on unobservable inputs are highly subjective and require significant judgments. Changes in such judgments could have a material impact on fair value estimates. In addition, since estimates are as of a specific point in time, they are susceptible to material near-term changes. Changes in economic conditions may also dramatically affect the estimated fair values.

Fair value estimates discussed herein are based upon certain market assumptions and pertinent information available to management as of September 30, 2016. The respective carrying value of certain financial instruments approximated their fair values due to the short-term nature of these instruments. These financial instruments include cash, accounts payable and accrued expenses.

Subsequent Events

In accordance with ASC 855 "Subsequent Events" the Company evaluated subsequent events after the balance sheet date.

2. Going Concern

The Company has incurred losses since inception and requires additional funds for future operating activities. The Company's selling activity has not reached a level of revenue sufficient to fund its operating activities. These factors create an uncertainty as to how the Company will fund its operations and maintain sufficient cash flow to operate as a going concern. The combination of these factors, among others, raise substantial doubt about the Company's ability to continue as a going concern.

The Company's ability to meet its cash requirements in the next year is dependent upon obtaining additional financing. If this is not achieved, the Company may be unable to obtain sufficient cash flow to fund its operations and obligations, and as a result there is substantial doubt the Company will be able to continue as a going concern. The accompanying condensed consolidated financial statements have been prepared on a going concern basis, and accordingly, do not include any adjustments relating to the recoverability and classification of recorded asset amounts; nor do they include adjustments to the amounts and classification of liabilities that might be necessary should the Company be unable to continue operations or be required to sell its assets.

The Company's ability to meet its cash requirements in the next year is dependent upon obtaining additional financing. Management is continuing to pursue financing from various sources, including private placements from investors and institutions. Management believes these efforts may contribute toward funding the Company's activities until sufficient revenue can be earned from future operations.

3. Reverse Acquisition

The Company accounted for the Merger Agreement with Timefire as a reverse acquisition, with Timefire being the accounting acquirer. In its determination that Timefire was the accounting acquirer, the Company considered pertinent facts and circumstances, including the following: (i) the Timefire owners received the largest portion of the voting rights of the combined entity; (ii) the management team of the combined entity is primarily comprised of owners or management of Timefire; (iii) the Board of Directors of the combined entity is primarily comprised of owners, management or affiliates of Timefire; (iv) the continuing business of the combined entity will be the business of Timefire. In accounting for the reverse acquisition, the Company considered the market price of its common stock to be the most reliable measure of the consideration effectively transferred. On the acquisition date the price of the Company's common stock was \$0.0452 per share and the number of shares of common stock outstanding, including common stock issuable upon the conversion of outstanding convertible preferred stock, amounted to 13,175,866 shares which resulted in the fair value of the consideration equaling \$5,955,491. The net liabilities at the acquisition date totaled \$204,738, resulting in goodwill of \$6,160,229. None of the goodwill is expected to be deductible for income tax purposes.

The amount of net loss of the accounting acquiree included in the Company's consolidated statements of operations from the acquisition date, September 13, 2016, to the period ending September 30, 2016 are as follows:

	For the Nine Months Ended	
	September 30,	
	2016	2015
Revenues	\$ —	\$ —
Net loss	\$ (310,971)	\$ —
Basic and diluted loss per share	\$ (0.00)	\$ —

The following supplemental pro forma information presents the consolidated financial results as if the acquisition of the accounting acquiree had occurred January 1, 2015.

	For the Nine Months Ended September 30,	
	2016	2015
Revenues	\$ 203,640	\$ 65,904
Net loss	\$ (1,038,301)	\$ (2,798,515)
Basic and diluted loss per share	\$ (0.00)	\$ (0.01)

4. Notes Payable to Related Parties

Notes payable to related parties consist of amounts owed by Texas Gulf Exploration & Production, Inc. to parties related to the Company. As a term of the Merger Agreement, Texas Gulf Exploration & Production, Inc. will become a wholly-owned subsidiary of Litigation Capital, Inc, a non-related entity, once certain requirements have been met, and the debt will be assumed by that entity.

5. Related Party Transactions

During the year ended December 31, 2015, the Company entered into an agreement with a related party, an entity in which two of the Timefire members have significant ownership, to provide software development services. During 2015, the Company received \$156,000 in payments for these services. The contracted services had not yet been completed as of December 31, 2015, and all amounts received were classified as unearned revenue. During the nine months ended September 30, 2016, the Company completed this work, recognizing the previously unearned revenue from 2015 as well as an additional \$46,500, for a total of \$202,500 in revenue from the related party.

6. Commitments and Contingencies

Employment Agreements

Effective September 13, 2016, the Company entered into an employment agreement with its Chief Executive Officer ("CEO"). The agreement is for a two year period at the rate of \$150,000 per annum. The agreement will be automatically extended for additional terms of one year each unless terminated by either party. In addition to other customary benefits, the CEO was granted 500,000 restricted stock units ("RSUs"). The RSUs vest over a 2 year period (see Note 7).

Effective September 13, 2016, the Company entered into an employment agreement with its new President. The agreement is for a two year period at the rate of \$150,000 per annum. The agreement will be automatically extended for additional terms of one year each unless terminated by either party.

Effective September 13, 2016, the Company entered into an employment agreement with its new Chief Strategy Officer. The agreement is for a two year period at the rate of \$150,000 per annum. The agreement will be automatically extended for additional terms of one year each unless terminated by either party.

Lease Agreements

On September 23, 2016, the Company entered into an office lease agreement commencing October 1, 2016 for a new location, after having outgrown the prior facility. This lease expires December 31, 2018. A concession of the first five months' rent was provided. After that time, the monthly rent will be \$8,121 for months 6 through 17, and \$8,375 for months 18 through 27. The Company continues to be obligated to pay the monthly rent of \$2,596 on its prior facility lease, which expires January 2017, unless the landlord enters into a lease with a new tenant prior to that date.

7. Shareholders' Deficit and Series A Preferred Stock

Common Stock

There is currently only one class of common stock. Each share common stock is entitled to one vote. The authorized number of shares of common stock of the Company at September 30, 2016 was 500,000,000 shares with a par value per share of \$0.001. Authorized shares that have been issued and fully paid amounted to 43,008,797 as of September 30, 2016.

On September 13, 2016, the Company entered into a Merger Agreement through which the Company acquired Timefire (See Note 1). As consideration for the merger, the Company issued the equity holders of Timefire a total of 41,400,000 shares of the Company's common stock, and 2,800,000 five year warrants exercisable at \$0.58 per share for 100% of the membership interests of Timefire. The members of Timefire may also be entitled to additional warrants contingent on certain future financings, as defined in the Merger Agreement.

Preferred Stock

The Company is authorized to issue 10,000,000 shares of Preferred stock with a par value of \$0.01 per share, with rights, preferences and limitations as may be decided from time-to-time by the Board of Directors.

Series C

In 2014, the Board of Directors approved the issuance of Series C Preferred Stock ("Series C"). 900 Shares of Series C Preferred Stock were issued in exchange for 900 Shares of previously issued Series A Preferred Stock ("Prior Series A"). Each share of Series C shall be convertible at the option of the holder at any time, into 10,000 shares of common stock. Each holder of Series C shall be entitled to one vote for each share of Series C held. Holders cannot convert their Series C to the extent that after such conversion, they and their affiliates would beneficially own in excess of 9.99% of the Company's common stock, which limitation is waivable upon 61 days' notice to the Company. In 2015, 10 Series C shares were converted into 100,000 shares of our common stock. In 2016, holders of 137 shares of Series C converted them into 1,370,000 shares of our common stock. At September 30, 2016, there are 753 shares of Series C outstanding.

Series A-1

Effective August 24, 2016, the Board of Directors approved the issuance of Series A-1 Preferred Stock ("Series A-1"). The Company entered into agreements with certain note holders under which the note holders agreed to convert an aggregate of \$229,170 in principal and accrued interest into a total of 20,371 shares of Series A-1 Preferred Stock. Each share of Series A-1 shall be convertible at the option of the holder at any time, into 100 shares of common stock. The Series A-1 ranks senior to the common stock and junior to the Series C. Holders of Series A-1 are entitled to receive dividends and vote together with holders of the common stock on an as-converted basis. Holders cannot convert their Series A-1 to the extent that after such conversion, they and their affiliates would beneficially own in excess of 2.49% of the Company's common stock, which limitation is waivable upon 61 days' notice to the Company. At September 30, 2016, there are 20,371 shares of Series A-1 outstanding.

Series A

Effective September 13, 2016, the Company closed on a Securities Purchase Agreement and the Board of Directors approved the issuance of a newly designated Series A Convertible Preferred Stock ("New Series A"). Pursuant to the agreement the Company issued and sold approximately 133,334 shares of New Series A to certain investors for gross proceeds of \$1,500,004 and 2,586,207 five-year Warrants exercisable at \$0.58 per share. The New Series A are convertible into approximately 6,666,685 shares of common stock. Holders cannot convert their New Series A to the extent that after such conversion, they and their affiliates would beneficially own in excess of 2.49% of the Company's common stock, which limitation is waivable upon 61 days' notice to the Company. In addition, the investors were issued a total of 2,586,207 five-year warrants exercisable at \$0.58 per share containing a similar 2.49% ownership blocker. At any time after the earlier of (i) the Company having affected a one-for-six reverse stock split or combination or (ii) November 30, 2016, each share of New Series A shall be convertible into shares of Company common stock.

New Series A shall be convertible, at the option of the holder, into 50 shares of common stock, subject to certain adjustments. The New Series A ranks senior to all other classes and series of the Company's capital stock. Holders of New Series A are entitled to receive dividends and vote together with holders of the common stock on an as-converted basis. At September 30, 2016, there are 133,334 shares of New Series A outstanding. The Company recorded a discount of \$1,500,004 as a result of a New Series A beneficial conversion feature. The beneficial conversion feature is being amortized as a deemed dividend over the period from issuance to the earliest date the New Series A becomes convertible, which the Company considers to be November 30, 2016 for this calculation. As of September 30, 2016, \$397,591 has been accreted as a dividend, and due to the lack of retained earnings has been offset to additional paid-in capital.

New Series A contains certain provisions that are outside the Company's control and which the Company believes cause the New Series A to be classified as mezzanine equity.

Warrants

The balance of warrants outstanding for purchase of the Company's common stock as of September 30, 2016 is as follows:

	<u>Common Shares Issuable Upon Exercise of Warrants</u>	<u>Exercise Price of Warrants</u>	<u>Date Issued</u>	<u>Expiration Date</u>
Balance of warrants at December 31, 2015	—			
Issued per Merger Agreement (1)	2,800,000	\$.58	9/9/2016	9/9/2021
Issued per Securities Purchase Agreement (2)	<u>2,586,207</u>	\$.58	9/9/2016	9/9/2021
Balance of warrants at September 30, 2016	<u><u>5,386,207</u></u>			

(1) On September 13, 2016, per the terms of the Merger Agreement (see Note 1), the Company issued five-year warrants at \$.58 to purchase 2,800,000 shares of common stock to the original Timefire investors. Fair value of \$1,194,480 is recorded in recapitalization.

(2) On September 13, 2016, per the terms of the Securities Purchase Agreement, the Company issued five-year warrants at \$.58 to purchase 2,586,207 shares of common stock (see above). Fair value of \$1,103,276 is recorded as a derivative liability and a reduction in Series A Preferred additional paid-in capital September 30, 2016.

The fair value of the warrants, an aggregate of \$2,297,756, is estimated using the Black-Scholes pricing model using the following assumptions: dividend yield – 0%; risk-free interest rate - 1.23%; expected life – 5 years; volatility 174.401%.

2016 Equity Incentive Plan

Effective September 13, 2016, the Company adopted the 2016 Equity Incentive Plan (the "2016 Plan") to provide an incentive to our employees, consultants, officers and directors who are responsible for or contribute to our long range success. A total of 3,300,000 shares of our common stock have been reserved for the implementation of the 2016 Plan, either through the issuance of incentive stock options, non-qualified stock options, stock appreciation rights ("SARs"), restricted awards, or restricted stock units ("RSUs"). Whenever practical, the 2016 Plan is to be administered by a committee of not less than two members of the Board of Directors appointed by the full Board, and the 2016 Plan has a term of ten years, unless sooner terminated by the Board. As of September 30, 2016, 2,800,000 shares of common stock are available for issuance under the 2016 Plan.

Effective September 13, 2016, pursuant to his employment agreement, the Company entered into a Restricted Stock Unit Agreement with its CEO which granted the CEO 500,000 RSUs pursuant to the 2016 Plan. The RSUs vest in three approximately equal increments with the first tranche being fully vested on the grant date and the remaining tranches vesting on the first-year and second-year anniversaries of the grant date. The fair value of the award was calculated based on the price of the common stock on the grant date and is being charged to operations over the vesting period. The expense recorded in the nine months ended September 30, 2016 is \$78,472.

Shareholders' Equity/(Deficit) Post Merger

The shareholders' equity/(deficit) post-merger is presented as follows:

	Preferred Stock Shares	Amount	Common Stock Shares	Amount	Additional Paid in Capital	Accumulated Deficit	Shareholders' Equity (Deficit)
Balance at December 31, 2014	—	\$ —	41,400,000	\$ 414,000	\$ (189,000)	\$ (110,875)	\$ 114,125
Capital contribution	—	—	—	—	25,000	—	25,000
Net loss	—	—	—	—	—	(381,735)	(381,735)
Balance at December 31, 2015	—	—	41,400,000	414,000	(164,000)	(492,610)	(242,610)
Reverse acquisition – September 13, 2016	21,224	213	608,797	6,088	6,468,123	—	6,474,424
Preferred Series C stock converted to common	(100)	(1)	1,000,000	10,000	(9,999)	—	—
Stock-based compensation - restricted stock units	—	—	—	—	78,472	—	78,472
Net loss	—	—	—	—	—	(773,101)	(773,101)
Balance at September 30, 2016 (unaudited)	<u>21,124</u>	<u>\$ 212</u>	<u>43,008,797</u>	<u>\$ 430,088</u>	<u>\$ 6,372,596</u>	<u>\$ (1,265,711)</u>	<u>\$ 5,537,185</u>

8. Fair Value Measurements

The following summarizes the Company's financial liabilities that are measured at fair value on a recurring basis at September 30, 2016.

	Level 1	Level 2	Level 3	Total
Liabilities				
Derivative liabilities	\$ —	\$ —	\$ 1,103,276	\$ 1,103,276

9. Subsequent Events

On November 7, 2016, the Company issued 124,600 shares of common stock in exchange for 12.46 shares of Series C Preferred.

On November 14, 2016, the Company filed a Certificate of Amendment to its Articles of Incorporation with the Secretary of State of Nevada to change the Company's name to TimefireVR Inc. and implement a reverse stock split of its common stock at a ratio of one-for-10. The name change and reverse stock split each became effective November 21, 2016.

On January 31, 2017, the Company entered into a consulting agreement with former Chief Executive Officer Jonathan Read pursuant to which the Company will pay Mr. Read \$12,500 per month from February 2017 through July 2017. Effective January 31, 2017, 333,333 unvested restricted stock units previously granted to Mr. Read became fully vested.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and
Stockholders of TimefireVR Inc.

We have audited the accompanying consolidated balance sheets of TimefireVR Inc. and its subsidiaries (collectively the "Company") as of December 31, 2015 and 2014, and the related consolidated statements of operations, changes in stockholders' equity (deficit), and cash flows for the year ended December 31, 2015 and for the period from January 23, 2014 (Commencement of Operations) to December 31, 2014. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform an audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over consolidated financial reporting. Our audits included consideration of internal control over consolidated financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over consolidated financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of TimefireVR Inc. and its subsidiaries as of December 31, 2015 and 2014, and the results of their operations and their cash flows, for the year ended December 31, 2015 and for the period from January 23, 2014 (Commencement of Operations) to December 31, 2014 in conformity with accounting principles generally accepted in the United States of America.

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2 to the consolidated financial statements, the Company has suffered recurring losses from operations and has a net stockholders' deficit as of December 31, 2015 that raise substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 2. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Berkower LLC

Iselin, New Jersey
February 8, 2017

TIMEFIREVR INC.
(FORMERLY ENERGYTEK CORP.)
CONDENSED CONSOLIDATED BALANCE SHEETS

	AS OF DECEMBER 31,	
	2015	2014
ASSETS		
Current Assets:		
Cash	\$ 3,165	\$ 85,163
Deferred contracted software development costs - related party	55,938	—
Prepaid expenses	3,000	—
Total current assets	62,103	85,163
Other Assets:		
Property and equipment, net	42,297	28,962
Total Assets	\$ 104,400	\$ 114,125
LIABILITIES AND MEMBERS' EQUITY/(DEFICIT)		
Current Liabilities:		
Accrued expenses	\$ 2,617	\$ —
Unearned revenue - related party	156,000	—
Loans from officer	161,800	—
Total current liabilities	320,417	—
Long Term Liabilities:		
Convertible notes payable - members	25,000	—
Accrued interest - members	1,593	—
Total long term liabilities	26,593	—
Total liabilities	347,010	—
Shareholders' Equity/(Deficit):		
Common stock, par value \$.001 per share, 500,000,000 shares authorized; 41,400,000 shares issued and outstanding at December 31, 2015 and 2014	41,400	41,400
Additional paid-in capital	208,600	183,600
Accumulated deficit	(492,610)	(110,875)
Total shareholders' equity/(deficit)	(242,610)	114,125
Total Liabilities and Shareholders' Equity/(Deficit)	\$ 104,400	\$ 114,125

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

TIMEFIREVR INC.
(FORMERLY ENERGYTEK CORP.)
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

	<u>For the year ended December 31, 2015</u>	<u>For the period from January 23, 2014 (Commencement of Operations) to December 31, 2014</u>
Revenue	\$ 6,500	\$ —
Operating expenses:		
Research and development	353,398	94,136
Occupancy	9,500	7,000
Depreciation	9,446	2,555
Other operating expenses	14,074	7,184
Total operating expenses	<u>386,418</u>	<u>110,875</u>
Loss from operations	(379,918)	(110,875)
Other income (expense):		
Interest expense - members	(1,593)	—
Interest expense - other	(224)	—
Total other income (expense)	<u>(1,817)</u>	<u>—</u>
Net loss	<u>\$ (381,735)</u>	<u>\$ (110,875)</u>
Basic net loss per common share	<u>\$ (0.01)</u>	<u>\$ (0.00)</u>
Diluted net loss per common share	<u>\$ (0.01)</u>	<u>\$ (0.00)</u>
Basic weighted average common shares outstanding	<u>41,400,000</u>	<u>41,400,000</u>
Diluted weighted average common shares outstanding	<u>41,400,000</u>	<u>41,400,000</u>

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

TIMEFIREVR INC.
(FORMERLY ENERGYTEK CORP.)
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	<u>For the year ended December 31, 2015</u>	<u>For the period from January 23, 2014 (Commencement of Operations) to December 31, 2014</u>
Operating Activities:		
Net loss	\$ (381,735)	\$ (110,875)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	9,446	2,555
Changes in operating assets and liabilities:		
Prepaid expenses	(3,000)	—
Deferred contracted software development costs - related party	(55,938)	—
Accrued interest - members	1,593	—
Accrued expenses	2,617	—
Unearned revenue - related party	156,000	—
Net Cash Used in Operating Activities	<u>(271,017)</u>	<u>(108,320)</u>
Investing Activities:		
Purchases of property and equipment	(22,781)	(31,517)
Net Cash Used in Investing Activities	<u>(22,781)</u>	<u>(31,517)</u>
Financing Activities:		
Capital contributions	—	225,000
Receipt of subscription receivable from member	25,000	—
Proceeds from convertible notes payable - members	25,000	—
Proceeds from officer loans	161,800	—
Net Cash Provided by Financing Activities	<u>211,800</u>	<u>225,000</u>
Net Increase (Decrease) in Cash	(81,998)	85,163
Cash - Beginning of Period	<u>85,163</u>	<u>—</u>
Cash - End of Period	<u>\$ 3,165</u>	<u>\$ 85,163</u>
Supplemental disclosure of non-cash financing activities:		
Subscription receivable from member	<u>\$ —</u>	<u>\$ 25,000</u>
Supplemental disclosure of cash flow information:		
Interest paid in cash	<u>\$ 224</u>	<u>\$ —</u>

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

TIMEFIREVR INC.
(FORMERLY ENERGYTEK CORP.)
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY/(DEFICIT)
FOR THE PERIODS ENDED DECEMBER 31, 2015 AND 2014

	Common Stock Shares	Amount	Additional Paid in Capital	Net Losses	Total Shareholders' Equity (Deficit)
Balance at January 23, 2014	—	\$ —	\$ —	\$ —	\$ —
Issuance of founder's shares	36,225,000	36,225	(36,225)	—	—
Issuance of non-founder's shares	5,175,000	5,175	219,825	—	225,000
Net loss	—	—	—	(110,875)	(110,875)
Balance at December 31, 2014	<u>41,400,000</u>	<u>41,400</u>	<u>183,600</u>	<u>(110,875)</u>	<u>114,125</u>
Receipt of subscriptions receivable	—	—	25,000	—	25,000
Net loss	—	—	—	(381,735)	(381,735)
Balance at December 31, 2015	<u><u>41,400,000</u></u>	<u><u>\$ 41,400</u></u>	<u><u>\$ 208,600</u></u>	<u><u>\$ (492,610)</u></u>	<u><u>\$ (242,610)</u></u>

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

TIMEFIREVR INC.
(FORMERLY ENERGYTEK CORP.)
NOTES TO FINANCIAL STATEMENTS

Note 1 – Description of Business and Nature of Operations

TimefireVR Inc., is a Nevada corporation which, until December 2016, had two wholly-owned subsidiaries, Texas Gulf Exploration & Production, Inc., and Legal Capital Corp. In December 2016, the Company transferred ownership of Texas Gulf Oil & Gas, Inc. and Legal Capital Corp. to Litigation Capital, Inc. in exchange for Litigation Capital, Inc. assuming \$178,000 of the Company's debt. This had the effect of terminating the Company's oil and gas business. In January 2015, TimefireVR Inc. entered into a Joint Venture with Wagley Offshore-Onshore, Inc. to acquire distressed energy assets. The joint venture was formed as Wagley-EnergyTEK J.V. LLC, a Texas limited liability company to which we issued 2,000,000 restricted shares of our common stock. In July 2016, the Company entered into an agreement to terminate this Joint Venture and it was dissolved on September 26, 2016. Effective September 13, 2016, TimefireVR Inc. entered into an Agreement and Plan of Merger ("Merger Agreement") through which it acquired Timefire, LLC, a Phoenix-based virtual reality content developer that is an Arizona Limited Liability Company. As consideration for the merger, TimefireVR Inc. issued the equity holders of Timefire, LLC a total of 41,400,000 shares of its common stock, and 2,800,000 five year warrants exercisable at \$0.58 per share for 100% of the membership interests of Timefire, LLC. As a result, the former members of Timefire, LLC owned approximately 99% of the then outstanding shares of common stock. The consolidated entities hereinafter are referred to as the "Company." The operations of the Company from the acquisition date represent the business of Timefire, LLC.

For accounting purposes the transaction is being recorded as a reverse acquisition, with Timefire, LLC as the accounting acquirer. The 41,400,000 shares of common stock issued in the transaction are shown as outstanding for all periods presented in the same manner as a stock split.

Timefire LLC, an Arizona limited liability company, was formed on January 23, 2014. The Company is a Phoenix-based software development studio established to create content for the emerging virtual reality industry. The first product the Company is targeting for release is titled Hypatia, the most advanced virtual city providing rich cultural, social, and entertainment experiences with an emphasis on immersive education. The city of Hypatia is being developed as a type of next generation web browser, using architectural concepts practiced in the most livable and desirable cities found around the globe. This type of environment will allow people from around the world to break down the barriers of economic and geographic isolation by bringing a wide variety of learning experiences and activities to them wherever they may be. Timefire is using Hypatia to establish creativity as currency and will extend this idea into all of its future product developments. The Company also develops software on a contract basis, although this activity is expected to be incidental to its core business.

Note 2 – Going Concern

The accompanying financial statements have been prepared in conformity with GAAP, which contemplate continuation of the Company as a going concern. However, the Company has incurred net losses from operations since commencement and has a members' deficit of \$242,610 as of December 31, 2015. The Company currently has limited liquidity, and has not completed its efforts to establish a stabilized source of revenues sufficient to cover operating costs over an extended period of time. Such conditions raise substantial doubt about the Company's ability to continue as a going concern.

The Company's ability to meet its cash requirements in the next year is dependent upon obtaining additional financing. Management is continuing to pursue financing from various sources, including private placements from investors and institutions. Management believes these efforts may contribute toward funding the Company's activities until sufficient revenue can be earned from future operations.

Note 3 – Summary of Significant Accounting Policies

Basis of Presentation and Organization and Reorganization

TimefireVR Inc., is a Nevada corporation which has two wholly-owned subsidiaries, Texas Gulf Exploration & Production, Inc., and Legal Capital Corp. In January 2015, TimefireVR Inc. entered into a Joint Venture with Wagley Offshore-Onshore, Inc. to acquire distressed energy assets. In July 2016, the Company entered into an agreement to terminate this Joint Venture and it was dissolved on September 26, 2016. Effective September 13, 2016, TimefireVR Inc. entered into an Agreement and Plan of Merger ("Merger Agreement") through which it acquired Timefire, LLC, a Phoenix-based virtual reality content developer that is an Arizona Limited Liability Company. As consideration for the merger, TimefireVR Inc. issued the equity holders of Timefire, LLC a total of 41,400,000 shares of its common stock, and 2,800,000 five year warrants exercisable at \$0.58 per share for 100% of the membership interests of Timefire, LLC. As a result, the former members of Timefire, LLC owned approximately 99% of the then outstanding shares of common stock. The consolidated entities hereinafter are referred to as the "Company." The operations of the Company from the acquisition date represent the business of Timefire, LLC.

For accounting purposes the transaction is being recorded as a reverse acquisition, with Timefire, LLC as the accounting acquirer. The 41,400,000 shares of common stock issued in the transaction are shown as outstanding for all periods presented in the same manner as a stock split.

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. All significant intercompany transactions and balances have been eliminated. Equity investments through which we exercise significant influence over but do not control the investee and are not the primary beneficiary of the investee's activities are accounted for using the equity method where applicable.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could materially differ from those estimates. Significant estimates of the Company include accounting for depreciation and amortization, derivative liability, accruals and contingencies, the fair value of Company common stock and the estimated fair value of warrants.

Revenue Recognition

The Company uses Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") No. 605 for revenue recognition. The Company recognizes revenue when it is realized or realizable and earned. The Company considers revenue realized or realizable and earned when all of the following criteria are met: (i) persuasive evidence of an arrangement exists, (ii) the sales price is fixed or determinable, and (iii) collectability is reasonably assured.

Cash and Cash Equivalents

The Company considers all highly liquid instruments, with original maturity of three months or less when purchased, to be cash equivalents.

Property and Equipment

Property and equipment are recorded at cost. Depreciation is provided for on the straight-line method, over the estimated useful lives of the assets. Maintenance and repairs that neither materially add to the value of the property nor appreciably prolong its life are charged to expense as incurred. Betterments or renewals are capitalized when incurred. Gains and losses on the disposition of property and equipment are recorded in the period incurred.

The estimated useful lives of property and equipment are:

- Office furniture and equipment 5 years

Impairment of Long-Lived Assets and Amortizable Intangible Assets

The Company follows ASC 360-10, "*Property, Plant, and Equipment*," which established a "*primary asset*" approach to determine the cash flow estimation period for a group of assets and liabilities that represents the unit of accounting for a long-lived asset to be held and used. Long-lived assets to be held and used are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The carrying amount of a long-lived asset is not recoverable if it exceeds the sum of the undiscounted cash flows expected to result from the use and eventual disposition of the asset. Long-lived assets to be disposed of are reported at the lower of carrying amount or fair value less cost to sell.

Intangible Assets - Goodwill

The excess of the purchase price over net tangible and identifiable intangible assets of the business acquired is carried as Goodwill on the balance sheet. Goodwill is not amortized, but instead is assessed for impairment at least annually and upon the occurrence of certain triggering events or substantive changes in circumstances that indicate that the fair value of goodwill may be impaired. Measurement of the impairment loss, if any, is based on the difference between the carrying value and fair value of reporting unit. The goodwill impairment test follows a two-step process. In the first step, the fair value of a reporting unit is compared to its carrying value. If the carrying value of a reporting unit exceeds its fair value, the second step of the impairment test is performed for purposes of measuring the impairment. In the second step, the fair value of the reporting unit is allocated to all of the assets and liabilities of the reporting unit to determine an implied goodwill value. If the carrying amount of the reporting unit's goodwill exceeds the implied fair value of goodwill, an impairment loss will be recognized in an amount equal to that excess.

Business segments

ASC 280, "Segment Reporting" requires use of the "management approach" model for segment reporting. The management approach model is based on the way a company's management organizes segments within the Company for making operating decisions and assessing performance. The Company determined it has one operating segment as of December 31, 2015.

Income Taxes

The Company accounts for income taxes under FASB ASC 740, *Income Taxes*. Deferred income tax assets and liabilities are determined based upon differences between financial reporting and tax bases of assets and liabilities and are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse.

Net Loss per Share

Basic earnings per share does not include dilution and is computed by dividing income available to common stockholders by the weighted average number of common shares outstanding for the period. Diluted earnings per share reflect the potential dilution of securities that could share in the earnings of an entity. Dilutive securities are not included in the weighted average number of shares when inclusion would be anti-dilutive. Due to the net losses for the years ended December 31, 2015 and 2014, basic and diluted loss per common share were the same, as the effect of potentially dilutive securities would have been anti-dilutive.

Fair Value Measurements

ASC 820 Fair Value Measurements defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles, and expands disclosure about fair value measurements.

The following provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which fair value is observable:

Level 1- fair value measurements are those derived from quoted prices (unadjusted in active markets for identical assets or liabilities);

Level 2- fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3- fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Financial instruments classified as Level 1 - quoted prices in active markets include cash.

These financial instruments are measured using management's best estimate of fair value, where the inputs into the determination of fair value require significant management judgment to estimation. Valuations based on unobservable inputs are highly subjective and require significant judgments. Changes in such judgments could have a material impact on fair value estimates. In addition, since estimates are as of a specific point in time, they are susceptible to material near-term changes. Changes in economic conditions may also dramatically affect the estimated fair values.

Fair value estimates discussed herein are based upon certain market assumptions and pertinent information available to management as of December 31, 2015. The respective carrying value of certain financial instruments approximated their fair values due to the short-term nature of these instruments. These financial instruments include cash, accounts payable and accrued expenses.

Subsequent Events

In accordance with ASC 855 “Subsequent Events” the Company evaluated subsequent events after the balance sheet date.

Concentration of Credit Risk

Our concentration of credit risk relates principally to cash. Our cash deposits are held in a major financial institution, with no significant risks of potential loss.

Software Development Costs

Software development costs include direct costs incurred for internally developed products. Initial software development costs are expensed as research and development. Software development costs are capitalized once technological feasibility of a product is established and such costs are determined to be recoverable. Technological feasibility of a product encompasses both technical design documentation and game design documentation, or the completed and tested product design and working model. Significant management judgments and estimates are utilized in the assessment of when technological feasibility is established. Technological feasibility is evaluated on a product-by-product basis. Software development costs related to specific contracted software development arrangements are capitalized after the preliminary project phase is complete and it is probable that the project will be completed and the software will be used to perform the function intended.

Research and Development Costs

Research and development costs, including design, development and testing of software, are expensed as incurred.

Recent Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board (“FASB”) issued new accounting guidance related to revenue recognition. The new standard will replace all current GAAP guidance on this topic and eliminate all industry-specific guidance. The new revenue recognition standard provides a unified model to determine when and how revenue is recognized. The core principle is that a company should recognize revenue upon the transfer of promised goods or services to customers in an amount that reflects the consideration for which the entity expects to be entitled in exchange for those goods or services. This guidance will be effective beginning January 1, 2018 and can be applied either retrospectively to each period presented or as a cumulative-effect adjustment as of the date of adoption. We are evaluating the adoption method as well as the impact of this new accounting guidance on our financial statements.

Note 4 - Property and Equipment, Net

The following represents a summary of our property and equipment:

	December 31,	
	2015	2014
Computer equipment	54,298	31,517
Less: accumulated depreciation	(12,001)	(2,555)
	<u>\$ 42,297</u>	<u>\$ 28,962</u>

Depreciation expense was \$9,446 and \$2,555 for the periods ended December 31, 2015 and 2014, respectively.

Note 5 – Prepaid and Accrued Expenses

As of December 31, 2015, prepaid expenses consist of \$3,000 in rents paid in December 2015 related to January 2016. Accrued expenses totaling \$2,617 is credit card amounts payable at December 31, 2015.

Note 6 – Related Party Transactions

Loans from Officer

During the year ended December 31, 2015, an officer made non-interest bearing loans totaling \$161,800 to the Company. As discussed in Footnote 9, in March 2016, these amounts were converted to a promissory note with a stated annual interest rate of 8%.

Convertible Notes Payable - Members

In April 2015 as part of a member cash call, the Company entered into convertible notes payable to members totaling \$25,000. All principal and interest amounts are due two years after issuance. The stated annual interest rate on these notes is 9%. The notes are automatically convertible into members' equity upon the Company entering into a qualified financing (as defined in the agreement), at a conversion price equal to 75% of the price per membership interest paid by investors participating in such financing.

Interest expense on the convertible notes payable to members was \$1,593 for the year ended December 31, 2015.

The future minimum payment of the convertible notes payable due to members for each of the following years and in the aggregate:

Years ending December 31,	Amount
2016	\$ —
2017	\$ 25,000

Contracted Software Development Costs and Unearned Revenue – Related Party

During the year ended December 31, 2015, the Company entered into an agreement with a related party, an entity in which two of the Timefire members have significant ownership, to provide software development services. During 2015, the Company received \$156,000 in payments for these services. The contracted services had not yet been completed as of December 31, 2015, and all amounts received were classified as unearned revenue. The Company incurred expenses specific to this project, including salaries, purchased software and equipment, consultant fees and additional rents. These amounts totaled \$55,938 in 2015 and are reflected as deferred contracted software development costs at December 31, 2015.

Note 7 - Commitments and Contingencies

The Company has agreed to indemnify its officers and members for certain events or occurrences that may arise as a result of the officers or members serving in such capacity. The term of the indemnification period is for the officer's or member's lifetime. The maximum potential amount of future payments the Company could be required to make under these indemnification agreements is unlimited.

Note 8 – Shareholders' Equity

Common Stock

The holders of common stock are entitled to one vote per share on all matters submitted to a vote of shareholders, including the election of directors. There is no cumulative voting in the election of directors. The holders of common stock are entitled to any dividends that may be declared by the Board of Directors out of funds legally available for payment of dividends subject to the prior rights of holders of preferred stock and any contractual restrictions we have against the payment of dividends on common stock. In the event of our liquidation or dissolution, holders of common stock are entitled to share ratably in all assets remaining after payment of liabilities and the liquidation preferences of any outstanding shares of preferred stock. Holders of common stock have no preemptive rights and have no right to convert their common stock into any other securities.

Note 9 - Subsequent Events

On March 1, 2016, the Company converted certain loans payable to an officer into a promissory note with a principal amount of \$161,800, a due date of March 1, 2019 and bearing annual interest at 8%. This promissory note was later converted into equity.

Between January and February 8, 2017, the Company received \$325,000 in additional capital contributions.

The Company entered into an office lease agreement which commenced February 1, 2016 and expired January 31, 2017, with a monthly rent charge of approximately \$2,600.

Effective September 13, 2016, the Company entered into an employment agreement with its Chief Executive Officer ("CEO"). The agreement is for a two year period at the rate of \$150,000 per annum. The agreement will be automatically extended for additional terms of one year each unless terminated by either party. In addition to other customary benefits, the CEO was granted 500,000 restricted stock units ("RSUs"). The RSUs vest over a 2 year period.

Effective September 13, 2016, the Company entered into an employment agreement with its new President. The agreement is for a two year period at the rate of \$150,000 per annum. The agreement will be automatically extended for additional terms of one year each unless terminated by either party.

Effective September 13, 2016, the Company entered into an employment agreement with its new Chief Strategy Officer. The agreement is for a two year period at the rate of \$150,000 per annum. The agreement will be automatically extended for additional terms of one year each unless terminated by either party.

Effective September 13, 2016, the Company adopted the 2016 Equity Incentive Plan (the "2016 Plan"). A total of 3,300,000 shares of our common stock have been reserved for the implementation of the 2016 Plan, either through the issuance of incentive stock options, non-qualified stock options, stock appreciation rights, restricted awards, or restricted stock units ("RSUs").

Effective September 13, 2016, pursuant to his employment agreement, the Company entered into a Restricted Stock Unit Agreement with its CEO which granted the CEO 500,000 RSUs pursuant to the 2016 Plan. The RSUs vest in three approximately equal increments with the first tranche being fully vested on the grant date and the remaining tranches vesting on the first-year and second-year anniversaries of the grant date.

On September 13, 2016, the Company issued five-year warrants at \$.58 to purchase 2,800,000 shares of common stock to the original Timefire, LLC investors. Additionally, the Company issued five-year warrants at \$.58 to purchase 2,586,207 shares of common stock to investors via a Securities Purchase Agreement.

As part of the September 2016 Merger Agreement, the Company designated and issued preferred stock. The Company is authorized to issue 10,000,000 shares of Preferred stock with a par value of \$0.01 per share, with rights, preferences and limitations as may be decided from time-to-time by the Board of Directors.

Series C

In 2014, the Board of Directors approved the issuance of Series C Preferred Stock ("Series C"). 900 Shares of Series C Preferred Stock were issued in exchange for 900 Shares of previously issued Series A Preferred Stock ("Prior Series A"). Each share of Series C shall be convertible at the option of the holder at any time, into 10,000 shares of common stock. Each holder of Series C shall be entitled to one vote for each share of Series C held. Holders cannot convert their Series C to the extent that after such conversion, they and their affiliates would beneficially own in excess of 9.99% of the Company's common stock, which limitation is waivable upon 61 days' notice to the Company. During 2016, holders of 275.46 shares of Series C converted them into 2,754,600 shares of our common stock.

Series A-1

Effective August 24, 2016, the Board of Directors approved the issuance of Series A-1 Preferred Stock ("Series A-1"). The Company entered into agreements with certain note holders under which the note holders agreed to convert an aggregate of \$229,170 in principal and accrued interest into a total of 20,371 shares of Series A-1 Preferred Stock. Each share of Series A-1 shall be convertible at the option of the holder at any time, into 100 shares of common stock. The Series A-1 ranks senior to the common stock and junior to the Series C. Holders of Series A-1 are entitled to receive dividends and vote together with holders of the common stock on an as-converted basis. Holders cannot convert their Series A-1 to the extent that after such conversion, they and their affiliates would beneficially own in excess of 2.49% of the Company's common stock, which limitation is waivable upon 61 days' notice to the Company.

Series A

Effective September 13, 2016, the Company closed on a Securities Purchase Agreement and the Board of Directors approved the issuance of a newly designated Series A Convertible Preferred Stock ("New Series A"). Pursuant to the agreement the Company issued and sold approximately 133,334 shares of New Series A to certain investors for gross proceeds of \$1,500,004 and 2,586,207 five-year Warrants exercisable at \$0.58 per share. The New Series A are convertible into approximately 6,666,684 shares of common stock. Holders cannot convert their New Series A to the extent that after such conversion, they and their affiliates would beneficially own in excess of 2.49% of the Company's common stock, which limitation is waivable upon 61 days' notice to the Company.

New Series A shall be convertible, at the option of the holder, into 50 shares of common stock, subject to certain adjustments. The New Series A ranks senior to all other classes and series of the Company's capital stock. Holders of New Series A are entitled to receive dividends and vote together with holders of the common stock on an as-converted basis.

Between January 1, 2016 and February 8, 2017, the Company has issued 3,390,276 shares of common stock. 608,796 shares of common stock were issued to pre-merger shareholders, 2,384,600 shares of common stock were issued for the conversion of Series C Preferred shares and 245,211 shares of common stock were issued for the conversion of Series A-1 Preferred shares. Additionally, 150,000 shares of common stock were issued for services, and 1,669 shares were issued for partial shares as a result of the reverse stock split.

On September 23, 2016, the Company entered into an office lease agreement commencing October 1, 2016 for a new location, after having outgrown the prior facility. This lease expires December 31, 2018. A concession of the first five months' rent was provided. After that time, the monthly rent will be \$8,121 for months 6 through 17, and \$8,375 for months 18 through 27. The Company continued to be obligated to pay the monthly rent of \$2,596 on its prior facility lease, which expired January 2017.

Effective January 31, 2017, the Chief Executive Officer resigned from the Company. Pursuant to an agreement between the CEO and the Company, he will continue to serve as a consultant of the Company for a period of six months, for which he will be compensated \$12,500 per month. In addition, under the terms of his agreement with the Company, all of his unvested restricted stock units previously granted became fully vested.

PART II. INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 13. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION.

The following table sets forth the costs and expenses payable by us in connection with the issuance and distribution of the securities being registered hereunder. All of the amounts shown are estimates, except for the SEC registration fees.

SEC registration fees	\$	*
Printing expenses	\$	*
Accounting fees and expenses	\$	*
Legal fees and expenses	\$	*
Blue sky fees	\$	*
Miscellaneous	\$	*
Total	\$	*

* To be provided by amendment.

ITEM 14. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

Indemnification of Directors and Officers

Nevada Revised Statutes (“NRS”) Sections 78.7502 and 78.751 provide us with the power to indemnify any of our directors and officers. The director or officer must have conducted himself/herself in good faith and reasonably believe that his/her conduct was in, or not opposed to, our best interests. In a criminal action, the director, officer, employee or agent must not have had reasonable cause to believe his/her conduct was unlawful.

Under NRS Section 78.751, advances for expenses may be made by agreement if the director or officer affirms in writing that he/she believes he/she has met the standards and will personally repay the expenses if it is determined such officer or director did not meet the standards.

Our Articles of Incorporation include an indemnification provision under which we have the power to indemnify our directors, officers, former directors and officers, or any person who serves or served at our request for our benefit as a director or officer of another corporation or our representative in a partnership, joint venture, trust, or other enterprise (including heirs and personal representatives) against all expenses, liability, and loss actually and reasonably incurred.

Any repeal or modification of these provisions approved by our stockholders shall be prospective only, and shall not adversely affect any limitation on the liability of any of our directors or officers existing as of the time of such repeal or modification.

We are also permitted to apply for insurance on behalf of any director, officer, employee or other agent for liability arising out of his actions, whether or not the NRS would permit indemnification. We do not currently have such insurance in place.

Limitation of Liability of Directors

Our Articles of Incorporation provides a limitation of liability such that no director or officer shall be personally liable to us or any of our stockholders for damages for breach of fiduciary duty as a director or officer, involving any act or omission of any such director or officer, provided there was no intentional misconduct, fraud or a knowing violation of the law, or payment of dividends in violation of NRS Section 78.300.

Statement on Indemnification for Liabilities Arising Under the Securities Act

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers or persons controlling us pursuant to the foregoing provisions, we have been informed that in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act of 1933 and is therefore unenforceable.

ITEM 15. RECENT SALES OF UNREGISTERED SECURITIES.

Since January 1, 2014, we have issued the following securities without registration under the Securities Act of 1933 (the “Act”). All common stock share numbers below give effect to a one-for-10 reverse stock split effective November 21, 2016.

On March 31, 2014, we entered into a Purchase Agreement with Texas Gulf Oil & Gas, Inc., a Nevada corporation (“TGOG”). Pursuant to the terms of the agreement, the Company's wholly owned subsidiary, Texas Gulf Exploration & Production, Inc. (“TGEP”), acquired certain assets and assumed certain liabilities of TGOG, in exchange for the issuance of 90 newly-issued shares of the Company's Series A Convertible Preferred Stock, par value \$0.01 per share. Also, on March 31, 2014, the Company entered into a Purchase Agreement with Litigation Capital, Inc., a Nevada corporation (“LCI”). Pursuant to the terms of the agreement, the Company's wholly owned subsidiary, Legal Capital Corp., acquired certain assets and assumed certain liabilities of LCI in exchange for the issuance of 300,000 newly-issued shares of the Company's Series B Preferred Stock, par value \$0.01 per share. The securities were issued and sold in reliance upon the exemption from registration contained in Section 4(a)(2) of the Act and Rule 506(b) promulgated thereunder.

On May 21, 2014, the Company entered into a Share Exchange Agreement (the “Share Exchange Agreement”) with TGOG pursuant to which TGOG exchanged 900 shares of Series A Convertible Preferred Stock for 900 shares of the Company's Series C Convertible Preferred Stock. The securities were issued and sold in reliance upon the exemption from registration contained in Section 3(a)(9) of the Act and Rule 506(b) promulgated thereunder.

On January 6, 2015, the Company entered into a Joint Venture Agreement with Wagley Offshore-Onshore, Inc. and issued 2,000,000 restricted shares of its common stock to the joint venture as its capital contribution. The securities were issued and sold in reliance upon the exemption from registration contained in Section 4(a)(2) of the Act and Rule 506(b) promulgated thereunder.

Effective July 21, 2016, the Company entered into a series of agreements with certain parties, including TGEP, LCI, TGOG, Wagley-EnergyTEK J.V. LLC, a Texas limited liability company (“Wagley J.V.”), and two institutional investors. Pursuant to the agreements, the Company issued the investors convertible promissory notes in the total original principal amount of \$60,000 (the “Notes”) bearing 5% annual interest and maturing November 15, 2016, subject to acceleration in the event of the Company's merger. Amounts of principal and accrued interest under the Notes were convertible at the option of the investors at a price of \$3.00 per share. With the proceeds from the Notes, the Company repaid \$50,000 of indebtedness owed by the Company to TGOG. Following repayment of the \$50,000, TGOG cancelled 100,000 shares of the Company's common stock held by TGOG. TGEP assumed the Company's remaining indebtedness to TGOG in the approximate amount of \$178,000, following which TGOG released the Company for liability related to such debt. The securities were issued and sold in reliance upon the exemption from registration contained in Section 4(a)(2) of the Act and Rule 506(b) promulgated thereunder.

The Company also redeemed all shares of the Company's Series B Preferred Stock held by LCI in exchange for 30,000 shares of the Company's common stock. The Company further agreed to transfer to LCI all the equity interests of its subsidiaries TGEP and Legal Capital Corp. by the earlier of a merger or similar transaction by the Company or October 19, 2016. The securities were issued and sold in reliance upon the exemption from registration contained in Section 3(a)(9) of the Act and Rule 506(b) promulgated

thereunder.

Effective August 24, 2016, the Company entered into agreements with two institutional investors under which the investors or their affiliates agreed to convert an aggregate of \$229,170 in principal amounts and accrued interest under notes held by the Investors into a total of 20,371 shares of the Company's newly designated Series A-1 Convertible Preferred Stock, par value \$0.01 per share. The notes were previously convertible into shares of the Company's common stock at \$3.00 per share. The securities were issued and sold in reliance upon the exemption from registration contained in Section 3(a)(9) of the Act and Rule 506(b) promulgated thereunder.

Effective August 30, 2016, the Company issued an institutional investor a note evidencing a loan in the amount of \$30,000 with a maturity of September 30, 2016. The note did not accrue interest except in the event of default, in which case it would accrue annual interest in the amount of 18%. The note was issued and sold in reliance upon the exemption from registration contained in Section 4(a)(2) of the Act and Rule 506(b) promulgated thereunder.

Effective September 13, 2016, the Company, ENTK Acquisition Corp., a Nevada corporation and wholly-owned subsidiary of the Company, and Timefire LLC entered into an Agreement and Plan of Merger pursuant to which the Company acquired Timefire, which is now a subsidiary of the Company (the foregoing transaction, the "Merger"). As consideration for the Merger, the Company issued the equity holders of Timefire a total of 41,400,000 shares of the Company's common stock, par value \$0.001 per share, and 2,800,000 five-year warrants exercisable at \$0.58 per share.

Immediately upon the closing of the Merger, the Company closed on a private placement offering with institutional investors pursuant to which the Company issued and sold the investors approximately 133,334 shares of the Company's newly designated Series A Convertible Preferred Stock, convertible into a total of approximately 6,666,844 shares of the Company's common stock, and a total of 2,586,207 five-year warrants exercisable at \$0.58 per share, for gross offering proceeds of \$1,500,004.

ITEM 16. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES.

The Exhibits provided for under the Exhibit Index are incorporated herein.

ITEM 17. UNDERTAKINGS.

(a) The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the Calculation of Registration Fee table in the effective registration statement.

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That, for the purpose of determining liability under the Securities Act of 1933 to any purchaser, each prospectus filed pursuant to Rule 424(b) as part of a registration statement relating to an offering, other than registration statements relying on Rule 430B or other than prospectuses filed in reliance on Rule 430A, shall be deemed to be part of and included in the registration statement as of the date it is first used after effectiveness. Provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use.

(b) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

SIGNATURES

In accordance with the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned thereunto duly authorized, in the City of Scottsdale, State of Arizona, on February 8, 2017.

TIMEFIREVR INC.

By: /s/ Jeffrey Rassas
Jeffrey Rassas
Chief Executive Officer

In accordance with the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Jeffrey Rassas</u> Jeffrey Rassas	Principal Executive Officer and Director	February 8, 2017
<u>/s/ Jessica L. Smith</u> Jessica L. Smith	Interim Chief Financial Officer (Principal Financial Officer) and Chief Accounting Officer (Principal Accounting Officer)	February 8, 2017
<u>/s/ John M. Wise</u> John M. Wise	Director	February 8, 2017
<u>/s/ Lou Werner, III</u> Lou Werner, III	Director	February 8, 2017

EXHIBIT INDEX

Exhibit #	Exhibit Description	Incorporated by Reference		Number	Filed or Furnished Herewith
		Form	Date		
2.1	Agreement and Plan of Merger dated September 13, 2016	8-K	9-13-16	2.1	
2.2	Articles of Merger - Nevada	8-K	9-13-16	2.2	
2.3	Statement of Merger - Arizona	8-K	9-13-16	2.3	
2.4	Purchase Agreement between the Company and Texas Gulf Oil & Gas, Inc. dated March 31, 2014	8-K	4-4-14	2.1	
2.5	Purchase Agreement between the Company and Litigation Capital, Inc. dated March 31, 2014	8-K	4-4-14	2.2	
2.6	Share Exchange Agreement between the Company and Texas Gulf Oil & Gas, Inc. dated May 21, 2014	8-K	4-4-14	2.3	
3.1	Articles of Incorporation, as amended				Filed
3.2	Bylaws, as amended				Filed
4.3	Form of Merger Warrant	8-K	9-13-16	4.2	
4.4	Form of Investor Warrant	8-K	9-13-16	4.3	
5.1	Opinion Regarding Legality				**
10.1	Form of Convertible Promissory Note	8-K	7-27-16	10.1	
10.2	Exchange Agreement dated August 24, 2016	8-K	8-30-16	10.1	
10.3	Form of Convertible Promissory Note dated August 30, 2016	8-K	9-6-16	10.1	
10.4	2016 Equity Incentive Plan	8-K	9-13-16	10.1	*
10.5	John Wise Employment Agreement dated September 7, 2016	8-K	9-13-16	10.2	*
10.6	Jeffrey Rassel Employment Agreement dated September 7, 2016	8-K	9-13-16	10.3	*
10.7	Jonathan Read Employment Agreement dated September 7, 2016	8-K	9-13-16	10.4	*
10.8	Jonathan Read Restricted Stock Unit Agreement dated September 7, 2016	8-K	9-13-16	10.5	*
10.9	Securities Purchase Agreement dated September 7, 2016	8-K	9-13-16	10.6	
10.10	Registration Rights Agreement dated September 7, 2016	8-K	9-13-16	10.7	
10.11	Form of Agreement and Mutual Release dated as of July 21, 2016	10-Q	11-18-16	10.11	
10.12	Joint Venture Agreement between the Company and Wagley-Offshore-Onshore, Inc. dated January 6, 2015	8-K	1-9-15	1.1	
10.13	Limited Liability Company Operating Agreement for Wagley-EnergyTEK LLC by and between the Company and Wagley-Offshore-Onshore, Inc. dated January 6, 2015	8-K	1-9-15	1.1	
21.1	List of Subsidiaries				Filed
23.1	Consent of Auditors				Filed
23.2	Consent of Nason, Yeager, Gerson, White & Lioce, P.A. (included in Exhibit 5.1)				**

* Management contract or compensatory plan or arrangement.

** To be filed by amendment.

FILED # C6791-01

MAR 19 2001

IN THE OFFICE OF
Dean Miller
DEAN MILLER SECRETARY OF STATE

ARTICLES OF INCORPORATION
OF
BROADLEAF CAPITAL PARTNERS

1. Name of Company:

Broadleaf Capital Partners

2. Resident Agent:

The resident agent of the Company is:

CUSTOM FUND GROUP, INC.
5353 W. Desert Inn Rd., Suite 2117
Las Vegas, Nevada 89146

3. Board of Directors:

The Company shall initially have one director (1) who is Robert A. Braner; 2492 Rye Beach Lane, Suite 100, Henderson, Nevada 89052. This individual shall serve as director until their successor or successors have been elected and qualified. The number of directors may be increased or decreased by a duly adopted amendment to the By-Laws of the Corporation.

4. Authorized Shares:

The aggregate number of shares which the corporation shall have authority to issue shall consist of 20,000,000 shares of Common Stock having a \$.001 par value, and 5,000,000 shares of Preferred Stock having a \$.001 par value. The Common and/or Preferred Stock of the Company may be issued from time to time without prior approval by the stockholders. The Common and/or Preferred Stock may be issued for such consideration as may be fixed from time to time by the Board of Directors. The Board of Directors may issue such share of Common and/or Preferred Stock in one or more series, with such voting powers, designations, preferences and rights or qualifications, limitations or restrictions thereof as shall be stated in the resolution or resolutions.

5. Preemptive Rights and Assessment of Shares:

Holders of Common Stock or Preferred Stock of the corporation shall not have any preference, preemptive right or right of subscription to acquire shares of the corporation authorized, issued, or sold, or to be authorized, issued or sold, or to any obligations or shares authorized or issued or to be authorized or issued, and convertible into shares of the corporation, nor to any right of subscription thereto, other than to the extent, if any, the Board of Directors in its sole discretion, may determine from time to time.

The Common Stock of the Corporation, after the amount of the subscription price has been fully paid in, in money, property or services, as the directors shall determine, shall not be subject to assessment to pay the debts of the corporation, nor for any other purpose, and no Common Stock issued as fully paid shall ever be assessable or assessed, and the Articles of Incorporation shall not be amended to provide for such assessment.

6. Directors' and Officers' Liability

A director or officer of the corporation shall not be personally liable to this corporation or its stockholders for damages for breach of fiduciary duty as a director or officer, but this Article shall not eliminate or limit the liability of a director or officer for (i) acts or omissions which involve intentional misconduct, fraud or a knowing violation of the law or (ii) the unlawful payment of dividends. Any repeal or modification of this Article by stockholders of the corporation shall be prospective only, and shall not adversely affect any limitation on the personal liability of a director or officer of the corporation for acts or omissions prior to such repeal or modification.

7. Indemnity

Every person who was or is a party to, or is threatened to be made a party to, or is involved in any such action, suit or proceeding, whether civil, criminal, administrative or investigative, by the reason of the fact that he or she, or a person with whom he or she is a legal representative, is or was a director of the corporation, or who is serving at the request of the corporation as a director or officer of another corporation, or is a representative in a partnership, joint venture, trust or other enterprise, shall be indemnified and held harmless to the fullest extent legally permissible under the laws of the State of Nevada from time to time against all expenses, liability and loss (including attorneys' fees, judgments, fines, and amounts paid or to be paid in a settlement) reasonably incurred or suffered by him or her in connection therewith. Such right of indemnification shall be a contract right which may be enforced in any manner desired by such person. The expenses of officers and directors incurred in defending a civil suit or proceeding must be paid by the corporation as incurred and in advance of the final disposition of the action, suit, or proceeding, under receipt of an undertaking by or on behalf of the director or officer to repay the amount if it is ultimately determined by a court of competent jurisdiction that he or she is not entitled to be indemnified by the corporation. Such right of indemnification shall not be exclusive of any other right of such directors, officers or representatives may have or hereafter acquire, and, without limiting the generality of such statement, they shall be entitled to their respective rights of indemnification under any bylaw, agreement, vote of stockholders, provision of law, or otherwise, as well as their rights under this article.

Without limiting the application of the foregoing, the Board of Directors may adopt By-Laws from time to time without respect to indemnification, to provide at all times the fullest indemnification permitted by the laws of the State of Nevada, and may cause the corporation to purchase or maintain insurance on behalf of any person who is or was a director or officer.

8. Amendments

Subject at all times to the express provisions of Section 5 on the Assessment of Shares, this corporation reserves the right to amend, alter, change, or repeal any provision contained in these Articles of Incorporation or its By-Laws, in the manner now or hereafter prescribed by statute or the Articles of Incorporation or said By-Laws, and all rights conferred upon shareholders are granted subject to this reservation.

9. Power of Directors

In furtherance, and not in limitation of those powers conferred by statute, the Board of Directors is expressly authorized:

(a) Subject to the By-Laws, if any, adopted by the shareholders, to make, alter or repeal the By-Laws of the corporation;

Incorporation Continued

(b) To authorize and caused to be executed mortgages and liens, with or without limitations as to amount, upon the real and personal property of the corporation;

(c) To authorize the guaranty by the corporation of the securities, evidences of indebtedness and obligations of other persons, corporations or business entities;

(d) To set apart out of any funds of the corporation available for dividends a reserve or reserves for any proper purpose and to abolish any such reserve;

(e) By resolution adopted by the majority of the whole board, to designate one or more committees to consist of one or more directors of the of the corporation, which, to the extent provided on the resolution or in the By-Laws of the corporation, shall have and may exercise the powers of the Board of Directors in the management of the affairs of the corporation, and may authorize the seal of the corporation to be affixed to all papers which may require it. Such committee or committees shall have name and names as may be stated in the By-Laws of the corporation or as may be determined from time to time by resolution adopted by the Board of Directors.

All the corporate powers of the corporation shall be exercised by the Board of Directors except as otherwise herein or in the By-Laws or by law.

IN WITNESS WHEREOF, I hereunder set my hand this Monday, March 19, 2001, hereby declaring and certifying that the facts stated hereinabove are true.

Signature of Incorporator

Name: **Pantelis Langis**
Address: 5353 W. Desert Inn Rd., Suite 2117
Las Vegas, Nevada 89146

Signature: 
Pantelis Langis

State of Nevada)
County of Clark)

This instrument was acknowledged before me on
March 19, 2001, by Pantelis Langis.

Signature: 
Notary Public



Certificate of Acceptance of Appointment as Resident Agent: I, Pantelis Langis, on behalf of Custom Fund Group, Inc., (CFG), hereby accept appointment of CFG as the resident agent for the above referenced company.

Signature: 
Pantelis Langis

(325)

FILED # C 6791-01

APR 10 2002

ARTICLES OF MERGER

By the Secretary
DEAN HELLER, SECRETARY OF STATE

1. An Agreement and Plan of Merger ("Plan") was executed April 5, 2002 between:

Broadleaf Capital Partners, Inc., a Colorado corporation
and
Broadleaf Capital Partners, Inc., a Nevada corporation

Filed in the office of <i>Dean Heller</i> Dean Heller Secretary of State State of Nevada	Document Number C6791-2001-003 Filing Date and Time 04/10/2002 12:00 AM Entity Number C6791-2001
--	--

- Broadleaf-Nevada shall be the surviving corporation.
- The Plan has been adopted by each constituent entity.
- The Plan was adopted and approved by the shareholders of Broadleaf-Colorado in accordance with the Colorado Business Corporation Act.
- The Plan was adopted and approved by the sole initial director of Broadleaf-Nevada. No shareholder approval was required.
- The executed Plan and the Certificate of Amendment of Broadleaf-Nevada as the surviving corporation are on file at the principal offices of Broadleaf Capital Partners, Inc. at:

2531 San Jacinto Avenue
San Jacinto, CA 92583

~~Broadleaf Capital Partners, Inc. -
a Nevada corporation~~
Robert A. Braner, *President*

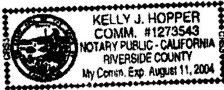
Lisa Martinez
Lisa Martinez, *Secretary*

State of California
County of Riverside

On April 5, 2002, personally appeared before me, a Notary Public, Robert A. Braner and Lisa Martinez who acknowledged that they executed the foregoing instrument.

Kelly J. Hopper
Notary Public for California

My Commission expires: August 11, 2004



(4150)

FILED # C6791-01

Registry Number: C 6791-01

APR 10 2002

**Certificate of Amendment
to Articles of Incorporation
(Before Issuance of Stock)**

BROADLEAF CAPITAL PARTNERS

Filed in the office of <i>Dean Heller</i> Dean Heller Secretary of State State of Nevada	Document Number	C6791-2001-004
	Filing Date and Time	04/10/2002 12:00 AM
	Entity Number	C6791-2001
	IN THE OFFICE OF SECRETARY OF STATE	

I, the undersigned being the sole initial director, of Broad
hereby certify:

- (1) That the original Articles of Incorporation were filed on March 19, 2001;
- (2) That to the date of this Certificate, no stock of the corporation has been issued;
- (3) **That Article 4 of the original Articles of Incorporation is amended to read as follows:**

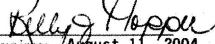
The total authorized capital of the corporation shall be 250,000,000 shares of common stock, par value \$0.001 per share and 10,000,000 shares of preferred stock, par value \$0.01 per share. The board of directors shall have the authority, without any further approval of the shareholders, to establish the relative rights, preferences and limitations of any class of common or preferred stock. The consideration for the issuance of any shares of capital stock may be paid, in whole or in part, in money, services or other thing of value. The judgment of the directors as to the value of the consideration for the shares shall be conclusive. When the payment of the consideration for the shares has been received by the corporation, such shares shall be deemed fully paid and nonassessable.


 Robert A. Braner, Director

State of California
County of Riverside

On April 5, 2002, personally appeared before me, a Notary Public, Robert A. Braner, who acknowledged that he executed the foregoing instrument.



Notary Public for 
 My Commission expires: August 11, 2004

04/10/2002 10:52AM ML675 FY02-000-5723

(PROFIT) ANNUAL LIST OF OFFICERS, DIRECTORS AND RESIDENT AGENT OF

FILE NUMBER

Broadleaf Capital Partners, Inc.
(Name of Corporation)

C6791-2001

FOR THE FILING PERIOD OF 2004 TO 2005

The corporation's duly appointed resident agent in the State of Nevada upon whom process can be served is:

Melissa R. Welch
1603 Berendo Dr.
Las Vegas, NV 89123

FILED #

DEC 17 2004

IN THE OFFICE OF
DEAN HELLER
SECRETARY OF STATE

CHECK BOX IF YOU REQUIRE A FORM TO UPDATE YOUR RESIDENT AGENT INFORMATION

Important: Read instructions before completing and returning this form.

THE ABOVE SPACE IS FOR OFFICE USE ONLY

1. Print or type names and addresses either residence or business, for all officers and directors, A President, Secretary, Treasurer, or equivalent of and all Directors and all directors must be named. Have an officer sign the form. FORM WILL BE RETURNED IF UNSIGNED.
2. If there are additional directors attach a list of them to this form.
3. Return the completed form with the filing fee. A \$75.00 penalty must be added for failure to file this form by the deadline. An annual list received more than 90 days before its due date shall be deemed an amended list for the previous year.
4. Make your check payable to the Secretary of State. Your cancelled check will constitute a certificate to transact business per NRS 78.155. To receive a certified copy, enclose an additional \$30.00 and appropriate instructions.
5. Return the completed form to: Secretary of State, 202 North Carson Street, Carson City, NV 89701-4021, (775) 684-6708.
6. Form must be in the possession of the Secretary of State on or before the last day of the month in which it is due. (Postmark date is not accepted as receipt date.) Forms received after due date will be returned for additional fees and penalties.

CHECK ONLY IF APPLICABLE

This corporation is a publicly traded corporation. The Central Index Key number is: 11133H 10 9

This publicly traded corporation is not required to have a Central Index Key number.

NAME Robert A. Braner	TITLE(S) PRESIDENT (OR EQUIVALENT OF)
ADDRESS 5440 W. Sahara Ave., Suite 202	CITY St Zip Las Vegas NV 89146
NAME Melissa R. Welch	TITLE(S) SECRETARY (OR EQUIVALENT OF)
ADDRESS 5440 W. Sahara Ave., Suite 202	CITY St Zip Las Vegas NV 89146
NAME Melissa R. Welch	TITLE(S) TREASURER (OR EQUIVALENT OF)
ADDRESS 5440 W. Sahara Ave., Suite 202	CITY St Zip Las Vegas NV 89146
NAME Robert A. Braner	TITLE(S) DIRECTOR
ADDRESS 5440 W. Sahara Ave., Suite 202	CITY St Zip Las Vegas NV 89146

I declare, to the best of my knowledge under penalty of perjury, that the above mentioned entity has complied with the provisions of NRS 360.780 and acknowledge that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State.

X Signature of Officer *Melissa R. Welch* Title *Secretary* Date *12-17-04*

Nevada Secretary of State Form ANNUAL LIST (PROFIT) 2003
Revised on: 06/25/03

12/20/2004 1:03:12 PM 10.00
RE 12/20/04 12:00:00

(PROFIT) ANNUAL LIST OF OFFICERS, DIRECTORS AND RESIDENT AGENT OF
Broadleaf Capital Partners, Inc.
 (Name of Corporation)

FILE NUMBER
C6791-2001

FOR THE FILING PERIOD OF 2004 to 2005

The corporation's duly appointed resident agent in the State of Nevada upon whom process can be served is:

Melissa Welch
 1603 Berendo Dr.
 Las Vegas, NV 89123

CHECK BOX IF YOU REQUIRE A FORM TO UPDATE YOUR RESIDENT AGENT INFORMATION
 Important: Read instructions before completing and returning this form.

THE ABOVE SPACE IS FOR OFFICE USE ONLY

1. Print or type names and addresses either residence or business, for all officers and directors. A President, Secretary, Treasurer, or equivalent of and all Directors and all directors must be named. Have an officer sign the form. FORM WILL BE RETURNED IF UNANSWERED.
2. If there are additional directors attach a list of them to this form.
3. Return the completed form with the filing fee. A \$75.00 penalty must be added for failure to file this form by the deadline. An annual list received more than 90 days before its due date shall be deemed an amended list for the previous year.
4. Make your check payable to the Secretary of State. Your cancelled check will constitute a certificate to transact business per NRS 78.155. To receive a certified copy, enclose an additional \$20.00 and appropriate instructions.
5. Return the completed form to: Secretary of State, 202 North Carson Street, Carson City, NV 89701-0201, (775) 684-4708.
6. Form must be in the possession of the Secretary of State on or before the last day of the month in which it is due. (Postmark date is not accepted as receipt date.) Forms received after due date will be returned for additional fee and penalty.

CHECK ONLY IF APPLICABLE			
<input checked="" type="checkbox"/> This corporation is a publicly traded corporation. The Central Index Key number is: 11133H 10 9			
<input type="checkbox"/> This publicly traded corporation is not required to have a Central Index Key number.			
NAME	TITLE(S)	(OR EQUIVALENT OF)	
Melissa R. Welch	DIRECTOR	St	Zip
ADDRESS	CITY	St	Zip
5440 W. Sahara Ave., Suite 202	Las Vegas	NV	89146
NAME	TITLE(S)	(OR EQUIVALENT OF)	
Charles Snipes	DIRECTOR	St	Zip
ADDRESS	CITY	St	Zip
5440 W. Sahara Ave., Suite 202	Las Vegas	NV	89146
NAME	TITLE(S)	(OR EQUIVALENT OF)	
Jason Sunstein	DIRECTOR	St	Zip
ADDRESS	CITY	St	Zip
5440 W. Sahara Ave., Suite 202	Las Vegas	NV	89146
NAME	TITLE(S)	(OR EQUIVALENT OF)	
Donna Steward	DIRECTOR	St	Zip
ADDRESS	CITY	St	Zip
5440 W. Sahara Ave., Suite 202	Las Vegas	NV	89146

I declare, to the best of my knowledge under penalty of perjury, that the above mentioned entity has complied with the provisions of NRS 360.780 and acknowledge that pursuant to NRS 239.330, it is a category C entity to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State.

X Signature of Officer: *Melissa Welch* Title Secretary

Date 9/9/04

(PROFIT) ANNUAL LIST OF OFFICERS, DIRECTORS AND RESIDENT AGENT OF
 Broadleaf Capital Partners, Inc.

FILE NUMBER
 C6791-2001

(Name of Corporation)

FOR THE FILING PERIOD OF 2004 TO 2005

The corporation's duly appointed resident agent in the State of Nevada upon whom process can be served is:

Melissa Welch
 1603 Berendo Dr.
 Las Vegas, NV 89123

CHECK BOX IF YOU REQUIRE A FORM TO UPDATE YOUR RESIDENT AGENT INFORMATION

Important: Read instructions before completing and returning this form.

THE ABOVE SPACE IS FOR OFFICE USE ONLY

1. Print or type names and addresses either residence or business, for all officers and directors. A President, Secretary, Treasurer, or equivalent of and all directors must be named.
2. Have an officer sign the form. FORMS WILL BE RETURNED UNPROCESSED.
3. If there are additional directors attach a list of them to this form.
4. Return the completed form with the filing fee. A \$75.00 penalty must be added for failure to file this form by the deadline. An annual list received more than 90 days before its due date shall be deemed an amended list for the previous year.
5. Make your check payable to the Secretary of State. Your cashed check will constitute a certificate to transact business per NRS 78.155. To receive a certified copy, enclose an additional \$30.00 and appropriate instructions.
6. Return the completed form to: Secretary of State, 302 North Carson Street, Carson City, NV 89701-4021, (775) 684-4700.
7. Form must be in the possession of the Secretary of State on or before the last day of the month in which it is due. (Postmark date is not accepted as receipt date.) Forms received after due date will be returned for additional fees and penalties.

CHECK ONLY IF APPLICABLE			
<input checked="" type="checkbox"/>	This corporation is a publicly traded corporation. The Central Index Key number is: 11133H 10 9		
<input type="checkbox"/>	This publicly traded corporation is not required to have a Central Index Key number.		
NAME	TITLE(S)		
	PRESIDENT (OR EQUIVALENT OF)		
ADDRESS	CITY	St	Zip
NAME	TITLE(S)		
	SECRETARY (OR EQUIVALENT OF)		
ADDRESS	CITY	St	Zip
			89146
NAME	TITLE(S)		
Christopher Houghton	SECRETARY (OR EQUIVALENT OF)		
ADDRESS	CITY	St	Zip
5440 W. Sahara Ave., Suite 202	Las Vegas	NV	89146
NAME	TITLE(S)		
Nigel Gordon-Stewart	DIRECTOR		
ADDRESS	CITY	St	Zip
5440 W. Sahara Ave., Suite 202	Las Vegas	NV	89146

I declare, to the best of my knowledge under penalty of perjury, that the above mentioned entity has complied with the provisions of NRS 360.780 and acknowledge that pursuant to NRS 239.330, it is a category C entity to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State.

X Signature of Officer *Melissa Welch* TITLE Secretary

Date *5/29/04* 12-17-04

(PROFIT) ANNUAL LIST OF OFFICER, DIRECTORS AND REGISTERED AGENT OF

FILE NUMBER

Brodeur Capital Partners, Inc

C6791-2001

FOR THE FILING PERIOD OF 3-31-2008 TO 3-31-2009

The entity's duly appointed registered agent in the State of Nevada upon whom process can be served is:

Princeton Research, Inc
3887 PACIFIC ST
LAS VEGAS, NV 89121

Filed in the office of Ross Miller, Secretary of State, State of Nevada. Document Number 20080608504-53. Filing Date and Time 09/12/2008 1:33 PM. Entity Number C6791-2001.

A FORM TO CHANGE REGISTERED AGENT INFORMATION CAN BE FOUND ON OUR WEBSITE: www.nvsos.gov

USE BLACK INK ONLY - DO NOT HIGHLIGHT

ABOVE SPACE IS FOR OFFICE USE ONLY

Return one file stamped copy. (If filing not accompanied by order instructions, file stamped copy will be sent to registered agent.)

YOU MAY NOW FILE YOUR ANNUAL LIST ONLINE AT www.nvsos.gov

IMPORTANT: Read instructions before completing and returning this form.

- 1. Print or type names and addresses, either residence or business, for all officers and directors. A President, Secretary, Treasurer, or equivalent of and all Directors must be named. There must be at least one director. An Officer must sign the form. FORM WILL BE RETURNED IF UNSIGNED.
2. If there are additional officers, attach a list of them to this form.
3. Return the complete form with the filing fee. Fee is based upon the current total authorized stock as explained in the Annual List Fee Schedule For Profit Corporations. A \$75.00 penalty must be added for failure to file this form by the deadline. An annual list received more than 90 days before its due date shall be deemed an amended list for the previous year.
4. Make your check payable to the Secretary of State. Your canceled check will constitute a certificate to transact business.
5. Ordering Copies: If requested above, one file stamped copy will be returned at no additional charge. To receive a certified copy, enclose an additional \$30.00 per certification. A copy fee of \$2.00 per page is required for each additional copy generated when ordering 2 or more file stamped or certified copies. Appropriate instructions must accompany your order.
6. Return the completed form to: Secretary of State, 202 North Carson Street, Carson City, Nevada 89701-4201, (775) 684-5708.
7. Form must be in the possession of the Secretary of State on or before the last day of the month in which it is due. (Postmark date is not accepted as receipt date.) Forms received after due date will be returned for additional fees and penalties.

CHECK ONLY IF APPLICABLE

- [X] This corporation is a publicly traded corporation. The Central Index Key number is: 000748268
[] This publicly traded corporation is not required to have a Central Index Key number.

Form with fields for NAME, TITLE(S), ADDRESS, CITY, STATE, ZIP CODE for J. Mitchell King (PRESIDENT), Donna M Steward (SECRETARY), Donna M Steward (TREASURER), and Charles Snipes (DIRECTOR).

I declare, to the best of my knowledge under penalty of perjury, that the above mentioned entity has complied with the provisions of NRS 360.780 and acknowledge that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State.

X [Signature]
Signature of Officer

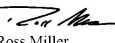
Title: Pres Date: 9-11-08



150101



ROSS MILLER
Secretary of State
204 North Carson Street, Suite 1
Carson City, Nevada 89701-4520
(775) 684-5708
Website: www.nvsos.gov

Filed in the office of  Ross Miller Secretary of State State of Nevada	Document Number 20140234918-54 Filing Date and Time 03/31/2014 10:06 AM Entity Number C6791-2001
---	--

Certificate of Designation
(PURSUANT TO NRS 78.1955)

USE BLACK INK ONLY - DO NOT HIGHLIGHT

ABOVE SPACE IS FOR OFFICE USE ONLY

Certificate of Designation For
Nevada Profit Corporations
(Pursuant to NRS 78.1955)

1. Name of corporation:

Broadleaf Capital Partners, Inc.

2. By resolution of the board of directors pursuant to a provision in the articles of incorporation this certificate establishes the following regarding the voting powers, designations, preferences, limitations, restrictions and relative rights of the following class or series of stock.

Ninety (90) shares of preferred stock, \$0.01 par value per share, are hereby designated Series A Convertible Preferred Stock, having preferences as to dividends and distributions, and rights and preferences, as more particularly described in the attachment hereto. The Series A Convertible Preferred Stock shall have voting rights as required by Nevada Revised Statutes and as set forth in Section 5 of the attachment.
[See attachment]

3. Effective date of filing: (optional)

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

4. Signature: (required)

X 

Signature of Officer

Filing Fee: \$175.00

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

This form must be accompanied by appropriate fees.

Nevada Secretary of State Stock Designation
Revised: 3-5-09

**CERTIFICATE OF DESIGNATIONS
OF THE
SERIES A CONVERTIBLE PREFERRED STOCK
(Par Value \$0.01)**

OF

BROADLEAF CAPITAL PARTNERS, INC.

The undersigned, a duly authorized officer of Broadleaf Capital Partners, Inc., a corporation organized and existing under the laws of the State of Nevada (the "Company"), in accordance with the provisions of Section 78.1955 of the Nevada Revised Statutes (the "NRS"), **DOES HEREBY CERTIFY** that the following resolution was duly adopted by the Company's Board of Directors (the "Board") by unanimous written consent of its directors pursuant to Section 78.315 of the NRS, on March 28, 2014:

WHEREAS, the Company currently has authorized for issuance Two Hundred Fifty Million (250,000,000) shares of common stock, par value \$0.001 per share (the "Common Stock") and Ten Million (10,000,000) shares of preferred stock, par value \$0.01 per share (the "Preferred Stock"); and

WHEREAS, the Board has the power, pursuant to Article 4 of the Company's Articles of Incorporation (the "Articles") to authorize the issue from time to time of one or more series of Preferred Stock and, with respect to each such series, to fix by the resolution or resolutions providing for the issue of such series, the number of shares of each such series, and the voting powers, designations, preferences and rights or qualifications, limitations or restrictions thereof as shall be stated in the resolution or resolutions; and

WHEREAS, the Board has determined that it is in the best interests of the Company to provide for the designation of Ninety (90) shares of the Preferred Stock as Series A Convertible Preferred Stock, having a par value of \$0.01 per share (the "Series A Preferred Stock"), and therefore, it is

RESOLVED, that the Board hereby fixes the powers, designations, preferences, and relative, participating, optional and other special rights of the shares of the Series A Preferred Stock, as follows:

SECTION 1

DESIGNATION AND RANK

1.1. Designation. There is hereby created out of the authorized and unissued shares of Preferred Stock of the Company a single series of Preferred Stock, the designation of which shall be Series A Convertible Preferred Stock, having par value \$0.01 per share. The number of authorized shares constituting the Series A Preferred Stock is Ninety (90).

1.2. Rank. With respect to the payment of dividends and other distributions on the capital stock of the Company, including the distribution of the assets of the Company upon liquidation, winding up or dissolution, the Series A Preferred Stock shall rank senior to the Common Stock.

SECTION 2

DIVIDEND RIGHTS

2.1. Dividends and Distributions. Each holder of shares of Series A Preferred Stock shall be entitled to receive dividends or distributions on each such share of Series A Preferred Stock on an "as converted" into Common Stock basis as provided in Section 4 hereof when and if dividends are declared on the Common Stock by the Board. Dividends shall be paid in cash or property, as determined by the Board.

SECTION 3

LIQUIDATION RIGHTS

3.1. Liquidation Preference. There shall be no preference in favor of the holders of the Series A Preferred Stock over the holders of Common Stock or other series of Preferred Stock upon any liquidation, dissolution, or winding up of the Company, whether voluntary or involuntary (collectively, "Liquidation"). Upon any Liquidation, the entire net assets of the Company shall be distributed among the holders of the Series A Preferred Stock (on an "as converted basis" into Common Stock), the other series of Preferred Stock subject to the terms of their certificates of designation, and Common Stock, ratably in proportion to each such holder's percentage ownership of the Common Stock of the Company on a fully diluted basis, and such distributions may be made in cash or in property taken at its fair value (as determined in good faith by the Board), or both, at the election of the Board.

SECTION 4

CONVERSION RIGHTS

4.1. Conversion. Each holder of Series A Preferred Stock shall have the right to convert any or all of the shares of Series A Preferred Stock into Common Stock. Each share of Series A Preferred Stock shall be convertible (the "Conversion Rights"), at the option of the holder thereof, at any time, and from time to time, after the date of issuance of such share (subject to Section 4.5 hereof), at the office of the Company or any transfer agent for the Series A Preferred Stock, into those number of shares of Common Stock that equals One percent (1%) of the total number of fully-diluted shares of Common Stock issued and outstanding as of the close of business on the last business day prior to the delivery date of the Notice of Conversion. The shares of Common Stock received upon the exercise of Conversion Rights shall be fully paid and non-assessable shares of Common Stock.

4.2. Adjustments. The Conversion Rights of the Series A Preferred Stock as described in Section 4.1 above shall be adjusted from time to time as follows:

(a) In the event of any reclassification of the Common Stock or recapitalization involving Common Stock (including a subdivision, or combination of shares or any other event described in this Section 4.2) the holder of Series A Preferred Stock shall thereafter be entitled to receive, and provision shall be made therefore in any agreement relating to the reclassification or recapitalization, upon conversion of the Series A Preferred Stock, the kind and number of shares of Common Stock or other securities or property (including cash) to which such holder of Series A Preferred Stock would have been entitled if he had held the number of shares of Common Stock into which the Series A Preferred Stock was convertible immediately prior to such reclassification or recapitalization; and in any such case appropriate adjustment shall be made in the application of the provisions herein set forth with respect to the rights and interests thereafter of the holder of the Series A Preferred Stock, to the end that the provisions set forth herein shall thereafter be applicable, as nearly as reasonably may be, in relation to any shares, other securities, or property thereafter receivable upon conversion of the Series A Preferred Stock. An adjustment made pursuant to this subparagraph (a) shall become effective at the time at which such reclassification or recapitalization becomes effective. Notwithstanding the foregoing, in no event, however, shall the number of Series A Preferred Stock or the number of shares of Common Stock into which the Series A Preferred Stock is convertible be subject to any adjustment resulting from a reverse split of the Common Stock.

(b) In the event the Company shall declare a distribution payable in securities of other entities or persons, evidences of indebtedness issued by the Company or other entities or persons, assets (excluding cash dividends) or options or rights not referred to in Section 4.2(a) above, the holder of the Series A Preferred Stock shall be entitled to a proportionate share of any such distribution as though he was the holder of the number of shares of Common Stock of the Company into which his shares of Series A Preferred Stock are convertible as of the record date fixed for the determination of the holders of shares of Common Stock of the Company entitled to receive such distribution or if no such record date is fixed, as of the date such distribution is made.

4.3. Procedures for Conversion.

(a) In order to exercise the Conversion Rights pursuant to Section 4.1 above, the holder shall deliver an irrevocable written notice of such exercise to the Company at its principal office (the "Notice of Conversion"). The holder shall, upon the conversion of Series A Preferred Stock in accordance with this Section 4, surrender the certificate representing such shares of Series A Preferred Stock to the Company, at its principal office, and specify the name or names in which the holder wishes the certificate or certificates for shares of Common Stock to be issued. In case the holder shall specify a name or names other than that of the holder, such notice shall be accompanied by payment of all transfer taxes (if transfer is to a person or entity other than the holder thereof), if any, payable upon the issuance of shares of Common Stock in such name or names. Within five (5) business days of the receipt of the Notice of Conversion, the Company shall deliver or cause to be delivered certificates representing the number of validly issued, fully paid and non-assessable shares of Common Stock to which the holder shall be entitled. Such conversion, to the extent permitted by law, shall be deemed to have been effected as of the date of receipt by the Company of any Notice of Conversion pursuant to this Section 4.3(a), upon the occurrence of any event specified therein. Upon conversion of a share of Series

A Preferred Stock, such share shall cease to constitute a share of Series A Preferred Stock and shall represent only a right to receive shares of Common Stock into which it has been converted.

(b) Beginning as of the date hereof, the Company shall at all times reserve and keep available out of its authorized Common Stock the full number of shares of Common Stock of the Company issuable upon complete the conversion of the shares of Series A Preferred Stock. In the event that the Company does not have a sufficient number of shares of authorized but unissued shares of Common Stock necessary to satisfy the full conversion of shares of Series A Preferred Stock, then the Company shall call and hold a meeting of the stockholders within thirty (30) calendar days of such occurrence for the sole purpose of increasing the number of authorized shares of Common Stock. The Board shall recommend to stockholders a vote in favor of such proposal and shall vote all shares held by them, in proxy or otherwise, in favor of such proposal. This remedy is not intended to limit the remedies available to the holder of the Series A Preferred Stock, but is intended to be in addition to any other remedies, whether in contract, at law or in equity.

4.4. Notices of Record Date. In the event that the Company shall propose at any time: (i) to declare any dividend or distribution upon any class or series of capital stock, whether in cash, property, stock or other securities; (ii) to effect any reclassification or recapitalization of its Common Stock outstanding involving a change in the Common Stock; or (iii) to merge or consolidate with or into any other corporation, or to sell, lease or convey all or substantially all of its property or business, or to liquidate, dissolve or wind up; then, in connection with each such event, the Company shall mail to the holder of Series A Preferred Stock: at least ten (10) calendar days' prior written notice of the date on which a record shall be taken for such dividend or distribution (and specifying the date on which the holders of the affected class or series of capital stock shall be entitled thereto) or for determining the rights to vote, if any, in respect of the matters referred to in clauses (ii) and (iii) in this Section 4.4, and in the case of the matters referred to in this Section 4.4 (ii) and (iii), written notice of such impending transaction not later than ten (10) calendar days prior to the stockholders' meeting called to approve such transaction, or ten (10) calendar days prior to the closing of such transaction, whichever is earlier, and shall also notify such holder in writing of the final approval of such transaction. The first of such notices shall describe the material terms and conditions of the impending transaction (and specify the date on which the holders of shares of Common Stock shall be entitled to exchange their Common Stock for securities or other property deliverable upon the occurrence of such event) and the Company shall thereafter give such holders prompt notice of any material changes. The transaction shall in no event take place sooner than ten (10) calendar days after the Company has given the first notice provided for herein or sooner than ten (10) calendar days after the Company has given notice of any material changes provided for herein.

4.5 Limitations of Conversion. The Conversion Rights specified herein shall be subject to the following limitations:

(i) The holders of the shares of Series A Preferred Stock may not exercise their Conversion Rights until such time as the Company has sufficient authorized shares of Common Stock in compliance with Section 4.3(b) of this Agreement; and

(ii) No holder of the shares of Series A Preferred Stock shall be entitled to convert the Series A Preferred Stock to the extent, but only to the extent, that such conversion would, upon giving effect to such conversion, cause the aggregate number of shares of Common Stock beneficially owned by such holder to exceed 4.99% of the outstanding shares of Common Stock following such conversion (which provision may be waived by such holder by written notice from such holder to the Company, which notice shall be effective 61 calendar days after the date of such notice).

SECTION 5

VOTING RIGHTS

5.1. General. On all matters, the holders of Series A Preferred Stock and the holders of Common Stock shall vote together and not as separate classes and the Series A Preferred Stock shall be counted on an "as converted" basis times 100. Notwithstanding the foregoing, to the fullest extent permitted by law, the holders of Common Stock shall not be entitled to vote on any proposal, action or amendment that solely affects the rights, powers, preferences, qualifications, powers or restrictions of the Series A Preferred Stock.

SECTION 6

REDEMPTION

6.1. General. The Company shall have no right of redemption of the Series A Preferred Stock without the written consent of all holders of the Series A Preferred Stock.

SECTION 7

MISCELLANEOUS


6.1. Headings of Subdivisions. The headings of the various Sections hereof are for convenience of reference only and shall not affect the interpretation of any of the provisions hereof.

6.2. Severability of Provisions. If any right, preference or limitation of the Series A Preferred Stock set forth herein (as this resolution may be amended from time to time) is invalid, unlawful or incapable of being enforced by reason of any rule of law or public policy, all other rights, preferences and limitations set forth in this resolution (as so amended) which can be given effect without the invalid, unlawful or unenforceable right, preference or limitation shall, nevertheless, remain in full force and effect, and no right, preference or limitation herein set forth shall be deemed dependent upon any other such right, preference or limitation unless so expressed herein.

[Remainder of page intentionally left blank. Signatures to follow]

IN WITNESS WHEREOF, this Certificate of Designation for the Series A Convertible Preferred Stock has been executed by a duly authorized officer of the Company on the date set forth below.

Date: March 28, 2014

By: 
Name: J. Michael King
Title: President



ROSS MILLER
 Secretary of State
 204 North Carson Street, Suite 1
 Carson City, Nevada 89701-4620
 (775) 684-5708
 Website: www.nvsos.gov



150101

Certificate of Designation
 (PURSUANT TO NRS 78.1955)

Filed in the office of 	Document Number 20140234920-97
Ross Miller Secretary of State State of Nevada	Filing Date and Time 03/31/2014 10:06 AM
	Entity Number C6791-2001

USE BLACK INK ONLY - DO NOT HIGHLIGHT

ABOVE SPACE IS FOR OFFICE USE ONLY

**Certificate of Designation For
 Nevada Profit Corporations
 (Pursuant to NRS 78.1955)**

1. Name of corporation:

Broadleaf Capital Partners, Inc.

2. By resolution of the board of directors pursuant to a provision in the articles of incorporation this certificate establishes the following regarding the voting powers, designations, preferences, limitations, restrictions and relative rights of the following class or series of stock.

Three Hundred Thousand (300,000) shares of preferred stock, \$0.01 par value per share, are hereby designated Series B Preferred Stock, having preferences as to dividends and distributions, and rights and preferences, as more particularly described in the attachment hereto. The Series B Preferred Stock shall have voting rights as required by Nevada Revised Statutes and as set forth in Section 5 of the attachment. [See attachment]

3. Effective date of filing: (optional)

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

4. Signature: (required)

X
 Signature of Officer

Filing Fee: \$175.00

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

This form must be accompanied by appropriate fees.

Nevada Secretary of State Stock Designation
 Revised: 3-6-08

**CERTIFICATE OF DESIGNATIONS
OF THE
SERIES B PREFERRED STOCK
(Par Value \$0.01)**

OF

BROADLEAF CAPITAL PARTNERS, INC.

The undersigned, a duly authorized officer of Broadleaf Capital Partners, Inc., a corporation organized and existing under the laws of the State of Nevada (the "Company"), in accordance with the provisions of Section 78.1955 of the Nevada Revised Statutes (the "NRS"), **DOES HEREBY CERTIFY** that the following resolution was duly adopted by the Company's Board of Directors (the "Board") by unanimous written consent of its directors pursuant to Section 78.315 of the NRS, on March 28, 2014:

WHEREAS, the Company currently has authorized for issuance Two Hundred Fifty Million (250,000,000) shares of common stock, par value \$0.001 per share (the "Common Stock") and Ten Million (10,000,000) shares of preferred stock, par value \$0.01 per share (the "Preferred Stock"); and

WHEREAS, the Board has the power, pursuant to Article 4 of the Company's Articles of Incorporation (the "Articles") to authorize the issue from time to time of one or more series of Preferred Stock and, with respect to each such series, to fix by the resolution or resolutions providing for the issue of such series, the number of shares of each such series, and the voting powers, designations, preferences and rights or qualifications, limitations or restrictions thereof as shall be stated in the resolution or resolutions; and

WHEREAS, the Board has determined that it is in the best interests of the Company to provide for the designation of Three Hundred Thousand (300,000) shares of the Preferred Stock as Series B Preferred Stock, having a par value of \$0.01 per share (the "Series B Preferred Stock"), and therefore, it is

RESOLVED, that the Board hereby fixes the powers, designations, preferences, and relative, participating, optional and other special rights of the shares of the Series B Preferred Stock, as follows:

SECTION 1

DESIGNATION AND RANK

1.1. Designation. There is hereby created out of the authorized and unissued shares of Preferred Stock of the Company a single series of Preferred Stock, the designation of which shall be Series B Preferred Stock, having par value \$0.01 per share. The number of authorized shares constituting the Series B Preferred Stock is Three Hundred Thousand (300,000).

1.2. Rank. With respect to the payment of dividends and other distributions on the capital stock of the Company, including the distribution of the assets of the Company upon liquidation, winding up or dissolution, the Series B Preferred Stock shall rank senior to the Common Stock, and rank junior to the Company's Series A Convertible Preferred Stock.

SECTION 2

DIVIDEND RIGHTS

2.1 Dividends and Distributions.

(a) The holders of the then outstanding shares of Series B Preferred Stock will be entitled to receive, when, as and if declared by the Board of Directors out of funds of the Company legally available therefor, non-cumulative cash dividends accruing on a daily basis from the date of issuance of the Series B Preferred Stock through and including the date on which such dividends are paid at the annual rate of Six Percent (6%) (the "Applicable Rate") per share of the Series B Preferred Stock. The cash dividends provided for in this Section 2.1(a) are hereinafter referred to as "Base Dividends."

(b) The Company shall not declare any dividend or distribution on or with respect to the Common Stock of the Company without the written consent of the holders of a majority of the issued and outstanding shares of the Series B Preferred Stock.

(c) In addition to the Base Dividends, in the event any dividends are declared or paid or any other distribution is made on or with respect to the Common Stock, the holders of the Series B Preferred Stock as of the record date established by the Board for such dividend or distribution on the Common Stock shall be entitled to receive as additional dividends (the "Additional Dividends") an amount (whether in the form of cash, securities or other property) equal to the amount (and in the form) of the dividends or distribution that such holder would have received had each share of the Series B Preferred Stock been one share of the Common Stock, such Additional Dividends to be payable on the same payment date as the payment date for the Common Stock. The record date for any such Additional Dividends shall be the record date for the applicable dividend or distribution on the Common Stock, and any such Additional Dividend shall be payable to the individual, entity or group in whose name the Series B Preferred Stock is registered at the close of the business day on the applicable record date.

(d) No dividend shall be paid or declared on any share of Common Stock, unless a dividend, payable in the same consideration and manner, is simultaneously paid or declared, as the case may be, on each share of Series B Preferred Stock in an amount determined in paragraph (c) hereof. For purposes hereof, the term "dividend" shall include any pro rata distribution by the Company, out of the funds of the Company legally available therefore, of cash, property, securities (including, but not limited to, rights, warrants or options) or other property or assets to the holders of the Common Stock, whether or not paid out of capital, surplus or earnings.

SECTION 3

LIQUIDATION RIGHTS

3.1. Liquidation Preference. Upon any liquidation, dissolution, or winding up of the Company, whether voluntary or involuntary (collectively, a "Liquidation"), before any distribution or payment shall be made to any of the holders of Common Stock or any series of preferred stock, the holders of Series B Preferred Stock shall be entitled to receive out of the assets of the Company, whether such assets are capital, surplus or earnings, an amount equal to \$1.00 per share of Series B Preferred Stock (the "Liquidation Amount") plus all declared and unpaid dividends thereon, for each share of Series B Preferred Stock held by them.

3.2. Pro Rata Distribution. If, upon any Liquidation, the assets of the Company shall be insufficient to pay the Liquidation Amount, together with declared and unpaid dividends thereon, in full to all holders of Series B Preferred Stock, then the entire net assets of the Corporation shall be distributed among the holders of the Series B Preferred Stock, ratably in proportion to the full amounts to which they would otherwise be respectively entitled and such distributions may be made in cash or in property taken at its fair value (as determined in good faith by the Company's Board of Directors), or both, at the election of the Company's Board of Directors.

3.3. Merger, Consolidation or Reorganization. For purposes of this Section 3, a Liquidation shall be deemed to be occasioned by or to include the merger, consolidation or reorganization of the Company into or with another entity through one or a series of related transactions, or the sale, transfer or lease of all or substantially all of the assets of the Company.

SECTION 4

VOTING RIGHTS

4.1. General. On all matters, the holders of Series B Preferred Stock and the holders of Common Stock shall vote together and not as separate classes, and the shares of Series B Preferred Stock shall be entitled to one vote per each share of Series B Preferred Stock. Notwithstanding the foregoing, unless otherwise provided by applicable law, to the fullest extent permitted by law, the holders of Common Stock shall not be entitled to vote on any proposal, action or amendment that solely affects the rights, powers, preferences, qualifications, powers or restrictions of the Series B Preferred Stock.

SECTION 5

REDEMPTION

5.1. General. The Company shall have no right of redemption of the Series B Preferred Stock without the written consent of all holders of the Series B Preferred Stock.

SECTION 6

MISCELLANEOUS

6.1. Headings of Subdivisions. The headings of the various Sections hereof are for convenience of reference only and shall not affect the interpretation of any of the provisions hereof.

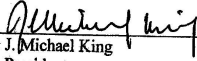
6.2. Severability of Provisions. If any right, preference or limitation of the Series B Preferred Stock set forth herein (as this resolution may be amended from time to time) is invalid, unlawful or incapable of being enforced by reason of any rule of law or public policy, all other rights, preferences and limitations set forth in this resolution (as so amended) which can be given effect without the invalid, unlawful or unenforceable right, preference or limitation shall, nevertheless, remain in full force and effect, and no right, preference or limitation herein set forth shall be deemed dependent upon any other such right, preference or limitation unless so expressed herein.

6.3 Exchange of Shares. In the event of the spin-off transaction of Legal Capital Corp., a Nevada corporation ("LCC"), as contemplated by that certain Purchase Agreement by and between the Company and Litigation Capital, Inc., a Nevada corporation, dated March _____, 2014 (the "LCC Agreement"), all issued and outstanding shares of Series B Preferred Stock shall be exchanged for shares of preferred stock of LCC as set forth in the LCC Agreement, to the extent that such shares of preferred stock contain the voting and conversion rights set forth in the LCC Agreement.

[Remainder of page intentionally left blank. Signatures to follow]

IN WITNESS WHEREOF, this Certificate of Designation for the Series B Preferred Stock has been executed by a duly authorized officer of the Company on the date set forth below.

Date: March 28, 2014

By: 
Name: J. Michael King
Title: President



ROSS MILLER
 Secretary of State
 204 North Carson Street, Suite 1
 Carson City, Nevada 89701-4520
 (775) 684-5708
 Website: www.nvsoe.gov



150301

**Amendment to
 Certificate of Designation
 After Issuance of Class or Series**
 (PURSUANT TO NRS 78.1955)

Filed in the office of Ross Miller Secretary of State State of Nevada	Document Number 20140314791-22 Filing Date and Time 04/29/2014 2:19 PM Entity Number C6791-2001
--	---

USE BLACK INK ONLY - DO NOT HIGHLIGHT

ABOVE SPACE IS FOR OFFICE USE ONLY

**Certificate of Amendment to Certificate of Designation
 For Nevada Profit Corporations
 (Pursuant to NRS 78.1955 - After Issuance of Class or Series)**

1. Name of corporation:
 Broadleaf Capital Partners, Inc.

2. Stockholder approval pursuant to statute has been obtained.

3. The class or series of stock being amended:
 Series A Convertible Preferred Stock

4. By a resolution adopted by the board of directors, the certificate of designation is being amended as follows or the new class or series is:

RESOLVED, that the Board hereby adopts the Amended and Restated Certificate of Designations of the Series A Convertible Preferred Stock, \$0.01 par value per share, as follows:

[CONTINUED ON ATTACHMENT PAGES]

5. Effective date of filing: (optional) _____
 (must not be later than 90 days after the certificate is filed)

6. Signature: (required)

X

 Signature of Officer

Filing Fee: \$175.00

IMPORTANT: Failure to include any of the above information and submit with the proper fees may cause this filing to be rejected.
 This form must be accompanied by appropriate fees.



ROSS MILLER
 Secretary of State
 204 North Carson Street, Suite 1
 Carson City, Nevada 89701-4520
 (775) 684-5708
 Website: www.nvsoe.gov



150301

**Amendment to
 Certificate of Designation
 After Issuance of Class or Series**
 (PURSUANT TO NRS 78.1955)

Filed in the office of Ross Miller Secretary of State State of Nevada	Document Number 20140314791-22 Filing Date and Time 04/29/2014 2:19 PM Entity Number C6791-2001
--	---

USE BLACK INK ONLY - DO NOT HIGHLIGHT

ABOVE SPACE IS FOR OFFICE USE ONLY

**Certificate of Amendment to Certificate of Designation
 For Nevada Profit Corporations
 (Pursuant to NRS 78.1955 - After Issuance of Class or Series)**

1. Name of corporation:
 Broadleaf Capital Partners, Inc.

2. Stockholder approval pursuant to statute has been obtained.

3. The class or series of stock being amended:
 Series A Convertible Preferred Stock

4. By a resolution adopted by the board of directors, the certificate of designation is being amended as follows or the new class or series is:

RESOLVED, that the Board hereby adopts the Amended and Restated Certificate of Designations of the Series A Convertible Preferred Stock, \$0.01 par value per share, as follows:

[CONTINUED ON ATTACHMENT PAGES]

5. Effective date of filing: (optional) _____
 (must not be later than 90 days after the certificate is filed)

6. Signature: (required)

X

 Signature of Officer

Filing Fee: \$175.00

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

This form must be accompanied by appropriate fees.

Nevada Secretary of State NRS Amend Designation - After
 Revised: 3-6-09

**AMENDED AND RESTATED
CERTIFICATE OF DESIGNATIONS FOR
SERIES A PREFERRED STOCK
OF
BROADLEAF CAPITAL PARTNERS, INC.**

SECTION 1

DESIGNATION AND RANK

1.1. Designation. There is hereby created out of the authorized and unissued shares of Preferred Stock of the Company a single series of Preferred Stock, the designation of which shall be Series A Preferred Stock, having par value \$0.01 per share. The number of authorized shares constituting the Series A Preferred Stock is Nine Hundred (900).

1.2 Rank. With respect to the payment of dividends and other distributions on the capital stock of the Company, including the distribution of the assets of the Company upon liquidation, winding up or dissolution, the Series A Preferred Stock shall rank senior to the Common Stock.

SECTION 2

DIVIDEND RIGHTS

2.1. Dividends and Distributions. Each holder of shares of Series A Preferred Stock shall be entitled to receive dividends or distributions on each such share of Series A Preferred Stock on an "as converted" into Common Stock basis as provided in Section 4 hereof when and if dividends are declared on the Common Stock by the Board. Dividends shall be paid in cash or property, as determined by the Board.

SECTION 3

LIQUIDATION RIGHTS

3.1 Liquidation Preference. There shall be no preference in favor of the holders of the Series A Preferred Stock over the holders of Common Stock or other series of Preferred Stock upon any liquidation, dissolution, or winding up of the Company, whether voluntary or involuntary (collectively, "Liquidation"). Upon any Liquidation, the entire net assets of the Company shall be distributed among the holders of the Series A Preferred Stock (on an "as converted basis" into Common Stock), the other series of Preferred Stock subject to the terms of their certificates of designation, and Common Stock, ratably in proportion to each such holder's percentage ownership of the Common Stock of the Company on a fully diluted basis, and such distributions may be made in cash or in property taken at its fair value (as determined in good faith by the Board), or both, at the election of the Board.

SECTION 4

CONVERSION RIGHTS

4.1. Conversion. Each holder of Series A Preferred Stock shall have the right to convert any or all of the shares of Series A Preferred Stock into Common Stock. Each share of Series A Preferred Stock shall be convertible (the "Conversion Rights"), at the option of the holder thereof, at any time, and from time to time, after the date of issuance of such share (subject to Section 4.5 hereof), at the office of the Company or any transfer agent for the Series A Preferred Stock, into One Hundred Thousand (100,000) shares of Common Stock. The shares of Common Stock received upon the exercise of Conversion Rights shall be fully paid and non-assessable shares of Common Stock.

4.2. Adjustments. The Conversion Rights of the Series A Preferred Stock as described in Section 4.1 above shall be adjusted from time to time as follows:

(a) In the event of any reclassification of the Common Stock or recapitalization involving Common Stock (including a subdivision, or combination of shares or any other event described in this Section 4.2) the holder of Series A Preferred Stock shall thereafter be entitled to receive, and provision shall be made therefore in any agreement relating to the reclassification or recapitalization, upon conversion of the Series A Preferred Stock, the kind and number of shares of Common Stock or other securities or property (including cash) to which such holder of Series A Preferred Stock would have been entitled if he had held the number of shares of Common Stock into which the Series A Preferred Stock was convertible immediately prior to such reclassification or recapitalization; and in any such case appropriate adjustment shall be made in the application of the provisions herein set forth with respect to the rights and interests thereafter of the holder of the Series A Preferred Stock, to the end that the provisions set forth herein shall thereafter be applicable, as nearly as reasonably may be, in relation to any shares, other securities, or property thereafter receivable upon conversion of the Series A Preferred Stock. An adjustment made pursuant to this subparagraph (a) shall become effective at the time at which such reclassification or recapitalization becomes effective. Prior to December 31, 2015, notwithstanding the foregoing, in no event, however, shall the number of Series A Preferred Stock or the number of shares of Common Stock into which the Series A Preferred Stock is convertible be subject to any adjustment resulting from a reverse split of the Common Stock.

(b) In the event the Company shall declare a distribution payable in securities of other entities or persons, evidences of indebtedness issued by the Company or other entities or persons, assets (excluding cash dividends) or options or rights not referred to in Section 4.2(a) above, the holder of the Series A Preferred Stock shall be entitled to a proportionate share of any such distribution as though he was the holder of the number of shares of Common Stock of the Company into which his shares of Series A Preferred Stock are convertible as of the record date fixed for the determination of the holders of shares of Common Stock of the Company entitled to receive such distribution or if no such record date is fixed, as of the date such distribution is made.

4.3. Procedures for Conversion.

(a) In order to exercise the Conversion Rights pursuant to Section 4.1 above, the holder shall deliver an irrevocable written notice of such exercise to the Company at its principal office (the "Notice of Conversion"). The holder shall, upon the conversion of Series A Preferred Stock in accordance with this Section 4, surrender the certificate representing such shares of Series A Preferred Stock to the Company, at its principal office, and specify the name or names in which the holder wishes the certificate or certificates for shares of Common Stock to be issued. In case the holder shall specify a name or names other than that of the holder, such notice shall be accompanied by payment of all transfer taxes (if transfer is to a person or entity other than the holder thereof), if any, payable upon the issuance of shares of Common Stock in such name or names. Within five (5) business days of the receipt of the Notice of Conversion, the Company shall deliver or cause to be delivered certificates representing the number of validly issued, fully paid and non-assessable shares of Common Stock to which the holder shall be entitled. Such conversion, to the extent permitted by law, shall be deemed to have been effected as of the date of receipt by the Company of any Notice of Conversion pursuant to this Section 4.3(a), upon the occurrence of any event specified therein. Upon conversion of a share of Series A Preferred Stock, such share shall cease to constitute a share of Series A Preferred Stock and shall represent only a right to receive shares of Common Stock into which it has been converted.

(b) Beginning as of the date hereof, the Company shall at all times reserve and keep available out of its authorized Common Stock the full number of shares of Common Stock of the Company issuable upon complete the conversion of the shares of Series A Preferred Stock. In the event that the Company does not have a sufficient number of shares of authorized but unissued shares of Common Stock necessary to satisfy the full conversion of shares of Series A Preferred Stock, then the Company shall call and hold a meeting of the stockholders within thirty (30) calendar days of such occurrence for the sole purpose of increasing the number of authorized shares of Common Stock. The Board shall recommend to stockholders a vote in favor of such proposal and shall vote all shares held by them, in proxy or otherwise, in favor of such proposal. This remedy is not intended to limit the remedies available to the holder of the Series A Preferred Stock, but is intended to be in addition to any other remedies, whether in contract, at law or in equity.

4.4. Notices of Record Date. In the event that the Company shall propose at any time:

(i) to declare any dividend or distribution upon any class or series of capital stock, whether in cash, property, stock or other securities; (ii) to effect any reclassification or recapitalization of its Common Stock outstanding involving a change in the Common Stock; or (iii) to merge or consolidate with or into any other corporation, or to sell, lease or convey all or substantially all of its property or business, or to liquidate, dissolve or wind up; then, in connection with each such event, the Company shall mail to the holder of Series A Preferred Stock: at least ten (10) calendar days' prior written notice of the date on which a record shall be taken for such dividend or distribution (and specifying the date on which the holders of the affected class or series of capital stock shall be entitled thereto) or for determining the rights to vote, if any, in respect of the matters referred to in clauses (ii) and (iii) in this Section 4.4, and in the case of the matters referred to in this Section 4.4 (ii) and (iii), written notice of such impending transaction not later than ten (10) calendar days prior to the stockholders' meeting called to approve such transaction,

or ten (10) calendar days prior to the closing of such transaction, whichever is earlier, and shall also notify such holder in writing of the final approval of such transaction. The first of such notices shall describe the material terms and conditions of the impending transaction (and specify the date on which the holders of shares of Common Stock shall be entitled to exchange their Common Stock for securities or other property deliverable upon the occurrence of such event) and the Company shall thereafter give such holders prompt notice of any material changes. The transaction shall in no event take place sooner than ten (10) calendar days after the Company has given the first notice provided for herein or sooner than ten (10) calendar days after the Company has given notice of any material changes provided for herein.

4.5 Limitations of Conversion. The Conversion Rights specified herein shall be subject to the following limitations:

(i) The holders of the shares of Series A Preferred Stock may not exercise their Conversion Rights until such time as the Company has sufficient authorized shares of Common Stock in compliance with Section 4.3(b) of this Agreement; and

(ii) No holder of the shares of Series A Preferred Stock shall be entitled to convert the Series A Preferred Stock to the extent, but only to the extent, that such conversion would, upon giving effect to such conversion, cause the aggregate number of shares of Common Stock beneficially owned by such holder to exceed 4.99% of the outstanding shares of Common Stock following such conversion (which provision may be waived by such holder by written notice from such holder to the Company, which notice shall be effective 61 calendar days after the date of such notice).

SECTION 5

VOTING RIGHTS

5.1. General. On all matters, the holders of Series A Preferred Stock and the holders of Common Stock shall vote together and not as separate classes and the Series A Preferred Stock shall be counted on an "as converted" basis times 100. Notwithstanding the foregoing, to the fullest extent permitted by law, the holders of Common Stock shall not be entitled to vote on any proposal, action or amendment that solely affects the rights, powers, preferences, qualifications, powers or restrictions of the Series A Preferred Stock.

SECTION 6

REDEMPTION

6.1. General. The Company shall have no right of redemption of the Series A Preferred Stock without the written consent of all holders of the Series A Preferred Stock.

SECTION 7

MISCELLANEOUS

6.1. Headings of Subdivisions. The headings of the various Sections hereof are for convenience of reference only and shall not affect the interpretation of any of the provisions hereof.

6.2. Severability of Provisions. If any right, preference or limitation of the Series A Preferred Stock set forth herein (as this resolution may be amended from time to time) is invalid, unlawful or incapable of being enforced by reason of any rule of law or public policy, all other rights, preferences and limitations set forth in this resolution (as so amended) which can be given effect without the invalid, unlawful or unenforceable right, preference or limitation shall, nevertheless, remain in full force and effect, and no right, preference or limitation herein set forth shall be deemed dependent upon any other such right, preference or limitation unless so expressed herein.

RESOLVED FURTHER, that the Amended and Restated Certificate of Designations shall be effective as of March 31, 2014.




ROSS MILLER
 Secretary of State
 204 North Carson Street, Suite 1
 Carson City, Nevada 89701-4520
 (775) 684-5708
 Website: www.nvsos.gov



150101

Certificate of Designation
 (PURSUANT TO NRS 78.1955)

Filed in the office of  Ross Miller Secretary of State State of Nevada	Document Number 20140369563-19 Filing Date and Time 05/20/2014 2:20 PM Entity Number C6791-2001
---	---

USE BLACK INK ONLY - DO NOT HIGHLIGHT

ABOVE SPACE IS FOR OFFICE USE ONLY

**Certificate of Designation For
 Nevada Profit Corporations
 (Pursuant to NRS 78.1955)**

1. Name of corporation:

Broadleaf Capital Partners, Inc.

2. By resolution of the board of directors pursuant to a provision in the articles of incorporation this certificate establishes the following regarding the voting powers, designations, preferences, limitations, restrictions and relative rights of the following class or series of stock.

Nine Hundred (900) shares of preferred stock, \$0.01 par value per share, are hereby designated Series C Convertible Preferred Stock, having preferences as to dividends and distributions, and rights and preferences as more particularly described in the attachment hereto. The Series C Convertible Preferred Stock shall have voting rights as required by the Nevada Revised Statutes and as set forth in Section 5 of the attachment. [See Attachment]

3. Effective date of filing: (optional)

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

4. Signature: (required)

X 

 Signature of Officer

Filing Fee: \$175.00

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

This form must be accompanied by appropriate fees.

Nevada Secretary of State Stock Designation
 Revised: 3-6-09

**UNANIMOUS WRITTEN CONSENT OF THE
BOARD OF DIRECTORS
OF
BROADLEAF CAPITAL PARTNERS, INC.
a Nevada corporation,
LIEU OF A SPECIAL MEETING**

We, the undersigned, being all of the members of the Board of Directors of Broadleaf Capital Partners, Inc., a corporation organized under the laws of the State of Nevada (the "Corporation"), do by this writing unanimously consent to take the following actions and adopt the following resolutions in accordance with the terms of Section 78.315 of the Nevada Revised Statutes:

WHEREAS, the Company currently has authorized for issuance Two Hundred Fifty Million (250,000,000) shares of common stock, par value \$0.001 per share (the "Common Stock") and Ten Million (10,000,000) shares of preferred stock, par value \$0.01 per share (the "Preferred Stock"); and

WHEREAS, the Company has previously designated a Series A Preferred Stock consisting of Nine Hundred (900) shares and a Series B Preferred Stock consisting of Three Hundred Thousand (300,000) shares; and

WHEREAS, the Board has the power, pursuant to Article 4 of the Company's Articles of Incorporation (the "Articles") to authorize the issue from time to time of one or more series of Preferred Stock and, with respect to each such series, to fix by the resolution or resolutions providing for the issue of such series, the number of shares of each such series, and the voting powers, designations, preferences and rights or qualifications, limitations or restrictions thereof as shall be stated in the resolution or resolutions; and

WHEREAS, the Board has determined that it is in the best interests of the Company to provide for the designation of Nine Hundred (900) shares of the Preferred Stock as Series C Convertible Preferred Stock, having a par value of \$0.01 per share (the "Series C Preferred Stock");

WHEREAS, it is the intent of the Company and of the holder of the Series A Preferred Stock to exchange the issued and outstanding shares of Series A Preferred Stock for shares of Series C Preferred Stock and to cancel the shares of the Series A Preferred Stock; and therefore, it is

RESOLVED, that the Board hereby fixes the powers, designations, preferences, and relative, participating, optional and other special rights of the shares of the Series C Preferred Stock, as follows:

SECTION 1

DESIGNATION AND RANK

1.1. Designation. There is hereby created out of the authorized and unissued shares of Preferred Stock of the Company a single series of Preferred Stock, the designation of which shall be Series C Convertible Preferred Stock, having par value \$0.01 per share. The number of authorized shares constituting the Series C Preferred Stock is Nine Hundred (900).

1.2. Rank. With respect to the payment of dividends and other distributions on the capital stock of the Company, including the distribution of the assets of the Company upon liquidation, winding up or dissolution, the Series C Preferred Stock shall rank senior to the Common Stock.

SECTION 2

DIVIDEND RIGHTS

2.1. Dividends and Distributions. Each holder of shares of Series C Preferred Stock shall be entitled to receive dividends or distributions on each such share of Series C Preferred Stock on an "as converted" into Common Stock basis as provided in Section 4 hereof when and if dividends are declared on the Common Stock by the Board. Dividends shall be paid in cash or property, as determined by the Board.

SECTION 3

LIQUIDATION RIGHTS

3.1. Liquidation Preference. There shall be no preference in favor of the holders of the Series C Preferred Stock over the holders of Common Stock or other series of Preferred Stock upon any liquidation, dissolution, or winding up of the Company, whether voluntary or involuntary (collectively, "Liquidation"). Upon any Liquidation, the entire net assets of the Company shall be distributed among the holders of the Series C Preferred Stock (on an "as converted basis" into Common Stock), the other series of Preferred Stock subject to the terms of their certificates of designation, and Common Stock, ratably in proportion to each such holder's percentage ownership of the Common Stock of the Company on a fully diluted basis, and such distributions may be made in cash or in property taken at its fair value (as determined in good faith by the Board), or both, at the election of the Board.

SECTION 4

CONVERSION RIGHTS

4.1. Conversion. Each holder of Series C Preferred Stock shall have the right to convert any or all of the shares of Series C Preferred Stock into Common Stock. Each share of Series C Preferred Stock shall be convertible (the "Conversion Rights"), at the option of the holder thereof, at any time, and from time to time, after the date of issuance of such share (subject to Section 4.5 hereof), at the office of the Company or any transfer agent for the Series C Preferred

Stock, into One Hundred Thousand (100,000) shares of Common Stock. The shares of Common Stock received upon the exercise of Conversion Rights shall be fully paid and non-assessable shares of Common Stock.

4.2. Adjustments. The Conversion Rights of the Series C Preferred Stock as described in Section 4.1 above shall be adjusted from time to time as follows:

(a) In the event of any reclassification of the Common Stock or recapitalization involving Common Stock (including a subdivision, or combination of shares or any other event described in this Section 4.2) the holder of Series C Preferred Stock shall thereafter be entitled to receive, and provision shall be made therefore in any agreement relating to the reclassification or recapitalization, upon conversion of the Series C Preferred Stock, the kind and number of shares of Common Stock or other securities or property (including cash) to which such holder of Series C Preferred Stock would have been entitled if he had held the number of shares of Common Stock into which the Series C Preferred Stock was convertible immediately prior to such reclassification or recapitalization; and in any such case appropriate adjustment shall be made in the application of the provisions herein set forth with respect to the rights and interests thereafter of the holder of the Series C Preferred Stock, to the end that the provisions set forth herein shall thereafter be applicable, as nearly as reasonably may be, in relation to any shares, other securities, or property thereafter receivable upon conversion of the Series C Preferred Stock. An adjustment made pursuant to this subparagraph (a) shall become effective at the time at which such reclassification or recapitalization becomes effective. Prior to January 1, 2016, notwithstanding the foregoing, in no event, however, shall the number of Series C Preferred Stock or the number of shares of Common Stock into which the Series C Preferred Stock is convertible be subject to any adjustment resulting from a reverse split of the Common Stock.

(b) In the event the Company shall declare a distribution payable in securities of other entities or persons, evidences of indebtedness issued by the Company or other entities or persons, assets (excluding cash dividends) or options or rights not referred to in Section 4.2(a) above, the holder of the Series C Preferred Stock shall be entitled to a proportionate share of any such distribution as though he was the holder of the number of shares of Common Stock of the Company into which his shares of Series C Preferred Stock are convertible as of the record date fixed for the determination of the holders of shares of Common Stock of the Company entitled to receive such distribution or if no such record date is fixed, as of the date such distribution is made.

4.3. Procedures for Conversion.

(a) In order to exercise the Conversion Rights pursuant to Section 4.1 above, the holder shall deliver an irrevocable written notice of such exercise to the Company at its principal office (the "Notice of Conversion"). The holder shall, upon the conversion of Series C Preferred Stock in accordance with this Section 4, surrender the certificate representing such shares of Series C Preferred Stock to the Company, at its principal office, and specify the name or names in which the holder wishes the certificate or certificates for shares of Common Stock to be issued. In case the holder shall specify a name or names other than that of the holder, such notice shall be accompanied by payment of all transfer taxes (if transfer is to a person or entity other

than the holder thereof), if any, payable upon the issuance of shares of Common Stock in such name or names. Within five (5) business days of the receipt of the Notice of Conversion, the Company shall deliver or cause to be delivered certificates representing the number of validly issued, fully paid and non-assessable shares of Common Stock to which the holder shall be entitled. Such conversion, to the extent permitted by law, shall be deemed to have been effected as of the date of receipt by the Company of any Notice of Conversion pursuant to this Section 4.3(a), upon the occurrence of any event specified therein. Upon conversion of a share of Series C Preferred Stock, such share shall cease to constitute a share of Series C Preferred Stock and shall represent only a right to receive shares of Common Stock into which it has been converted.

(b) Beginning as of the date hereof, the Company shall at all times reserve and keep available out of its authorized Common Stock the full number of shares of Common Stock of the Company issuable upon complete the conversion of the shares of Series C Preferred Stock. In the event that the Company does not have a sufficient number of shares of authorized but unissued shares of Common Stock necessary to satisfy the full conversion of shares of Series C Preferred Stock, then the Company shall call and hold a meeting of the stockholders within thirty (30) calendar days of such occurrence for the sole purpose of increasing the number of authorized shares of Common Stock. The Board shall recommend to stockholders a vote in favor of such proposal and shall vote all shares held by them, in proxy or otherwise, in favor of such proposal. This remedy is not intended to limit the remedies available to the holder of the Series C Preferred Stock, but is intended to be in addition to any other remedies, whether in contract, at law or in equity.

4.4. Notices of Record Date. In the event that the Company shall propose at any time: (i) to declare any dividend or distribution upon any class or series of capital stock, whether in cash, property, stock or other securities; (ii) to effect any reclassification or recapitalization of its Common Stock outstanding involving a change in the Common Stock; or (iii) to merge or consolidate with or into any other corporation, or to sell, lease or convey all or substantially all of its property or business, or to liquidate, dissolve or wind up; then, in connection with each such event, the Company shall mail to the holder of Series C Preferred Stock: at least ten (10) calendar days' prior written notice of the date on which a record shall be taken for such dividend or distribution (and specifying the date on which the holders of the affected class or series of capital stock shall be entitled thereto) or for determining the rights to vote, if any, in respect of the matters referred to in clauses (ii) and (iii) in this Section 4.4, and in the case of the matters referred to in this Section 4.4 (ii) and (iii), written notice of such impending transaction not later than ten (10) calendar days prior to the stockholders' meeting called to approve such transaction, or ten (10) calendar days prior to the closing of such transaction, whichever is earlier, and shall also notify such holder in writing of the final approval of such transaction. The first of such notices shall describe the material terms and conditions of the impending transaction (and specify the date on which the holders of shares of Common Stock shall be entitled to exchange their Common Stock for securities or other property deliverable upon the occurrence of such event) and the Company shall thereafter give such holders prompt notice of any material changes. The transaction shall in no event take place sooner than ten (10) calendar days after the Company has given the first notice provided for herein or sooner than ten (10) calendar days after the Company has given notice of any material changes provided for herein.

4.5 Limitations of Conversion. The Conversion Rights specified herein shall be subject to the following limitation: The holders of the shares of Series C Preferred Stock may not exercise their Conversion Rights until such time as the Company has sufficient authorized shares of Common Stock in compliance with Section 4.3(b) of this Agreement.

SECTION 5

VOTING RIGHTS

5.1. General. On all matters, the holders of Series C Preferred Stock and the holders of Common Stock shall vote together and not as separate classes and the Series C Preferred Stock shall be counted on an "as converted" basis times 60. Notwithstanding the foregoing, to the fullest extent permitted by law, the holders of Common Stock shall not be entitled to vote on any proposal, action or amendment that affects the rights, powers, preferences, qualifications, powers or restrictions of the Series C Preferred Stock.

SECTION 6

REDEMPTION

6.1. General. The Company shall have no right of redemption of the Series C Preferred Stock without the written consent of all holders of the Series C Preferred Stock.

SECTION 7

MISCELLANEOUS

6.1. Headings of Subdivisions. The headings of the various Sections hereof are for convenience of reference only and shall not affect the interpretation of any of the provisions hereof.

6.2. Severability of Provisions. If any right, preference or limitation of the Series C Preferred Stock set forth herein (as this resolution may be amended from time to time) is invalid, unlawful or incapable of being enforced by reason of any rule of law or public policy, all other rights, preferences and limitations set forth in this resolution (as so amended) which can be given effect without the invalid, unlawful or unenforceable right, preference or limitation shall, nevertheless, remain in full force and effect, and no right, preference or limitation herein set forth shall be deemed dependent upon any other such right, preference or limitation unless so expressed herein.

6.3 Prohibition on Issuance of Additional Shares of Preferred Stock. Commencing as of the date hereof, the Company shall not issue any shares of any series of preferred stock without the prior written consent of the Holders of the Series C Preferred Stock.



ROSS MILLER
 Secretary of State
 204 North Carson Street, Suite 1
 Carson City, Nevada 89701-4520
 (775) 684-5708
 Website: www.nvsos.gov



090203

Certificate of Amendment
 (PURSUANT TO NRS 78.385 AND 78.390)

Filed in the office of 	Document Number 20140479992-37
Ross Miller Secretary of State State of Nevada	Filing Date and Time 07/01/2014 2:24 PM
	Entity Number C6791-2001

USE BLACK INK ONLY - DO NOT HIGHLIGHT

ABOVE SPACE IS FOR OFFICE USE ONLY

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

1. Name of corporation:

Broadleaf Capital Partners, Inc.

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

Article 1. - Name of Company: The name of the corporation is EnergyTek Corp.

Article 4 - Authorized Shares: The authorized capital stock of the corporation shall be 510,000,000 shares. The capital stock of the corporation is divided into two classes: (1) Common Stock in the amount of Five Hundred Million (500,000,000) shares, having par value of \$0.001 each, and (2) Preferred Stock in the amount of Ten Million (10,000,000) shares, having par value of \$0.01 each, with Ninety (90) shares of preferred stock having previously been designated as Series A and Three Hundred Thousand (300,000) shares of preferred stock having previously been designated as Series B. [Continued on Attachment Page]

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

76.34%

4. Effective date and time of filing: (optional) Date: 7/22/14 Time: 9:00AM

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

5. Signature: (required)

X

Signature of Officer

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

IMPORTANT: Failure to include any of the above information and submit with the proper fees may cause this filing to be rejected.
 Nevada Secretary of State Amend Profit-After
 Revised: 11-27-13

This form must be accompanied by appropriate fees.

Broadleaf Capital Partners, Inc.
Certificate of Amendment to Articles of Incorporation
Attachment Page

The board of directors is also authorized to determine or alter the rights, preferences, privileges and restrictions granted to or imposed upon any wholly unissued series of Preferred Stock and, within the limits and restrictions stated in any resolution or resolutions of the board of directors originally fixing the number of shares constituting any series, to increase or decrease (but not below the number of shares of any such series then outstanding) the number of shares subsequent to the issues of shares of that series.


As of the effective date of this Amendment, there shall be a 1 – for – 150 Reverse Split of the issued and outstanding shares of Common Stock, such that each One hundred (150) shares of Common Stock, \$0.001 par value, issued and outstanding immediately prior to the effective date (the “Old Common Stock”) shall be recombined, reclassified and changed into One (1) share of the corporation's Common Stock, \$0.001 par value (the “New Common Stock”), with any fractional interest rounded up to the nearest whole share.



ROSS MILLER
 Secretary of State
 204 North Carson Street, Suite 1
 Carson City, Nevada 89701-4820
 (775) 684-5708
 Website: www.nvsos.gov



150301

Filed in the office of  Ross Miller Secretary of State State of Nevada	Document Number 20140675790-51 Filing Date and Time 09/19/2014 11:30 AM Entity Number C6791-2001
---	--

**Amendment to
 Certificate of Designation
 After Issuance of Class or Series**
 (PURSUANT TO NRS 78.1955)

USE BLACK INK ONLY - DO NOT HIGHLIGHT

ABOVE SPACE IS FOR OFFICE USE ONLY

**Certificate of Amendment to Certificate of Designation
 For Nevada Profit Corporations**
 (Pursuant to NRS 78.1955 - After Issuance of Class or Series)

1. Name of corporation:
EnergyTEK Corp.
2. Stockholder approval pursuant to statute has been obtained.
3. The class or series of stock being amended:
Series C Convertible Preferred Stock
4. By a resolution adopted by the board of directors, the certificate of designation is being amended as follows or the new class or series is:
 WHEREAS, the Board deems it to be in the best interests of the Company to approve amendments to the Company's Certificate of Designations of the Series C Convertible Preferred Stock to establish certain voting rights and limitations on conversion with respect to the Series C Convertible Preferred Stock; and
 [continued on attachment pages 1 and 2]

5. Effective date of filing: (optional)
(must not be later than 90 days after the certificate is filed)
6. Signature: (required)

X 

 Signature of Officer

Filing Fee: \$175.00

IMPORTANT: Failure to include any of the above information and submit with the proper fees may cause this filing to be rejected.
 This form must be accompanied by appropriate fees.

Nevada Secretary of State NRS Amend Designation - Alter
 Revised: 3-5-09

WHEREAS, Section 78.1955(3) of the NRS provides that the certificate of designation of a series of preferred stock established by resolution of a board of directors may be amended by resolution of the board of directors if approved by the stockholders holding a majority of the shares in the series being amended and a majority of each class or series of stock senior to the series being amended; and

WHEREAS, the Board also deems it advisable and in the Company's best interests to approve an amendment to Section 4.5 of the Certificate of Designation of the Series C Convertible Preferred Stock such that such section reads in its entirety as follows ("Amendment 1"):

4.5 Limitations of Conversion.

(a) The Conversion Rights specified herein shall be subject to the following limitation: The holders of the shares of Series C Preferred Stock may not exercise their Conversion Rights until such time as the Company has sufficient authorized shares of Common Stock in compliance with Section 4.3(b) of this Certificate of Designation.

(b) No holder of Series C Preferred Stock shall be entitled to convert the Series C Preferred Stock to the extent, but only to the extent, that such conversion would, upon giving effect to such conversion, cause the aggregate number of shares of Common Stock beneficially owned by such holder to exceed 4.99% of the outstanding shares of Common Stock following such conversion (which provision may be waived by such holder by written notice from such holder to the Company, which notice shall be effective sixty-one (61) days after the date of such notice).

WHEREAS, the Board deems it advisable and in the Company's best interests to approve an amendment to the Section 5.1 of the Certificate of Designation of the Series C Convertible Preferred Stock such that such section reads in its entirety as follows ("Amendment 2"):

5.1. General. On all matters submitted to the holders of Common Stock for a vote, the holders of Series C Preferred Stock and the holders of Common Stock shall vote together and not as separate classes. Each holder of Series C Preferred Stock shall be entitled to one (1) vote for each share of Series C Preferred Stock held. Notwithstanding the foregoing, to the fullest extent permitted by law, the holders of Common Stock and other series of preferred stock shall not be entitled to vote on any proposal, action or amendment that affects the rights, powers, preferences, qualifications, powers or restrictions of the Series C Preferred Stock.

WHEREAS, the Board deems it advisable and in the Company's best interests to approve the addition of Section 5.2 to the Certificate of Designation of the Series C Convertible Preferred Stock such that such section reads in its entirety as follows (collectively, with Amendment 1 and Amendment 2, the "Amendments"):

5.2. Approval Rights. Notwithstanding any other terms contained in this Certificate of Designation or the Company's Articles of Incorporation, the Company shall not enter into any transaction or series of transactions, including but not limited to those involving the issuance of securities, that result in or effect a Change in Control of the Company, without first obtaining the written consent of the holders of the Series C Preferred Stock. For the purpose of this Section 5.2, a "Change in Control" of the Company means when: (i) any person (defined herein to mean any person within the meaning of Section 13(d) of the Securities Exchange Act of 1934 (the "Exchange Act")), other than the Company, or an employee benefit plan established by the Board of Directors, acquires, directly or indirectly, the beneficial ownership

(determined under Rule 13d-3 of the regulations promulgated by the Securities and Exchange Commission under Section 13(d) of the Exchange Act) of securities issued by the Company having fifty percent (50%) or more of the voting power of all of the voting securities issued by the Company in an election of directors at the meeting of the holders of voting securities to be held for such purpose; or (ii) a majority of the directors elected at any meeting of the holders of voting securities of the Company are persons who were not nominated for such election by the Board of Directors or a duly constituted committee of the Board of Directors having authority in such matters; or (iii) the Company merges or consolidates with or transfers substantially all of its assets to another person.



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



150303

Filed in the office of <i>Barbara K. Cegavske</i> Barbara K. Cegavske Secretary of State State of Nevada	Document Number
	20150008030-59
	Filing Date and Time
	01/07/2015 4:55 PM
	Entity Number
	C6791-2001

**Amendment to
 Certificate of Designation
 After Issuance of Class or Series**
 (PURSUANT TO NRS 78.1955)

USE BLACK INK ONLY - DO NOT HIGHLIGHT

ABOVE SPACE IS FOR OFFICE USE ONLY

**Certificate of Amendment to Certificate of Designation
 For Nevada Profit Corporations**
 (Pursuant to NRS 78.1955 - After Issuance of Class or Series)

1. Name of corporation:
 EnergyTEK Corp.

2. Stockholder approval pursuant to statute has been obtained.

3. The class or series of stock being amended:
 Series C Preferred Stock

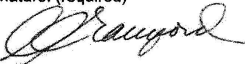
4. By a resolution adopted by the board of directors, the certificate of designation is being amended as follows or the new class or series is:
 WHEREAS, the Board deems it to be in the best interests of the Company to approve an amendment to the Company's Certificate of Designations of the Series C Convertible Preferred Stock to revise the limitations on conversion with respect to the Series C Convertible Preferred Stock; and

[continued on attachment page 1]

5. Effective date of filing: (optional)

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

6. Signature: (required)

X 

 Signature of Officer

Filing Fee: \$175.00

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

This form must be accompanied by appropriate fees.

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

WHEREAS, Section 78.1955(3) of the NRS provides that the certificate of designation of a series of preferred stock established by resolution of a board of directors may be amended by resolution of the board of directors if approved by the stockholders holding a majority of the shares in the series being amended and a majority of each class or series of stock senior to the series being amended; and

WHEREAS, the Board also deems it advisable and in the Company's best interests to approve an amendment to Section 4.5 of the Certificate of Designation of the Series C Convertible Preferred Stock such that such section reads in its entirety as follows (the "Amendment"):

4.5 Limitations of Conversion.

(a) The Conversion Rights specified herein shall be subject to the following limitation: The holders of the shares of Series C Preferred Stock may not exercise their Conversion Rights until such time as the Company has sufficient authorized shares of Common Stock in compliance with Section 4.3(b) of this Certificate of Designation.

(b) No holder of Series C Preferred Stock shall be entitled to convert the Series C Preferred Stock to the extent, but only to the extent, that such conversion would, upon giving effect to such conversion, cause the aggregate number of shares of Common Stock beneficially owned by such holder to exceed 9.99% of the outstanding shares of Common Stock following such conversion (which provision may be waived by such holder by written notice from such holder to the Company, which notice shall be effective sixty-one (61) days after the date of such notice).



150103



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

Filed in the office of <i>Barbara K. Cegavske</i> Barbara K. Cegavske Secretary of State State of Nevada	Document Number 20160375863-11 Filing Date and Time 08/24/2016 3:11 PM Entity Number C6791-2001
--	---

Certificate of Designation
(PURSUANT TO NRS 78.1955)

USE BLACK INK ONLY - DO NOT HIGHLIGHT

ABOVE SPACE IS FOR OFFICE USE ONLY

**Certificate of Designation For
Nevada Profit Corporations
(Pursuant to NRS 78.1955)**

1. Name of corporation:
EnergyTEK Corp.

2. By resolution of the board of directors pursuant to a provision in the articles of incorporation this certificate establishes the following regarding the voting powers, designations, preferences, limitations, restrictions and relative rights of the following class or series of stock.

21,000 shares of preferred stock, \$.01 par value per share, are hereby designated as Series A-1 Convertible Preferred Stock, having preferences as to dividends and distributions, rights and preferences as more particularly described in the attachment hereto. The Series A-1 Convertible Preferred Stock shall have voting rights as required by Nevada Revised Statutes and as set forth in Section 11 of the attachment.

3. Effective date of filing: (optional)

4. Signature: (required)

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

X *Jonathan A. Head, CEO*
Signature of Officer *moth*

Filing Fee: \$175.00

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

This form must be accompanied by appropriate fees.

Nevada Secretary of State Stock Designation
Revised: 1-5-15

**CERTIFICATE OF DESIGNATIONS, PREFERENCES AND RIGHTS OF THE
SERIES A-1 CONVERTIBLE PREFERRED STOCK OF
ENERGYTEK CORP.**

I, Jonathan Read, hereby certify that I am the Chief Executive Officer and Secretary of EnergyTek Corp. (the "**Corporation**"), a corporation organized and existing under the Nevada Revised Statutes (the "**NRS**"), and further do hereby certify:

That pursuant to the authority expressly conferred upon the Board of Directors of the Corporation (the "**Board of Directors**") by the Corporation's Articles of Incorporation, as amended (the "**Articles of Incorporation**"), the Board of Directors, by unanimous written consent of its directors pursuant to Article 4 of the Corporation's Articles of Incorporation and Section 78.315 of the NRS, on August 24, 2016, adopted the following resolutions in connection with designating shares of stock as Series A-1 Convertible Preferred Stock, none of which shares have been issued:

RESOLVED, that the Board of Directors designates the Series A-1 Convertible Preferred Stock and the number of shares constituting such series, and fixes the rights, powers, preferences, privileges and restrictions relating to such series in addition to any set forth in the Articles of Incorporation as follows:

TERMS OF SERIES A-1 CONVERTIBLE PREFERRED STOCK

1. Designation and Number of Shares. There shall hereby be created and established a series of preferred stock of the Corporation designated as "Series A-1 Convertible Preferred Stock" (the "**Preferred Shares**"). The authorized number of Preferred Shares shall be 21,000 shares. Each Preferred Share shall have a par value of \$0.01. Capitalized terms not defined herein shall have the meaning as set forth in Section 29 below.

2. Ranking. Except to the extent that the holders of at least a majority of the outstanding Preferred Shares which shall include Hudson Bay Master Fund Ltd. as long as it owns any Preferred Shares (the "**Required Holders**") expressly consent to the creation of Parity Stock (as defined below) or Senior Preferred Stock (as defined below) in accordance with Section 14, all shares of capital stock of the Corporation (other than the Series A Convertible Preferred Stock and the Series C Convertible Preferred Stock) shall be junior in rank to all Preferred Shares with respect to the preferences as to dividends, distributions and payments upon the liquidation, dissolution and winding up of the Corporation (such junior stock is referred to herein collectively as "**Junior Stock**"). The rights of all such shares of capital stock of the Corporation shall be subject to the rights, powers, preferences and privileges of the Preferred Shares. Without limiting any other provision of this Certificate of Designations, without the prior express consent of the Required Holders, voting separate as a single class, the Corporation shall not hereafter authorize or issue any additional or other shares of capital stock that is (i) of senior rank to the Preferred Shares in respect of the preferences as to dividends, distributions and payments upon the liquidation, dissolution and winding up of the Corporation (collectively, the "**Senior Preferred Stock**"), other than the Series A Convertible Preferred Stock and the Series C Convertible Preferred Stock, (ii) of pari passu rank to the Preferred Shares in respect of the preferences as to dividends, distributions and payments upon the liquidation, dissolution and winding up of the Corporation (collectively,

the “Parity Stock”) or (iii) any Junior Stock having a maturity date (or any other date requiring redemption or repayment of such shares of Junior Stock) that is prior to the date no Preferred Shares remain outstanding. In the event of the merger or consolidation of the Corporation with or into another corporation, the Preferred Shares shall maintain their relative rights, powers, designations, privileges and preferences provided for herein and no such merger or consolidation shall result inconsistent therewith. The Series A-1 shall be junior in all respects to the Series A Convertible Preferred Stock and the Series C Convertible Preferred Stock. Notwithstanding anything to the contrary herein, the Corporation may offer and sell a series of Junior Stock which is junior as to liquidation, dividends and redemption as to all outstanding series of preferred stock as of the date this Certificate of Designations is filed with the Nevada Secretary of State (the “Filing Date”) (i) for consideration of up to \$1,500,000 commencing 91 days after the Filing Date, and (ii) in any lesser or greater amount after 180 days from the Filing Date.

3. Dividends and Distributions. Each Holder of Preferred Shares shall be entitled to receive dividends or distributions on each Preferred Share on an “as converted” into Common Stock basis as provided in Section 4 hereof when and if dividends are declared on the Common Stock by the Board. Dividends shall be paid in cash or property, as determined by the Board of Directors.

4. Conversion. At any time after the Initial Issuance Date, each Preferred Share shall be convertible into validly issued, fully paid and non-assessable shares of Common Stock (as defined below), on the terms and conditions set forth in this Section 4.

(a) Holder’s Conversion Right. Subject to the provisions of Section 4(d), at any time or times on or after the Initial Issuance Date, each Holder shall be entitled to convert any portion of the outstanding Preferred Shares held by such Holder into validly issued, fully paid and non-assessable shares of Common Stock in accordance with Section 4(c) at the Conversion Rate (as defined below). The Corporation shall not issue any fraction of a share of Common Stock upon any conversion. If the issuance would result in the issuance of a fraction of a share of Common Stock, the Corporation shall round such fraction of a share of Common Stock up to the nearest whole share. The Corporation shall pay any and all transfer, stamp, issuance and similar taxes, costs and expenses (including, without limitation, fees and expenses of the Transfer Agent (as defined below)) that may be payable with respect to the issuance and delivery of Common Stock upon conversion of any Conversion Amount.

(b) Conversion Rate. The number of shares of Common Stock issuable upon conversion of any Preferred Share pursuant to Section 4(a) shall be determined by dividing (x) the Conversion Amount of such Preferred Share by (y) the Conversion Price (the “Conversion Rate”):

(i) “Conversion Amount” means, with respect to each Preferred Share, as of the applicable date of determination, the sum of (1) the Stated Value thereof plus (2) the Additional Amount thereon and any accrued and unpaid Late Charges with respect to such Stated Value and Additional Amount as of such date of determination.

(ii) “**Conversion Price**” means, with respect to each Preferred Share, as of any Conversion Date or other date of determination, \$0.01125, subject to adjustment as provided herein.

(c) Mechanics of Conversion. The conversion of each Preferred Share shall be conducted in the following manner:

(i) Optional Conversion. To convert a Preferred Share into shares of Common Stock on any date (a “**Conversion Date**”), a Holder shall deliver (whether via facsimile, electronic mail or otherwise), for receipt on or prior to 11:59 p.m., New York time, on such date, a copy of an executed notice of conversion of the share(s) of Preferred Shares subject to such conversion in the form attached hereto as Exhibit I (the “**Conversion Notice**”) to the Corporation. If required by Section 4(c)(iii), within three (3) Trading Days following a conversion of any such Preferred Shares as aforesaid, such Holder shall surrender to a nationally recognized overnight delivery service for delivery to the Corporation the original certificates representing the Preferred Shares (the “**Preferred Share Certificates**”) so converted as aforesaid (or an indemnification undertaking with respect to the Preferred Shares in the case of its loss, theft or destruction as contemplated by Section 16). On or before the first (1st) Trading Day following the date of receipt of a Conversion Notice, the Corporation shall transmit by facsimile or electronic mail an acknowledgment of confirmation, in the form attached hereto as Exhibit II, of receipt of such Conversion Notice to such Holder and the Corporation’s transfer agent (the “**Transfer Agent**”), which confirmation shall constitute an instruction to the Transfer Agent to process such Conversion Notice in accordance with the terms herein. On or before the third (3rd) Trading Day following the date of receipt of a Conversion Notice (or such earlier date as required pursuant to the 1934 Act or other applicable law, rule or regulation for the settlement of a trade initiated on the applicable Conversion Date of such shares of Common Stock issuable pursuant to such Conversion Notice) (the “**Share Delivery Deadline**”), the Corporation shall (1) provided that the Transfer Agent is participating in The Depository Trust Corporation’s (“**DTC**”) Fast Automated Securities Transfer Program, credit such aggregate number of shares of Common Stock to which such Holder shall be entitled to such Holder’s or its designee’s balance account with DTC through its Deposit/Withdrawal at Custodian system, or (2) if the Transfer Agent is not participating in the DTC Fast Automated Securities Transfer Program, issue and deliver (via reputable overnight courier) to the address as specified in such Conversion Notice, a certificate, registered in the name of such Holder or its designee, for the number of shares of Common Stock to which such Holder shall be entitled. If the number of Preferred Shares represented by the Preferred Share Certificate(s) submitted for conversion pursuant to Section 4(c)(iii) is greater than the number of Preferred Shares being converted, then the Corporation shall, as soon as practicable and in no event later than three (3) Trading Days after receipt of the Preferred Share Certificate(s) and at its own expense, issue and deliver to such Holder (or its designee) a new Preferred Share Certificate (in accordance with Section 16(d)) representing the number of Preferred Shares not converted. The Person or Persons entitled to receive the shares of Common Stock issuable upon a

conversion of Preferred Shares shall be treated for all purposes as the record holder or holders of such shares of Common Stock on the Conversion Date.

(ii) Corporation's Failure to Timely Convert. If the Corporation shall fail, for any reason or for no reason, on or prior to the applicable Share Delivery Deadline, to issue to such Holder a certificate for the number of shares of Common Stock to which such Holder is entitled and register such shares of Common Stock on the Corporation's share register or to credit such Holder's or its designee's balance account with DTC for such number of shares of Common Stock to which such Holder is entitled upon such Holder's conversion of any Conversion Amount (as the case may be) (a "**Conversion Failure**"), then, in addition to all other remedies available to such Holder, (X) the Corporation shall pay in cash to such Holder on each day after the Share Delivery Deadline and during such Conversion Failure an amount equal to 2% of the product of (A) the sum of the number of shares of Common Stock not issued to such Holder on or prior to the Share Delivery Deadline and to which such Holder is entitled, multiplied by (B) any trading price of the Common Stock selected by such Holder in writing as in effect at any time during the period beginning on the applicable Conversion Date and ending on the applicable Share Delivery Deadline, and (Y) such Holder, upon written notice to the Corporation, may void its Conversion Notice with respect to, and retain or have returned, as the case may be, all, or any portion, of such Preferred Shares that has not been converted pursuant to such Conversion Notice; provided that the voiding of an Conversion Notice shall not affect the Corporation's obligations to make any payments which have accrued prior to the date of such notice pursuant to this Section 4(c)(ii) or otherwise. In addition to the foregoing, if on or prior to the Share Delivery Deadline the Transfer Agent is not participating in the DTC Fast Automated Securities Transfer Program, the Corporation shall fail to issue and deliver to such Holder (or its designee) a certificate and register such shares of Common Stock on the Corporation's share register or, if the Transfer Agent is participating in the DTC Fast Automated Securities Transfer Program, the Transfer Agent shall fail to credit the balance account of such Holder or such Holder's designee with DTC for the number of shares of Common Stock to which such Holder is entitled upon such Holder's exercise hereunder or pursuant to the Corporation's obligation pursuant to clause (ii) below and if on or after such Share Delivery Deadline such Holder purchases (in an open market transaction or otherwise) shares of Common Stock to deliver in satisfaction of a sale by such Holder of all or any portion of the number of shares of Common Stock, or a sale of a number of shares of Common Stock equal to all or any portion of the number of shares of Common Stock, issuable upon such conversion that such Holder so is entitled to receive from the Corporation, then, in addition to all other remedies available to such Holder, the Corporation shall, within three (3) Business Days after receipt of such Holder's request and in such Holder's discretion, either: (I) pay cash to such Holder in an amount equal to such Holder's total purchase price (including brokerage commissions and other out-of-pocket expenses, if any) for the shares of Common Stock so purchased (including, without limitation, by any other Person in respect, or on behalf, of such Holder) (the "**Buy-In Price**"), at which point the Corporation's obligation to so issue and deliver such certificate or credit such

Holder's balance account with DTC for the number of shares of Common Stock to which such Holder is entitled upon such Holder's conversion hereunder (as the case may be) (and to issue such shares of Common Stock) shall terminate, or (II) promptly honor its obligation to so issue and deliver to such Holder a certificate or certificates representing such shares of Common Stock or credit such Holder's balance account with DTC for the number of shares of Common Stock to which such Holder is entitled upon such Holder's conversion hereunder (as the case may be) and pay cash to such Holder in an amount equal to the excess (if any) of the Buy-In Price over the product of (x) such number of shares of Common Stock multiplied by (y) the lowest Closing Sale Price of the Common Stock on any Trading Day during the period commencing on the date of the applicable Conversion Notice and ending on the date of such issuance and payment under this clause (II).

(iii) Registration: Book-Entry. The Corporation shall maintain a register (the "**Register**") for the recordation of the names and addresses of the Holders of each Preferred Share and the Stated Value of the Preferred Shares (the "**Registered Preferred Shares**"). The entries in the Register shall be conclusive and binding for all purposes absent manifest error. The Corporation and each Holder of the Preferred Shares shall treat each Person whose name is recorded in the Register as the owner of a Preferred Share for all purposes (including, without limitation, the right to receive payments and dividends hereunder) notwithstanding notice to the contrary. A Registered Preferred Share may be assigned, transferred or sold only by registration of such assignment or sale on the Register. Upon its receipt of a written request to assign, transfer or sell one or more Registered Preferred Shares by such Holder thereof, the Corporation shall record the information contained therein in the Register and issue one or more new Registered Preferred Shares in the same aggregate Stated Value as the Stated Value of the surrendered Registered Preferred Shares to the designated assignee or transferee pursuant to Section 16, provided that if the Corporation does not so record an assignment, transfer or sale (as the case may be) of such Registered Preferred Shares within two (2) Business Days of such a request, then the Register shall be automatically deemed updated to reflect such assignment, transfer or sale (as the case may be). Notwithstanding anything to the contrary set forth in this Section 4, following conversion of any Preferred Shares in accordance with the terms hereof, the applicable Holder shall not be required to physically surrender such Preferred Shares to the Corporation unless (A) the full or remaining number of Preferred Shares represented by the applicable Preferred Share Certificate are being converted (in which event such certificate(s) shall be delivered to the Corporation as contemplated by this Section 4(c)(iii)) or (B) such Holder has provided the Corporation with prior written notice (which notice may be included in a Conversion Notice) requesting reissuance of Preferred Shares upon physical surrender of the applicable Preferred Share Certificate. Each Holder and the Corporation shall maintain records showing the Stated Value, dividends and Late Charges converted and/or paid (as the case may be) and the dates of such conversions and/or payments (as the case may be) or shall use such other method, reasonably satisfactory to such Holder and the Corporation, so as not to require physical surrender of a Preferred Share Certificate upon

conversion. If the Corporation does not update the Register to record such Stated Value, dividends and Late Charges converted and/or paid (as the case may be) and the dates of such conversions and/or payments (as the case may be) within two (2) Business Days of such occurrence, then the Register shall be automatically deemed updated to reflect such occurrence. In the event of any dispute or discrepancy, such records of such Holder establishing the number of Preferred Shares to which the record holder is entitled shall be controlling and determinative in the absence of manifest error. A Holder and any transferee or assignee, by acceptance of a certificate, acknowledge and agree that, by reason of the provisions of this paragraph, following conversion of any Preferred Shares, the number of Preferred Shares represented by such certificate may be less than the number of Preferred Shares stated on the face thereof. Each Preferred Share Certificate shall bear the following legend:

ANY TRANSFEREE OR ASSIGNEE OF THIS CERTIFICATE SHOULD CAREFULLY REVIEW THE TERMS OF THE CORPORATION'S CERTIFICATE OF DESIGNATIONS RELATING TO THE SHARES OF SERIES A-1 PREFERRED STOCK REPRESENTED BY THIS CERTIFICATE, INCLUDING SECTION 4(c)(iii) THEREOF. THE NUMBER OF SHARES OF SERIES A-1 PREFERRED STOCK REPRESENTED BY THIS CERTIFICATE MAY BE LESS THAN THE NUMBER OF SHARES OF SERIES A-1 PREFERRED STOCK STATED ON THE FACE HEREOF PURSUANT TO SECTION 4(c)(iii) OF THE CERTIFICATE OF DESIGNATIONS RELATING TO THE SHARES OF SERIES A-1 PREFERRED STOCK REPRESENTED BY THIS CERTIFICATE.

(iv) Pro Rata Conversion; Disputes. In the event that the Corporation receives a Conversion Notice from more than one Holder for the same Conversion Date and the Corporation can convert some, but not all, of such Preferred Shares submitted for conversion, the Corporation shall convert from each Holder electing to have Preferred Shares converted on such date a pro rata amount of such Holder's Preferred Shares submitted for conversion on such date based on the number of Preferred Shares submitted for conversion on such date by such Holder relative to the aggregate number of Preferred Shares submitted for conversion on such date. In the event of a dispute as to the number of shares of Common Stock issuable to a Holder in connection with a conversion of Preferred Shares, the Corporation shall issue to such Holder the number of shares of Common Stock not in dispute and resolve such dispute in accordance with Section 21.

(d) Limitation on Beneficial Ownership. The Corporation shall not effect the conversion of any of the Preferred Shares held by a Holder, and such Holder shall not have the right to convert any of the Preferred Shares held by such Holder pursuant to the terms and conditions of this Certificate of Designations and any such conversion shall be null

and void and treated as if never made, to the extent that after giving effect to such conversion, such Holder together with the other Attribution Parties collectively would beneficially own in excess of 2.49% (the "**Maximum Percentage**") of the shares of Common Stock outstanding immediately after giving effect to such conversion (which provision may be waived by such Holder by written notice from such Holder to the Corporation, which notice shall be effective 61 calendar days after the date of such notice). For purposes of the foregoing sentence, the aggregate number of shares of Common Stock beneficially owned by such Holder and the other Attribution Parties shall include the number of shares of Common Stock held by such Holder and all other Attribution Parties plus the number of shares of Common Stock issuable upon conversion of the Preferred Shares with respect to which the determination of such sentence is being made, but shall exclude shares of Common Stock which would be issuable upon (A) conversion of the remaining, nonconverted Preferred Shares beneficially owned by such Holder or any of the other Attribution Parties and (B) exercise or conversion of the unexercised or nonconverted portion of any other securities of the Corporation (including, without limitation, any convertible notes, convertible preferred stock or warrants, including the Warrants) beneficially owned by such Holder or any other Attribution Party subject to a limitation on conversion or exercise analogous to the limitation contained in this Section 4(d). For purposes of this Section 4(d), beneficial ownership shall be calculated in accordance with Section 13(d) of the 1934 Act. For purposes of determining the number of outstanding shares of Common Stock a Holder may acquire upon the conversion of such Preferred Shares without exceeding the Maximum Percentage, such Holder may rely on the number of outstanding shares of Common Stock as reflected in (x) the Corporation's most recent Annual Report on Form 10-K, Quarterly Report on Form 10-Q, Current Report on Form 8-K or other public filing with the SEC, as the case may be, (y) a more recent public announcement by the Corporation or (z) any other written notice by the Corporation or the Transfer Agent, if any, setting forth the number of shares of Common Stock outstanding (the "**Reported Outstanding Share Number**"). If the Corporation receives a Conversion Notice from a Holder at a time when the actual number of outstanding shares of Common Stock is less than the Reported Outstanding Share Number, the Corporation shall notify such Holder in writing of the number of shares of Common Stock then outstanding and, to the extent that such Conversion Notice would otherwise cause such Holder's beneficial ownership, as determined pursuant to this Section 4(d), to exceed the Maximum Percentage, such Holder must notify the Corporation of a reduced number of shares of Common Stock to be purchased pursuant to such Conversion Notice. For any reason at any time, upon the written or oral request of any Holder, the Corporation shall within one (1) Business Day confirm orally and in writing or by electronic mail to such Holder the number of shares of Common Stock then outstanding. In any case, the number of outstanding shares of Common Stock shall be determined after giving effect to the conversion or exercise of securities of the Corporation, including such Preferred Shares, by such Holder and any other Attribution Party since the date as of which the Reported Outstanding Share Number was reported. In the event that the issuance of shares of Common Stock to a Holder upon conversion of such Preferred Shares results in such Holder and the other Attribution Parties being deemed to beneficially own, in the aggregate, more than the Maximum Percentage of the number of outstanding shares of Common Stock (as determined under Section 13(d) of the 1934 Act), the number of shares

so issued by which such Holder's and the other Attribution Parties' aggregate beneficial ownership exceeds the Maximum Percentage (the "Excess Shares") shall be deemed null and void and shall be cancelled ab initio, and such Holder shall not have the power to vote or to transfer the Excess Shares. For purposes of clarity, the shares of Common Stock issuable to a Holder pursuant to the terms of this Certificate of Designations in excess of the Maximum Percentage shall not be deemed to be beneficially owned by such Holder for any purpose including for purposes of Section 13(d) or Rule 16a-1(a)(1) of the 1934 Act. No prior inability to convert such Preferred Shares pursuant to this paragraph shall have any effect on the applicability of the provisions of this paragraph with respect to any subsequent determination of convertibility. The provisions of this paragraph shall be construed and implemented in a manner otherwise than in strict conformity with the terms of this Section 4(d) to the extent necessary to correct this paragraph (or any portion of this paragraph) which may be defective or inconsistent with the intended beneficial ownership limitation contained in this Section 4(d) or to make changes or supplements necessary or desirable to properly give effect to such limitation. The limitation contained in this paragraph may not be waived and shall apply to a successor holder of such Preferred Shares.

(e) Triggering Event Conversion.

(i) General. Subject to Section 4(d), at any time during the period commencing on the date of the occurrence of a Triggering Event and ending on the earlier to occur of (x) the date of the cure of such Triggering Event and (y) twenty (20) Trading Days after the date the Corporation delivers written notice to the Holder of such Triggering Event, a Holder may, at such Holder's option, by delivery of a Conversion Notice to the Corporation (the date of any such Conversion Notice, each an "**Triggering Event Conversion Date**"), convert all, or any number of Preferred Shares (such Conversion Amount of the Preferred Shares to be converted pursuant to this Section 4(e), the "**Triggering Event Conversion Amount**") into shares of Common Stock at the Triggering Event Conversion Price (each, a "**Triggering Event Conversion**").

(ii) Mechanics of Triggering Event Conversion. On any Triggering Event Conversion Date, a Holder may voluntarily convert any Triggering Event Conversion Amount pursuant to Section 4(c) (with "Triggering Event Conversion Price" replacing "Conversion Price" for all purposes hereunder with respect to such Triggering Event Conversion and "Redemption Premium of the Conversion Amount" replacing "Conversion Amount" in clause (x) of the definition of Conversion Rate above with respect to such Triggering Event Conversion) by designating in the Conversion Notice delivered pursuant to this Section 4(e) of this Certificate of Designations that such Holder is electing to use the Triggering Event Conversion Price for such conversion. Notwithstanding anything to the contrary in this Section 4(e), but subject to Section 4(d), until the Corporation delivers shares of Common Stock representing the applicable Triggering Event Conversion Amount to such Holder, such Triggering Event Conversion Amount may be converted by such Holder into shares of Common Stock pursuant to Section 4(c) without regard to this Section 4(e).

(f) Until the earlier of (1) the date that the Corporation effects a one-for-six combination or reverse stock split or (2) November 30, 2016, the Preferred Shares shall not be convertible into Common Stock, and Holders shall not be entitled to exercise any remedies hereunder.

5. Rights Upon Fundamental Transactions.

(a) Assumption. The Corporation shall not enter into or be party to a Fundamental Transaction unless (i) the Successor Entity assumes in writing all of the obligations of the Corporation under this Certificate of Designations in accordance with the provisions of this Section 4(f)5(a) pursuant to written agreements in form and substance satisfactory to the Required Holders and approved by the Required Holders prior to such Fundamental Transaction, including agreements to deliver to each holder of Preferred Shares in exchange for such Preferred Shares a security of the Successor Entity evidenced by a written instrument substantially similar in form and substance to this Certificate of Designations, including, without limitation, having a Stated Value and dividend rate equal to the Stated Value and dividend rate of the Preferred Shares held by the Holders and having similar ranking to the Preferred Shares, and satisfactory to the Required Holders and (ii) the Successor Entity (including its Parent Entity) is a publicly traded corporation whose shares of common stock are quoted on or listed for trading on an Eligible Market. Upon the occurrence of any Fundamental Transaction, the Successor Entity shall succeed to, and be substituted for (so that from and after the date of such Fundamental Transaction, the provisions of this Certificate of Designations referring to the "Corporation" shall refer instead to the Successor Entity), and may exercise every right and power of the Corporation and shall assume all of the obligations of the Corporation under this Certificate of Designations with the same effect as if such Successor Entity had been named as the Corporation herein and therein. In addition to the foregoing, upon consummation of a Fundamental Transaction, the Successor Entity shall deliver to each Holder confirmation that there shall be issued upon conversion or redemption of the Preferred Shares at any time after the consummation of such Fundamental Transaction, in lieu of the shares of Common Stock (or other securities, cash, assets or other property (except such items still issuable under Sections 7(a) and 13, which shall continue to be receivable thereafter)) issuable upon the conversion or redemption of the Preferred Shares prior to such Fundamental Transaction, such shares of the publicly traded common stock (or their equivalent) of the Successor Entity (including its Parent Entity) which each Holder would have been entitled to receive upon the happening of such Fundamental Transaction had all the Preferred Shares held by each Holder been converted immediately prior to such Fundamental Transaction (without regard to any limitations on the conversion of the Preferred Shares contained in this Certificate of Designations), as adjusted in accordance with the provisions of this Certificate of Designations. Notwithstanding the foregoing, such Holder may elect, at its sole option, by delivery of written notice to the Corporation to waive this Section 5(a) to permit the Fundamental Transaction without the assumption of the Preferred Shares. The provisions of this Section 5(a) shall apply similarly and equally to successive Fundamental Transactions and shall be applied without regard to any limitations on the conversion or redemption of the Preferred Shares.

6. Redemptions.

(a) Mandatory Redemption upon Bankruptcy Triggering Event.

Notwithstanding anything to the contrary herein, and notwithstanding any conversion that is then required or in process, upon any Bankruptcy Triggering Event, the Corporation shall immediately redeem, in cash, each of the Preferred Shares then outstanding at a redemption price (the "**Bankruptcy Redemption Price**") equal to the greater of (i) the product of (A) the Conversion Amount to be redeemed multiplied by (B) the Redemption Premium and (ii) the product of (X) the Conversion Rate then in effect with respect to the Conversion Amount multiplied by (Y) the product of (1) the Redemption Premium multiplied by (2) the greatest Closing Sale Price of the Common Stock on any Trading Day during the period commencing on the date immediately preceding such Bankruptcy Triggering Event and ending on the date the Corporation makes the entire payment required to be made under this Section 6(a), without the requirement for any notice or demand or other action by any Holder or any other person or entity, provided that a Holder may, in its sole discretion, waive such right to receive payment upon a Bankruptcy Triggering Event, in whole or in part, and any such waiver shall not affect any other rights of such Holder or any other Holder hereunder, including any other rights in respect of such Bankruptcy Triggering Event, any right to conversion, and any right to payment of such Triggering Event Redemption Price or any other Redemption Price, as applicable.

(b) Change of Control Redemption Right. No sooner than twenty (20) Trading Days nor later than ten (10) Trading Days prior to the consummation of a Change of Control (the "**Change of Control Date**"), but not prior to the public announcement of such Change of Control, the Corporation shall deliver written notice thereof via facsimile and overnight courier to each Holder (a "**Change of Control Notice**"). At any time during the period beginning after a Holder's receipt of a Change of Control Notice or such Holder becoming aware of a Change of Control if a Change of Control Notice is not delivered to such Holder in accordance with the immediately preceding sentence (as applicable) and ending on the later of twenty (20) Trading Days after (A) consummation of such Change of Control or (B) the date of receipt of such Change of Control Notice, such Holder may require the Corporation to redeem all or any portion of such Holder's Preferred Shares by delivering written notice thereof ("**Change of Control Redemption Notice**") to the Corporation, which Change of Control Redemption Notice shall indicate the number of Preferred Shares such Holder is electing to have the Corporation redeem. Each Preferred Share subject to redemption pursuant to this Section 6(b) shall be redeemed by the Corporation in cash at a price equal to the greatest of (i) the product of (w) the Change of Control Redemption Premium multiplied by (y) the Conversion Amount being redeemed, (ii) the product of (x) the Change of Control Redemption Premium multiplied by (y) the product of (A) the Conversion Amount being redeemed multiplied by (B) the quotient determined by dividing (I) the greatest Closing Sale Price of the shares of Common Stock during the period beginning on the date immediately preceding the earlier to occur of (1) the consummation of the applicable Change of Control and (2) the public announcement of such Change of Control and ending on the date such Holder delivers the Change of Control Redemption Notice by (II) the Conversion Price then in effect and (iii) the product of (y) the Change of Control Redemption Premium multiplied by (z) the product of (A) the Conversion Amount being redeemed multiplied by (B) the quotient of (I) the aggregate cash consideration and the aggregate cash value of any non-cash consideration per share of Common Stock to be paid to such holders of the shares of Common Stock upon

consummation of such Change of Control (any such non-cash consideration constituting publicly-traded securities shall be valued at the highest of the Closing Sale Price of such securities as of the Trading Day immediately prior to the consummation of such Change of Control, the Closing Sale Price of such securities on the Trading Day immediately following the public announcement of such proposed Change of Control and the Closing Sale Price of such securities on the Trading Day immediately prior to the public announcement of such proposed Change of Control) divided by (II) the Conversion Price then in effect (the "**Change of Control Redemption Price**"). Redemptions required by this Section 6(b) shall have priority to payments to all other stockholders of the Corporation in connection with such Change of Control. To the extent redemptions required by this Section 6(b) are deemed or determined by a court of competent jurisdiction to be prepayments of the Preferred Shares by the Corporation, such redemptions shall be deemed to be voluntary prepayments. Notwithstanding anything to the contrary in this Section 6(b), but subject to Section 4(d), until the applicable Change of Control Redemption Price (together with any Late Charges thereon) is paid in full to the applicable Holder, the Preferred Shares submitted by such Holder for redemption under this Section 6(b) may be converted, in whole or in part, by such Holder into Common Stock pursuant to Section 4 or in the event the Conversion Date is after the consummation of such Change of Control, stock or equity interests of the Successor Entity substantially equivalent to the Corporation's shares of Common Stock pursuant to Section 4. In the event of the Corporation's redemption of any of the Preferred Shares under this Section 6(b), such Holder's damages would be uncertain and difficult to estimate because of the parties' inability to predict future interest rates and the uncertainty of the availability of a suitable substitute investment opportunity for a Holder. Accordingly, any redemption premium due under this Section 6(b) is intended by the parties to be, and shall be deemed, a reasonable estimate of such Holder's actual loss of its investment opportunity and not as a penalty. The Corporation shall make payment of the applicable Change of Control Redemption Price concurrently with the consummation of such Change of Control if a Change of Control Redemption Notice is received prior to the consummation of such Change of Control and within two (2) Trading Days after the Corporation's receipt of such notice otherwise (the "**Change of Control Redemption Date**").

(c) Redemption Mechanics. If a Holder has submitted a Change of Control Redemption Notice in accordance with Section 6(b), the Corporation shall deliver the applicable Change of Control Redemption Price to such Holder in cash concurrently with the consummation of such Change of Control if such notice is received prior to the consummation of such Change of Control and within five (5) Business Days after the Corporation's receipt of such notice otherwise. Notwithstanding anything herein to the contrary, in connection with any redemption hereunder at a time a Holder is entitled to receive a cash payment, at the option of such Holder delivered in writing to the Corporation, the applicable Redemption Price hereunder shall be increased by the amount of such cash payment owed to such Holder under such other Transaction Document and, upon payment in full or conversion in accordance herewith, shall satisfy the Corporation's payment obligation under such other Transaction Document. In the event of a redemption of less than all of the Preferred Shares, the Corporation shall promptly cause to be issued and delivered to such Holder a new Preferred Share Certificate (in accordance with Section 16) representing the number of Preferred Shares which have not been redeemed. In the

event that the Corporation does not pay the applicable Redemption Price to a Holder within the time period required for any reason (including, without limitation, to the extent such payment is prohibited pursuant to the NRS), at any time thereafter and until the Corporation pays such unpaid Redemption Price in full, such Holder shall have the option, in lieu of redemption, to require the Corporation to promptly return to such Holder all or any of the Preferred Shares that were submitted for redemption and for which the applicable Redemption Price (together with any Late Charges thereon) has not been paid. Upon the Corporation's receipt of such notice, (x) the applicable Redemption Notice shall be null and void with respect to such Preferred Shares, and (y) the Corporation shall immediately return the applicable Preferred Share Certificate, or issue a new Preferred Share Certificate (in accordance with Section 16(d)), to such Holder, and in each case the Additional Amount of such Preferred Shares shall be increased by an amount equal to the difference between (1) the applicable Redemption Price (as the case may be, and as adjusted pursuant to this Section 6(c), if applicable) minus (2) the Stated Value portion of the Conversion Amount submitted for redemption.

(d) Redemption by Multiple Holders. Upon the Corporation's receipt of a Redemption Notice from any Holder for redemption or repayment as a result of an event or occurrence substantially similar to the events or occurrences described in this Section 6, the Corporation shall immediately, but no later than one (1) Business Day of its receipt thereof, forward to each other Holder by facsimile or electronic mail a copy of such notice. If the Corporation receives one or more Redemption Notices, during the seven (7) Business Day period beginning on and including the date which is three (3) Business Days prior to the Corporation's receipt of the initial Redemption Notice and ending on and including the date which is three (3) Business Days after the Corporation's receipt of the initial Redemption Notice and the Corporation is unable to redeem all principal, interest and other amounts designated in such initial Redemption Notice and such other Redemption Notices received during such seven (7) Business Day period, then the Corporation shall redeem a pro rata amount from each Holder based on the principal amount of the Preferred Shares submitted for redemption pursuant to such Redemption Notices received by the Corporation during such seven (7) Business Day period.

7. Rights Upon Issuance of Purchase Rights and Other Corporate Events.

(a) Purchase Rights. In addition to any adjustments pursuant to Section 8 below, if at any time the Corporation grants, issues or sells any Options, Convertible Securities or rights to purchase stock, warrants, securities or other property pro rata to all or substantially all of the record holders of any class of Common Stock (the "**Purchase Rights**"), then each Holder will be entitled to acquire, upon the terms applicable to such Purchase Rights, the aggregate Purchase Rights which such Holder could have acquired if such Holder had held the number of shares of Common Stock acquirable upon complete conversion of all the Preferred Shares (without taking into account any limitations or restrictions on the convertibility of the Preferred Shares) held by such Holder immediately prior to the date on which a record is taken for the grant, issuance or sale of such Purchase Rights, or, if no such record is taken, the date as of which the record holders of shares of Common Stock are to be determined for the grant, issue or sale of such Purchase Rights (provided, however, to the extent that such Holder's right to participate in any such

Purchase Right would result in such Holder and the other Attribution Parties exceeding the Maximum Percentage, then such Holder shall not be entitled to participate in such Purchase Right to the extent of the Maximum Percentage (and shall not be entitled to beneficial ownership of such shares of Common Stock as a result of such Purchase Right (and beneficial ownership) to the extent of any such excess) and such Purchase Right to such extent shall be held in abeyance for such Holder until such time or times, if ever, as its right thereto would not result in such Holder and the other Attribution Parties exceeding the Maximum Percentage, at which time or times such Holder shall be granted such right (and any Purchase Right granted, issued or sold on such initial Purchase Right or on any subsequent Purchase Right to be held similarly in abeyance) to the same extent as if there had been no such limitation.

(b) Other Corporate Events. In addition to and not in substitution for any other rights hereunder, prior to the consummation of any Fundamental Transaction pursuant to which holders of shares of Common Stock are entitled to receive securities or other assets with respect to or in exchange for shares of Common Stock (a "Corporate Event"), the Corporation shall make appropriate provision to insure that each Holder will thereafter have the right to receive upon a conversion of all the Preferred Shares held by such Holder (i) in addition to the shares of Common Stock receivable upon such conversion, such securities or other assets to which such Holder would have been entitled with respect to such shares of Common Stock had such shares of Common Stock been held by such Holder upon the consummation of such Corporate Event (without taking into account any limitations or restrictions on the convertibility of the Preferred Shares contained in this Certificate of Designations) or (ii) in lieu of the shares of Common Stock otherwise receivable upon such conversion, such securities or other assets received by the holders of shares of Common Stock in connection with the consummation of such Corporate Event in such amounts as such Holder would have been entitled to receive had the Preferred Shares held by such Holder initially been issued with conversion rights for the form of such consideration (as opposed to shares of Common Stock) at a conversion rate for such consideration commensurate with the Conversion Rate. Provision made pursuant to the preceding sentence shall be in a form and substance satisfactory to the Holder. The provisions of this Section 7 shall apply similarly and equally to successive Corporate Events and shall be applied without regard to any limitations on the conversion or redemption of the Preferred Shares contained in this Certificate of Designations.

8. Rights Upon Issuance of Other Securities.

(a) Adjustment of Conversion Price upon Issuance of Common Stock. If and whenever on or after the Initial Issuance Date the Corporation issues or sells, or in accordance with this Section 8(a) is deemed to have issued or sold, any shares of Common Stock (including the issuance or sale of shares of Common Stock owned or held by or for the account of the Corporation, but excluding (1) securities issued (and issuable) in the merger referred to in the last sentence of the definition of Fundamental Transaction, and (2) any Excluded Securities issued or sold or deemed to have been issued or sold) for a consideration per share (the "New Issuance Price") less than a price equal to the Conversion Price in effect immediately prior to such issue or sale or deemed issuance or sale (such Conversion Price then in effect is referred to herein as the "Applicable Price")

(the foregoing a “**Dilutive Issuance**”), then, immediately after such Dilutive Issuance, the Conversion Price then in effect shall be reduced to the New Issuance Price. For all purposes of the foregoing (including, without limitation, determining the adjusted Conversion Price and the New Issuance Price under this Section 8(a)), the following shall be applicable:

(i) Issuance of Options. If the Corporation in any manner grants or sells any Options and the lowest price per share for which one share of Common Stock is at any time issuable upon the exercise of any such Option or upon conversion, exercise or exchange of any Convertible Securities issuable upon exercise of any such Option or otherwise pursuant to the terms thereof is less than the Applicable Price, then such share of Common Stock shall be deemed to be outstanding and to have been issued and sold by the Corporation at the time of the granting or sale of such Option for such price per share. For purposes of this Section 8(a)(i), the “lowest price per share for which one share of Common Stock is issuable upon the exercise of any such Option or upon conversion, exercise or exchange of any Convertible Securities issuable upon exercise of any such Option or otherwise pursuant to the terms thereof” shall be equal to (1) the lower of (x) the sum of the lowest amounts of consideration (if any) received or receivable by the Corporation with respect to any one share of Common Stock upon the granting or sale of such Option, upon exercise of such Option and upon conversion, exercise or exchange of any Convertible Security issuable upon exercise of such Option or otherwise pursuant to the terms thereof and (y) the lowest exercise price set forth in such Option for which one share of Common Stock is issuable upon the exercise of any such Options or upon conversion, exercise or exchange of any Convertible Securities issuable upon exercise of any such Option or otherwise pursuant to the terms thereof minus (2) the sum of all amounts paid or payable to the holder of such Option (or any other Person) upon the granting or sale of such Option, upon exercise of such Option and upon conversion, exercise or exchange of any Convertible Security issuable upon exercise of such Option or otherwise pursuant to the terms thereof plus the value of any other consideration received or receivable by, or benefit conferred on, the holder of such Option (or any other Person). Except as contemplated below, no further adjustment of the Conversion Price shall be made upon the actual issuance of such share of Common Stock or of such Convertible Securities upon the exercise of such Options or otherwise pursuant to the terms thereof or upon the actual issuance of such share of Common Stock upon conversion, exercise or exchange of such Convertible Securities.

(ii) Issuance of Convertible Securities. If the Corporation in any manner issues or sells any Convertible Securities and the lowest price per share for which one share of Common Stock is at any time issuable upon the conversion, exercise or exchange thereof or otherwise pursuant to the terms thereof is less than the Applicable Price, then such share of Common Stock shall be deemed to be outstanding and to have been issued and sold by the Corporation at the time of the issuance or sale of such Convertible Securities for such price per share. For purposes of this Section 8(a)(ii), the “lowest price per share for which one share of Common Stock is issuable upon the conversion, exercise or exchange thereof or otherwise pursuant to the terms thereof” shall be equal to (1) the lower of (x) the

sum of the lowest amounts of consideration (if any) received or receivable by the Corporation with respect to one share of Common Stock upon the issuance or sale of the Convertible Security and upon conversion, exercise or exchange of such Convertible Security or otherwise pursuant to the terms thereof and (y) the lowest conversion price set forth in such Convertible Security for which one share of Common Stock is issuable upon conversion, exercise or exchange thereof or otherwise pursuant to the terms thereof minus (2) the sum of all amounts paid or payable to the holder of such Convertible Security (or any other Person) upon the issuance or sale of such Convertible Security plus the value of any other consideration received or receivable by, or benefit conferred on, the holder of such Convertible Security (or any other Person). Except as contemplated below, no further adjustment of the Conversion Price shall be made upon the actual issuance of such share of Common Stock upon conversion, exercise or exchange of such Convertible Securities or otherwise pursuant to the terms thereof, and if any such issue or sale of such Convertible Securities is made upon exercise of any Options for which adjustment of the Conversion Price has been or is to be made pursuant to other provisions of this Section 8(a), except as contemplated below, no further adjustment of the Conversion Price shall be made by reason of such issue or sale.

(iii) Change in Option Price or Rate of Conversion. If the purchase or exercise price provided for in any Options, the additional consideration, if any, payable upon the issue, conversion, exercise or exchange of any Convertible Securities, or the rate at which any Convertible Securities are convertible into or exercisable or exchangeable for shares of Common Stock increases or decreases at any time, the Conversion Price in effect at the time of such increase or decrease shall be adjusted to the Conversion Price which would have been in effect at such time had such Options or Convertible Securities provided for such increased or decreased purchase price, additional consideration or increased or decreased conversion rate (as the case may be) at the time initially granted, issued or sold. For purposes of this Section 8(a)(iii), if the terms of any Option or Convertible Security that was outstanding as of the Initial Issuance Date are increased or decreased in the manner described in the immediately preceding sentence, then such Option or Convertible Security and the shares of Common Stock deemed issuable upon exercise, conversion or exchange thereof shall be deemed to have been issued as of the date of such increase or decrease. No adjustment pursuant to this Section 8(a) shall be made if such adjustment would result in an increase of the Conversion Price then in effect.

(iv) Calculation of Consideration Received. If any Option and/or Convertible Security and/or Adjustment Right is issued in connection with the issuance or sale or deemed issuance or sale of any other securities of the Corporation (as determined by the Required Holders, the “**Primary Security**”, and such Option and/or Convertible Security and/or Adjustment Right, the “**Secondary Securities**”), together comprising one integrated transaction (or one or more transactions if such issuances or sales or deemed issuances or sales of securities of the Corporation either (A) have at least one investor or purchaser in common, (B) are consummated in reasonable proximity to each other and/or (C) are

consummated under the same plan of financing), the consideration per share of Common Stock with respect to such Primary Security shall be deemed to be equal to the difference of (x) the lowest price per share for which one share of Common Stock was issued in such integrated transaction (or was deemed to be issued pursuant to Section 8(a)(i) or 8(a)(ii) above, as applicable) solely with respect to such Primary Security, minus (y) with respect to such Secondary Securities, the sum of (A) the Black Scholes Consideration Value of each such Option, if any, (B) the fair market value (as determined by the Required Holders in good faith) or the Black Scholes Consideration Value, as applicable, of such Adjustment Right, if any, and (C) the fair market value (as determined by the Required Holder) of such Convertible Security, if any, in each case, as determined on a per share basis in accordance with this Section 8(a)(iv). If any shares of Common Stock, Options or Convertible Securities are issued or sold or deemed to have been issued or sold for cash, the consideration received therefor (for the purpose of determining the consideration paid for such Common Stock, Option or Convertible Security, but not for the purpose of the calculation of the Black Scholes Consideration Value) will be deemed to be the net amount of consideration received by the Corporation therefor. If any shares of Common Stock, Options or Convertible Securities are issued or sold for a consideration other than cash (for the purpose of determining the consideration paid for such Common Stock, Option or Convertible Security, but not for the purpose of the calculation of the Black Scholes Consideration Value), the amount of such consideration received by the Corporation will be the fair value of such consideration, except where such consideration consists of publicly traded securities, in which case the amount of consideration received by the Corporation for such securities will be the average VWAP of such security for the five (5) Trading Day period immediately preceding the date of receipt. If any shares of Common Stock, Options or Convertible Securities are issued to the owners of the non-surviving entity in connection with any merger in which the Corporation is the surviving entity (for the purpose of determining the consideration paid for such Common Stock, Option or Convertible Security, but not for the purpose of the calculation of the Black Scholes Consideration Value), the amount of consideration therefor will be deemed to be the fair value of such portion of the net assets and business of the non-surviving entity as is attributable to such shares of Common Stock, Options or Convertible Securities (as the case may be). The fair value of any consideration other than cash or publicly traded securities will be determined jointly by the Corporation and the Required Holders. If such parties are unable to reach agreement within ten (10) days after the occurrence of an event requiring valuation (the "Valuation Event"), the fair value of such consideration will be determined within five (5) Trading Days after the tenth (10th) day following such Valuation Event by an independent, reputable appraiser jointly selected by the Corporation and the Required Holders. The determination of such appraiser shall be final and binding upon all parties absent manifest error and the fees and expenses of such appraiser shall be borne by the Corporation.

(v) Record Date. If the Corporation takes a record of the holders of shares of Common Stock for the purpose of entitling them (A) to receive a dividend or other distribution payable in shares of Common Stock, Options or in Convertible

Securities or (B) to subscribe for or purchase shares of Common Stock, Options or Convertible Securities, then such record date will be deemed to be the date of the issue or sale of the shares of Common Stock deemed to have been issued or sold upon the declaration of such dividend or the making of such other distribution or the date of the granting of such right of subscription or purchase (as the case may be).

(b) Adjustment of Conversion Price upon Subdivision or Combination of Common Stock. Without limiting any provision of Section 4(f) or Section 8(a), if the Corporation at any time on or after the Initial Issuance Date subdivides (by any stock split, stock dividend, stock combination, recapitalization or other similar transaction) one or more classes of its outstanding shares of Common Stock into a greater number of shares, the Conversion Price in effect immediately prior to such subdivision will be proportionately reduced. Without limiting any provision of Section 4(f) or Section 8(a), if the Corporation at any time on or after the Initial Issuance Date combines (by any stock split, stock dividend, stock combination, recapitalization or other similar transaction) one or more classes of its outstanding shares of Common Stock into a smaller number of shares, the Conversion Price in effect immediately prior to such combination will be proportionately increased. Any adjustment pursuant to this Section 8(b) shall become effective immediately after the effective date of such subdivision or combination. If any event requiring an adjustment under this Section 8(b) occurs during the period that a Conversion Price is calculated hereunder, then the calculation of such Conversion Price shall be adjusted appropriately to reflect such event.

(c) Holder's Right of Adjusted Conversion Price. In addition to and not in limitation of the other provisions of this Section 8(c), if the Corporation in any manner issues or sells or enters into any agreement to issue or sell, any Common Stock, Options or Convertible Securities (any such securities, "Variable Price Securities") that are issuable pursuant to such agreement or convertible into or exchangeable or exercisable for shares of Common Stock pursuant to such Options or Convertible Securities, as applicable, at a price which varies or may vary with the market price of the shares of Common Stock, including by way of one or more reset(s) to a fixed price, but exclusive of such formulations reflecting customary anti-dilution provisions (such as share splits, share combinations, share dividends and similar transactions) (each of the formulations for such variable price being herein referred to as, the "Variable Price"), the Corporation shall provide written notice thereof via facsimile or electronic mail and overnight courier to each Holder on the date of such agreement and/or the issuance of such shares of Common Stock, Convertible Securities or Options, as applicable. From and after the date the Corporation enters into such agreement or issues any such Variable Price Securities, each Holder shall have the right, but not the obligation, in its sole discretion to substitute the Variable Price for the Conversion Price upon conversion of the Preferred Shares by designating in the Conversion Notice delivered upon any conversion of Preferred Shares that solely for purposes of such conversion such Holder is relying on the Variable Price rather than the Conversion Price then in effect. A Holder's election to rely on a Variable Price for a particular conversion of Preferred Shares shall not obligate such Holder to rely on a Variable Price for any future conversions of Preferred Shares.

(d) Stock Combination Event Adjustments. Except for a one-for-six reverse stock split or combination which the Corporation intends to effect on or before November 30, 2016, if at any time and from time to time on or after the Initial Issuance Date there occurs any stock split, stock dividend, stock combination recapitalization or other similar transaction involving the Common Stock (each, a “**Stock Combination Event**”, and such date thereof, the “**Stock Combination Event Date**”) and the Event Market Price is less than the Conversion Price then in effect (after giving effect to the adjustment in Section 8(b) above), then on the sixteenth (16th) Trading Day immediately following such Stock Combination Event Date, the Conversion Price then in effect on such sixteenth (16th) Trading Day (after giving effect to the adjustment in Section 8(b) above) shall be reduced (but in no event increased) to the Event Market Price.

(e) Other Events. In the event that the Corporation (or any Subsidiary) shall take any action to which the provisions hereof are not strictly applicable, or, if applicable, would not operate to protect any Holder from dilution or if any event occurs of the type contemplated by the provisions of this Section 8 but not expressly provided for by such provisions (including, without limitation, the granting of stock appreciation rights, phantom stock rights or other rights with equity features), then the Board of Directors shall in good faith determine and implement an appropriate adjustment in the Conversion Price so as to protect the rights of such Holder, provided that no such adjustment pursuant to this Section 8(c) will increase the Conversion Price as otherwise determined pursuant to this Section 8, provided further that if such Holder does not accept such adjustments as appropriately protecting its interests hereunder against such dilution, then the Board of Directors and such Holder shall agree, in good faith, upon an independent investment bank of nationally recognized standing to make such appropriate adjustments, whose determination shall be final and binding absent manifest error and whose fees and expenses shall be borne by the Corporation. No adjustment shall be made in the event that the merger referred to in the last sentence of the definition of Fundamental Transaction closes.

(f) Calculations. All calculations under this Section 8 shall be made by rounding to the nearest cent or the nearest 1/100th of a share, as applicable. The number of shares of Common Stock outstanding at any given time shall not include shares owned or held by or for the account of the Corporation, and the disposition of any such shares shall be considered an issue or sale of Common Stock.

(g) Voluntary Adjustment by Corporation. The Corporation may at any time any Preferred Shares remain outstanding, with the prior written consent of the Required Holders, reduce the then current Conversion Price to any amount and for any period of time deemed appropriate by the Board of Directors.

(h) Excluded Securities. No adjustments contained in this Section 8 shall be made upon the sale or issuance of any Excluded Securities sold or deemed to have been sold.

9. Noncircumvention. The Corporation hereby covenants and agrees that the Corporation will not, by amendment of its articles of incorporation, bylaws or through any reorganization, transfer of assets, consolidation, merger, scheme of arrangement, dissolution, issue

or sale of securities, or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Certificate of Designations, and will at all times in good faith carry out all the provisions of this Certificate of Designations and take all action as may be required to protect the rights of the Holders. Without limiting the generality of the foregoing or any other provision of this Certificate of Designations, the Corporation (a) shall not increase the par value of any shares of Common Stock receivable upon the conversion of any Preferred Shares above the Conversion Price then in effect, (b) shall take all such actions as may be necessary or appropriate in order that the Corporation may validly and legally issue fully paid and non-assessable shares of Common Stock upon the conversion of Preferred Shares and (c) shall, so long as any Preferred Shares are outstanding, take all action necessary to reserve and keep available out of its authorized and unissued shares of Common Stock, solely for the purpose of effecting the conversion of the Preferred Shares, the maximum number of shares of Common Stock as shall from time to time be necessary to effect the conversion of the Preferred Shares then outstanding (without regard to any limitations on conversion contained herein). Notwithstanding anything herein to the contrary, if after the seventy-five (75) calendar day anniversary of the Initial Issuance Date, each Holder is not permitted to convert such Holder's Preferred Shares in full for any reason (other than pursuant to restrictions set forth in Section 4(d) hereof), the Corporation shall use its best efforts to promptly remedy such failure, including, without limitation, obtaining such consents or approvals as necessary to effect such conversion into shares of Common Stock.

10. Authorized Shares.

(a) Reservation. Commencing upon the effectiveness of the Corporation's one-for-six reverse stock split or combination, so long as any Preferred Shares remain outstanding, the Corporation shall at all times reserve at least 300% of the number of shares of Common Stock as shall from time to time be necessary to effect the conversion of all of the Preferred Shares then outstanding (without regard to any limitations on conversions) (the "**Required Reserve Amount**"). The Required Reserve Amount (including, without limitation, each increase in the number of shares so reserved) shall be allocated pro rata among the Holders based on the number of the Preferred Shares held by each Holder on the Initial Issuance Date or increase in the number of reserved shares, as the case may be (the "**Authorized Share Allocation**"). In the event that a Holder shall sell or otherwise transfer any of such Holder's Preferred Shares, each transferee shall be allocated a pro rata portion of such Holder's Authorized Share Allocation. Any shares of Common Stock reserved and allocated to any Person which ceases to hold any Preferred Shares shall be allocated to the remaining Holders of Preferred Shares, pro rata based on the number of the Preferred Shares then held by the Holders.

(b) Insufficient Authorized Shares. If, notwithstanding Section 10(a) and not in limitation thereof, while any of the Preferred Shares remain outstanding the Corporation does not have a sufficient number of authorized and unreserved shares of Common Stock to satisfy its obligation to reserve for issuance upon conversion of the Preferred Shares at least a number of shares of Common Stock equal to the Required Reserve Amount (an "**Authorized Share Failure**"), then the Corporation shall immediately take all action necessary to increase the Corporation's authorized shares of Common Stock to an amount sufficient to allow the Corporation to reserve the Required Reserve Amount for the Preferred Shares then outstanding. Without limiting the generality of the foregoing

sentence, as soon as practicable after the date of the occurrence of an Authorized Share Failure, but in no event later than ninety (90) days after the occurrence of such Authorized Share Failure, the Corporation shall hold a meeting of its stockholders for the approval of an increase in the number of authorized shares of Common Stock. In connection with such meeting, the Corporation shall provide each stockholder with a proxy statement and shall use its best efforts to solicit its stockholders' approval of such increase in authorized shares of Common Stock and to cause its Board of Directors to recommend to the stockholders that they approve such proposal. In lieu of a meeting of stockholders, the Corporation may effect such action by written consent in accordance with Section 14(c) of the 1934 Act. Except as provided in the first sentence of Section 10(a), in the event that the Corporation is prohibited from issuing shares of Common Stock to a Holder upon any conversion due to the failure by the Corporation to have sufficient shares of Common Stock available out of the authorized but unissued shares of Common Stock (such unavailable number of shares of Common Stock, the "Authorized Failure Shares"), in lieu of delivering such Authorized Failure Shares to such Holder, the Corporation shall pay cash in exchange for the redemption of such portion of the Conversion Amount convertible into such Authorized Failure Shares at a price equal to the sum of (i) the product of (x) such number of Authorized Failure Shares and (y) the greatest Closing Sale Price of the Common Stock on any Trading Day during the period commencing on the date such Holder delivers the applicable Conversion Notice with respect to such Authorized Failure Shares to the Corporation and ending on the date of such issuance and payment under this Section 10(a); and (ii) to the extent such Holder purchases (in an open market transaction or otherwise) shares of Common Stock to deliver in satisfaction of a sale by such Holder of Authorized Failure Shares, any brokerage commissions and other out-of-pocket expenses, if any, of such Holder incurred in connection therewith.

11. Voting Rights. Subject to Section 4(d) and the Maximum Percentage, each Holder shall be entitled to the whole number of votes equal to the number of shares of Common Stock into which such holder's Preferred Shares would be convertible on the record date for the vote or consent of stockholders, and shall otherwise have voting rights and powers equal to the voting rights and powers of the Common Stock. To the extent that under the NRS the vote of the holders of the Preferred Shares, voting separately as a class or series as applicable, is required to authorize a given action of the Corporation, the affirmative vote or consent of the holders of all of the shares of the Preferred Shares, voting together in the aggregate and not in separate series unless required under the NRS, represented at a duly held meeting at which a quorum is presented or by written consent of the Required Holders (except as otherwise may be required under the NRS), voting together in the aggregate and not in separate series unless required under the NRS, shall constitute the approval of such action by both the class or the series, as applicable. Subject to Section 4(d), to the extent that under the NRS holders of the Preferred Shares are entitled to vote on a matter with holders of shares of Common Stock, voting together as one class, each Preferred Share shall entitle the holder thereof to cast that number of votes per share as is equal to the number of shares of Common Stock into which it is then convertible (subject to the ownership limitations specified in Section 4(d) hereof and the Maximum Percentage) using the record date for determining the stockholders of the Corporation eligible to vote on such matters as the date as of which the Conversion Price is calculated. Holders of the Preferred Shares shall be entitled to written notice of all stockholder meetings or written consents (and copies of proxy materials and other

information sent to stockholders) with respect to which they would be entitled by vote, which notice would be provided pursuant to the Corporation's bylaws and the NRS.

12. Liquidation, Dissolution, Winding-Up. In the event of a Liquidation Event, the Holders shall be entitled to receive in cash out of the assets of the Corporation, whether from capital or from earnings available for distribution to its stockholders (the "**Liquidation Funds**"), on an as converted basis prior to holders of the Common Stock, to the extent cash is available (without taking into account any limitations or restrictions on the convertibility of the Preferred Stock).

13. Distribution of Assets. In addition to any adjustments pursuant to Section 8, if the Corporation shall declare or make any dividend or other distributions of its assets (or rights to acquire its assets) to any or all holders of shares of Common Stock, by way of return of capital or otherwise (including without limitation, any distribution of cash, stock or other securities, property or options by way of a dividend, spin off, reclassification, corporate rearrangement, scheme of arrangement or other similar transaction) (the "**Distributions**"), then each Holder, as holders of Preferred Shares, will be entitled to such Distributions as if such Holder had held the number of shares of Common Stock acquirable upon complete conversion of the Preferred Shares (without taking into account any limitations or restrictions on the convertibility of the Preferred Shares) immediately prior to the date on which a record is taken for such Distribution or, if no such record is taken, the date as of which the record holders of Common Stock are to be determined for such Distributions (provided, however, that to the extent that such Holder's right to participate in any such Distribution would result in such Holder and the other Attribution Parties exceeding the Maximum Percentage, then such Holder shall not be entitled to participate in such Distribution to the extent of the Maximum Percentage (and shall not be entitled to beneficial ownership of such shares of Common Stock as a result of such Distribution (and beneficial ownership) to the extent of any such excess) and the portion of such Distribution shall be held in abeyance for such Holder until such time or times as its right thereto would not result in such Holder and the other Attribution Parties exceeding the Maximum Percentage, at which time or times, if any, such Holder shall be granted such rights (and any rights under this Section 13 on such initial rights or on any subsequent such rights to be held similarly in abeyance) to the same extent as if there had been no such limitation).

14. Vote to Change the Terms of or Issue Preferred Shares. In addition to any other rights provided by law, except where the vote or written consent of the holders of a greater number of shares is required by law or by another provision of the Articles of Incorporation, without first obtaining the affirmative vote at a meeting duly called for such purpose or the written consent without a meeting of the Required Holders, voting together as a single class, the Corporation shall not: (a) amend or repeal any provision of, or add any provision to, its Articles of Incorporation or bylaws, or file any certificate of designations or articles of amendment of any series of shares of preferred stock, if such action would adversely alter or change in any respect the preferences, rights, privileges or powers, or restrictions provided for the benefit, of the Preferred Shares, regardless of whether any such action shall be by means of amendment to the Articles of Incorporation or by merger, consolidation or otherwise; (b) increase or decrease (other than by conversion) the authorized number of Preferred Shares; (c) without limiting any provision of Section 1, create or authorize (by reclassification or otherwise) any new class or series of shares that has a preference over or is on a parity with the Preferred Shares with respect to dividends or

the distribution of assets on the liquidation, dissolution or winding up of the Corporation; (d) purchase, repurchase or redeem any shares of capital stock of the Corporation junior in rank to the Preferred Shares (other than pursuant to equity incentive agreements (that have in good faith been approved by the Board of Directors) with employees giving the Corporation the right to repurchase shares upon the termination of services); (e) without limiting any provision of Section 1, pay dividends or make any other distribution on any shares of any capital stock of the Corporation junior in rank to the Preferred Shares; (f) issue any Preferred Shares or preferred stock other than as provided in Section 2; (g) enter into (i) any mortgage, credit agreement or other facility, indenture agreement, factoring agreement or other instrument, under which there may be issued, or by which there may be secured or evidenced, any indebtedness for borrowed money or money due that involves, either individually or in aggregate with other such agreements, obligations greater than \$25,000.00, and (ii) any equipment lease, agreement evidencing purchase money security interests, or other similar transaction in the ordinary course of business that involves, either individually or in aggregate with other such agreements, obligations greater than \$100,000.00 or (h) without limiting any provision of Section 8, whether or not prohibited by the terms of the Preferred Shares, circumvent a right of the Preferred Shares.

15. Transfer of Preferred Shares. A Holder may transfer some or all of its Preferred Shares without the consent of the Corporation.

16. Reissuance of Preferred Certificates.

(a) Transfer. If any Preferred Shares are to be transferred, the applicable Holder shall surrender the applicable Preferred Share Certificate to the Corporation, whereupon the Corporation will forthwith issue and deliver upon the order of such Holder a new Preferred Share Certificate (in accordance with Section 16(d)), registered as such Holder may request, representing the outstanding number of Preferred Shares being transferred by such Holder and, if less than the entire outstanding number of Preferred Shares is being transferred, a new Preferred Share Certificate (in accordance with Section 16(d)) to such Holder representing the outstanding number of Preferred Shares not being transferred. Such Holder and any assignee, by acceptance of the Preferred Share Certificate, acknowledge and agree that, by reason of the provisions of Section 4(c)(i) following conversion or redemption of any of the Preferred Shares, the outstanding number of Preferred Shares represented by the Preferred Shares may be less than the number of Preferred Shares stated on the face of the Preferred Shares.

(b) Lost, Stolen or Mutilated Preferred Share Certificate. Upon receipt by the Corporation of evidence reasonably satisfactory to the Corporation of the loss, theft, destruction or mutilation of a Preferred Share Certificate (as to which a written certification and the indemnification contemplated below shall suffice as such evidence), and, in the case of loss, theft or destruction, of any indemnification undertaking by the applicable Holder to the Corporation in customary and reasonable form and, in the case of mutilation, upon surrender and cancellation of such Preferred Share Certificate, the Corporation shall execute and deliver to such Holder a new Preferred Share Certificate (in accordance with Section 16(d)) representing the applicable outstanding number of Preferred Shares.

(c) Preferred Share Certificate Exchangeable for Different Denominations. Each Preferred Share Certificate is exchangeable, upon the surrender hereof by the applicable Holder at the principal office of the Corporation, for a new Preferred Share Certificate or Preferred Share Certificate(s) (in accordance with Section 16(d)) representing in the aggregate the outstanding number of the Preferred Shares in the original Preferred Share Certificate, and each such new 16(d) will represent such portion of such outstanding number of Preferred Shares from the original Preferred Share Certificate as is designated by such Holder at the time of such surrender.

(d) Issuance of New Preferred Share Certificate. Whenever the Corporation is required to issue a new Preferred Share Certificate pursuant to the terms of this Certificate of Designations, such new Preferred Share Certificate (i) shall represent, as indicated on the face of such Preferred Share Certificate, the number of Preferred Shares remaining outstanding (or in the case of a new Preferred Share Certificate being issued pursuant to Section 16(a) or Section 16(c), the number of Preferred Shares designated by such Holder which, when added to the number of Preferred Shares represented by the other new Preferred Share Certificates issued in connection with such issuance, does not exceed the number of Preferred Shares remaining outstanding under the original Preferred Share Certificate immediately prior to such issuance of new Preferred Share Certificate), and (ii) shall have an issuance date, as indicated on the face of such new Preferred Share Certificate, which is the same as the issuance date of the original Preferred Share Certificate.

17. Remedies, Characterizations, Other Obligations, Breaches and Injunctive Relief. The remedies provided in this Certificate of Designations shall be cumulative and in addition to all other remedies available under this Certificate of Designations, at law or in equity (including a decree of specific performance and/or other injunctive relief), and nothing herein shall limit any Holder's right to pursue actual and consequential damages for any failure by the Corporation to comply with the terms of this Certificate of Designations. The Corporation covenants to each Holder that there shall be no characterization concerning this instrument other than as expressly provided herein. Amounts set forth or provided for herein with respect to payments, conversion and the like (and the computation thereof) shall be the amounts to be received by a Holder and shall not, except as expressly provided herein, be subject to any other obligation of the Corporation (or the performance thereof). The Corporation acknowledges that a breach by it of its obligations hereunder will cause irreparable harm to the Holders and that the remedy at law for any such breach may be inadequate. The Corporation therefore agrees that, in the event of any such breach or threatened breach, each Holder shall be entitled, in addition to all other available remedies, to specific performance and/or temporary, preliminary and permanent injunctive or other equitable relief from any court of competent jurisdiction in any such case without the necessity of proving actual damages and without posting a bond or other security. The Corporation shall provide all information and documentation to a Holder that is requested by such Holder to enable such Holder to confirm the Corporation's compliance with the terms and conditions of this Certificate of Designations.

18. Payment of Collection, Enforcement and Other Costs. If (a) any Preferred Shares are placed in the hands of an attorney for collection or enforcement or is collected or enforced through any legal proceeding or a Holder otherwise takes action to collect amounts due under this

Certificate of Designations with respect to the Preferred Shares or to enforce the provisions of this Certificate of Designations or (b) there occurs any bankruptcy, reorganization, receivership of the Corporation or other proceedings affecting Corporation creditors' rights and involving a claim under this Certificate of Designations, then the Corporation shall pay the costs incurred by such Holder for such collection, enforcement or action or in connection with such bankruptcy, reorganization, receivership or other proceeding, including, without limitation, attorneys' fees and disbursements.

19. Construction; Headings. This Certificate of Designations shall be deemed to be jointly drafted by the Corporation and the Holders and shall not be construed against any such Person as the drafter hereof. The headings of this Certificate of Designations are for convenience of reference and shall not form part of, or affect the interpretation of, this Certificate of Designations. Unless the context clearly indicates otherwise, each pronoun herein shall be deemed to include the masculine, feminine, neuter, singular and plural forms thereof. The terms "including," "includes," "include" and words of like import shall be construed broadly as if followed by the words "without limitation." The terms "herein," "hereunder," "hereof" and words of like import refer to this entire Certificate of Designations instead of just the provision in which they are found. Unless expressly indicated otherwise, all section references are to sections of this Certificate of Designations.

20. Failure or Indulgence Not Waiver. No failure or delay on the part of a Holder in the exercise of any power, right or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such power, right or privilege preclude other or further exercise thereof or of any other right, power or privilege. No waiver shall be effective unless it is in writing and signed by an authorized representative of the waiving party. This Certificate of Designations shall be deemed to be jointly drafted by the Corporation and all Holders and shall not be construed against any Person as the drafter hereof. Notwithstanding the foregoing, nothing contained in this Section 20 shall permit any waiver of any provision of Section 4(d).

21. Dispute Resolution.

(a) Submission to Dispute Resolution.

(i) In the case of a dispute relating to a Closing Bid Price, a Closing Sale Price, a Conversion Price, Triggering Event Conversion Price, a VWAP or a fair market value or the arithmetic calculation of a Conversion Rate, or the applicable Redemption Price (as the case may be) (including, without limitation, a dispute relating to the determination of any of the foregoing), the Corporation or the applicable Holder (as the case may be) shall submit the dispute to the other party via facsimile or electronic mail (A) if by the Corporation, within two (2) Business Days after the occurrence of the circumstances giving rise to such dispute or (B) if by such Holder at any time after such Holder learned of the circumstances giving rise to such dispute. If such Holder and the Corporation are unable to promptly resolve such dispute relating to such Closing Bid Price, such Closing Sale Price, such Conversion Price, such Triggering Event Conversion Price, such VWAP or such fair market value, or the arithmetic calculation of such Conversion Rate or such applicable Redemption Price (as the case may be), at any time after the second

(2nd) Business Day following such initial notice by the Corporation or such Holder (as the case may be) of such dispute to the Corporation or such Holder (as the case may be), then such Holder may, at its sole option, select an independent, reputable investment bank to resolve such dispute.

(ii) Such Holder and the Corporation shall each deliver to such investment bank (A) a copy of the initial dispute submission so delivered in accordance with the first sentence of this Section 21 and (B) written documentation supporting its position with respect to such dispute, in each case, no later than 5:00 p.m. (New York time) by the fifth (5th) Business Day immediately following the date on which such Holder selected such investment bank (the “**Dispute Submission Deadline**”) (the documents referred to in the immediately preceding clauses (A) and (B) are collectively referred to herein as the “**Required Dispute Documentation**”) (it being understood and agreed that if either such Holder or the Corporation fails to so deliver all of the Required Dispute Documentation by the Dispute Submission Deadline, then the party who fails to so submit all of the Required Dispute Documentation shall no longer be entitled to (and hereby waives its right to) deliver or submit any written documentation or other support to such investment bank with respect to such dispute and such investment bank shall resolve such dispute based solely on the Required Dispute Documentation that was delivered to such investment bank prior to the Dispute Submission Deadline). Unless otherwise agreed to in writing by both the Corporation and such Holder or otherwise requested by such investment bank, neither the Corporation nor such Holder shall be entitled to deliver or submit any written documentation or other support to such investment bank in connection with such dispute (other than the Required Dispute Documentation).

(iii) The Corporation and such Holder shall cause such investment bank to determine the resolution of such dispute and notify the Corporation and such Holder of such resolution no later than ten (10) Business Days immediately following the Dispute Submission Deadline. The fees and expenses of such investment bank shall be borne solely by the Corporation, and such investment bank’s resolution of such dispute shall be final and binding upon all parties absent manifest error.

(b) Miscellaneous. The Corporation expressly acknowledges and agrees that (i) this Section 21 constitutes an agreement to arbitrate between the Corporation and each Holder (and constitutes an arbitration agreement) under § 7501, et seq. of the New York Civil Practice Law and Rules (“CPLR”) and that any Holder is authorized to apply for an order to compel arbitration pursuant to CPLR § 7503(a) in order to compel compliance with this Section 21, (ii) a dispute relating to a Conversion Price includes, without limitation, disputes as to (A) whether an issuance or sale or deemed issuance or sale of Common Stock occurred under Section 8(a), (B) the consideration per share at which an issuance or deemed issuance of Common Stock occurred, (C) whether any issuance or sale or deemed issuance or sale of Common Stock was an issuance or sale or deemed issuance or sale of Excluded Securities, (D) whether an agreement, instrument, security or the like constitutes an Option or Convertible Security and (E) whether a Dilutive Issuance occurred, (iii) the terms of this Certificate of Designations and each other applicable

Transaction Document shall serve as the basis for the selected investment bank's resolution of the applicable dispute, such investment bank shall be entitled (and is hereby expressly authorized) to make all findings, determinations and the like that such investment bank determines are required to be made by such investment bank in connection with its resolution of such dispute and in resolving such dispute such investment bank shall apply such findings, determinations and the like to the terms of this Certificate of Designations, (iv) the applicable Holder (and only such Holder with respect to disputes solely relating to such Holder), in its sole discretion, shall have the right to submit any dispute described in this Section 21 to any state or federal court sitting in The City of New York, Borough of Manhattan in lieu of utilizing the procedures set forth in this Section 21 and (v) nothing in this Section 21 shall limit such Holder from obtaining any injunctive relief or other equitable remedies (including, without limitation, with respect to any matters described in this Section 21).

22. Notices; Currency; Payments.

(a) Notices. The Corporation shall provide each Holder of Preferred Shares with prompt written notice of all actions taken pursuant to the terms of this Certificate of Designations, including in reasonable detail a description of such action and the reason therefor. Whenever notice is required to be given under this Certificate of Designations, unless otherwise provided herein, such notice must be in writing. Any notices, consents, waivers or other communications required or permitted to be given under the terms of this Certificate of Designations will be deemed to have been delivered: (i) upon receipt, when delivered personally; (ii) upon receipt, when sent by e-mail (provided confirmation of transmission is electronically generated and kept on file by the sending party); or (iii) one (1) Business Day after deposit with an overnight courier service, in each case properly addressed to the party to receive the same based on the address provided to the Corporation by each Holder, as the same may be updated from time to time. The Corporation shall provide each Holder with prompt written notice of all actions taken pursuant to this Certificate of Designations, including in reasonable detail a description of such action and the reason therefore. Without limiting the generality of the foregoing, the Corporation shall give written notice to each Holder (i) immediately upon any adjustment of the Conversion Price, setting forth in reasonable detail, and certifying, the calculation of such adjustment and (ii) at least fifteen (15) days prior to the date on which the Corporation closes its books or takes a record (A) with respect to any dividend or distribution upon the Common Stock, (B) with respect to any grant, issuances, or sales of any Options, Convertible Securities or rights to purchase stock, warrants, securities or other property to holders of shares of Common Stock or (C) for determining rights to vote with respect to any Fundamental Transaction, dissolution or liquidation, provided in each case that such information shall be made known to the public prior to or in conjunction with such notice being provided to such Holder.

(b) Currency. All dollar amounts referred to in this Certificate of Designations are in United States Dollars ("U.S. Dollars"), and all amounts owing under this Certificate of Designations shall be paid in U.S. Dollars. All amounts denominated in other currencies (if any) shall be converted into the U.S. Dollar equivalent amount in accordance with the Exchange Rate on the date of calculation. "Exchange Rate" means, in relation to any

amount of currency to be converted into U.S. Dollars pursuant to this Certificate of Designations, the U.S. Dollar exchange rate as published in the Wall Street Journal on the relevant date of calculation (it being understood and agreed that where an amount is calculated with reference to, or over, a period of time, the date of calculation shall be the final date of such period of time).

(c) Payments. Whenever any payment of cash is to be made by the Corporation to any Person pursuant to this Certificate of Designations, unless otherwise expressly set forth herein, such payment shall be made in lawful money of the United States of America by a certified check drawn on the account of the Corporation and sent via overnight courier service to such Person at such address as previously provided to the Corporation in writing, provided that such Holder may elect to receive a payment of cash via wire transfer of immediately available funds by providing the Corporation with prior written notice setting out such request and such Holder's wire transfer instructions. Whenever any amount expressed to be due by the terms of this Certificate of Designations is due on any day which is not a Business Day, the same shall instead be due on the next succeeding day which is a Business Day. Any amount due which is not paid when due shall result in a late charge being incurred and payable by the Corporation in an amount equal to interest on such amount at the rate of eighteen percent (18%) per annum from the date such amount was due until the same is paid in full ("**Late Charge**").

23. Waiver of Notice. To the extent permitted by law, the Corporation hereby irrevocably waives demand, notice, presentment, protest and all other demands and notices in connection with the delivery, acceptance, performance, default or enforcement of this Certificate of Designations.

24. Governing Law. This Certificate of Designations shall be construed and enforced in accordance with, and all questions concerning the construction, validity, interpretation and performance of this Certificate of Designations shall be governed by, the internal laws of the State of Nevada, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of Nevada or any other jurisdictions) that would cause the application of the laws of any jurisdictions other than the State of Nevada. Except as otherwise required by Section 21 above, the Corporation hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in The City of New York, Borough of Manhattan, for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein, and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is brought in an inconvenient forum or that the venue of such suit, action or proceeding is improper. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. Nothing contained herein (i) shall be deemed or operate to preclude any Holder from bringing suit or taking other legal action against the Corporation in any other jurisdiction to collect on the Corporation's obligations to such Holder, to realize on any collateral or any other security for such obligations, or to enforce a judgment or other court ruling in favor of such Holder or (ii) shall limit, or shall be deemed or construed to limit, any provision of Section 21. **THE CORPORATION HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE TO, AND AGREES NOT TO**

**REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE
HEREUNDER OR IN CONNECTION WITH OR ARISING OUT OF THIS
CERTIFICATE OF DESIGNATIONS OR ANY TRANSACTION CONTEMPLATED
HEREBY.**

25. Judgment Currency.

(a) If for the purpose of obtaining or enforcing judgment against the Corporation in any court in any jurisdiction it becomes necessary to convert into any other currency (such other currency being hereinafter in this Section 2425 referred to as the "**Judgment Currency**") an amount due in U.S. dollars under this Certificate of Designations, the conversion shall be made at the Exchange Rate prevailing on the Trading Day immediately preceding:

(i) the date actual payment of the amount due, in the case of any proceeding in the courts of New York or in the courts of any other jurisdiction that will give effect to such conversion being made on such date: or

(ii) the date on which the foreign court determines, in the case of any proceeding in the courts of any other jurisdiction (the date as of which such conversion is made pursuant to this Section 25(a)(ii) being hereinafter referred to as the "**Judgment Conversion Date**").

(b) If in the case of any proceeding in the court of any jurisdiction referred to in Section 25(a)(ii) above, there is a change in the Exchange Rate prevailing between the Judgment Conversion Date and the date of actual payment of the amount due, the applicable party shall pay such adjusted amount as may be necessary to ensure that the amount paid in the Judgment Currency, when converted at the Exchange Rate prevailing on the date of payment, will produce the amount of US dollars which could have been purchased with the amount of Judgment Currency stipulated in the judgment or judicial order at the Exchange Rate prevailing on the Judgment Conversion Date.

(c) Any amount due from the Corporation under this provision shall be due as a separate debt and shall not be affected by judgment being obtained for any other amounts due under or in respect of this Certificate of Designations.

26. Severability. If any provision of this Certificate of Designations is prohibited by law or otherwise determined to be invalid or unenforceable by a court of competent jurisdiction, the provision that would otherwise be prohibited, invalid or unenforceable shall be deemed amended to apply to the broadest extent that it would be valid and enforceable, and the invalidity or unenforceability of such provision shall not affect the validity of the remaining provisions of this Certificate of Designations so long as this Certificate of Designations as so modified continues to express, without material change, the original intentions of the parties as to the subject matter hereof and the prohibited nature, invalidity or unenforceability of the provision(s) in question does not substantially impair the respective expectations or reciprocal obligations of the parties or the practical realization of the benefits that would otherwise be conferred upon the parties. The parties will endeavor in good faith negotiations to replace the prohibited, invalid or unenforceable

provision(s) with a valid provision(s), the effect of which comes as close as possible to that of the prohibited, invalid or unenforceable provision(s).

27. **Maximum Payments.** Nothing contained herein shall be deemed to establish or require the payment of a rate of interest or other charges in excess of the maximum permitted by applicable law. In the event that the rate of interest required to be paid or other charges hereunder exceed the maximum permitted by such law, any payments in excess of such maximum shall be credited against amounts owed by the Corporation to the applicable Holder and thus refunded to the Corporation.

28. **Stockholder Matters: Amendment.**

(a) **Stockholder Matters.** Any stockholder action, approval or consent required, desired or otherwise sought by the Corporation pursuant to the NRS, the Articles of Incorporation, this Certificate of Designations or otherwise with respect to the issuance of Preferred Shares may be effected by written consent of the Corporation's stockholders or at a duly called meeting of the Corporation's stockholders, all in accordance with the applicable rules and regulations of the NRS. This provision is intended to comply with the applicable sections of the NRS permitting stockholder action, approval and consent affected by written consent in lieu of a meeting.

(b) **Amendment.** This Certificate of Designations or any provision hereof may be amended by obtaining the affirmative vote at a meeting duly called for such purpose, or written consent without a meeting in accordance with the NRS, of the Required Holders, voting separate as a single class, and with such other stockholder approval, if any, as may then be required pursuant to the NRS and the Articles of Incorporation.

29. **Certain Defined Terms.** For purposes of this Certificate of Designations, the following terms shall have the following meanings:

(a) **"1934 Act"** means the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder.

(b) **"Additional Amount"** means, as of the applicable date of determination, with respect to each Preferred Share, all declared and unpaid dividends on such Preferred Share.

(c) **"Affiliate"** means, with respect to any Person, any other Person that directly or indirectly controls, is controlled by, or is under common control with, such Person, it being understood for purposes of this definition that "control" of a Person means the power directly or indirectly either to vote 10% or more of the stock having ordinary voting power for the election of directors of such Person or direct or cause the direction of the management and policies of such Person whether by contract or otherwise.

(d) **"Adjustment Right"** means any right granted with respect to any securities issued in connection with, or with respect to, any issuance or sale (or deemed issuance or sale in accordance with Section 8(a)) of shares of Common Stock (other than rights of the type described in Section 7(a) hereof) that could result in a decrease in the net consideration

received by the Corporation in connection with, or with respect to, such securities (including, without limitation, any cash settlement rights, cash adjustment or other similar rights).

(c) **“Approved Stock Plan”** means any employee benefit plan or agreement which has been approved by the Board of Directors of directors of the Corporation prior to or subsequent to the Initial Issuance Date pursuant to which shares of Common Stock and standard options to purchase Common Stock may be issued to any employee, officer, consultant or director for services provided to the Corporation in their capacity as such.

(f) **“Attribution Parties”** means, collectively, the following Persons and entities: (i) any investment vehicle, including, any funds, feeder funds or managed accounts, currently, or from time to time after the Initial Issuance Date, directly or indirectly managed or advised by a Holder’s investment manager or any of its Affiliates or principals, (ii) any direct or indirect Affiliates of such Holder or any of the foregoing, (iii) any Person acting or who could be deemed to be acting as a Group together with such Holder or any of the foregoing and (iv) any other Persons whose beneficial ownership of the Corporation’s Common Stock would or could be aggregated with such Holder’s and the other Attribution Parties for purposes of Section 13(d) of the 1934 Act. For clarity, the purpose of the foregoing is to subject collectively such Holder and all other Attribution Parties to the Maximum Percentage.

(g) **“Bankruptcy Triggering Events”** means each of the following events:

(i) bankruptcy, insolvency, reorganization or liquidation proceedings or other proceedings for the relief of debtors shall be instituted by or against the Corporation or any Subsidiary and, if instituted against the Corporation or any Subsidiary by a third party, shall not be dismissed within thirty (30) days of their initiation;

(ii) the commencement by the Corporation or any Subsidiary of a voluntary case or proceeding under any applicable federal, state or foreign bankruptcy, insolvency, reorganization or other similar law or of any other case or proceeding to be adjudicated a bankrupt or insolvent, or the consent by it to the entry of a decree, order, judgment or other similar document in respect of the Corporation or any Subsidiary in an involuntary case or proceeding under any applicable federal, state or foreign bankruptcy, insolvency, reorganization or other similar law or to the commencement of any bankruptcy or insolvency case or proceeding against it, or the filing by it of a petition or answer or consent seeking reorganization or relief under any applicable federal, state or foreign law, or the consent by it to the filing of such petition or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Corporation or any Subsidiary or of any substantial part of its property, or the making by it of an assignment for the benefit of creditors, or the execution of a composition of debts, or the occurrence of any other similar federal, state or foreign proceeding, or the admission by it in writing of its inability to pay its debts generally as they become due, the taking of corporate action by the

Corporation or any Subsidiary in furtherance of any such action or the taking of any action by any Person to commence a Uniform Commercial Code foreclosure sale or any other similar action under federal, state or foreign law;

(iii) the entry by a court of (A) a decree, order, judgment or other similar document in respect of the Corporation or any Subsidiary of a voluntary or involuntary case or proceeding under any applicable federal, state or foreign bankruptcy, insolvency, reorganization or other similar law or (B) a decree, order, judgment or other similar document adjudging the Corporation or any Subsidiary as bankrupt or insolvent, or approving as properly filed a petition seeking liquidation, reorganization, arrangement, adjustment or composition of or in respect of the Corporation or any Subsidiary under any applicable federal, state or foreign law or (C) a decree, order, judgment or other similar document appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Corporation or any Subsidiary or of any substantial part of its property, or ordering the winding up or liquidation of its affairs, and the continuance of any such decree, order, judgment or other similar document or any such other decree, order, judgment or other similar document unstayed and in effect for a period of thirty (30) consecutive days;

(h) **“Black Scholes Consideration Value”** means the value of the applicable Option, Convertible Security or Adjustment Right (as the case may be) as of the date of issuance thereof calculated using the Black Scholes Option Pricing Model obtained from the “OV” function on Bloomberg utilizing (i) an underlying price per share equal to the Closing Sale Price of the Common Stock on the Trading Day immediately preceding the public announcement of the execution of definitive documents with respect to the issuance of such Option, Convertible Security or Adjustment Right (as the case may be), (ii) a risk-free interest rate corresponding to the U.S. Treasury rate for a period equal to the remaining term of such Option, Convertible Security or Adjustment Right (as the case may be) as of the date of issuance of such Option, Convertible Security or Adjustment Right (as the case may be), (iii) a zero cost of borrow and (iv) an expected volatility equal to the greater of 100% and the 100 day volatility obtained from the HVT function on Bloomberg (determined utilizing a 365 day annualization factor) as of the Trading Day immediately following the date of issuance of such Option, Convertible Security or Adjustment Right (as the case may be).

(i) **“Bloomberg”** means Bloomberg, L.P.

(j) **“Business Day”** means any day other than Saturday, Sunday or other day on which commercial banks in The City of New York are authorized or required by law to remain closed.

(k) **“Change of Control”** means any Fundamental Transaction other than (i) any merger of the Corporation or any of its, direct or indirect, wholly-owned Subsidiaries with or into any of the foregoing Persons, (ii) any reorganization, recapitalization or reclassification of the shares of Common Stock in which holders of the Corporation’s voting power immediately prior to such reorganization, recapitalization or reclassification

continue after such reorganization, recapitalization or reclassification to hold publicly traded securities and, directly or indirectly, are, in all material respects, such holders of the voting power of the surviving entity (or entities with the authority or voting power to elect the members of the Board of Directors of directors (or their equivalent if other than a corporation) of such entity or entities) after such reorganization, recapitalization or reclassification, or (iii) pursuant to a migratory merger effected solely for the purpose of changing the jurisdiction of incorporation of the Corporation or any of its Subsidiaries.

(l) **“Change of Control Redemption Premium”** means 120%.

(m) **“Closing Bid Price”** and **“Closing Sale Price”** means, for any security as of any date, the last closing bid price and last closing trade price, respectively, for such security on the Principal Market, as reported by Bloomberg, or, if the Principal Market begins to operate on an extended hours basis and does not designate the closing bid price or the closing trade price (as the case may be) then the last bid price or last trade price, respectively, of such security prior to 4:00:00 p.m., New York time, as reported by Bloomberg, or, if the Principal Market is not the principal securities exchange or trading market for such security, the last closing bid price or last trade price, respectively, of such security on the principal securities exchange or trading market where such security is listed or traded as reported by Bloomberg, or if the foregoing do not apply, the last closing bid price or last trade price, respectively, of such security in the over-the-counter market on the electronic bulletin Board of Directors for such security as reported by Bloomberg, or, if no closing bid price or last trade price, respectively, is reported for such security by Bloomberg, the average of the bid prices, or the ask prices, respectively, of any market makers for such security as reported in the “pink sheets” by OTC Markets Group Inc. (formerly Pink Sheets LLC). If the Closing Bid Price or the Closing Sale Price cannot be calculated for a security on a particular date on any of the foregoing bases, the Closing Bid Price or the Closing Sale Price (as the case may be) of such security on such date shall be the fair market value as mutually determined by the Corporation and the Required Holder. If the Corporation and the Required Holders are unable to agree upon the fair market value of such security, then such dispute shall be resolved in accordance with the procedures in Section 21. All such determinations shall be appropriately adjusted for any stock splits, stock dividends, stock combinations, recapitalizations or other similar transactions during such period.

(n) **“Common Stock”** means (i) the Corporation’s shares of common stock, \$0.001 par value per share, and (ii) any capital stock into which such common stock shall have been changed or any share capital resulting from a reclassification of such common stock.

(o) **“Convertible Securities”** means any stock or other security (other than Options) that is at any time and under any circumstances, directly or indirectly, convertible into, exercisable or exchangeable for, or which otherwise entitles the holder thereof to acquire, any shares of Common Stock.

(p) “**Eligible Market**” means The New York Stock Exchange, the NYSE MKT, the Nasdaq Capital Market, the Nasdaq Global Select Market, the Nasdaq Global Market or the Principal Market.

(q) “**Event Market Price**” means, with respect to any Stock Combination Event Date, 125% of the quotient determined by dividing (x) the sum of the VWAP of the Common Stock for each of the five (5) lowest Trading Days during the twenty (20) consecutive Trading Day period ending and including the Trading Day immediately preceding the sixteenth (16th) Trading Day after such Stock Combination Event Date, divided by (y) five (5).

(r) “**Excluded Securities**” means (i) shares of Common Stock, restricted stock units or standard options to purchase Common Stock issued to directors, officers or employees of the Corporation for services rendered to the Corporation in their capacity as such pursuant to an Approved Stock Plan (as defined above), provided that the exercise price of any such options is not lowered, none of such options are amended to increase the number of shares issuable thereunder and none of the terms or conditions of any such options are otherwise materially changed in any manner that adversely affects any of the Buyers; (ii) shares of Common Stock issued upon the conversion or exercise of Convertible Securities (other than standard options to purchase Common Stock issued pursuant to an Approved Stock Plan that are covered by clause (i) above) issued prior to the Initial Issuance Date, provided that the conversion price of any such Convertible Securities (other than standard options to purchase Common Stock issued pursuant to an Approved Stock Plan that are covered by clause (i) above) is not lowered (other than in accordance with the terms thereof in effect as of the Initial Issuance Date) from the conversion price in effect as of the Initial Issuance Date (whether pursuant to the terms of such Convertible Securities or otherwise), none of such Convertible Securities (other than standard options to purchase Common Stock issued pursuant to an Approved Stock Plan that are covered by clause (i) above) are amended to increase the number of shares issuable thereunder and none of the terms or conditions of any such Convertible Securities (other than standard options to purchase Common Stock issued pursuant to an Approved Stock Plan that are covered by clause (i) above) are otherwise materially changed in any manner that adversely affects any of the Buyers; (iii) the shares of Common Stock issuable upon conversion of the Preferred Shares or otherwise pursuant to the terms of this Certificate of Designations; provided, that the terms of this Certificate of Designations are not amended, modified or changed on or after the Initial Issuance Date (other than antidilution adjustments pursuant to the terms thereof in effect as of the Initial Issuance Date), (iv) the shares of Common Stock issuable upon exercise of the Warrants or warrants required to be issued under the Securities Purchase Agreement; provided, that the terms of the Warrants and warrants are not amended, modified or changed on or after the date of their initial issuance (other than antidilution adjustments pursuant to the terms thereof in effect as of the date of their initial issuance), (v) securities issued to any Placement Agent or other registered broker-dealers as reasonable commissions or fees in connection with any financing transactions, (vi) securities issued pursuant to a merger, acquisition or similar transaction; provided that (A) the primary purpose of such issuance is not to raise capital, (B) the purchaser or acquirer of such securities in such issuance solely consists of either (1) the actual participants in such transactions, (2) the actual owners of such assets or securities acquired in such merger,

acquisition or similar transaction, (3) the shareholders, partners or members of the foregoing Persons and (4) Persons whose primary business does not consist of investing in securities, and (C) the number or amount (as the case may be) of such shares of Common Stock issued to such Person by the Corporation shall not be disproportionate to such Person's actual participation in such strategic licensing or development transactions or ownership of such assets or securities to be acquired by the Corporation (as applicable) or (vii) a strategic transaction approved by a majority of the disinterested directors of the Corporation, provided that (A) any such issuance shall only be to a person which is, itself or through its subsidiaries, an operating company in a business synergistic with the business of the Corporation and in which the Corporation receives benefits in addition to the investment of funds, (B) the primary purpose of such issuance is not to raise capital, (C) the purchaser or acquirer of such securities in such issuance solely consists of either (1) the actual participants in such strategic transactions, (2) the actual owners of such strategic assets or securities acquired in such merger or acquisition, (3) the shareholders, partners or members of the foregoing Persons and (4) Persons whose primary business does not consist of investing in securities, and (D) the number or amount (as the case may be) of such shares of Common Stock issued to such Person by the Corporation shall not be disproportionate to such Person's actual participation in such strategic licensing or development transactions or ownership of such strategic assets or securities to be acquired by the Corporation (as applicable).

(s) **"Fundamental Transaction"** means (A) that the Corporation shall, directly or indirectly, including through subsidiaries, Affiliates or otherwise, in one or more related transactions, (i) consolidate or merge with or into (whether or not the Corporation is the surviving corporation) another Subject Entity, or (ii) sell, assign, transfer, convey or otherwise dispose of all or substantially all of the properties or assets of the Corporation or any of its "significant subsidiaries" (as defined in Rule 1-02 of Regulation S-X) to one or more Subject Entities, or (iii) make, or allow one or more Subject Entities to make, or allow the Corporation to be subject to or have its Common Stock be subject to or party to one or more Subject Entities making, a purchase, tender or exchange offer that is accepted by the holders of at least either (x) 50% of the outstanding shares of Common Stock, (y) 50% of the outstanding shares of Common Stock calculated as if any shares of Common Stock held by all Subject Entities making or party to, or Affiliated with any Subject Entities making or party to, such purchase, tender or exchange offer were not outstanding; or (z) such number of shares of Common Stock such that all Subject Entities making or party to, or Affiliated with any Subject Entity making or party to, such purchase, tender or exchange offer, become collectively the beneficial owners (as defined in Rule 13d-3 under the 1934 Act) of at least 50% of the outstanding shares of Common Stock, or (iv) consummate a stock or share purchase agreement or other business combination (including, without limitation, a reorganization, recapitalization, spin-off or scheme of arrangement) with one or more Subject Entities whereby all such Subject Entities, individually or in the aggregate, acquire, either (x) at least 50% of the outstanding shares of Common Stock, (y) at least 50% of the outstanding shares of Common Stock calculated as if any shares of Common Stock held by all the Subject Entities making or party to, or Affiliated with any Subject Entity making or party to, such stock purchase agreement or other business combination were not outstanding; or (z) such number of shares of Common Stock such that the Subject Entities become collectively the beneficial owners (as defined in Rule 13d-3 under the

1934 Act) of at least 50% of the outstanding shares of Common Stock, or (v) reorganize, recapitalize or reclassify its Common Stock, (B) that the Corporation shall, directly or indirectly, including through subsidiaries, Affiliates or otherwise, in one or more related transactions, allow any Subject Entity individually or the Subject Entities in the aggregate to be or become the "beneficial owner" (as defined in Rule 13d-3 under the 1934 Act), directly or indirectly, whether through acquisition, purchase, assignment, conveyance, tender, tender offer, exchange, reduction in outstanding shares of Common Stock, merger, consolidation, business combination, reorganization, recapitalization, spin-off, scheme of arrangement, reorganization, recapitalization or reclassification or otherwise in any manner whatsoever, of either (x) at least 50% of the aggregate ordinary voting power represented by issued and outstanding Common Stock, (y) at least 50% of the aggregate ordinary voting power represented by issued and outstanding Common Stock not held by all such Subject Entities as of the date of this Certificate of Designations calculated as if any shares of Common Stock held by all such Subject Entities were not outstanding, or (z) a percentage of the aggregate ordinary voting power represented by issued and outstanding shares of Common Stock or other equity securities of the Corporation sufficient to allow such Subject Entities to effect a statutory short form merger or other transaction requiring other shareholders of the Corporation to surrender their shares of Common Stock without approval of the shareholders of the Corporation or (C) directly or indirectly, including through subsidiaries, Affiliates or otherwise, in one or more related transactions, the issuance of or the entering into any other instrument or transaction structured in a manner to circumvent, or that circumvents, the intent of this definition in which case this definition shall be construed and implemented in a manner otherwise than in strict conformity with the terms of this definition to the extent necessary to correct this definition or any portion of this definition which may be defective or inconsistent with the intended treatment of such instrument or transaction. Provided, however, it shall not be deemed to be a Fundamental Transaction if the Corporation enters into a subsidiary merger with a limited liability company and issues its members merger consideration consisting of (i) 414 million shares of Common Stock, (ii) warrants to purchase 28 million shares of Common Stock and (iii) contingent warrants only exercisable under certain circumstances and provided further that no more than 32 million shares of Common Stock may be issuable under an Equity Incentive Plan as of the closing of such merger.

(t) "**Group**" means a "group" as that term is used in Section 13(d) of the 1934 Act and as defined in Rule 13d-5 thereunder.

(u) "**Holder**" or "**Holders**" means a holder of Preferred Shares.

(v) "**Holder Pro Rata Amount**" means, with respect to any Holder, a fraction (i) the numerator of which is the number of Preferred Shares issued to such Holder on the Initial Issuance Date and (ii) the denominator of which is the number of Preferred Shares issued to all Holders on the Initial Issuance Date.

(w) "**Initial Issuance Date**" means, with respect to each Holder, the date such Holder initially acquired Preferred Shares.

(x) **“Liquidation Event”** means, whether in a single transaction or series of transactions, the voluntary or involuntary liquidation, dissolution or winding up of the Corporation or such Subsidiaries the assets of which constitute all or substantially all of the assets of the business of the Corporation and its Subsidiaries, taken as a whole.

(y) **“Options”** means any rights, warrants or options to subscribe for or purchase shares of Common Stock or Convertible Securities.

(z) **“Parent Entity”** of a Person means an entity that, directly or indirectly, controls the applicable Person and whose common stock or equivalent equity security is quoted or listed on an Eligible Market, or, if there is more than one such Person or Parent Entity, the Person or Parent Entity with the largest public market capitalization as of the date of consummation of the Fundamental Transaction.

(aa) **“Person”** means an individual, a limited liability Corporation, a partnership, a joint venture, a corporation, a trust, an unincorporated organization, any other entity or a government or any department or agency thereof.

(bb) **“Principal Market”** means the OTCQB.

(cc) **“Redemption Notices”** means, collectively, the Triggering Events Redemption Notices and the Change of Control Redemption Notices, and each of the foregoing, individually, a **“Redemption Notice.”**

(dd) **“Redemption Premium”** means 120%.

(ee) **“Redemption Prices”** means, collectively, Triggering Event Redemption Prices and the Change of Control Redemption Prices, and each of the foregoing, individually, a **“Redemption Price.”**

(ff) **“SEC”** means the Securities and Exchange Commission or the successor thereto.

(gg) **“Securities Purchase Agreement”** means that certain securities purchase agreement relating to the Series A Convertible Preferred Stock to be entered into by and among the Corporation and the subscribers thereto, as may be amended from time in accordance with the terms thereof.

(hh) **“Stated Value”** shall mean \$11.25 per share, subject to adjustment for stock splits, stock dividends, recapitalizations, reorganizations, reclassifications, combinations, subdivisions or other similar events occurring after the Initial Issuance Date with respect to the Preferred Shares.

(ii) **“Subject Entity”** means any Person, Persons or Group or any Affiliate or associate of any such Person, Persons or Group.

(jj) **“Subsidiary”** when used with respect to any Person, means any corporation or other organization, whether incorporated or unincorporated, of which (A)

at least a majority of the securities or other interests having by their terms ordinary voting power to elect a majority of the board of directors or others performing similar functions with respect to such corporation or other organization is directly or indirectly owned or controlled by such Person (through ownership of securities, by contract or otherwise) or (B) such Person or any subsidiary of such Person is a general partner of any general partnership or a manager of any limited liability company.

(kk) **“Successor Entity”** means the Person (or, if so elected by the Required Holders, the Parent Entity) formed by, resulting from or surviving any Fundamental Transaction or the Person (or, if so elected by the Required Holders, the Parent Entity) with which such Fundamental Transaction shall have been entered into.

(ll) **“Trading Day”** means, as applicable, (x) with respect to all price or trading volume determinations relating to the Common Stock, any day on which the Common Stock is traded on the Principal Market, or, if the Principal Market is not the principal trading market for the Common Stock, then on the principal securities exchange or securities market on which the Common Stock is then traded, provided that “Trading Day” shall not include any day on which the Common Stock is scheduled to trade on such exchange or market for less than 4.5 hours or any day that the Common Stock is suspended from trading during the final hour of trading on such exchange or market (or if such exchange or market does not designate in advance the closing time of trading on such exchange or market, then during the hour ending at 4:00:00 p.m., New York time) unless such day is otherwise designated as a Trading Day in writing by the Holder or (y) with respect to all determinations other than price determinations relating to the Common Stock, any day on which The New York Stock Exchange (or any successor thereto) is open for trading of securities.

(mm) **“Triggering Event Conversion Price”** means, as of any Triggering Event Conversion Date, 75% of the lowest VWAP of the Common Stock during the ten (10) consecutive Trading Day period immediately prior to such Triggering Event Conversion Date. All such determinations to be appropriate adjusted for any stock split, stock dividend, stock combination or other similar transaction during such measuring period.

(nn) **“Triggering Events”** means each of the following events:

(i) the suspension from trading or failure of the Common Stock to be trading or listed (as applicable) on an Eligible Market for a period of five (5) consecutive Trading Days;

(ii) Except as may be provided in a separate written agreement, the Corporation’s notice, written or oral, to any holder of Preferred Shares, including, without limitation, by way of public announcement or through any of its agents, at any time, of its intention not to comply, as required, with a request for conversion of any Preferred Shares into shares of Common Stock that is requested in accordance with the provisions of this Certificate of Designations, other than pursuant to Section 4(d) hereof;

(iii) Except as other provided herein, at any time following the tenth (10th) consecutive day that a Holder's Authorized Share Allocation (as defined in Section 10(a) above) is less than 300% of the number of shares of Common Stock that such Holder would be entitled to receive upon a conversion, in full, of all of the Preferred Shares then held by such Holder (without regard to any limitations on conversion set forth in this Certificate of Designations);

(iv) the Corporation's failure to pay any amount when and as due under this Certificate of Designations (including, without limitation, the Corporation's failure to pay any redemption payments or amounts hereunder), or any other agreement, document, certificate or other instrument delivered in connection with the transactions contemplated hereby and thereby (in each case, whether or not permitted pursuant to the NRS), except, in the case of a failure to pay Late Charges when and as due, in each such case only if such failure remains uncured for a period of at least three (3) Trading Days;

(v) the Corporation, on two or more occasions, either (A) fails to cure a Conversion Failure or by delivery of the required number of shares of Common Stock within five (5) Trading Days after the applicable Conversion Date or (B) fails to remove any restrictive legend on any certificate or any shares of Common Stock issued to such Holder upon conversion of Preferred Shares, unless otherwise then prohibited by applicable federal securities laws, and any such failure remains uncured for at least five (5) Trading Days;

(vi) the occurrence of any default under, redemption of or acceleration prior to maturity of at least an aggregate of \$50,000 of indebtedness of the Corporation or any of its Subsidiaries;

(vii) any Bankruptcy Triggering Event occurs;

(viii) a final judgment or judgments for the payment of money aggregating in excess of \$50,000 are rendered against the Corporation and/or any of its Subsidiaries and which judgments are not, within thirty (30) days after the entry thereof, bonded, discharged, settled or stayed pending appeal, or are not discharged within thirty (30) days after the expiration of such stay; provided, however, any judgment which is covered by insurance or an indemnity from a credit worthy party shall not be included in calculating the \$150,000 amount set forth above so long as the Corporation provides each Holder a written statement from such insurer or indemnity provider (which written statement shall be reasonably satisfactory to each Holder) to the effect that such judgment is covered by insurance or an indemnity and the Corporation or such Subsidiary (as the case may be) will receive the proceeds of such insurance or indemnity within thirty (30) days of the issuance of such judgment;

(ix) the Corporation and/or any Subsidiary, individually or in the aggregate, either (i) fails to pay, when due, or within any applicable grace period, any payment with respect to any indebtedness in excess of \$50,000 due to any third

party (other than, with respect to unsecured indebtedness only, payments contested by the Corporation and/or such Subsidiary (as the case may be) in good faith by proper proceedings and with respect to which adequate reserves have been set aside for the payment thereof in accordance with GAAP) or is otherwise in breach or violation of any agreement for monies owed or owing in an amount in excess of 50,000, which breach or violation permits the other party thereto to declare a default or otherwise accelerate amounts due thereunder, or (ii) suffer to exist any other circumstance or event that would, with or without the passage of time or the giving of notice, result in a default or event of default under any agreement binding the Corporation or any Subsidiary, which default or event of default would or is likely to have a material adverse effect on the business, assets, operations (including results thereof), liabilities, properties, condition (including financial condition) or prospects of the Corporation or any of its Subsidiaries, individually or in the aggregate;

(x) other than as specifically set forth in another clause of this definition, the Corporation or any Subsidiary breaches any representation or warranty in any material respect (other than representations or warranties subject to material adverse effect or materiality, which may not be breached in any respect) or any covenant or other term or condition of any Transaction Document, except, in the case of a breach of a covenant or other term or condition that is curable, only if such breach remains uncured for a period of five (5) consecutive Trading Days; or

(xi) a false or inaccurate certification (including a false or inaccurate deemed certification) by the Corporation as to whether any Triggering Event has or has not occurred.

(oo) "VWAP" means, for any security as of any date, the dollar volume-weighted average price for such security on the Principal Market (or, if the Principal Market is not the principal trading market for such security, then on the principal securities exchange or securities market on which such security is then traded) during the period beginning at 9:30:01 a.m., New York time, and ending at 4:00:00 p.m., New York time, as reported by Bloomberg through its "Volume at Price" function or, if the foregoing does not apply, the dollar volume-weighted average price of such security in the over-the-counter market on the electronic bulletin Board of Directors for such security during the period beginning at 9:30:01 a.m., New York time, and ending at 4:00:00 p.m., New York time, as reported by Bloomberg, or, if no dollar volume-weighted average price is reported for such security by Bloomberg for such hours, the average of the highest closing bid price and the lowest closing ask price of any of the market makers for such security as reported in the "pink sheets" by OTC Markets Group Inc. (formerly Pink Sheets LLC). If the VWAP cannot be calculated for such security on such date on any of the foregoing bases, the VWAP of such security on such date shall be the fair market value as mutually determined by the Corporation and the Required Holders. If the Corporation and the Required Holders are unable to agree upon the fair market value of such security, then such dispute shall be resolved in accordance with the procedures in Section 21. All such determinations shall

be appropriately adjusted for any stock dividend, stock split, stock combination, recapitalization or other similar transaction during such period.

(pp) “**Warrants**” has the meaning ascribed to such term in the Securities Purchase Agreement, and shall include all warrants issued in exchange therefor or replacement thereof.

(qq) “**Warrant Shares**” means, collectively, the shares of Common Stock issuable upon exercise of the Warrants.

30. Disclosure. Upon receipt or delivery by the Corporation of any notice in accordance with the terms of this Certificate of Designations, unless the Corporation has in good faith determined that the matters relating to such notice do not constitute material, non-public information relating to the Corporation or any of its Subsidiaries, the Corporation shall within one (1) Business Day after any such receipt or delivery publicly disclose such material, non-public information on a Current Report on Form 8-K or otherwise. In the event that the Corporation believes that a notice contains material, non-public information relating to the Corporation or any of its Subsidiaries, the Corporation so shall indicate to such Holder contemporaneously with delivery of such notice, and in the absence of any such indication, such Holder shall be allowed to presume that all matters relating to such notice do not constitute material, non-public information relating to the Corporation or any of its Subsidiaries. If the Corporation or any of its Subsidiaries provides material non-public information to a Holder that is not simultaneously filed in a Current Report on Form 8-K and such Holder has not agreed to receive such material non-public information, the Corporation hereby covenants and agrees that such Holder shall not have any duty of confidentiality to the Corporation, any of its Subsidiaries or any of their respective officers, directors, employees, affiliates or agents with respect to, or a duty to any of the foregoing not to trade on the basis of, such material non-public information. Nothing contained in this Section 30 shall limit any obligations of the Corporation, or any rights of any Holder.

* * * * *

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Designations of Series A-1 Convertible Preferred Stock of EnergyTek Corp. to be signed by its Chief Executive Officer and Secretary on this 24th day of August, 2016.

ENERGYTEK CORP.

By: 
Jonathan Read, Chief Executive Officer

EXHIBIT I

**ENERGYTEK CORP.
CONVERSION NOTICE**

Reference is made to the Certificate of Designations, Preferences and Rights of the Series A-1 Convertible Preferred Stock of EnergyTek Corp. (the "Certificate of Designations"). In accordance with and pursuant to the Certificate of Designations, the undersigned hereby elects to convert the number of shares of Series A-1 Convertible Preferred Stock, \$0.01 par value per share (the "Preferred Shares"), of EnergyTek Corp., a Delaware corporation (the "Corporation"), indicated below into shares of common stock, \$0.001 value per share (the "Common Stock"), of the Corporation, as of the date specified below.

Date of Conversion: _____

Aggregate number of Preferred Shares to be converted _____

Aggregate Stated Value of such Preferred Shares to be converted: _____

Aggregate accrued and unpaid dividends and accrued and unpaid Late Charges with respect to such Preferred Shares and such aggregate dividends to be converted: _____

AGGREGATE CONVERSION AMOUNT TO BE CONVERTED: _____

Please confirm the following information:

Conversion Price: _____

Number of shares of Common Stock to be issued: _____

Please issue the Common Stock into which the applicable Preferred Shares are being converted to Holder, or for its benefit, as follows:

Check here if requesting delivery as a certificate to the following name and to the following address:

Issue to: _____

Check here if requesting delivery by Deposit/Withdrawal at Custodian as follows:

DTC Participant: _____

DTC Number: _____

Account Number: _____

Date: _____, _____

Name of Registered Holder

By: _____

Name:
Title:

Tax ID: _____

Facsimile: _____

E-mail Address:

EXHIBIT II

ACKNOWLEDGMENT

The Corporation hereby acknowledges this Conversion Notice and hereby directs _____ to issue the above indicated number of shares of Common Stock in accordance with the Transfer Agent Instructions dated _____, 20__ from the Corporation and acknowledged and agreed to by _____.

ENERGYTEK CORP.

By: _____
Name:
Title:



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



150303

**Amendment to
 Certificate of Designation
 After Issuance of Class or Series**
 (PURSUANT TO NRS 78.1955)

Filed in the office of <i>Barbara K. Cegavske</i> Barbara K. Cegavske Secretary of State State of Nevada	Document Number 20160397891-16 Filing Date and Time 09/07/2016 2:13 PM Entity Number C6791-2001
--	---

USE BLACK INK ONLY - DO NOT HIGHLIGHT

ABOVE SPACE IS FOR OFFICE USE ONLY

**Certificate of Amendment to Certificate of Designation
 For Nevada Profit Corporations**
 (Pursuant to NRS 78.1955 - After Issuance of Class or Series)

1. Name of corporation:
 EnergyTek Corp.

2. Stockholder approval pursuant to statute has been obtained.

3. The class or series of stock being amended:
 Series A Convertible Preferred Stock


4. By a resolution adopted by the board of directors, the certificate of designation is being amended as follows or the new class or series is:
 RESOLVED, that the Board hereby adopts the Second Amended and Restated Certificate of Designations of the Series A Convertible Preferred Stock, \$0.01 par value per share, as follows:

[CONTINUED ON ATTACHMENT PAGES]

5. Effective date of filing: (optional)

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

6. Signature: (required)

X 

 Signature of Officer

Filing fee: \$175.00

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

This form must be accompanied by appropriate fees.

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

SECOND AMENDED AND RESTATED

CERTIFICATE OF DESIGNATIONS, PREFERENCES AND RIGHTS OF THE
SERIES A CONVERTIBLE PREFERRED STOCK OF
ENERGYTEK CORP.

I, Jonathan Read, hereby certify that I am the Chief Executive Officer and Secretary of EnergyTek Corp. (the "**Corporation**"), a corporation organized and existing under the Nevada Revised Statutes (the "**NRS**"), and further do hereby certify:

That pursuant to the authority expressly conferred upon the Board of Directors of the Corporation (the "**Board of Directors**") by the Corporation's Articles of Incorporation, as amended (the "**Articles of Incorporation**"), the Board of Directors, by unanimous written consent of its directors pursuant to Article 4 of the Corporation's Articles of Incorporation and Section 78.315 of the NRS, on September 6, 2016, adopted the following resolutions in connection with designating shares of stock as Series A Convertible Preferred Stock, none of which shares have been issued:

RESOLVED, that the Board of Directors designates the Series A Convertible Preferred Stock and the number of shares constituting such series, and fixes the rights, powers, preferences, privileges and restrictions relating to such series in addition to any set forth in the Articles of Incorporation as follows:

TERMS OF SERIES A CONVERTIBLE PREFERRED STOCK

1. **Designation and Number of Shares.** There shall hereby be created and established a series of preferred stock of the Corporation designated as "Series A Convertible Preferred Stock" (the "**Preferred Shares**"). The authorized number of Preferred Shares shall be 134,000 shares. Each Preferred Share shall have a par value of \$0.01. Capitalized terms not defined herein shall have the meaning as set forth in Section 29 below.

2. **Ranking.** Except to the extent that the holders of at least a majority of the outstanding Preferred Shares which shall include Hudson Bay Master Fund Ltd. as long as it owns any Preferred Shares (the "**Required Holders**") expressly consent to the creation of Parity Stock (as defined below) or Senior Preferred Stock (as defined below) in accordance with Section 14, all shares of capital stock of the Corporation shall be junior in rank to all Preferred Shares with respect to the preferences as to dividends, distributions and payments upon the liquidation, dissolution and winding up of the Corporation (such junior stock is referred to herein collectively as "**Junior Stock**"). The rights of all such shares of capital stock of the Corporation shall be subject to the rights, powers, preferences and privileges of the Preferred Shares. Without limiting any other provision of this Certificate of Designations, without the prior express consent of the Required Holders, voting separate as a single class, the Corporation shall not hereafter authorize or issue any additional or other shares of capital stock that is (i) of senior rank to the Preferred Shares in respect of the preferences as to dividends, distributions and payments upon the liquidation, dissolution and winding up of the Corporation (collectively, the "**Senior Preferred Stock**"), (ii) of pari passu rank to the Preferred Shares in respect of the preferences as to dividends, distributions and payments upon the liquidation, dissolution and winding up of the Corporation (collectively,

the "Parity Stock") or (iii) any Junior Stock having a maturity date (or any other date requiring redemption or repayment of such shares of Junior Stock) that is prior to the date no Preferred Shares remain outstanding. In the event of the merger or consolidation of the Corporation with or into another corporation, the Preferred Shares shall maintain their relative rights, powers, designations, privileges and preferences provided for herein and no such merger or consolidation shall result inconsistent therewith. Notwithstanding anything to the contrary herein, the Corporation may offer and sell a series of Junior Stock which is junior as to liquidation, dividends and redemption as to all outstanding series of preferred stock as of the date this Certificate of Designations is filed with the Nevada Secretary of State (the "Filing Date") (i) for consideration of up to \$1,500,000 commencing 91 days after the Filing Date, and (ii) in any lesser or greater amount after 180 days from the Filing Date.

3. Dividends and Distributions. Each Holder of Preferred Shares shall be entitled to receive dividends or distributions on each Preferred Share on an "as converted" into Common Stock basis as provided in Section 4 hereof when and if dividends are declared on the Common Stock by the Board. Dividends shall be paid in cash or property, as determined by the Board of Directors.

4. Conversion. At any time after the earlier of (i) the Corporation having effected a one-for-six reverse stock split or combination or (ii) November 30, 2016, each Preferred Share shall be convertible into validly issued, fully paid and non-assessable shares of Common Stock (as defined below), on the terms and conditions set forth in this Section 4.

(a) Holder's Conversion Right. Subject to the provisions of Section 4(d), at any time or times on or after the Initial Issuance Date, each Holder shall be entitled to convert any portion of the outstanding Preferred Shares held by such Holder into validly issued, fully paid and non-assessable shares of Common Stock in accordance with Section 4(c) at the Conversion Rate (as defined below). The Corporation shall not issue any fraction of a share of Common Stock upon any conversion. If the issuance would result in the issuance of a fraction of a share of Common Stock, the Corporation shall round such fraction of a share of Common Stock up to the nearest whole share. The Corporation shall pay any and all transfer, stamp, issuance and similar taxes, costs and expenses (including, without limitation, fees and expenses of the Transfer Agent (as defined below)) that may be payable with respect to the issuance and delivery of Common Stock upon conversion of any Conversion Amount.

(b) Conversion Rate. The number of shares of Common Stock issuable upon conversion of any Preferred Share pursuant to Section 4(a) shall be determined by dividing (x) the Conversion Amount of such Preferred Share by (y) the Conversion Price (the "Conversion Rate"):

(i) "Conversion Amount" means, with respect to each Preferred Share, as of the applicable date of determination, the sum of (1) the Stated Value thereof plus (2) the Additional Amount thereon and any accrued and unpaid Late Charges with respect to such Stated Value and Additional Amount as of such date of determination.

(ii) “**Conversion Price**” means, with respect to each Preferred Share, as of any Conversion Date or other date of determination, \$0.0225, subject to adjustment as provided herein.

(c) Mechanics of Conversion. The conversion of each Preferred Share shall be conducted in the following manner:

(i) Optional Conversion. To convert a Preferred Share into shares of Common Stock on any date (a “**Conversion Date**”), a Holder shall deliver (whether via facsimile, electronic mail or otherwise), for receipt on or prior to 11:59 p.m., New York time, on such date, a copy of an executed notice of conversion of the share(s) of Preferred Shares subject to such conversion in the form attached hereto as Exhibit I (the “**Conversion Notice**”) to the Corporation. If required by Section 4(c)(iii), within three (3) Trading Days following a conversion of any such Preferred Shares as aforesaid, such Holder shall surrender to a nationally recognized overnight delivery service for delivery to the Corporation the original certificates representing the Preferred Shares (the “**Preferred Share Certificates**”) so converted as aforesaid (or an indemnification undertaking with respect to the Preferred Shares in the case of its loss, theft or destruction as contemplated by Section 16). On or before the first (1st) Trading Day following the date of receipt of a Conversion Notice, the Corporation shall transmit by facsimile or electronic mail an acknowledgment of confirmation, in the form attached hereto as Exhibit II, of receipt of such Conversion Notice to such Holder and the Corporation’s transfer agent (the “**Transfer Agent**”), which confirmation shall constitute an instruction to the Transfer Agent to process such Conversion Notice in accordance with the terms herein. On or before the third (3rd) Trading Day following the date of receipt of a Conversion Notice (or such earlier date as required pursuant to the 1934 Act or other applicable law, rule or regulation for the settlement of a trade initiated on the applicable Conversion Date of such shares of Common Stock issuable pursuant to such Conversion Notice) (the “**Share Delivery Deadline**”), the Corporation shall (1) provided that the Transfer Agent is participating in The Depository Trust Corporation’s (“**DTC**”) Fast Automated Securities Transfer Program, credit such aggregate number of shares of Common Stock to which such Holder shall be entitled to such Holder’s or its designee’s balance account with DTC through its Deposit/Withdrawal at Custodian system, or (2) if the Transfer Agent is not participating in the DTC Fast Automated Securities Transfer Program, issue and deliver (via reputable overnight courier) to the address as specified in such Conversion Notice, a certificate, registered in the name of such Holder or its designee, for the number of shares of Common Stock to which such Holder shall be entitled. If the number of Preferred Shares represented by the Preferred Share Certificate(s) submitted for conversion pursuant to Section 4(c)(iii) is greater than the number of Preferred Shares being converted, then the Corporation shall, as soon as practicable and in no event later than three (3) Trading Days after receipt of the Preferred Share Certificate(s) and at its own expense, issue and deliver to such Holder (or its designee) a new Preferred Share Certificate (in accordance with Section 16(d)) representing the number of Preferred Shares not converted. The Person or Persons entitled to receive the shares of Common Stock issuable upon a

conversion of Preferred Shares shall be treated for all purposes as the record holder or holders of such shares of Common Stock on the Conversion Date.

(ii) Corporation's Failure to Timely Convert. If the Corporation shall fail, for any reason or for no reason, on or prior to the applicable Share Delivery Deadline, to issue to such Holder a certificate for the number of shares of Common Stock to which such Holder is entitled and register such shares of Common Stock on the Corporation's share register or to credit such Holder's or its designee's balance account with DTC for such number of shares of Common Stock to which such Holder is entitled upon such Holder's conversion of any Conversion Amount (as the case may be) (a "**Conversion Failure**"), then, in addition to all other remedies available to such Holder, (X) the Corporation shall pay in cash to such Holder on each day after the Share Delivery Deadline and during such Conversion Failure an amount equal to 2% of the product of (A) the sum of the number of shares of Common Stock not issued to such Holder on or prior to the Share Delivery Deadline and to which such Holder is entitled, multiplied by (B) any trading price of the Common Stock selected by such Holder in writing as in effect at any time during the period beginning on the applicable Conversion Date and ending on the applicable Share Delivery Deadline, and (Y) such Holder, upon written notice to the Corporation, may void its Conversion Notice with respect to, and retain or have returned, as the case may be, all, or any portion, of such Preferred Shares that has not been converted pursuant to such Conversion Notice; provided that the voiding of an Conversion Notice shall not affect the Corporation's obligations to make any payments which have accrued prior to the date of such notice pursuant to this Section 4(c)(ii) or otherwise. In addition to the foregoing, if on or prior to the Share Delivery Deadline the Transfer Agent is not participating in the DTC Fast Automated Securities Transfer Program, the Corporation shall fail to issue and deliver to such Holder (or its designee) a certificate and register such shares of Common Stock on the Corporation's share register or, if the Transfer Agent is participating in the DTC Fast Automated Securities Transfer Program, the Transfer Agent shall fail to credit the balance account of such Holder or such Holder's designee with DTC for the number of shares of Common Stock to which such Holder is entitled upon such Holder's exercise hereunder or pursuant to the Corporation's obligation pursuant to clause (ii) below and if on or after such Share Delivery Deadline such Holder purchases (in an open market transaction or otherwise) shares of Common Stock to deliver in satisfaction of a sale by such Holder of all or any portion of the number of shares of Common Stock, or a sale of a number of shares of Common Stock equal to all or any portion of the number of shares of Common Stock, issuable upon such conversion that such Holder so is entitled to receive from the Corporation, then, in addition to all other remedies available to such Holder, the Corporation shall, within three (3) Business Days after receipt of such Holder's request and in such Holder's discretion, either: (I) pay cash to such Holder in an amount equal to such Holder's total purchase price (including brokerage commissions and other out-of-pocket expenses, if any) for the shares of Common Stock so purchased (including, without limitation, by any other Person in respect, or on behalf, of such Holder) (the "**Buy-In Price**"), at which point the Corporation's obligation to so issue and deliver such certificate or credit such

Holder's balance account with DTC for the number of shares of Common Stock to which such Holder is entitled upon such Holder's conversion hereunder (as the case may be) (and to issue such shares of Common Stock) shall terminate, or (II) promptly honor its obligation to so issue and deliver to such Holder a certificate or certificates representing such shares of Common Stock or credit such Holder's balance account with DTC for the number of shares of Common Stock to which such Holder is entitled upon such Holder's conversion hereunder (as the case may be) and pay cash to such Holder in an amount equal to the excess (if any) of the Buy-In Price over the product of (x) such number of shares of Common Stock multiplied by (y) the lowest Closing Sale Price of the Common Stock on any Trading Day during the period commencing on the date of the applicable Conversion Notice and ending on the date of such issuance and payment under this clause (II).

(iii) **Registration: Book-Entry.** The Corporation shall maintain a register (the "**Register**") for the recordation of the names and addresses of the Holders of each Preferred Share and the Stated Value of the Preferred Shares (the "**Registered Preferred Shares**"). The entries in the Register shall be conclusive and binding for all purposes absent manifest error. The Corporation and each Holder of the Preferred Shares shall treat each Person whose name is recorded in the Register as the owner of a Preferred Share for all purposes (including, without limitation, the right to receive payments and dividends hereunder) notwithstanding notice to the contrary. A Registered Preferred Share may be assigned, transferred or sold only by registration of such assignment or sale on the Register. Upon its receipt of a written request to assign, transfer or sell one or more Registered Preferred Shares by such Holder thereof, the Corporation shall record the information contained therein in the Register and issue one or more new Registered Preferred Shares in the same aggregate Stated Value as the Stated Value of the surrendered Registered Preferred Shares to the designated assignee or transferee pursuant to Section 16, provided that if the Corporation does not so record an assignment, transfer or sale (as the case may be) of such Registered Preferred Shares within two (2) Business Days of such a request, then the Register shall be automatically deemed updated to reflect such assignment, transfer or sale (as the case may be). Notwithstanding anything to the contrary set forth in this Section 4, following conversion of any Preferred Shares in accordance with the terms hereof, the applicable Holder shall not be required to physically surrender such Preferred Shares to the Corporation unless (A) the full or remaining number of Preferred Shares represented by the applicable Preferred Share Certificate are being converted (in which event such certificate(s) shall be delivered to the Corporation as contemplated by this Section 4(c)(iii)) or (B) such Holder has provided the Corporation with prior written notice (which notice may be included in a Conversion Notice) requesting reissuance of Preferred Shares upon physical surrender of the applicable Preferred Share Certificate. Each Holder and the Corporation shall maintain records showing the Stated Value, dividends and Late Charges converted and/or paid (as the case may be) and the dates of such conversions and/or payments (as the case may be) or shall use such other method, reasonably satisfactory to such Holder and the Corporation, so as not to require physical surrender of a Preferred Share Certificate upon

conversion. If the Corporation does not update the Register to record such Stated Value, dividends and Late Charges converted and/or paid (as the case may be) and the dates of such conversions and/or payments (as the case may be) within two (2) Business Days of such occurrence, then the Register shall be automatically deemed updated to reflect such occurrence. In the event of any dispute or discrepancy, such records of such Holder establishing the number of Preferred Shares to which the record holder is entitled shall be controlling and determinative in the absence of manifest error. A Holder and any transferee or assignee, by acceptance of a certificate, acknowledge and agree that, by reason of the provisions of this paragraph, following conversion of any Preferred Shares, the number of Preferred Shares represented by such certificate may be less than the number of Preferred Shares stated on the face thereof. Each Preferred Share Certificate shall bear the following legend:

ANY TRANSFEREE OR ASSIGNEE OF THIS CERTIFICATE SHOULD CAREFULLY REVIEW THE TERMS OF THE CORPORATION'S CERTIFICATE OF DESIGNATIONS RELATING TO THE SHARES OF SERIES A PREFERRED STOCK REPRESENTED BY THIS CERTIFICATE, INCLUDING SECTION 4(c)(iii) THEREOF. THE NUMBER OF SHARES OF SERIES A PREFERRED STOCK REPRESENTED BY THIS CERTIFICATE MAY BE LESS THAN THE NUMBER OF SHARES OF SERIES A PREFERRED STOCK STATED ON THE FACE HEREOF PURSUANT TO SECTION 4(c)(iii) OF THE CERTIFICATE OF DESIGNATIONS RELATING TO THE SHARES OF SERIES A PREFERRED STOCK REPRESENTED BY THIS CERTIFICATE.

(iv) Pro Rata Conversion; Disputes. In the event that the Corporation receives a Conversion Notice from more than one Holder for the same Conversion Date and the Corporation can convert some, but not all, of such Preferred Shares submitted for conversion, the Corporation shall convert from each Holder electing to have Preferred Shares converted on such date a pro rata amount of such Holder's Preferred Shares submitted for conversion on such date based on the number of Preferred Shares submitted for conversion on such date by such Holder relative to the aggregate number of Preferred Shares submitted for conversion on such date. In the event of a dispute as to the number of shares of Common Stock issuable to a Holder in connection with a conversion of Preferred Shares, the Corporation shall issue to such Holder the number of shares of Common Stock not in dispute and resolve such dispute in accordance with Section 21.

(d) Limitation on Beneficial Ownership. The Corporation shall not effect the conversion of any of the Preferred Shares held by a Holder, and such Holder shall not have the right to convert any of the Preferred Shares held by such Holder pursuant to the terms and conditions of this Certificate of Designations and any such conversion shall be null

and void and treated as if never made, to the extent that after giving effect to such conversion, such Holder together with the other Attribution Parties collectively would beneficially own in excess of 2.49% (the “**Maximum Percentage**”) of the shares of Common Stock outstanding immediately after giving effect to such conversion (which provision may be waived by such Holder by written notice from such Holder to the Corporation, which notice shall be effective 61 calendar days after the date of such notice). For purposes of the foregoing sentence, the aggregate number of shares of Common Stock beneficially owned by such Holder and the other Attribution Parties shall include the number of shares of Common Stock held by such Holder and all other Attribution Parties plus the number of shares of Common Stock issuable upon conversion of the Preferred Shares with respect to which the determination of such sentence is being made, but shall exclude shares of Common Stock which would be issuable upon (A) conversion of the remaining, nonconverted Preferred Shares beneficially owned by such Holder or any of the other Attribution Parties and (B) exercise or conversion of the unexercised or nonconverted portion of any other securities of the Corporation (including, without limitation, any convertible notes, convertible preferred stock or warrants, including the Warrants) beneficially owned by such Holder or any other Attribution Party subject to a limitation on conversion or exercise analogous to the limitation contained in this Section 4(d). For purposes of this Section 4(d), beneficial ownership shall be calculated in accordance with Section 13(d) of the 1934 Act. For purposes of determining the number of outstanding shares of Common Stock a Holder may acquire upon the conversion of such Preferred Shares without exceeding the Maximum Percentage, such Holder may rely on the number of outstanding shares of Common Stock as reflected in (x) the Corporation’s most recent Annual Report on Form 10-K, Quarterly Report on Form 10-Q, Current Report on Form 8-K or other public filing with the SEC, as the case may be, (y) a more recent public announcement by the Corporation or (z) any other written notice by the Corporation or the Transfer Agent, if any, setting forth the number of shares of Common Stock outstanding (the “**Reported Outstanding Share Number**”). If the Corporation receives a Conversion Notice from a Holder at a time when the actual number of outstanding shares of Common Stock is less than the Reported Outstanding Share Number, the Corporation shall notify such Holder in writing of the number of shares of Common Stock then outstanding and, to the extent that such Conversion Notice would otherwise cause such Holder’s beneficial ownership, as determined pursuant to this Section 4(d), to exceed the Maximum Percentage, such Holder must notify the Corporation of a reduced number of shares of Common Stock to be purchased pursuant to such Conversion Notice. For any reason at any time, upon the written or oral request of any Holder, the Corporation shall within one (1) Business Day confirm orally and in writing or by electronic mail to such Holder the number of shares of Common Stock then outstanding. In any case, the number of outstanding shares of Common Stock shall be determined after giving effect to the conversion or exercise of securities of the Corporation, including such Preferred Shares, by such Holder and any other Attribution Party since the date as of which the Reported Outstanding Share Number was reported. In the event that the issuance of shares of Common Stock to a Holder upon conversion of such Preferred Shares results in such Holder and the other Attribution Parties being deemed to beneficially own, in the aggregate, more than the Maximum Percentage of the number of outstanding shares of Common Stock (as determined under Section 13(d) of the 1934 Act), the number of shares

so issued by which such Holder's and the other Attribution Parties' aggregate beneficial ownership exceeds the Maximum Percentage (the "Excess Shares") shall be deemed null and void and shall be cancelled ab initio, and such Holder shall not have the power to vote or to transfer the Excess Shares. For purposes of clarity, the shares of Common Stock issuable to a Holder pursuant to the terms of this Certificate of Designations in excess of the Maximum Percentage shall not be deemed to be beneficially owned by such Holder for any purpose including for purposes of Section 13(d) or Rule 16a-1(a)(1) of the 1934 Act. No prior inability to convert such Preferred Shares pursuant to this paragraph shall have any effect on the applicability of the provisions of this paragraph with respect to any subsequent determination of convertibility. The provisions of this paragraph shall be construed and implemented in a manner otherwise than in strict conformity with the terms of this Section 4(d) to the extent necessary to correct this paragraph (or any portion of this paragraph) which may be defective or inconsistent with the intended beneficial ownership limitation contained in this Section 4(d) or to make changes or supplements necessary or desirable to properly give effect to such limitation. The limitation contained in this paragraph may not be waived and shall apply to a successor holder of such Preferred Shares.

(e) Triggering Event Conversion.

(i) General. Subject to Section 4(d), at any time during the period commencing on the date of the occurrence of a Triggering Event and ending on the earlier to occur of (x) the date of the cure of such Triggering Event and (y) twenty (20) Trading Days after the date the Corporation delivers written notice to the Holder of such Triggering Event, a Holder may, at such Holder's option, by delivery of a Conversion Notice to the Corporation (the date of any such Conversion Notice, each an "**Triggering Event Conversion Date**"), convert all, or any number of Preferred Shares (such Conversion Amount of the Preferred Shares to be converted pursuant to this Section 4(e), the "**Triggering Event Conversion Amount**") into shares of Common Stock at the Triggering Event Conversion Price (each, a "**Triggering Event Conversion**").

(ii) Mechanics of Triggering Event Conversion. On any Triggering Event Conversion Date, a Holder may voluntarily convert any Triggering Event Conversion Amount pursuant to Section 4(c) (with "Triggering Event Conversion Price" replacing "Conversion Price" for all purposes hereunder with respect to such Triggering Event Conversion and "Redemption Premium of the Conversion Amount" replacing "Conversion Amount" in clause (x) of the definition of Conversion Rate above with respect to such Triggering Event Conversion) by designating in the Conversion Notice delivered pursuant to this Section 4(e) of this Certificate of Designations that such Holder is electing to use the Triggering Event Conversion Price for such conversion. Notwithstanding anything to the contrary in this Section 4(e), but subject to Section 4(d), until the Corporation delivers shares of Common Stock representing the applicable Triggering Event Conversion Amount to such Holder, such Triggering Event Conversion Amount may be converted by such Holder into shares of Common Stock pursuant to Section 4(c) without regard to this Section 4(e).

(f) Until the earlier of (1) the date that the Corporation effects a one-for-six combination or reverse stock split or (2) November 30, 2016, the Preferred Shares shall not be convertible into Common Stock, and Holders shall not be entitled to exercise any remedies hereunder.

5. Rights Upon Fundamental Transactions.

(a) Assumption. The Corporation shall not enter into or be party to a Fundamental Transaction unless (i) the Successor Entity assumes in writing all of the obligations of the Corporation under this Certificate of Designations and the other Transaction Documents in accordance with the provisions of this Section 5(a) pursuant to written agreements in form and substance satisfactory to the Required Holders and approved by the Required Holders prior to such Fundamental Transaction, including agreements to deliver to each holder of Preferred Shares in exchange for such Preferred Shares a security of the Successor Entity evidenced by a written instrument substantially similar in form and substance to this Certificate of Designations, including, without limitation, having a Stated Value and dividend rate equal to the Stated Value and dividend rate of the Preferred Shares held by the Holders and having similar ranking to the Preferred Shares, and satisfactory to the Required Holders and (ii) the Successor Entity (including its Parent Entity) is a publicly traded corporation whose shares of common stock are quoted on or listed for trading on an Eligible Market. Upon the occurrence of any Fundamental Transaction, the Successor Entity shall succeed to, and be substituted for (so that from and after the date of such Fundamental Transaction, the provisions of this Certificate of Designations and the other Transaction Documents referring to the "Corporation" shall refer instead to the Successor Entity), and may exercise every right and power of the Corporation and shall assume all of the obligations of the Corporation under this Certificate of Designations and the other Transaction Documents with the same effect as if such Successor Entity had been named as the Corporation herein and therein. In addition to the foregoing, upon consummation of a Fundamental Transaction, the Successor Entity shall deliver to each Holder confirmation that there shall be issued upon conversion or redemption of the Preferred Shares at any time after the consummation of such Fundamental Transaction, in lieu of the shares of Common Stock (or other securities, cash, assets or other property (except such items still issuable under Sections 7(a) and 13, which shall continue to be receivable thereafter)) issuable upon the conversion or redemption of the Preferred Shares prior to such Fundamental Transaction, such shares of the publicly traded common stock (or their equivalent) of the Successor Entity (including its Parent Entity) which each Holder would have been entitled to receive upon the happening of such Fundamental Transaction had all the Preferred Shares held by each Holder been converted immediately prior to such Fundamental Transaction (without regard to any limitations on the conversion of the Preferred Shares contained in this Certificate of Designations), as adjusted in accordance with the provisions of this Certificate of Designations. Notwithstanding the foregoing, such Holder may elect, at its sole option, by delivery of written notice to the Corporation to waive this Section 5(a) to permit the Fundamental Transaction without the assumption of the Preferred Shares. The provisions of this Section 5(a) shall apply similarly and equally to successive Fundamental Transactions and shall be

applied without regard to any limitations on the conversion or redemption of the Preferred Shares.

6. Redemptions.

(a) Mandatory Redemption upon Bankruptcy Triggering Event. Notwithstanding anything to the contrary herein, and notwithstanding any conversion that is then required or in process, upon any Bankruptcy Triggering Event, the Corporation shall immediately redeem, in cash, each of the Preferred Shares then outstanding at a redemption price (the "**Bankruptcy Redemption Price**") equal to the greater of (i) the product of (A) the Conversion Amount to be redeemed multiplied by (B) the Redemption Premium and (ii) the product of (X) the Conversion Rate then in effect with respect to the Conversion Amount multiplied by (Y) the product of (1) the Redemption Premium multiplied by (2) the greatest Closing Sale Price of the Common Stock on any Trading Day during the period commencing on the date immediately preceding such Bankruptcy Triggering Event and ending on the date the Corporation makes the entire payment required to be made under this Section 6(a), without the requirement for any notice or demand or other action by any Holder or any other person or entity, provided that a Holder may, in its sole discretion, waive such right to receive payment upon a Bankruptcy Triggering Event, in whole or in part, and any such waiver shall not affect any other rights of such Holder or any other Holder hereunder, including any other rights in respect of such Bankruptcy Triggering Event, any right to conversion, and any right to payment of such Triggering Event Redemption Price or any other Redemption Price, as applicable.

(b) Change of Control Redemption Right. No sooner than twenty (20) Trading Days nor later than ten (10) Trading Days prior to the consummation of a Change of Control (the "**Change of Control Date**"), but not prior to the public announcement of such Change of Control, the Corporation shall deliver written notice thereof via facsimile and overnight courier to each Holder (a "**Change of Control Notice**"). At any time during the period beginning after a Holder's receipt of a Change of Control Notice or such Holder becoming aware of a Change of Control if a Change of Control Notice is not delivered to such Holder in accordance with the immediately preceding sentence (as applicable) and ending on the later of twenty (20) Trading Days after (A) consummation of such Change of Control or (B) the date of receipt of such Change of Control Notice, such Holder may require the Corporation to redeem all or any portion of such Holder's Preferred Shares by delivering written notice thereof ("**Change of Control Redemption Notice**") to the Corporation, which Change of Control Redemption Notice shall indicate the number of Preferred Shares such Holder is electing to have the Corporation redeem. Each Preferred Share subject to redemption pursuant to this Section 6(b) shall be redeemed by the Corporation in cash at a price equal to the greatest of (i) the product of (w) the Change of Control Redemption Premium multiplied by (y) the Conversion Amount being redeemed, (ii) the product of (x) the Change of Control Redemption Premium multiplied by (y) the product of (A) the Conversion Amount being redeemed multiplied by (B) the quotient determined by dividing (1) the greatest Closing Sale Price of the shares of Common Stock during the period beginning on the date immediately preceding the earlier to occur of (1) the consummation of the applicable Change of Control and (2) the public announcement of such Change of Control and ending on the date such Holder delivers the Change of

Control Redemption Notice by (II) the Conversion Price then in effect and (iii) the product of (y) the Change of Control Redemption Premium multiplied by (z) the product of (A) the Conversion Amount being redeemed multiplied by (B) the quotient of (I) the aggregate cash consideration and the aggregate cash value of any non-cash consideration per share of Common Stock to be paid to such holders of the shares of Common Stock upon consummation of such Change of Control (any such non-cash consideration constituting publicly-traded securities shall be valued at the highest of the Closing Sale Price of such securities as of the Trading Day immediately prior to the consummation of such Change of Control, the Closing Sale Price of such securities on the Trading Day immediately following the public announcement of such proposed Change of Control and the Closing Sale Price of such securities on the Trading Day immediately prior to the public announcement of such proposed Change of Control) divided by (II) the Conversion Price then in effect (the “**Change of Control Redemption Price**”). Redemptions required by this Section 6(b) shall have priority to payments to all other stockholders of the Corporation in connection with such Change of Control. To the extent redemptions required by this Section 6(b) are deemed or determined by a court of competent jurisdiction to be prepayments of the Preferred Shares by the Corporation, such redemptions shall be deemed to be voluntary prepayments. Notwithstanding anything to the contrary in this Section 6(b), but subject to Section 4(d), until the applicable Change of Control Redemption Price (together with any Late Charges thereon) is paid in full to the applicable Holder, the Preferred Shares submitted by such Holder for redemption under this Section 6(b) may be converted, in whole or in part, by such Holder into Common Stock pursuant to Section 4 or in the event the Conversion Date is after the consummation of such Change of Control, stock or equity interests of the Successor Entity substantially equivalent to the Corporation’s shares of Common Stock pursuant to Section 4. In the event of the Corporation’s redemption of any of the Preferred Shares under this Section 6(b), such Holder’s damages would be uncertain and difficult to estimate because of the parties’ inability to predict future interest rates and the uncertainty of the availability of a suitable substitute investment opportunity for a Holder. Accordingly, any redemption premium due under this Section 6(b) is intended by the parties to be, and shall be deemed, a reasonable estimate of such Holder’s actual loss of its investment opportunity and not as a penalty. The Corporation shall make payment of the applicable Change of Control Redemption Price concurrently with the consummation of such Change of Control if a Change of Control Redemption Notice is received prior to the consummation of such Change of Control and within two (2) Trading Days after the Corporation’s receipt of such notice otherwise (the “**Change of Control Redemption Date**”).

(c) Redemption Mechanics. If a Holder has submitted a Change of Control Redemption Notice in accordance with Section 6(b), the Corporation shall deliver the applicable Change of Control Redemption Price to such Holder in cash concurrently with the consummation of such Change of Control if such notice is received prior to the consummation of such Change of Control and within five (5) Business Days after the Corporation’s receipt of such notice otherwise. Notwithstanding anything herein to the contrary, in connection with any redemption hereunder at a time a Holder is entitled to receive a cash payment under any of the other Transaction Documents, at the option of such Holder delivered in writing to the Corporation, the applicable Redemption Price hereunder shall be increased by the amount of such cash payment owed to such Holder

under such other Transaction Document and, upon payment in full or conversion in accordance herewith, shall satisfy the Corporation's payment obligation under such other Transaction Document. In the event of a redemption of less than all of the Preferred Shares, the Corporation shall promptly cause to be issued and delivered to such Holder a new Preferred Share Certificate (in accordance with Section 16) representing the number of Preferred Shares which have not been redeemed. In the event that the Corporation does not pay the applicable Redemption Price to a Holder within the time period required for any reason (including, without limitation, to the extent such payment is prohibited pursuant to the NRS), at any time thereafter and until the Corporation pays such unpaid Redemption Price in full, such Holder shall have the option, in lieu of redemption, to require the Corporation to promptly return to such Holder all or any of the Preferred Shares that were submitted for redemption and for which the applicable Redemption Price (together with any Late Charges thereon) has not been paid. Upon the Corporation's receipt of such notice, (x) the applicable Redemption Notice shall be null and void with respect to such Preferred Shares, and (y) the Corporation shall immediately return the applicable Preferred Share Certificate, or issue a new Preferred Share Certificate (in accordance with Section 16(d)), to such Holder, and in each case the Additional Amount of such Preferred Shares shall be increased by an amount equal to the difference between (1) the applicable Redemption Price (as the case may be, and as adjusted pursuant to this Section 6(c), if applicable) minus (2) the Stated Value portion of the Conversion Amount submitted for redemption.

(d) Redemption by Multiple Holders. Upon the Corporation's receipt of a Redemption Notice from any Holder for redemption or repayment as a result of an event or occurrence substantially similar to the events or occurrences described in this Section 6, the Corporation shall immediately, but no later than one (1) Business Day of its receipt thereof, forward to each other Holder by facsimile or electronic mail a copy of such notice. If the Corporation receives one or more Redemption Notices, during the seven (7) Business Day period beginning on and including the date which is three (3) Business Days prior to the Corporation's receipt of the initial Redemption Notice and ending on and including the date which is three (3) Business Days after the Corporation's receipt of the initial Redemption Notice and the Corporation is unable to redeem all principal, interest and other amounts designated in such initial Redemption Notice and such other Redemption Notices received during such seven (7) Business Day period, then the Corporation shall redeem a pro rata amount from each Holder based on the principal amount of the Preferred Shares submitted for redemption pursuant to such Redemption Notices received by the Corporation during such seven (7) Business Day period.

7. Rights Upon Issuance of Purchase Rights and Other Corporate Events.

(a) Purchase Rights. In addition to any adjustments pursuant to Section 8 below, if at any time the Corporation grants, issues or sells any Options, Convertible Securities or rights to purchase stock, warrants, securities or other property pro rata to all or substantially all of the record holders of any class of Common Stock (the "**Purchase Rights**"), then each Holder will be entitled to acquire, upon the terms applicable to such Purchase Rights, the aggregate Purchase Rights which such Holder could have acquired if such Holder had held the number of shares of Common Stock acquirable upon complete

conversion of all the Preferred Shares (without taking into account any limitations or restrictions on the convertibility of the Preferred Shares) held by such Holder immediately prior to the date on which a record is taken for the grant, issuance or sale of such Purchase Rights, or, if no such record is taken, the date as of which the record holders of shares of Common Stock are to be determined for the grant, issue or sale of such Purchase Rights (provided, however, to the extent that such Holder's right to participate in any such Purchase Right would result in such Holder and the other Attribution Parties exceeding the Maximum Percentage, then such Holder shall not be entitled to participate in such Purchase Right to the extent of the Maximum Percentage (and shall not be entitled to beneficial ownership of such shares of Common Stock as a result of such Purchase Right (and beneficial ownership) to the extent of any such excess) and such Purchase Right to such extent shall be held in abeyance for such Holder until such time or times, if ever, as its right thereto would not result in such Holder and the other Attribution Parties exceeding the Maximum Percentage), at which time or times such Holder shall be granted such right (and any Purchase Right granted, issued or sold on such initial Purchase Right or on any subsequent Purchase Right to be held similarly in abeyance) to the same extent as if there had been no such limitation.

(b) Other Corporate Events. In addition to and not in substitution for any other rights hereunder, prior to the consummation of any Fundamental Transaction pursuant to which holders of shares of Common Stock are entitled to receive securities or other assets with respect to or in exchange for shares of Common Stock (a "Corporate Event"), the Corporation shall make appropriate provision to insure that each Holder will thereafter have the right to receive upon a conversion of all the Preferred Shares held by such Holder (i) in addition to the shares of Common Stock receivable upon such conversion, such securities or other assets to which such Holder would have been entitled with respect to such shares of Common Stock had such shares of Common Stock been held by such Holder upon the consummation of such Corporate Event (without taking into account any limitations or restrictions on the convertibility of the Preferred Shares contained in this Certificate of Designations) or (ii) in lieu of the shares of Common Stock otherwise receivable upon such conversion, such securities or other assets received by the holders of shares of Common Stock in connection with the consummation of such Corporate Event in such amounts as such Holder would have been entitled to receive had the Preferred Shares held by such Holder initially been issued with conversion rights for the form of such consideration (as opposed to shares of Common Stock) at a conversion rate for such consideration commensurate with the Conversion Rate. Provision made pursuant the proceeding sentence shall be in a form and substance satisfactory to the Holder. The provisions of this Section 7 shall apply similarly and equally to successive Corporate Events and shall be applied without regard to any limitations on the conversion or redemption of the Preferred Shares contained in this Certificate of Designations.

8. Rights Upon Issuance of Other Securities.

(a) Adjustment of Conversion Price upon Issuance of Common Stock. If and whenever on or after the Subscription Date the Corporation issues or sells, or in accordance with this Section 8(a) is deemed to have issued or sold, any shares of Common Stock (including the issuance or sale of shares of Common Stock owned or held by or for the

account of the Corporation, but excluding (1) securities issued (and issuable) in the merger referred to in the last sentence of the definition of Change of Control, and (2) any Excluded Securities issued or sold or deemed to have been issued or sold) for a consideration per share (the “**New Issuance Price**”) less than a price equal to the Conversion Price in effect immediately prior to such issue or sale or deemed issuance or sale (such Conversion Price then in effect is referred to herein as the “**Applicable Price**”) (the foregoing a “**Dilutive Issuance**”), then, immediately after such Dilutive Issuance, the Conversion Price then in effect shall be reduced to the New Issuance Price. For all purposes of the foregoing (including, without limitation, determining the adjusted Conversion Price and the New Issuance Price under this Section 8(a)), the following shall be applicable:

(i) Issuance of Options. If the Corporation in any manner grants or sells any Options and the lowest price per share for which one share of Common Stock is at any time issuable upon the exercise of any such Option or upon conversion, exercise or exchange of any Convertible Securities issuable upon exercise of any such Option or otherwise pursuant to the terms thereof is less than the Applicable Price, then such share of Common Stock shall be deemed to be outstanding and to have been issued and sold by the Corporation at the time of the granting or sale of such Option for such price per share. For purposes of this Section 8(a)(i), the “lowest price per share for which one share of Common Stock is issuable upon the exercise of any such Option or upon conversion, exercise or exchange of any Convertible Securities issuable upon exercise of any such Option or otherwise pursuant to the terms thereof” shall be equal to (1) the lower of (x) the sum of the lowest amounts of consideration (if any) received or receivable by the Corporation with respect to any one share of Common Stock upon the granting or sale of such Option, upon exercise of such Option and upon conversion, exercise or exchange of any Convertible Security issuable upon exercise of such Option or otherwise pursuant to the terms thereof and (y) the lowest exercise price set forth in such Option for which one share of Common Stock is issuable upon the exercise of any such Options or upon conversion, exercise or exchange of any Convertible Securities issuable upon exercise of any such Option or otherwise pursuant to the terms thereof minus (2) the sum of all amounts paid or payable to the holder of such Option (or any other Person) upon the granting or sale of such Option, upon exercise of such Option and upon conversion, exercise or exchange of any Convertible Security issuable upon exercise of such Option or otherwise pursuant to the terms thereof plus the value of any other consideration received or receivable by, or benefit conferred on, the holder of such Option (or any other Person). Except as contemplated below, no further adjustment of the Conversion Price shall be made upon the actual issuance of such share of Common Stock or of such Convertible Securities upon the exercise of such Options or otherwise pursuant to the terms thereof or upon the actual issuance of such share of Common Stock upon conversion, exercise or exchange of such Convertible Securities.

(ii) Issuance of Convertible Securities. If the Corporation in any manner issues or sells any Convertible Securities and the lowest price per share for which one share of Common Stock is at any time issuable upon the conversion, exercise or exchange thereof or otherwise pursuant to the terms thereof is less than the

Applicable Price, then such share of Common Stock shall be deemed to be outstanding and to have been issued and sold by the Corporation at the time of the issuance or sale of such Convertible Securities for such price per share. For purposes of this Section 8(a)(ii), the "lowest price per share for which one share of Common Stock is issuable upon the conversion, exercise or exchange thereof or otherwise pursuant to the terms thereof" shall be equal to (1) the lower of (x) the sum of the lowest amounts of consideration (if any) received or receivable by the Corporation with respect to one share of Common Stock upon the issuance or sale of the Convertible Security and upon conversion, exercise or exchange of such Convertible Security or otherwise pursuant to the terms thereof and (y) the lowest conversion price set forth in such Convertible Security for which one share of Common Stock is issuable upon conversion, exercise or exchange thereof or otherwise pursuant to the terms thereof minus (2) the sum of all amounts paid or payable to the holder of such Convertible Security (or any other Person) upon the issuance or sale of such Convertible Security plus the value of any other consideration received or receivable by, or benefit conferred on, the holder of such Convertible Security (or any other Person). Except as contemplated below, no further adjustment of the Conversion Price shall be made upon the actual issuance of such share of Common Stock upon conversion, exercise or exchange of such Convertible Securities or otherwise pursuant to the terms thereof, and if any such issue or sale of such Convertible Securities is made upon exercise of any Options for which adjustment of the Conversion Price has been or is to be made pursuant to other provisions of this Section 8(a), except as contemplated below, no further adjustment of the Conversion Price shall be made by reason of such issue or sale.

(iii) Change in Option Price or Rate of Conversion. If the purchase or exercise price provided for in any Options, the additional consideration, if any, payable upon the issue, conversion, exercise or exchange of any Convertible Securities, or the rate at which any Convertible Securities are convertible into or exercisable or exchangeable for shares of Common Stock increases or decreases at any time, the Conversion Price in effect at the time of such increase or decrease shall be adjusted to the Conversion Price which would have been in effect at such time had such Options or Convertible Securities provided for such increased or decreased purchase price, additional consideration or increased or decreased conversion rate (as the case may be) at the time initially granted, issued or sold. For purposes of this Section 8(a)(iii), if the terms of any Option or Convertible Security that was outstanding as of the Subscription Date are increased or decreased in the manner described in the immediately preceding sentence, then such Option or Convertible Security and the shares of Common Stock deemed issuable upon exercise, conversion or exchange thereof shall be deemed to have been issued as of the date of such increase or decrease. No adjustment pursuant to this Section 8(a) shall be made if such adjustment would result in an increase of the Conversion Price then in effect.

(iv) Calculation of Consideration Received. If any Option and/or Convertible Security and/or Adjustment Right is issued in connection with the issuance or sale or deemed issuance or sale of any other securities of the

Corporation (as determined by the Required Holders, the “**Primary Security**”, and such Option and/or Convertible Security and/or Adjustment Right, the “**Secondary Securities**”), together comprising one integrated transaction (or one or more transactions if such issuances or sales or deemed issuances or sales of securities of the Corporation either (A) have at least one investor or purchaser in common, (B) are consummated in reasonable proximity to each other and/or (C) are consummated under the same plan of financing), the consideration per share of Common Stock with respect to such Primary Security shall be deemed to be equal to the difference of (x) the lowest price per share for which one share of Common Stock was issued in such integrated transaction (or was deemed to be issued pursuant to Section 8(a)(i) or 8(a)(ii) above, as applicable) solely with respect to such Primary Security, minus (y) with respect to such Secondary Securities, the sum of (A) the Black Scholes Consideration Value of each such Option, if any, (B) the fair market value (as determined by the Required Holders in good faith) or the Black Scholes Consideration Value, as applicable, of such Adjustment Right, if any, and (C) the fair market value (as determined by the Required Holder) of such Convertible Security, if any, in each case, as determined on a per share basis in accordance with this Section 8(a)(iv). If any shares of Common Stock, Options or Convertible Securities are issued or sold or deemed to have been issued or sold for cash, the consideration received therefor (for the purpose of determining the consideration paid for such Common Stock, Option or Convertible Security, but not for the purpose of the calculation of the Black Scholes Consideration Value) will be deemed to be the net amount of consideration received by the Corporation therefor. If any shares of Common Stock, Options or Convertible Securities are issued or sold for a consideration other than cash (for the purpose of determining the consideration paid for such Common Stock, Option or Convertible Security, but not for the purpose of the calculation of the Black Scholes Consideration Value), the amount of such consideration received by the Corporation will be the fair value of such consideration, except where such consideration consists of publicly traded securities, in which case the amount of consideration received by the Corporation for such securities will be the average VWAP of such security for the five (5) Trading Day period immediately preceding the date of receipt. If any shares of Common Stock, Options or Convertible Securities are issued to the owners of the non-surviving entity in connection with any merger in which the Corporation is the surviving entity (for the purpose of determining the consideration paid for such Common Stock, Option or Convertible Security, but not for the purpose of the calculation of the Black Scholes Consideration Value), the amount of consideration therefor will be deemed to be the fair value of such portion of the net assets and business of the non-surviving entity as is attributable to such shares of Common Stock, Options or Convertible Securities (as the case may be). The fair value of any consideration other than cash or publicly traded securities will be determined jointly by the Corporation and the Required Holders. If such parties are unable to reach agreement within ten (10) days after the occurrence of an event requiring valuation (the “**Valuation Event**”), the fair value of such consideration will be determined within five (5) Trading Days after the tenth (10th) day following such Valuation Event by an independent, reputable appraiser jointly selected by the Corporation

and the Required Holders. The determination of such appraiser shall be final and binding upon all parties absent manifest error and the fees and expenses of such appraiser shall be borne by the Corporation.

(v) Record Date. If the Corporation takes a record of the holders of shares of Common Stock for the purpose of entitling them (A) to receive a dividend or other distribution payable in shares of Common Stock, Options or in Convertible Securities or (B) to subscribe for or purchase shares of Common Stock, Options or Convertible Securities, then such record date will be deemed to be the date of the issue or sale of the shares of Common Stock deemed to have been issued or sold upon the declaration of such dividend or the making of such other distribution or the date of the granting of such right of subscription or purchase (as the case may be).

(b) Adjustment of Conversion Price upon Subdivision or Combination of Common Stock. Without limiting any provision of Section 4(f) or Section 8(a), if the Corporation at any time on or after the Subscription Date subdivides (by any stock split, stock dividend, stock combination, recapitalization or other similar transaction) one or more classes of its outstanding shares of Common Stock into a greater number of shares, the Conversion Price in effect immediately prior to such subdivision will be proportionately reduced. Without limiting any provision of Section 4(f) or Section 8(a), if the Corporation at any time on or after the Subscription Date combines (by any stock split, stock dividend, stock combination, recapitalization or other similar transaction) one or more classes of its outstanding shares of Common Stock into a smaller number of shares, the Conversion Price in effect immediately prior to such combination will be proportionately increased. Any adjustment pursuant to this Section 8(b) shall become effective immediately after the effective date of such subdivision or combination. If any event requiring an adjustment under this Section 8(b) occurs during the period that a Conversion Price is calculated hereunder, then the calculation of such Conversion Price shall be adjusted appropriately to reflect such event.

(c) Holder's Right of Adjusted Conversion Price. In addition to and not in limitation of the other provisions of this Section 8(c) or the Securities Purchase Agreement, if the Corporation in any manner issues or sells or enters into any agreement to issue or sell, any Common Stock, Options or Convertible Securities (any such securities, "**Variable Price Securities**") that are issuable pursuant to such agreement or convertible into or exchangeable or exercisable for shares of Common Stock pursuant to such Options or Convertible Securities, as applicable, at a price which varies or may vary with the market price of the shares of Common Stock, including by way of one or more reset(s) to a fixed price, but exclusive of such formulations reflecting customary anti-dilution provisions (such as share splits, share combinations, share dividends and similar transactions) (each of the formulations for such variable price being herein referred to as, the "**Variable Price**"), the Corporation shall provide written notice thereof via facsimile or electronic mail and overnight courier to each Holder on the date of such agreement and/or the issuance of such shares of Common Stock, Convertible Securities or Options, as applicable. From and after the date the Corporation enters into such agreement or issues any such Variable Price Securities, each Holder shall have the right, but not the obligation, in its sole

discretion to substitute the Variable Price for the Conversion Price upon conversion of the Preferred Shares by designating in the Conversion Notice delivered upon any conversion of Preferred Shares that solely for purposes of such conversion such Holder is relying on the Variable Price rather than the Conversion Price then in effect. A Holder's election to rely on a Variable Price for a particular conversion of Preferred Shares shall not obligate such Holder to rely on a Variable Price for any future conversions of Preferred Shares.

(d) Stock Combination Event Adjustments. Except for a one-for-six reverse stock split or combination which the Corporation intends to effect on or before November 30, 2016, if at any time and from time to time on or after the Subscription Date there occurs any stock split, stock dividend, stock combination recapitalization or other similar transaction involving the Common Stock (each, a "**Stock Combination Event**"), and such date thereof, the "**Stock Combination Event Date**") and the Event Market Price is less than the Conversion Price then in effect (after giving effect to the adjustment in Section 8(b) above), then on the sixteenth (16th) Trading Day immediately following such Stock Combination Event Date, the Conversion Price then in effect on such sixteenth (16th) Trading Day (after giving effect to the adjustment in Section 8(b) above) shall be reduced (but in no event increased) to the Event Market Price.

(e) Other Events. In the event that the Corporation (or any Subsidiary) shall take any action to which the provisions hereof are not strictly applicable, or, if applicable, would not operate to protect any Holder from dilution or if any event occurs of the type contemplated by the provisions of this Section 8 but not expressly provided for by such provisions (including, without limitation, the granting of stock appreciation rights, phantom stock rights or other rights with equity features), then the Board of Directors shall in good faith determine and implement an appropriate adjustment in the Conversion Price so as to protect the rights of such Holder, provided that no such adjustment pursuant to this Section 8(c) will increase the Conversion Price as otherwise determined pursuant to this Section 8, provided further that if such Holder does not accept such adjustments as appropriately protecting its interests hereunder against such dilution, then the Board of Directors and such Holder shall agree, in good faith, upon an independent investment bank of nationally recognized standing to make such appropriate adjustments, whose determination shall be final and binding absent manifest error and whose fees and expenses shall be borne by the Corporation. No adjustment shall be made in the event that the merger referred to in the last sentence of the definition of Change of Control closes.

(f) Calculations. All calculations under this Section 8 shall be made by rounding to the nearest cent or the nearest 1/100th of a share, as applicable. The number of shares of Common Stock outstanding at any given time shall not include shares owned or held by or for the account of the Corporation, and the disposition of any such shares shall be considered an issue or sale of Common Stock.

(g) Voluntary Adjustment by Corporation. The Corporation may at any time any Preferred Shares remain outstanding, with the prior written consent of the Required Holders, reduce the then current Conversion Price to any amount and for any period of time deemed appropriate by the Board of Directors.

(h) Excluded Securities. No adjustments contained in this Section 8 shall be made upon the sale or issuance of any Excluded Securities sold or deemed to have been sold.

9. Noncircumvention. The Corporation hereby covenants and agrees that the Corporation will not, by amendment of its articles of incorporation (as defined in the Securities Purchase Agreement), Bylaws (as defined in the Securities Purchase Agreement) or through any reorganization, transfer of assets, consolidation, merger, scheme of arrangement, dissolution, issue or sale of securities, or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Certificate of Designations, and will at all times in good faith carry out all the provisions of this Certificate of Designations and take all action as may be required to protect the rights of the Holders. Without limiting the generality of the foregoing or any other provision of this Certificate of Designations or the other Transaction Documents, the Corporation (a) shall not increase the par value of any shares of Common Stock receivable upon the conversion of any Preferred Shares above the Conversion Price then in effect, (b) shall take all such actions as may be necessary or appropriate in order that the Corporation may validly and legally issue fully paid and non-assessable shares of Common Stock upon the conversion of Preferred Shares and (c) shall, so long as any Preferred Shares are outstanding, take all action necessary to reserve and keep available out of its authorized and unissued shares of Common Stock, solely for the purpose of effecting the conversion of the Preferred Shares, the maximum number of shares of Common Stock as shall from time to time be necessary to effect the conversion of the Preferred Shares then outstanding (without regard to any limitations on conversion contained herein). Notwithstanding anything herein to the contrary, if after the seventy-five (75) calendar day anniversary of the Initial Issuance Date, each Holder is not permitted to convert such Holder's Preferred Shares in full for any reason (other than pursuant to restrictions set forth in Section 4(d) hereof), the Corporation shall use its best efforts to promptly remedy such failure, including, without limitation, obtaining such consents or approvals as necessary to effect such conversion into shares of Common Stock.

10. Authorized Shares.

(a) Reservation. Commencing upon the effectiveness of the Corporation's one-for-six reverse stock split or combination, so long as any Preferred Shares remain outstanding, the Corporation shall at all times reserve at least 300% of the number of shares of Common Stock as shall from time to time be necessary to effect the conversion of all of the Preferred Shares then outstanding (without regard to any limitations on conversions) (the "**Required Reserve Amount**"). The Required Reserve Amount (including, without limitation, each increase in the number of shares so reserved) shall be allocated pro rata among the Holders based on the number of the Preferred Shares held by each Holder on the Initial Issuance Date or increase in the number of reserved shares, as the case may be (the "**Authorized Share Allocation**"). In the event that a Holder shall sell or otherwise transfer any of such Holder's Preferred Shares, each transferee shall be allocated a pro rata portion of such Holder's Authorized Share Allocation. Any shares of Common Stock reserved and allocated to any Person which ceases to hold any Preferred Shares shall be allocated to the remaining Holders of Preferred Shares, pro rata based on the number of the Preferred Shares then held by the Holders.

(b) Insufficient Authorized Shares. If, notwithstanding Section 10(a) and not in limitation thereof, while any of the Preferred Shares remain outstanding the Corporation does not have a sufficient number of authorized and unreserved shares of Common Stock to satisfy its obligation to reserve for issuance upon conversion of the Preferred Shares at least a number of shares of Common Stock equal to the Required Reserve Amount (an "Authorized Share Failure"), then the Corporation shall immediately take all action necessary to increase the Corporation's authorized shares of Common Stock to an amount sufficient to allow the Corporation to reserve the Required Reserve Amount for the Preferred Shares then outstanding. Without limiting the generality of the foregoing sentence, as soon as practicable after the date of the occurrence of an Authorized Share Failure, but in no event later than ninety (90) days after the occurrence of such Authorized Share Failure, the Corporation shall hold a meeting of its stockholders for the approval of an increase in the number of authorized shares of Common Stock. In connection with such meeting, the Corporation shall provide each stockholder with a proxy statement and shall use its best efforts to solicit its stockholders' approval of such increase in authorized shares of Common Stock and to cause its Board of Directors to recommend to the stockholders that they approve such proposal. In lieu of a meeting of stockholders, the Corporation may effect such action by written consent in accordance with Section 14(c) of the 1934 Act. Except as provided in the first sentence of Section 10(a), in the event that the Corporation is prohibited from issuing shares of Common Stock to a Holder upon any conversion due to the failure by the Corporation to have sufficient shares of Common Stock available out of the authorized but unissued shares of Common Stock (such unavailable number of shares of Common Stock, the "Authorized Failure Shares"), in lieu of delivering such Authorized Failure Shares to such Holder, the Corporation shall pay cash in exchange for the redemption of such portion of the Conversion Amount convertible into such Authorized Failure Shares at a price equal to the sum of (i) the product of (x) such number of Authorized Failure Shares and (y) the greatest Closing Sale Price of the Common Stock on any Trading Day during the period commencing on the date such Holder delivers the applicable Conversion Notice with respect to such Authorized Failure Shares to the Corporation and ending on the date of such issuance and payment under this Section 10(a); and (ii) to the extent such Holder purchases (in an open market transaction or otherwise) shares of Common Stock to deliver in satisfaction of a sale by such Holder of Authorized Failure Shares, any brokerage commissions and other out-of-pocket expenses, if any, of such Holder incurred in connection therewith. Nothing contained in Section or this Section shall limit any obligations of the Corporation under any provision of the Securities Purchase Agreement.

11. Voting Rights. Subject to Section 4(d) and the Maximum Percentage, each Holder shall be entitled to the whole number of votes equal to the number of shares of Common Stock into which such holder's Preferred Shares would be convertible on the record date for the vote or consent of stockholders, and shall otherwise have voting rights and powers equal to the voting rights and powers of the Common Stock. To the extent that under the NRS the vote of the holders of the Preferred Shares, voting separately as a class or series as applicable, is required to authorize a given action of the Corporation, the affirmative vote or consent of the holders of all of the shares of the Preferred Shares, voting together in the aggregate and not in separate series unless required under the NRS, represented at a duly held meeting at which a quorum is presented or by written consent of the Required Holders (except as otherwise may be required under the NRS), voting

together in the aggregate and not in separate series unless required under the NRS, shall constitute the approval of such action by both the class or the series, as applicable. Subject to Section 4(d), to the extent that under the NRS holders of the Preferred Shares are entitled to vote on a matter with holders of shares of Common Stock, voting together as one class, each Preferred Share shall entitle the holder thereof to cast that number of votes per share as is equal to the number of shares of Common Stock into which it is then convertible (subject to the ownership limitations specified in Section 4(d) hereof and the Maximum Percentage) using the record date for determining the stockholders of the Corporation eligible to vote on such matters as the date as of which the Conversion Price is calculated. Holders of the Preferred Shares shall be entitled to written notice of all stockholder meetings or written consents (and copies of proxy materials and other information sent to stockholders) with respect to which they would be entitled by vote, which notice would be provided pursuant to the Corporation's bylaws and the NRS.

12. Liquidation, Dissolution, Winding-Up. In the event of a Liquidation Event, the Holders shall be entitled to receive in cash out of the assets of the Corporation, whether from capital or from earnings available for distribution to its stockholders (the "**Liquidation Funds**"), before any amount shall be paid to the holders of any of shares of Junior Stock, but pari passu with any Parity Stock then outstanding, an amount per Preferred Share equal to the greater of (A) the Conversion Amount thereof on the date of such payment and (B) the amount per share such Holder would receive if such Holder converted such Preferred Shares into Common Stock immediately prior to the date of such payment, provided that if the Liquidation Funds are insufficient to pay the full amount due to the Holders and holders of shares of Parity Stock, then each Holder and each holder of Parity Stock shall receive a percentage of the Liquidation Funds equal to the full amount of Liquidation Funds payable to such Holder and such holder of Parity Stock as a liquidation preference, in accordance with their respective certificate of designations (or equivalent), as a percentage of the full amount of Liquidation Funds payable to all holders of Preferred Shares and all holders of shares of Parity Stock. To the extent necessary, the Corporation shall cause such actions to be taken by each of its Subsidiaries so as to enable, to the maximum extent permitted by law, the proceeds of a Liquidation Event to be distributed to the Holders in accordance with this Section. All the preferential amounts to be paid to the Holders under this Section shall be paid or set apart for payment before the payment or setting apart for payment of any amount for, or the distribution of any Liquidation Funds of the Corporation to the holders of shares of Junior Stock in connection with a Liquidation Event as to which this Section applies.

13. Distribution of Assets. In addition to any adjustments pursuant to Section 8, if the Corporation shall declare or make any dividend or other distributions of its assets (or rights to acquire its assets) to any or all holders of shares of Common Stock, by way of return of capital or otherwise (including without limitation, any distribution of cash, stock or other securities, property or options by way of a dividend, spin off, reclassification, corporate rearrangement, scheme of arrangement or other similar transaction) (the "**Distributions**"), then each Holder, as holders of Preferred Shares, will be entitled to such Distributions as if such Holder had held the number of shares of Common Stock acquirable upon complete conversion of the Preferred Shares (without taking into account any limitations or restrictions on the convertibility of the Preferred Shares) immediately prior to the date on which a record is taken for such Distribution or, if no such record is taken, the date as of which the record holders of Common Stock are to be determined for such Distributions (provided, however, that to the extent that such Holder's right to participate in any such Distribution would result in such Holder and the other Attribution Parties exceeding the

Maximum Percentage, then such Holder shall not be entitled to participate in such Distribution to the extent of the Maximum Percentage (and shall not be entitled to beneficial ownership of such shares of Common Stock as a result of such Distribution (and beneficial ownership) to the extent of any such excess) and the portion of such Distribution shall be held in abeyance for such Holder until such time or times as its right thereto would not result in such Holder and the other Attribution Parties exceeding the Maximum Percentage, at which time or times, if any, such Holder shall be granted such rights (and any rights under this Section 13 on such initial rights or on any subsequent such rights to be held similarly in abeyance) to the same extent as if there had been no such limitation).

14. Vote to Change the Terms of or Issue Preferred Shares. In addition to any other rights provided by law, except where the vote or written consent of the holders of a greater number of shares is required by law or by another provision of the Articles of Incorporation, without first obtaining the affirmative vote at a meeting duly called for such purpose or the written consent without a meeting of the Required Holders, voting together as a single class, the Corporation shall not: (a) amend or repeal any provision of, or add any provision to, its Articles of Incorporation or bylaws, or file any certificate of designations or articles of amendment of any series of shares of preferred stock, if such action would adversely alter or change in any respect the preferences, rights, privileges or powers, or restrictions provided for the benefit, of the Preferred Shares, regardless of whether any such action shall be by means of amendment to the Articles of Incorporation or by merger, consolidation or otherwise; (b) increase or decrease (other than by conversion) the authorized number of Preferred Shares; (c) without limiting any provision of Section 1, create or authorize (by reclassification or otherwise) any new class or series of shares that has a preference over or is on a parity with the Preferred Shares with respect to dividends or the distribution of assets on the liquidation, dissolution or winding up of the Corporation; (d) purchase, repurchase or redeem any shares of capital stock of the Corporation junior in rank to the Preferred Shares (other than pursuant to equity incentive agreements (that have in good faith been approved by the Board of Directors) with employees giving the Corporation the right to repurchase shares upon the termination of services); (e) without limiting any provision of Section 1, pay dividends or make any other distribution on any shares of any capital stock of the Corporation junior in rank to the Preferred Shares; (f) issue any Preferred Shares or preferred stock other than as provided in Section 2; (g) enter into (i) any mortgage, credit agreement or other facility, indenture agreement, factoring agreement or other instrument, under which there may be issued, or by which there may be secured or evidenced, any indebtedness for borrowed money or money due that involves, either individually or in aggregate with other such agreements, obligations greater than \$25,000.00, and (ii) any equipment lease, agreement evidencing purchase money security interests, or other similar transaction in the ordinary course of business that involves, either individually or in aggregate with other such agreements, obligations greater than \$100,000.00 or (h) without limiting any provision of Section 8, whether or not prohibited by the terms of the Preferred Shares, circumvent a right of the Preferred Shares.

15. Transfer of Preferred Shares. A Holder may transfer some or all of its Preferred Shares without the consent of the Corporation.

16. Reissuance of Preferred Certificates.

(a) Transfer. If any Preferred Shares are to be transferred, the applicable Holder shall surrender the applicable Preferred Share Certificate to the Corporation, whereupon the Corporation will forthwith issue and deliver upon the order of such Holder a new Preferred Share Certificate (in accordance with Section 16(d)), registered as such Holder may request, representing the outstanding number of Preferred Shares being transferred by such Holder and, if less than the entire outstanding number of Preferred Shares is being transferred, a new Preferred Share Certificate (in accordance with Section 16(d)) to such Holder representing the outstanding number of Preferred Shares not being transferred. Such Holder and any assignee, by acceptance of the Preferred Share Certificate, acknowledge and agree that, by reason of the provisions of Section 4(c)(i) following conversion or redemption of any of the Preferred Shares, the outstanding number of Preferred Shares represented by the Preferred Shares may be less than the number of Preferred Shares stated on the face of the Preferred Shares.

(b) Lost, Stolen or Mutilated Preferred Share Certificate. Upon receipt by the Corporation of evidence reasonably satisfactory to the Corporation of the loss, theft, destruction or mutilation of a Preferred Share Certificate (as to which a written certification and the indemnification contemplated below shall suffice as such evidence), and, in the case of loss, theft or destruction, of any indemnification undertaking by the applicable Holder to the Corporation in customary and reasonable form and, in the case of mutilation, upon surrender and cancellation of such Preferred Share Certificate, the Corporation shall execute and deliver to such Holder a new Preferred Share Certificate (in accordance with Section 16(d)) representing the applicable outstanding number of Preferred Shares.

(c) Preferred Share Certificate Exchangeable for Different Denominations. Each Preferred Share Certificate is exchangeable, upon the surrender hereof by the applicable Holder at the principal office of the Corporation, for a new Preferred Share Certificate or Preferred Share Certificate(s) (in accordance with Section 16(d)) representing in the aggregate the outstanding number of the Preferred Shares in the original Preferred Share Certificate, and each such new 16(d) will represent such portion of such outstanding number of Preferred Shares from the original Preferred Share Certificate as is designated by such Holder at the time of such surrender.

(d) Issuance of New Preferred Share Certificate. Whenever the Corporation is required to issue a new Preferred Share Certificate pursuant to the terms of this Certificate of Designations, such new Preferred Share Certificate (i) shall represent, as indicated on the face of such Preferred Share Certificate, the number of Preferred Shares remaining outstanding (or in the case of a new Preferred Share Certificate being issued pursuant to Section 16(a) or Section 16(c), the number of Preferred Shares designated by such Holder which, when added to the number of Preferred Shares represented by the other new Preferred Share Certificates issued in connection with such issuance, does not exceed the number of Preferred Shares remaining outstanding under the original Preferred Share Certificate immediately prior to such issuance of new Preferred Share Certificate), and (ii) shall have an issuance date, as indicated on the face of such new Preferred Share Certificate, which is the same as the issuance date of the original Preferred Share Certificate.

17. Remedies, Characterizations, Other Obligations, Breaches and Injunctive Relief.

The remedies provided in this Certificate of Designations shall be cumulative and in addition to all other remedies available under this Certificate of Designations and any of the other Transaction Documents, at law or in equity (including a decree of specific performance and/or other injunctive relief), and nothing herein shall limit any Holder's right to pursue actual and consequential damages for any failure by the Corporation to comply with the terms of this Certificate of Designations. The Corporation covenants to each Holder that there shall be no characterization concerning this instrument other than as expressly provided herein. Amounts set forth or provided for herein with respect to payments, conversion and the like (and the computation thereof) shall be the amounts to be received by a Holder and shall not, except as expressly provided herein, be subject to any other obligation of the Corporation (or the performance thereof). The Corporation acknowledges that a breach by it of its obligations hereunder will cause irreparable harm to the Holders and that the remedy at law for any such breach may be inadequate. The Corporation therefore agrees that, in the event of any such breach or threatened breach, each Holder shall be entitled, in addition to all other available remedies, to specific performance and/or temporary, preliminary and permanent injunctive or other equitable relief from any court of competent jurisdiction in any such case without the necessity of proving actual damages and without posting a bond or other security. The Corporation shall provide all information and documentation to a Holder that is requested by such Holder to enable such Holder to confirm the Corporation's compliance with the terms and conditions of this Certificate of Designations.

18. Payment of Collection, Enforcement and Other Costs.

If (a) any Preferred Shares are placed in the hands of an attorney for collection or enforcement or is collected or enforced through any legal proceeding or a Holder otherwise takes action to collect amounts due under this Certificate of Designations with respect to the Preferred Shares or to enforce the provisions of this Certificate of Designations or (b) there occurs any bankruptcy, reorganization, receivership of the Corporation or other proceedings affecting Corporation creditors' rights and involving a claim under this Certificate of Designations, then the Corporation shall pay the costs incurred by such Holder for such collection, enforcement or action or in connection with such bankruptcy, reorganization, receivership or other proceeding, including, without limitation, attorneys' fees and disbursements.

19. Construction; Headings.

This Certificate of Designations shall be deemed to be jointly drafted by the Corporation and the Holders and shall not be construed against any such Person as the drafter hereof. The headings of this Certificate of Designations are for convenience of reference and shall not form part of, or affect the interpretation of, this Certificate of Designations. Unless the context clearly indicates otherwise, each pronoun herein shall be deemed to include the masculine, feminine, neuter, singular and plural forms thereof. The terms "including," "includes," "include" and words of like import shall be construed broadly as if followed by the words "without limitation." The terms "herein," "hereunder," "hereof" and words of like import refer to this entire Certificate of Designations instead of just the provision in which they are found. Unless expressly indicated otherwise, all section references are to sections of this Certificate of Designations. Terms used in this Certificate of Designations and not otherwise defined herein, but defined in the other Transaction Documents, shall have the meanings ascribed to such terms on the Closing Date in such other Transaction Documents unless otherwise consented to in writing by the Required Holders.

20. Failure or Indulgence Not Waiver. No failure or delay on the part of a Holder in the exercise of any power, right or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such power, right or privilege preclude other or further exercise thereof or of any other right, power or privilege. No waiver shall be effective unless it is in writing and signed by an authorized representative of the waiving party. This Certificate of Designations shall be deemed to be jointly drafted by the Corporation and all Holders and shall not be construed against any Person as the drafter hereof. Notwithstanding the foregoing, nothing contained in this Section 20 shall permit any waiver of any provision of Section 20.

21. Dispute Resolution.

(a) Submission to Dispute Resolution.

(i) In the case of a dispute relating to a Closing Bid Price, a Closing Sale Price, a Conversion Price, Triggering Event Conversion Price, a VWAP or a fair market value or the arithmetic calculation of a Conversion Rate, or the applicable Redemption Price (as the case may be) (including, without limitation, a dispute relating to the determination of any of the foregoing), the Corporation or the applicable Holder (as the case may be) shall submit the dispute to the other party via facsimile or electronic mail (A) if by the Corporation, within two (2) Business Days after the occurrence of the circumstances giving rise to such dispute or (B) if by such Holder at any time after such Holder learned of the circumstances giving rise to such dispute. If such Holder and the Corporation are unable to promptly resolve such dispute relating to such Closing Bid Price, such Closing Sale Price, such Conversion Price, such Triggering Event Conversion Price, such VWAP or such fair market value, or the arithmetic calculation of such Conversion Rate or such applicable Redemption Price (as the case may be), at any time after the second (2nd) Business Day following such initial notice by the Corporation or such Holder (as the case may be) of such dispute to the Corporation or such Holder (as the case may be), then such Holder may, at its sole option, select an independent, reputable investment bank to resolve such dispute.

(ii) Such Holder and the Corporation shall each deliver to such investment bank (A) a copy of the initial dispute submission so delivered in accordance with the first sentence of this Section 21(a) and (B) written documentation supporting its position with respect to such dispute, in each case, no later than 5:00 p.m. (New York time) by the fifth (5th) Business Day immediately following the date on which such Holder selected such investment bank (the "**Dispute Submission Deadline**") (the documents referred to in the immediately preceding clauses (A) and (B) are collectively referred to herein as the "**Required Dispute Documentation**") (it being understood and agreed that if either such Holder or the Corporation fails to so deliver all of the Required Dispute Documentation by the Dispute Submission Deadline, then the party who fails to so submit all of the Required Dispute Documentation shall no longer be entitled to (and hereby waives its right to) deliver or submit any written documentation or other support to such investment bank with respect to such dispute and such investment bank shall resolve such dispute based solely on the Required Dispute Documentation that was delivered to such

investment bank prior to the Dispute Submission Deadline). Unless otherwise agreed to in writing by both the Corporation and such Holder or otherwise requested by such investment bank, neither the Corporation nor such Holder shall be entitled to deliver or submit any written documentation or other support to such investment bank in connection with such dispute (other than the Required Dispute Documentation).

(iii) The Corporation and such Holder shall cause such investment bank to determine the resolution of such dispute and notify the Corporation and such Holder of such resolution no later than ten (10) Business Days immediately following the Dispute Submission Deadline. The fees and expenses of such investment bank shall be borne solely by the Corporation, and such investment bank's resolution of such dispute shall be final and binding upon all parties absent manifest error.

(b) Miscellaneous. The Corporation expressly acknowledges and agrees that (i) this Section 21 constitutes an agreement to arbitrate between the Corporation and each Holder (and constitutes an arbitration agreement) under § 7501, et seq. of the New York Civil Practice Law and Rules ("CPLR") and that any Holder is authorized to apply for an order to compel arbitration pursuant to CPLR § 7503(a) in order to compel compliance with this Section 21, (ii) a dispute relating to a Conversion Price includes, without limitation, disputes as to (A) whether an issuance or sale or deemed issuance or sale of Common Stock occurred under Section 8(a), (B) the consideration per share at which an issuance or deemed issuance of Common Stock occurred, (C) whether any issuance or sale or deemed issuance or sale of Common Stock was an issuance or sale or deemed issuance or sale of Excluded Securities, (D) whether an agreement, instrument, security or the like constitutes an Option or Convertible Security and (E) whether a Dilutive Issuance occurred, (iii) the terms of this Certificate of Designations and each other applicable Transaction Document shall serve as the basis for the selected investment bank's resolution of the applicable dispute, such investment bank shall be entitled (and is hereby expressly authorized) to make all findings, determinations and the like that such investment bank determines are required to be made by such investment bank in connection with its resolution of such dispute and in resolving such dispute such investment bank shall apply such findings, determinations and the like to the terms of this Certificate of Designations and any other applicable Transaction Documents, (iv) the applicable Holder (and only such Holder with respect to disputes solely relating to such Holder), in its sole discretion, shall have the right to submit any dispute described in this Section 21 to any state or federal court sitting in The City of New York, Borough of Manhattan in lieu of utilizing the procedures set forth in this Section 21 and (v) nothing in this Section 21 shall limit such Holder from obtaining any injunctive relief or other equitable remedies (including, without limitation, with respect to any matters described in this Section 21).

22. Notices; Currency; Payments.

(a) Notices. The Corporation shall provide each Holder of Preferred Shares with prompt written notice of all actions taken pursuant to the terms of this Certificate of Designations, including in reasonable detail a description of such action and the reason therefor. Whenever notice is required to be given under this Certificate of Designations,

unless otherwise provided herein, such notice must be in writing and shall be given in accordance with Section 9(f) of the Securities Purchase Agreement. The Corporation shall provide each Holder with prompt written notice of all actions taken pursuant to this Certificate of Designations, including in reasonable detail a description of such action and the reason therefore. Without limiting the generality of the foregoing, the Corporation shall give written notice to each Holder (i) immediately upon any adjustment of the Conversion Price, setting forth in reasonable detail, and certifying, the calculation of such adjustment and (ii) at least fifteen (15) days prior to the date on which the Corporation closes its books or takes a record (A) with respect to any dividend or distribution upon the Common Stock, (B) with respect to any grant, issuances, or sales of any Options, Convertible Securities or rights to purchase stock, warrants, securities or other property to holders of shares of Common Stock or (C) for determining rights to vote with respect to any Fundamental Transaction, dissolution or liquidation, provided in each case that such information shall be made known to the public prior to or in conjunction with such notice being provided to such Holder.

(b) Currency. All dollar amounts referred to in this Certificate of Designations are in United States Dollars ("U.S. Dollars"), and all amounts owing under this Certificate of Designations shall be paid in U.S. Dollars. All amounts denominated in other currencies (if any) shall be converted into the U.S. Dollar equivalent amount in accordance with the Exchange Rate on the date of calculation. "Exchange Rate" means, in relation to any amount of currency to be converted into U.S. Dollars pursuant to this Certificate of Designations, the U.S. Dollar exchange rate as published in the Wall Street Journal on the relevant date of calculation (it being understood and agreed that where an amount is calculated with reference to, or over, a period of time, the date of calculation shall be the final date of such period of time).

(c) Payments. Whenever any payment of cash is to be made by the Corporation to any Person pursuant to this Certificate of Designations, unless otherwise expressly set forth herein, such payment shall be made in lawful money of the United States of America by a certified check drawn on the account of the Corporation and sent via overnight courier service to such Person at such address as previously provided to the Corporation in writing (which address, in the case of each of the Buyers (as defined in the Securities Purchase Agreement), shall initially be as set forth on the Schedule of Buyers attached to the Securities Purchase Agreement), provided that such Holder may elect to receive a payment of cash via wire transfer of immediately available funds by providing the Corporation with prior written notice setting out such request and such Holder's wire transfer instructions. Whenever any amount expressed to be due by the terms of this Certificate of Designations is due on any day which is not a Business Day, the same shall instead be due on the next succeeding day which is a Business Day. Any amount due under the Transaction Documents which is not paid when due shall result in a late charge being incurred and payable by the Corporation in an amount equal to interest on such amount at the rate of eighteen percent (18%) per annum from the date such amount was due until the same is paid in full ("Late Charge").

23. Waiver of Notice. To the extent permitted by law, the Corporation hereby irrevocably waives demand, notice, presentment, protest and all other demands and notices in

connection with the delivery, acceptance, performance, default or enforcement of this Certificate of Designations and the Securities Purchase Agreement.

24. Governing Law. This Certificate of Designations shall be construed and enforced in accordance with, and all questions concerning the construction, validity, interpretation and performance of this Certificate of Designations shall be governed by, the internal laws of the State of Nevada, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of Nevada or any other jurisdictions) that would cause the application of the laws of any jurisdictions other than the State of Nevada. Except as otherwise required by Section 21 above, the Corporation hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in The City of New York, Borough of Manhattan, for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein, and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is brought in an inconvenient forum or that the venue of such suit, action or proceeding is improper. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. Nothing contained herein (i) shall be deemed or operate to preclude any Holder from bringing suit or taking other legal action against the Corporation in any other jurisdiction to collect on the Corporation's obligations to such Holder, to realize on any collateral or any other security for such obligations, or to enforce a judgment or other court ruling in favor of such Holder or (ii) shall limit, or shall be deemed or construed to limit, any provision of Section 21. **THE CORPORATION HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE TO, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION WITH OR ARISING OUT OF THIS CERTIFICATE OF DESIGNATIONS OR ANY TRANSACTION CONTEMPLATED HEREBY.**

25. Judgment Currency.

(a) If for the purpose of obtaining or enforcing judgment against the Corporation in any court in any jurisdiction it becomes necessary to convert into any other currency (such other currency being hereinafter in this Section 2425 referred to as the "**Judgment Currency**") an amount due in U.S. dollars under this Certificate of Designations, the conversion shall be made at the Exchange Rate prevailing on the Trading Day immediately preceding:

(i) the date actual payment of the amount due, in the case of any proceeding in the courts of New York or in the courts of any other jurisdiction that will give effect to such conversion being made on such date: or

(ii) the date on which the foreign court determines, in the case of any proceeding in the courts of any other jurisdiction (the date as of which such conversion is made pursuant to this Section 25(a)(ii) being hereinafter referred to as the "**Judgment Conversion Date**").

(b) If in the case of any proceeding in the court of any jurisdiction referred to in Section 25(a)(ii) above, there is a change in the Exchange Rate prevailing between the Judgment Conversion Date and the date of actual payment of the amount due, the applicable party shall pay such adjusted amount as may be necessary to ensure that the amount paid in the Judgment Currency, when converted at the Exchange Rate prevailing on the date of payment, will produce the amount of US dollars which could have been purchased with the amount of Judgment Currency stipulated in the judgment or judicial order at the Exchange Rate prevailing on the Judgment Conversion Date.

(c) Any amount due from the Corporation under this provision shall be due as a separate debt and shall not be affected by judgment being obtained for any other amounts due under or in respect of this Certificate of Designations.

26. Severability. If any provision of this Certificate of Designations is prohibited by law or otherwise determined to be invalid or unenforceable by a court of competent jurisdiction, the provision that would otherwise be prohibited, invalid or unenforceable shall be deemed amended to apply to the broadest extent that it would be valid and enforceable, and the invalidity or unenforceability of such provision shall not affect the validity of the remaining provisions of this Certificate of Designations so long as this Certificate of Designations as so modified continues to express, without material change, the original intentions of the parties as to the subject matter hereof and the prohibited nature, invalidity or unenforceability of the provision(s) in question does not substantially impair the respective expectations or reciprocal obligations of the parties or the practical realization of the benefits that would otherwise be conferred upon the parties. The parties will endeavor in good faith negotiations to replace the prohibited, invalid or unenforceable provision(s) with a valid provision(s), the effect of which comes as close as possible to that of the prohibited, invalid or unenforceable provision(s).

27. Maximum Payments. Nothing contained herein shall be deemed to establish or require the payment of a rate of interest or other charges in excess of the maximum permitted by applicable law. In the event that the rate of interest required to be paid or other charges hereunder exceed the maximum permitted by such law, any payments in excess of such maximum shall be credited against amounts owed by the Corporation to the applicable Holder and thus refunded to the Corporation.

28. Stockholder Matters: Amendment.

(a) Stockholder Matters. Any stockholder action, approval or consent required, desired or otherwise sought by the Corporation pursuant to the NRS, the Articles of Incorporation, this Certificate of Designations or otherwise with respect to the issuance of Preferred Shares may be effected by written consent of the Corporation's stockholders or at a duly called meeting of the Corporation's stockholders, all in accordance with the applicable rules and regulations of the NRS. This provision is intended to comply with the applicable sections of the NRS permitting stockholder action, approval and consent affected by written consent in lieu of a meeting.

(b) Amendment. This Certificate of Designations or any provision hereof may be amended by obtaining the affirmative vote at a meeting duly called for such purpose, or

written consent without a meeting in accordance with the NRS, of the Required Holders, voting separate as a single class, and with such other stockholder approval, if any, as may then be required pursuant to the NRS and the Articles of Incorporation.

29. Certain Defined Terms. For purposes of this Certificate of Designations, the following terms shall have the following meanings:

(a) “**1934 Act**” means the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder.

(b) “**Additional Amount**” means, as of the applicable date of determination, with respect to each Preferred Share, all declared and unpaid dividends on such Preferred Share.

(c) “**Affiliate**” means, with respect to any Person, any other Person that directly or indirectly controls, is controlled by, or is under common control with, such Person, it being understood for purposes of this definition that “control” of a Person means the power directly or indirectly either to vote 10% or more of the stock having ordinary voting power for the election of directors of such Person or direct or cause the direction of the management and policies of such Person whether by contract or otherwise.

(d) “**Adjustment Right**” means any right granted with respect to any securities issued in connection with, or with respect to, any issuance or sale (or deemed issuance or sale in accordance with Section 8(a)) of shares of Common Stock (other than rights of the type described in Section 7(a) hereof) that could result in a decrease in the net consideration received by the Corporation in connection with, or with respect to, such securities (including, without limitation, any cash settlement rights, cash adjustment or other similar rights).

(e) “**Approved Stock Plan**” means any employee benefit plan or agreement which has been approved by the Board of Directors of directors of the Corporation prior to or subsequent to the Subscription Date pursuant to which shares of Common Stock and standard options to purchase Common Stock may be issued to any employee, officer, consultant or director for services provided to the Corporation in their capacity as such.

(f) “**Attribution Parties**” means, collectively, the following Persons and entities: (i) any investment vehicle, including, any funds, feeder funds or managed accounts, currently, or from time to time after the Initial Issuance Date, directly or indirectly managed or advised by a Holder’s investment manager or any of its Affiliates or principals, (ii) any direct or indirect Affiliates of such Holder or any of the foregoing, (iii) any Person acting or who could be deemed to be acting as a Group together with such Holder or any of the foregoing and (iv) any other Persons whose beneficial ownership of the Corporation’s Common Stock would or could be aggregated with such Holder’s and the other Attribution Parties for purposes of Section 13(d) of the 1934 Act. For clarity, the purpose of the foregoing is to subject collectively such Holder and all other Attribution Parties to the Maximum Percentage.

(g) “**Bankruptcy Triggering Events**” means each of the following events:

(i) bankruptcy, insolvency, reorganization or liquidation proceedings or other proceedings for the relief of debtors shall be instituted by or against the Corporation or any Subsidiary and, if instituted against the Corporation or any Subsidiary by a third party, shall not be dismissed within thirty (30) days of their initiation;

(ii) the commencement by the Corporation or any Subsidiary of a voluntary case or proceeding under any applicable federal, state or foreign bankruptcy, insolvency, reorganization or other similar law or of any other case or proceeding to be adjudicated a bankrupt or insolvent, or the consent by it to the entry of a decree, order, judgment or other similar document in respect of the Corporation or any Subsidiary in an involuntary case or proceeding under any applicable federal, state or foreign bankruptcy, insolvency, reorganization or other similar law or to the commencement of any bankruptcy or insolvency case or proceeding against it, or the filing by it of a petition or answer or consent seeking reorganization or relief under any applicable federal, state or foreign law, or the consent by it to the filing of such petition or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Corporation or any Subsidiary or of any substantial part of its property, or the making by it of an assignment for the benefit of creditors, or the execution of a composition of debts, or the occurrence of any other similar federal, state or foreign proceeding, or the admission by it in writing of its inability to pay its debts generally as they become due, the taking of corporate action by the Corporation or any Subsidiary in furtherance of any such action or the taking of any action by any Person to commence a Uniform Commercial Code foreclosure sale or any other similar action under federal, state or foreign law;

(iii) the entry by a court of (A) a decree, order, judgment or other similar document in respect of the Corporation or any Subsidiary of a voluntary or involuntary case or proceeding under any applicable federal, state or foreign bankruptcy, insolvency, reorganization or other similar law or (B) a decree, order, judgment or other similar document adjudging the Corporation or any Subsidiary as bankrupt or insolvent, or approving as properly filed a petition seeking liquidation, reorganization, arrangement, adjustment or composition of or in respect of the Corporation or any Subsidiary under any applicable federal, state or foreign law or (C) a decree, order, judgment or other similar document appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Corporation or any Subsidiary or of any substantial part of its property, or ordering the winding up or liquidation of its affairs, and the continuance of any such decree, order, judgment or other similar document or any such other decree, order, judgment or other similar document unstayed and in effect for a period of thirty (30) consecutive days;

(h) “**Black Scholes Consideration Value**” means the value of the applicable Option, Convertible Security or Adjustment Right (as the case may be) as of the date of issuance thereof calculated using the Black Scholes Option Pricing Model obtained from the “OV” function on Bloomberg utilizing (i) an underlying price per share equal to the

Closing Sale Price of the Common Stock on the Trading Day immediately preceding the public announcement of the execution of definitive documents with respect to the issuance of such Option, Convertible Security or Adjustment Right (as the case may be), (ii) a risk-free interest rate corresponding to the U.S. Treasury rate for a period equal to the remaining term of such Option, Convertible Security or Adjustment Right (as the case may be) as of the date of issuance of such Option, Convertible Security or Adjustment Right (as the case may be), (iii) a zero cost of borrow and (iv) an expected volatility equal to the greater of 100% and the 100 day volatility obtained from the HVT function on Bloomberg (determined utilizing a 365 day annualization factor) as of the Trading Day immediately following the date of issuance of such Option, Convertible Security or Adjustment Right (as the case may be).

(i) **"Bloomberg"** means Bloomberg, L.P.

(j) **"Business Day"** means any day other than Saturday, Sunday or other day on which commercial banks in The City of New York are authorized or required by law to remain closed.

(k) **"Change of Control"** means any Fundamental Transaction other than (i) any merger of the Corporation or any of its, direct or indirect, wholly-owned Subsidiaries with or into any of the foregoing Persons, (ii) any reorganization, recapitalization or reclassification of the shares of Common Stock in which holders of the Corporation's voting power immediately prior to such reorganization, recapitalization or reclassification continue after such reorganization, recapitalization or reclassification to hold publicly traded securities and, directly or indirectly, are, in all material respects, such holders of the voting power of the surviving entity (or entities with the authority or voting power to elect the members of the Board of Directors of directors (or their equivalent if other than a corporation) of such entity or entities) after such reorganization, recapitalization or reclassification, or (iii) pursuant to a migratory merger effected solely for the purpose of changing the jurisdiction of incorporation of the Corporation or any of its Subsidiaries. Provided, however, it shall not be deemed to be a Fundamental Transaction if the Corporation enters into a subsidiary merger with Timefire LLC and issues its members merger consideration consisting of (i) 414 million shares of Common Stock, (ii) warrants to purchase 28 million shares of Common Stock and (iii) contingent warrants only exercisable under certain circumstances and provided further that no more than 33 million shares of Common Stock may be issuable under an Equity Incentive Plan as of the closing of such merger.

(l) **"Change of Control Redemption Premium"** means 120%.

(m) **"Closing Bid Price"** and **"Closing Sale Price"** means, for any security as of any date, the last closing bid price and last closing trade price, respectively, for such security on the Principal Market, as reported by Bloomberg, or, if the Principal Market begins to operate on an extended hours basis and does not designate the closing bid price or the closing trade price (as the case may be) then the last bid price or last trade price, respectively, of such security prior to 4:00:00 p.m., New York time, as reported by Bloomberg, or, if the Principal Market is not the principal securities exchange or trading

market for such security, the last closing bid price or last trade price, respectively, of such security on the principal securities exchange or trading market where such security is listed or traded as reported by Bloomberg, or if the foregoing do not apply, the last closing bid price or last trade price, respectively, of such security in the over-the-counter market on the electronic bulletin Board of Directors for such security as reported by Bloomberg, or, if no closing bid price or last trade price, respectively, is reported for such security by Bloomberg, the average of the bid prices, or the ask prices, respectively, of any market makers for such security as reported in the "pink sheets" by OTC Markets Group Inc. (formerly Pink Sheets LLC). If the Closing Bid Price or the Closing Sale Price cannot be calculated for a security on a particular date on any of the foregoing bases, the Closing Bid Price or the Closing Sale Price (as the case may be) of such security on such date shall be the fair market value as mutually determined by the Corporation and the Required Holder. If the Corporation and the Required Holders are unable to agree upon the fair market value of such security, then such dispute shall be resolved in accordance with the procedures in Section 21. All such determinations shall be appropriately adjusted for any stock splits, stock dividends, stock combinations, recapitalizations or other similar transactions during such period.

(n) **"Closing Date"** shall have the meaning set forth in the Securities Purchase Agreement, which date is the date the Corporation initially issued the Preferred Shares and the Warrants pursuant to the terms of the Securities Purchase Agreement.

(o) **"Common Stock"** means (i) the Corporation's shares of common stock, \$0.001 par value per share, and (ii) any capital stock into which such common stock shall have been changed or any share capital resulting from a reclassification of such common stock.

(p) **"Convertible Securities"** means any stock or other security (other than Options) that is at any time and under any circumstances, directly or indirectly, convertible into, exercisable or exchangeable for, or which otherwise entitles the holder thereof to acquire, any shares of Common Stock.

(q) **"Eligible Market"** means The New York Stock Exchange, the NYSE MKT, the Nasdaq Capital Market, the Nasdaq Global Select Market, the Nasdaq Global Market or the Principal Market.

(r) **"Event Market Price"** means, with respect to any Stock Combination Event Date, 125% of the quotient determined by dividing (x) the sum of the VWAP of the Common Stock for each of the five (5) lowest Trading Days during the twenty (20) consecutive Trading Day period ending and including the Trading Day immediately preceding the sixteenth (16th) Trading Day after such Stock Combination Event Date, divided by (y) five (5).

(s) **"Excluded Securities"** means (i) shares of Common Stock, restricted stock units or standard options to purchase Common Stock issued to directors, officers or employees of the Corporation for services rendered to the Corporation in their capacity as such pursuant to an Approved Stock Plan (as defined above), provided that the exercise

price of any such options is not lowered, none of such options are amended to increase the number of shares issuable thereunder and none of the terms or conditions of any such options are otherwise materially changed in any manner that adversely affects any of the Buyers; (ii) shares of Common Stock issued upon the conversion or exercise of Convertible Securities (other than standard options to purchase Common Stock issued pursuant to an Approved Stock Plan that are covered by clause (i) above) issued prior to the Subscription Date, provided that the conversion price of any such Convertible Securities (other than standard options to purchase Common Stock issued pursuant to an Approved Stock Plan that are covered by clause (i) above) is not lowered (other than in accordance with the terms thereof in effect as of the Subscription Date) from the conversion price in effect as of the Subscription Date (whether pursuant to the terms of such Convertible Securities or otherwise), none of such Convertible Securities (other than standard options to purchase Common Stock issued pursuant to an Approved Stock Plan that are covered by clause (i) above) are amended to increase the number of shares issuable thereunder and none of the terms or conditions of any such Convertible Securities (other than standard options to purchase Common Stock issued pursuant to an Approved Stock Plan that are covered by clause (i) above) are otherwise materially changed in any manner that adversely affects any of the Buyers; (iii) the shares of Common Stock issuable upon conversion of the Preferred Shares or otherwise pursuant to the terms of this Certificate of Designations; provided, that the terms of this Certificate of Designations are not amended, modified or changed on or after the Subscription Date (other than antidilution adjustments pursuant to the terms thereof in effect as of the Subscription Date), (iv) the shares of Common Stock issuable upon exercise of the Warrants or warrants required to be issued under the Securities Purchase Agreement pursuant to which the Series A was issued; provided, that the terms of the Warrants and warrants are not amended, modified or changed on or after the Subscription Date (other than antidilution adjustments pursuant to the terms thereof in effect as of the Subscription Date), (v) securities issued to any Placement Agent or other registered broker-dealers as reasonable commissions or fees in connection with any financing transactions, (vi) securities issued pursuant to a merger, acquisition or similar transaction; provided that (A) the primary purpose of such issuance is not to raise capital, (B) the purchaser or acquirer of such securities in such issuance solely consists of either (1) the actual participants in such transactions, (2) the actual owners of such assets or securities acquired in such merger, acquisition or similar transaction, (3) the shareholders, partners or members of the foregoing Persons and (4) Persons whose primary business does not consist of investing in securities, and (C) the number or amount (as the case may be) of such shares of Common Stock issued to such Person by the Corporation shall not be disproportionate to such Person's actual participation in such strategic licensing or development transactions or ownership of such assets or securities to be acquired by the Corporation (as applicable) or (vii) a strategic transaction approved by a majority of the disinterested directors of the Corporation, provided that (A) any such issuance shall only be to a person which is, itself or through its subsidiaries, an operating company in a business synergistic with the business of the Corporation and in which the Corporation receives benefits in addition to the investment of funds, (B) the primary purpose of such issuance is not to raise capital, (C) the purchaser or acquirer of such securities in such issuance solely consists of either (1) the actual participants in such strategic transactions, (2) the actual owners of such strategic assets or securities acquired in such merger or

acquisition, (3) the shareholders, partners or members of the foregoing Persons and (4) Persons whose primary business does not consist of investing in securities, and (D) the number or amount (as the case may be) of such shares of Common Stock issued to such Person by the Corporation shall not be disproportionate to such Person's actual participation in such strategic licensing or development transactions or ownership of such strategic assets or securities to be acquired by the Corporation (as applicable). The issuance of the securities in connection with the last sentence of the definition of Change of Control, below, and the Common Stock issuable upon exercise of the warrants referred to therein shall be deemed to be Excluded Securities.

(t) **"Fundamental Transaction"** means (A) that the Corporation shall, directly or indirectly, including through subsidiaries, Affiliates or otherwise, in one or more related transactions, (i) consolidate or merge with or into (whether or not the Corporation is the surviving corporation) another Subject Entity, or (ii) sell, assign, transfer, convey or otherwise dispose of all or substantially all of the properties or assets of the Corporation or any of its "significant subsidiaries" (as defined in Rule 1-02 of Regulation S-X) to one or more Subject Entities, or (iii) make, or allow one or more Subject Entities to make, or allow the Corporation to be subject to or have its Common Stock be subject to or party to one or more Subject Entities making, a purchase, tender or exchange offer that is accepted by the holders of at least either (x) 50% of the outstanding shares of Common Stock, (y) 50% of the outstanding shares of Common Stock calculated as if any shares of Common Stock held by all Subject Entities making or party to, or Affiliated with any Subject Entities making or party to, such purchase, tender or exchange offer were not outstanding; or (z) such number of shares of Common Stock such that all Subject Entities making or party to, or Affiliated with any Subject Entity making or party to, such purchase, tender or exchange offer, become collectively the beneficial owners (as defined in Rule 13d-3 under the 1934 Act) of at least 50% of the outstanding shares of Common Stock, or (iv) consummate a stock or share purchase agreement or other business combination (including, without limitation, a reorganization, recapitalization, spin-off or scheme of arrangement) with one or more Subject Entities whereby all such Subject Entities, individually or in the aggregate, acquire, either (x) at least 50% of the outstanding shares of Common Stock, (y) at least 50% of the outstanding shares of Common Stock calculated as if any shares of Common Stock held by all the Subject Entities making or party to, or Affiliated with any Subject Entity making or party to, such stock purchase agreement or other business combination were not outstanding; or (z) such number of shares of Common Stock such that the Subject Entities become collectively the beneficial owners (as defined in Rule 13d-3 under the 1934 Act) of at least 50% of the outstanding shares of Common Stock, or (v) reorganize, recapitalize or reclassify its Common Stock, (B) that the Corporation shall, directly or indirectly, including through subsidiaries, Affiliates or otherwise, in one or more related transactions, allow any Subject Entity individually or the Subject Entities in the aggregate to be or become the "beneficial owner" (as defined in Rule 13d-3 under the 1934 Act), directly or indirectly, whether through acquisition, purchase, assignment, conveyance, tender, tender offer, exchange, reduction in outstanding shares of Common Stock, merger, consolidation, business combination, reorganization, recapitalization, spin-off, scheme of arrangement, reorganization, recapitalization or reclassification or otherwise in any manner whatsoever, of either (x) at least 50% of the aggregate ordinary voting power represented by issued and outstanding Common Stock, (y) at least 50% of the aggregate ordinary voting

power represented by issued and outstanding Common Stock not held by all such Subject Entities as of the date of this Certificate of Designations calculated as if any shares of Common Stock held by all such Subject Entities were not outstanding, or (z) a percentage of the aggregate ordinary voting power represented by issued and outstanding shares of Common Stock or other equity securities of the Corporation sufficient to allow such Subject Entities to effect a statutory short form merger or other transaction requiring other shareholders of the Corporation to surrender their shares of Common Stock without approval of the shareholders of the Corporation or (C) directly or indirectly, including through subsidiaries, Affiliates or otherwise, in one or more related transactions, the issuance of or the entering into any other instrument or transaction structured in a manner to circumvent, or that circumvents, the intent of this definition in which case this definition shall be construed and implemented in a manner otherwise than in strict conformity with the terms of this definition to the extent necessary to correct this definition or any portion of this definition which may be defective or inconsistent with the intended treatment of such instrument or transaction.

(u) **“Group”** means a “group” as that term is used in Section 13(d) of the 1934 Act and as defined in Rule 13d-5 thereunder.

(v) **“Holder”** or **“Holders”** means a holder of Preferred Shares.

(w) **“Holder Pro Rata Amount”** means, with respect to any Holder, a fraction (i) the numerator of which is the number of Preferred Shares issued to such Holder pursuant to the Securities Purchase Agreement on the Initial Issuance Date and (ii) the denominator of which is the number of Preferred Shares issued to all Holders pursuant to the Securities Purchase Agreement on the Initial Issuance Date.

(x) **“Initial Issuance Date”** means the Subscription Date.

(y) **“Liquidation Event”** means, whether in a single transaction or series of transactions, the voluntary or involuntary liquidation, dissolution or winding up of the Corporation or such Subsidiaries the assets of which constitute all or substantially all of the assets of the business of the Corporation and its Subsidiaries, taken as a whole.

(z) **“Options”** means any rights, warrants or options to subscribe for or purchase shares of Common Stock or Convertible Securities.

(aa) **“Parent Entity”** of a Person means an entity that, directly or indirectly, controls the applicable Person and whose common stock or equivalent equity security is quoted or listed on an Eligible Market, or, if there is more than one such Person or Parent Entity, the Person or Parent Entity with the largest public market capitalization as of the date of consummation of the Fundamental Transaction.

(bb) **“Person”** means an individual, a limited liability Corporation, a partnership, a joint venture, a corporation, a trust, an unincorporated organization, any other entity or a government or any department or agency thereof.

(cc) **“Principal Market”** means the OTCQB.

(dd) **“Redemption Notices”** means, collectively, the Triggering Events Redemption Notices and the Change of Control Redemption Notices, and each of the foregoing, individually, a **“Redemption Notice.”**

(ee) **“Redemption Premium”** means 120%.

(ff) **“Redemption Prices”** means, collectively, Triggering Event Redemption Prices and the Change of Control Redemption Prices, and each of the foregoing, individually, a **“Redemption Price.”**

(gg) **“SEC”** means the Securities and Exchange Commission or the successor thereto.

(hh) **“Securities Purchase Agreement”** means that certain securities purchase agreement by and among the Corporation and the initial holders of Preferred Shares, dated as of the Subscription Date, as may be amended from time in accordance with the terms thereof.

(ii) **“Stated Value”** shall mean \$11.25 per share, subject to adjustment for stock splits, stock dividends, recapitalizations, reorganizations, reclassifications, combinations, subdivisions or other similar events occurring after the Initial Issuance Date with respect to the Preferred Shares.

(jj) **“Subject Entity”** means any Person, Persons or Group or any Affiliate or associate of any such Person, Persons or Group.

(kk) **“Subscription Date”** with respect to any Holder means the date as of which both the Holder and the Corporation have executed the Securities Purchase Agreement.

(ll) **“Subsidiary”** when used with respect to any Person, means any corporation or other organization, whether incorporated or unincorporated, of which (A) at least a majority of the securities or other interests having by their terms ordinary voting power to elect a majority of the board of directors or others performing similar functions with respect to such corporation or other organization is directly or indirectly owned or controlled by such Person (through ownership of securities, by contract or otherwise) or (B) such Person or any subsidiary of such Person is a general partner of any general partnership or a manager of any limited liability company.

(mm) **“Successor Entity”** means the Person (or, if so elected by the Required Holders, the Parent Entity) formed by, resulting from or surviving any Fundamental Transaction or the Person (or, if so elected by the Required Holders, the Parent Entity) with which such Fundamental Transaction shall have been entered into.

(nn) **“Trading Day”** means, as applicable, (x) with respect to all price or trading volume determinations relating to the Common Stock, any day on which the Common Stock is traded on the Principal Market, or, if the Principal Market is not the principal trading market for the Common Stock, then on the principal securities exchange or securities market on which the Common Stock is then traded, provided that “Trading Day”

shall not include any day on which the Common Stock is scheduled to trade on such exchange or market for less than 4.5 hours or any day that the Common Stock is suspended from trading during the final hour of trading on such exchange or market (or if such exchange or market does not designate in advance the closing time of trading on such exchange or market, then during the hour ending at 4:00:00 p.m., New York time) unless such day is otherwise designated as a Trading Day in writing by the Holder or (y) with respect to all determinations other than price determinations relating to the Common Stock, any day on which The New York Stock Exchange (or any successor thereto) is open for trading of securities.

(oo) **“Transaction Documents”** means the Securities Purchase Agreement, this Certificate of Designations, the Warrants and each of the other agreements and instruments entered into or delivered by the Corporation or any of the Holders in connection with the transactions contemplated by the Securities Purchase Agreement, all as may be amended from time to time in accordance with the terms thereof.

(pp) **“Triggering Event Conversion Price”** means, as of any Triggering Event Conversion Date, 75% of the lowest VWAP of the Common Stock during the ten (10) consecutive Trading Day period immediately prior to such Triggering Event Conversion Date. All such determinations to be appropriate adjusted for any stock split, stock dividend, stock combination or other similar transaction during such measuring period.

(qq) **“Triggering Events”** means each of the following events:

(i) the suspension from trading or failure of the Common Stock to be trading or listed (as applicable) on an Eligible Market for a period of five (5) consecutive Trading Days;

(ii) Except as may be provided in a separate written agreement, the Corporation’s notice, written or oral, to any holder of Preferred Shares or Warrants, including, without limitation, by way of public announcement or through any of its agents, at any time, of its intention not to comply, as required, with a request for exercise of any Warrants for Warrant Shares in accordance with the provisions of the Warrants or a request for conversion of any Preferred Shares into shares of Common Stock that is requested in accordance with the provisions of this Certificate of Designations, other than pursuant to Section 4(d) hereof.

(iii) Except as other provided herein, at any time following the tenth (10th) consecutive day that a Holder’s Authorized Share Allocation (as defined in Section 10(a) above) is less than 300% of the number of shares of Common Stock that such Holder would be entitled to receive upon a conversion, in full, of all of the Preferred Shares then held by such Holder (without regard to any limitations on conversion set forth in this Certificate of Designations);

(iv) the Corporation’s failure to pay any amount when and as due under this Certificate of Designations (including, without limitation, the Corporation’s failure to pay any redemption payments or amounts hereunder), the Securities

Purchase Agreement or any other Transaction Document or any other agreement, document, certificate or other instrument delivered in connection with the transactions contemplated hereby and thereby (in each case, whether or not permitted pursuant to the NRS), except, in the case of a failure to pay Late Charges when and as due, in each such case only if such failure remains uncured for a period of at least three (3) Trading Days;

(v) the Corporation, on two or more occasions, either (A) fails to cure a Conversion Failure or a Delivery Failure (as defined in the Warrants) by delivery of the required number of shares of Common Stock within five (5) Trading Days after the applicable Conversion Date or Exercise Date (as defined in the Warrants) (as the case may be) or (B) fails to remove any restrictive legend on any certificate or any shares of Common Stock issued to such Holder upon conversion or exercise (as the case may be) of any Securities (as defined in the Securities Purchase Agreement) acquired by such Holder under the Securities Purchase Agreement as and when required by such Securities or the Securities Purchase Agreement, unless otherwise then prohibited by applicable federal securities laws, and any such failure remains uncured for at least five (5) Trading Days;

(vi) the occurrence of any default under, redemption of or acceleration prior to maturity of at least an aggregate of \$50,000 of indebtedness (as defined in the Securities Purchase Agreement) of the Corporation or any of its Subsidiaries;

(vii) any Bankruptcy Triggering Event occurs;

(viii) a final judgment or judgments for the payment of money aggregating in excess of \$50,000 are rendered against the Corporation and/or any of its Subsidiaries and which judgments are not, within thirty (30) days after the entry thereof, bonded, discharged, settled or stayed pending appeal, or are not discharged within thirty (30) days after the expiration of such stay; provided, however, any judgment which is covered by insurance or an indemnity from a credit worthy party shall not be included in calculating the \$150,000 amount set forth above so long as the Corporation provides each Holder a written statement from such insurer or indemnity provider (which written statement shall be reasonably satisfactory to each Holder) to the effect that such judgment is covered by insurance or an indemnity and the Corporation or such Subsidiary (as the case may be) will receive the proceeds of such insurance or indemnity within thirty (30) days of the issuance of such judgment;

(ix) the Corporation and/or any Subsidiary, individually or in the aggregate, either (i) fails to pay, when due, or within any applicable grace period, any payment with respect to any indebtedness in excess of \$50,000 due to any third party (other than, with respect to unsecured indebtedness only, payments contested by the Corporation and/or such Subsidiary (as the case may be) in good faith by proper proceedings and with respect to which adequate reserves have been set aside for the payment thereof in accordance with GAAP) or is otherwise in breach or violation of any agreement for monies owed or owing in an amount in excess of

\$50,000, which breach or violation permits the other party thereto to declare a default or otherwise accelerate amounts due thereunder, or (ii) suffer to exist any other circumstance or event that would, with or without the passage of time or the giving of notice, result in a default or event of default under any agreement binding the Corporation or any Subsidiary, which default or event of default would or is likely to have a material adverse effect on the business, assets, operations (including results thereof), liabilities, properties, condition (including financial condition) or prospects of the Corporation or any of its Subsidiaries, individually or in the aggregate;

(x) other than as specifically set forth in another clause of this definition, the Corporation or any Subsidiary breaches any representation or warranty in any material respect (other than representations or warranties subject to material adverse effect or materiality, which may not be breached in any respect) or any covenant or other term or condition of any Transaction Document, except, in the case of a breach of a covenant or other term or condition that is curable, only if such breach remains uncured for a period of five (5) consecutive Trading Days; or

(xi) a false or inaccurate certification (including a false or inaccurate deemed certification) by the Corporation as to whether any Triggering Event has or has not occurred;

(xii) any Material Adverse Effect (as defined in the Securities Purchase Agreement) occurs; or

(xiii) any provision of any Transaction Document shall at any time for any reason (other than pursuant to the express terms thereof) cease to be valid and binding on or enforceable against the parties thereto, or the validity or enforceability thereof shall be contested by any party thereto, or a proceeding shall be commenced by the Corporation or any Subsidiary or any governmental authority having jurisdiction over any of them, seeking to establish the invalidity or unenforceability thereof, or the Corporation or any Subsidiary shall deny in writing that it has any liability or obligation purported to be created under any Transaction Document.

(rr) "VWAP" means, for any security as of any date, the dollar volume-weighted average price for such security on the Principal Market (or, if the Principal Market is not the principal trading market for such security, then on the principal securities exchange or securities market on which such security is then traded) during the period beginning at 9:30:01 a.m., New York time, and ending at 4:00:00 p.m., New York time, as reported by Bloomberg through its "Volume at Price" function or, if the foregoing does not apply, the dollar volume-weighted average price of such security in the over-the-counter market on the electronic bulletin Board of Directors for such security during the period beginning at 9:30:01 a.m., New York time, and ending at 4:00:00 p.m., New York time, as reported by Bloomberg, or, if no dollar volume-weighted average price is reported for such security by Bloomberg for such hours, the average of the highest closing bid price and the

lowest closing ask price of any of the market makers for such security as reported in the "pink sheets" by OTC Markets Group Inc. (formerly Pink Sheets LLC). If the VWAP cannot be calculated for such security on such date on any of the foregoing bases, the VWAP of such security on such date shall be the fair market value as mutually determined by the Corporation and the Required Holders. If the Corporation and the Required Holders are unable to agree upon the fair market value of such security, then such dispute shall be resolved in accordance with the procedures in Section 21. All such determinations shall be appropriately adjusted for any stock dividend, stock split, stock combination, recapitalization or other similar transaction during such period.

(ss) "Warrants" has the meaning ascribed to such term in the Securities Purchase Agreement, and shall include all warrants issued in exchange therefor or replacement thereof.

(tt) "Warrant Shares" means, collectively, the shares of Common Stock issuable upon exercise of the Warrants.

30. Disclosure. Upon receipt or delivery by the Corporation of any notice in accordance with the terms of this Certificate of Designations, unless the Corporation has in good faith determined that the matters relating to such notice do not constitute material, non-public information relating to the Corporation or any of its Subsidiaries, the Corporation shall within one (1) Business Day after any such receipt or delivery publicly disclose such material, non-public information on a Current Report on Form 8-K or otherwise. In the event that the Corporation believes that a notice contains material, non-public information relating to the Corporation or any of its Subsidiaries, the Corporation so shall indicate to such Holder contemporaneously with delivery of such notice, and in the absence of any such indication, such Holder shall be allowed to presume that all matters relating to such notice do not constitute material, non-public information relating to the Corporation or any of its Subsidiaries. If the Corporation or any of its Subsidiaries provides material non-public information to a Holder that is not simultaneously filed in a Current Report on Form 8-K and such Holder has not agreed to receive such material non-public information, the Corporation hereby covenants and agrees that such Holder shall not have any duty of confidentiality to the Corporation, any of its Subsidiaries or any of their respective officers, directors, employees, affiliates or agents with respect to, or a duty to any of the foregoing not to trade on the basis of, such material non-public information. Nothing contained in this Section 30 shall limit any obligations of the Corporation, or any rights of any Holder, under the Securities Purchase Agreement.

31. Authorized Capital Limitation. Notwithstanding anything in this Certificate of Designations to the contrary, prior to November 30, 2016 the Holder shall not be entitled to any remedy if conversion of Preferred Shares or Warrants is precluded due to there not being more than 500,000,000 shares of authorized Common Stock. Furthermore, in such event prior to November 30, 2016, it shall not be deemed to be a Triggering Event if the Corporation is unable to permit conversion of Preferred Shares or the exercise of warrants due to the 500,000,000 share Common Stock limitation.

* * * * *

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Designations of Series A Convertible Preferred Stock of EnergyTek Corp. to be signed by its Chief Executive Officer and Secretary on this 7th day of September, 2016.

ENERGYTEK CORP.

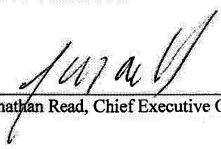
By: 
Jonathan Read, Chief Executive Officer

EXHIBIT I

**ENERGYTEK CORP.
CONVERSION NOTICE**

Reference is made to the Certificate of Designations, Preferences and Rights of the Series A Convertible Preferred Stock of EnergyTek Corp. (the "Certificate of Designations"). In accordance with and pursuant to the Certificate of Designations, the undersigned hereby elects to convert the number of shares of Series A Convertible Preferred Stock, \$0.01 par value per share (the "Preferred Shares"), of EnergyTek Corp., a Delaware corporation (the "Corporation"), indicated below into shares of common stock, \$0.001 value per share (the "Common Stock"), of the Corporation, as of the date specified below.

Date of Conversion: _____

Aggregate number of Preferred Shares to be converted _____

Aggregate Stated Value of such Preferred Shares to be converted: _____

Aggregate accrued and unpaid dividends and accrued and unpaid Late Charges with respect to such Preferred Shares and such aggregate dividends to be converted: _____

AGGREGATE CONVERSION AMOUNT TO BE CONVERTED: _____

Please confirm the following information:

Conversion Price: _____

Number of shares of Common Stock to be issued: _____

Please issue the Common Stock into which the applicable Preferred Shares are being converted to Holder, or for its benefit, as follows:

Check here if requesting delivery as a certificate to the following name and to the following address:

Issue to: _____

Check here if requesting delivery by Deposit/Withdrawal at Custodian as follows:

DTC Participant: _____

DTC Number: _____

Account Number: _____

Date: _____, _____

Name of Registered Holder

By: _____

Name:
Title:

Tax ID: _____

Facsimile: _____

E-mail Address:

EXHIBIT II

ACKNOWLEDGMENT

The Corporation hereby acknowledges this Conversion Notice and hereby directs _____ to issue the above indicated number of shares of Common Stock in accordance with the Transfer Agent Instructions dated _____, 20__ from the Corporation and acknowledged and agreed to by _____.

ENERGYTEK CORP.

By: _____
Name:
Title:



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



096204

Certificate of Amendment
 (PURSUANT TO NRS 78.385 AND 78.390)

Filed in the office of <i>Barbara K. Cegavske</i> Barbara K. Cegavske Secretary of State State of Nevada	Document Number 20160500154-04
	Filing Date and Time 11/14/2016 5:00 PM
	Entity Number C6791-2001

USE BLACK INK ONLY - DO NOT HIGHLIGHT

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

1. Name of corporation:

EnergyTek Corp.

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

Article 1. Name of Company: The name of the corporation is TimeLifeVR Inc.

Article 4. Authorized Shares: The last paragraph of Article 4 shall be replaced with the following:

As of the close of business on November 21, 2016 (4:01 p.m. Eastern Daylight Time) (the "Reverse Split Date"), each ten shares of common stock issued and outstanding immediately prior to the Reverse Split Date (referred to in this paragraph as the "Old Common Stock") automatically and without any action on the part of the holder thereof will be reclassified and changed into one share of new common stock, par value \$0.01 per share (referred to in this paragraph as the "New Common Stock"), subject to the treatment of fractional share interests as described below. Each holder of a certificate or certificates that immediately prior to the Reverse Split Date represented outstanding shares of Old Common Stock (the "Old Certificates") will be entitled to (continued on Attachment Page)

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

October 11, 2016

4. Effective date and time of filing: (optional) Date: November 21, 2016 Time: 4:01 pm EDT
 (must not be later than 90 days after the certificate is filed)

5. Signature: (required)

X

Signature of Officer

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

IMPORTANT: Failure to include any of the above information and submit with the proper fees may cause this filing to be rejected.
 This form must be accompanied by appropriate fees. Nevada Secretary of State Amend Profit/After Revised: 1-5-15

receive, upon surrender of such Old Certificates to the Company for cancellation, a certificate or certificates (the "New Certificates", whether one or more) representing the number of whole shares (rounded up to the nearest whole share) of the New Common Stock into which and for which the shares of the Old Common Stock formerly represented by such Old Certificates so surrendered are reclassified under the terms hereof. From and after the Reverse Split Date, Old Certificates shall represent only the right to receive New Certificates pursuant to the provisions hereof. No certificates or scrip representing fractional share interests in New Common Stock will be issued. In lieu of any such fractional shares of New Common Stock, each shareholder with a fractional share will be entitled to receive, upon surrender of Old Certificates to the Company for cancellation, a New Certificate representing the number of shares such shareholder would otherwise be entitled to rounded up to the next whole share. If more than one Old Certificate shall be surrendered at one time for the account of the same shareholder, the number of full shares of New Common Stock for which New Certificates shall be issued shall be computed on the basis of the aggregate number of shares represented by the Old Certificates so surrendered. In the event that the Company determines that a holder of Old Certificates has not tendered all his, her or its certificates for exchange, the Company shall carry forward any fractional share until all certificates of that holder have been presented for exchange. The Old Certificates surrendered for exchange shall be properly endorsed and otherwise in proper form for transfer. From and after the Reverse Split Date, the amount of capital represented by the shares of the New Common Stock into which and for which the shares of the Old Common Stock are reclassified under the terms hereof shall be an amount equal to the product of the number of issued and outstanding shares of New Common Stock and the \$0.001 par value of each such share.

TimefireVR Inc.(formerly EnergyTEK Corp.)
(a Nevada Corporation)

BYLAWS

ARTICLE I

Principal Executive Office

The principal executive office of EnergyTEK Corp. (the "Corporation") shall be at 201 S. Laurel, Luling, TX 78648. The Corporation may also have offices at such other places within or without the State of Nevada as the board of directors shall from time to time determine.

ARTICLE II
Stockholders

SECTION 1. Place of Meetings. All annual and special meetings of stockholders shall be held at the principal executive office of the Corporation or at such other place within or without the State of Nevada as the board of directors may determine and as designated in the notice of such meeting.

SECTION 2. Annual Meeting. A meetings of the stockholders of the Corporation for the election of directors and for the transaction of any other business of the Corporation shall be held annually at such date and time as the board of directors may determine.

SECTION 3. Special Meetings. Special meeting of the stockholders of the Corporation for any purpose or purposes may be called at any time by the board of directors of the Corporation, or by a committee of the board of directors which has been duly designated by the board of directors and whose powers and authorities, as provided in a resolution of the board of directors or in the By Laws of the Corporation, include the power and authority to call such meetings but such special meetings may not be called by another person or persons.

SECTION 4. Conduct of Meetings. Annual and special meetings shall be conducted in accordance with these By Laws or as otherwise prescribed by the board of directors. The chairman or the chief executive officer of the Corporation shall preside at such meetings.

SECTION 5. Notice of Meeting. Written notice stating the place, day and hour of the meeting and the purpose or purposes for which the meeting is called shall be mailed by the secretary or the officer performing his duties, not less than ten days nor more than sixty days before the meeting to each stockholder of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the stockholder at his address as it appears on the stock transfer books or records of the Corporation as of the record date prescribed in Section 6, with postage thereon prepaid. If a stockholder be present at a meeting, or in writing waive notice thereof before or after the meeting, notice of the meeting to such stockholder shall be unnecessary. When any stockholders' meeting, either annual or special, is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. It shall not be necessary to give any notice of the time and place of any meeting adjourned for less than thirty days or of the business to be transacted at such adjourned meeting, other than an announcement at the meeting at which such adjournment is taken.

SECTION 6. Fixing of Record Date. For the purpose of determining stockholders entitled to notice of or to vote at any meeting of stockholders, or any adjournment thereof, or stockholders entitled to receive payment of any dividend, or in order to make a determination of stockholders for any other proper purpose, the board of directors shall fix in advance a date as the record date for any such determination of stockholders. Such date in any case shall be not more than sixty days, and in case of a meeting of stockholders, not less than ten days prior to the date on which the particular action, requiring such determination of stockholders, is to be taken.

When a determination of stockholders entitled to vote at any meeting of stockholders has been made as provided in this section, such determination shall apply to any adjournment thereof.

SECTION 7. Voting Lists. The officer or agent having charge of the stock transfer books for shares of the Corporation shall make, at least ten days before each meeting of stockholders, a complete record of the stockholders entitled to vote at such meeting or any adjournment thereof, with the address of and the number of shares held by each. The record, for a period of ten days before such meeting, shall be kept on file at the principal executive office of the Corporation, whether within or outside the State of Nevada, and shall be subject to inspection by any stockholder for any purpose germane to the meeting at any time during usual business hours. Such record shall also be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any stockholder for any purpose germane to the meeting during the whole time of the meeting. The original stock transfer books shall be prima facie evidence as to who are the stockholders entitled to examine such record or transfer books or to vote at any meeting of stockholders.

SECTION 8. Quorum. One-fourth of the outstanding shares of the Corporation entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of stockholders. If less than one-fourth of the outstanding shares are represented at a meeting, a majority of the shares so represented may adjourn the meeting from time to time without further notice. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally notified. The stockholders present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough stockholders to leave less than a quorum.

SECTION 9. Proxies. At all meetings of stockholders, a stockholder may vote by proxy executed in writing by the stockholder or by his duly authorized attorney in fact. Proxies solicited on behalf of the management shall be voted as directed by the stockholder or, in the absence of such direction, as determined by a majority of the board of directors. No proxy shall be valid after eleven months from the date of its execution unless otherwise provided in the proxy.

SECTION 10. Voting. At each election for directors every stockholder entitled to vote at such election shall be entitled to one vote for each share of stock held. Unless otherwise provided by the Articles of Incorporation, by statute, or by these By Laws, a majority of those votes cast by stockholders at a lawful meeting shall be sufficient to pass on a transaction or matter, except in the election of directors, which election shall be determined by a plurality of the votes of the shares present in person or by proxy at the meeting and entitled to vote on the election of directors.

SECTION 11. Voting of Shares in the Name of Two or More Persons. When ownership of stock stands in the name of two or more persons, in the absence of written directions to the Corporation to the contrary, at any meeting of the stockholders of the Corporation any one or more of such stockholders may cast, in person or by proxy, all votes to which such ownership is entitled. In the event an attempt is made to cast conflicting votes, in person or by proxy, by the several persons in whose name shares of stock stand, the vote or votes to which these persons are entitled shall be cast as directed by a majority of those holding such stock and present in person or by proxy at such meeting, but no votes shall be cast for such stock if a majority cannot agree.

SECTION 12. Voting of Shares by Certain Holders. Shares standing in the name of another corporation may be voted by any officer, agent or proxy as the By Laws of such corporation may prescribe, or, in the absence of such provision, as the board of directors of such corporation may determine. Shares held by an administrator, executor, guardian or conservator may be voted by him, either in person or by proxy, without a transfer of such shares into his name. Shares standing in the name of a trustee may be voted by him, either in person or by proxy, but no trustee shall be entitled to vote shares held by him without a transfer of such shares into his name. Shares standing in the name of a receiver may be voted by such receiver, and shares held by or under the control of a receiver may be voted by such receiver without the transfer thereof into his name if

authority to do so is contained in an appropriate order of the court or other public authority by which such receiver was appointed.

A stockholder whose shares are pledged shall be entitled to vote such shares until the shares have been transferred into the name of the pledgee and thereafter the pledgee shall be entitled to vote the shares so transferred.

Neither treasury shares of its own stock held by the Corporation, nor shares held by another corporation, if a majority of the shares entitled to vote for the election of directors of such other corporation are held by the Corporation, shall be voted at any meeting or counted in determining the total number of outstanding shares at any given time for purposes of any meeting.

SECTION 13. Inspectors of Election. In advance of any meeting of stockholders, the chairman of the board or the board of directors may appoint any persons, other than nominees for office, as inspectors of election to act at such meeting or any adjournment thereof. The number of inspectors shall be either one or three. If the board of directors so appoints either one or three inspectors, that appointment shall not be altered at the meeting. If inspectors of election are not so appointed, the chairman of the board may make such appointment at the meeting. In case any person appointed as inspector fails to appear or fails or refuses to act, the vacancy may be filled by appointment in advance of the meeting or at the meeting by the chairman of the board or the president.

Unless otherwise prescribed by applicable law, the duties of such inspectors shall include: determining the number of shares of stock and the voting power of each share, the shares of stock represented at the meeting, the existence of a quorum, the authenticity, validity and effect of proxies; receiving votes, ballots or consents; hearing and determining all challenges and questions in any way arising in connection with the right to vote; counting and tabulating all votes or consents; determining the result; and such acts as may be proper to conduct the election or vote with fairness to all stockholders.

SECTION 14. Nominating Committee. The board of directors or a committee appointed by the board of directors shall act as nominating committee for selecting the management nominees for election as directors. Except in the case of a nominee substituted as a result of the death or other incapacity of a management nominee, the nominating committee shall deliver written nominations to the secretary at least twenty days prior to the date of the annual meeting. Provided such committee makes such nominations, no nominations for directors except those made by the nominating committee shall be voted upon at the annual meeting unless other nominations by stockholders are made in writing and delivered to the secretary of the Corporation in accordance with the provisions of the Corporation's Articles of Incorporation.

SECTION 15. New Business. Any new business to be taken up at the annual meeting shall be stated in writing and filed with the secretary of the Corporation in accordance with the provisions of the Corporation's Articles of Incorporation. This provision shall not prevent the consideration and approval or disapproval at the annual meeting of reports of officers, directors and committees, but in connection with such reports no new business shall be acted upon at such annual meeting unless stated and filed as provided in the Corporation's Articles of Incorporation.

ARTICLE III Board of Directors

SECTION 1. General Powers. The business and affairs of the Corporation shall be under the direction of its board of directors. The chairman shall preside at all meetings of the board of directors.

SECTION 2. Number, Term and Election. The number of directors of the Corporation shall be such number, not less than one nor more than 15 (exclusive of directors, if any, to be elected by holders of preferred stock of the Corporation), as shall be provided from time to time in a resolution adopted by the board of directors, provided that no decrease in the number of directors shall have the effect of shortening the term of any incumbent director, and provided further that no action shall be taken to decrease or increase the number of directors from time to time unless at least two-thirds of the directors then in office shall concur in said action. Exclusive of directors, if any, elected by holders of preferred stock, vacancies in the board of directors of the Corporation, however caused, and newly created directorships shall be filled by a vote of two-thirds of the directors then in office, whether or not a quorum, and any director so chosen shall hold office for a term expiring at the annual meeting of stockholders at which the term of the class to which the director has been chosen expires and when the director's successor is elected and qualified.

SECTION 3. Regular Meetings. A regular meeting of the board of directors shall be held at such time and place as shall be determined by resolution of the board of directors without other notice than such resolution.

SECTION 4. Special Meetings. Special meetings of the board of directors may be called by or at the request of the chairman, the chief executive officer or one-third of the directors. The person calling the special meetings of the board of directors may fix any place as the place for holding any special meeting of the board of directors called by such persons.

Members of the board of the directors may participate in special meetings by means of telephone conference or similar communications equipment by which all persons participating in the meeting can hear each other. Such participation shall constitute presence in person.

SECTION 5. Notice. Written notice of any special meeting shall be given to each director at least two days previous thereto delivered personally or by telegram or at least seven days previous thereto delivered by mail at the address at which the director is most likely to be reached. Such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid if mailed or when delivered to the telegraph company if sent by telegram. Any director may waive notice of any meeting by a writing filed with the secretary. The attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any meeting of the board of directors need be specified in the notice or waiver of notice of such meeting.

SECTION 6. Quorum. A majority of the number of directors fixed by Section 2 shall constitute a quorum for the transaction of business at any meeting of the board of directors, but if less than such majority is present at a meeting, a majority of the directors present may adjourn the meeting from time to time. Notice of any adjourned meeting shall be given in the same manner as prescribed by Section 5 of this Article III.

SECTION 7. Manner of Acting. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the board of directors, unless a greater number is prescribed by these By Laws, the Articles of Incorporation, or the Nevada Revised Statutes.

SECTION 8. Action Without a Meeting. Any action required or permitted to be taken by the board of directors at a meeting may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the directors.

SECTION 9. Resignation. Any director may resign at any time by sending a written notice of such resignation to the home office of the Corporation addressed to the chairman. Unless otherwise specified therein such resignation shall take effect upon receipt thereof by the chairman.

SECTION 10. Vacancies. Any vacancy occurring on the board of directors shall be filled in accordance with the provisions of the Corporation's Articles of Incorporation. Any directorship to be filled by reason of an increase in the number of directors may be filled by the affirmative vote of two-thirds of the directors then in office or by election at an annual meeting or at a special meeting of the stockholders held for that purpose. The term of such director shall be in accordance with the provisions of the Corporation's Articles of Incorporation.

SECTION 11. Removal of Directors. Any director or the entire board of directors may be removed only in accordance with the provisions of the Corporation's Articles of Incorporation.

SECTION 12. Compensation. Directors, as such, may receive compensation for service on the board of directors. Members of either standing or special committees may be allowed such compensation as the board of directors may determine.

ARTICLE IV
Committees of the Board of Directors

The board of directors may, by resolution passed by a majority of the whole board, designate one or more committees, as they may determine to be necessary or appropriate for the conduct of the business of the Corporation, and may prescribe the duties, constitution and procedures thereof. Each committee shall consist of one or more directors of the Corporation appointed by the chairman. The chairman may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee.

The chairman shall have power at any time to change the members of, to fill vacancies in, and to discharge any committee of the board. Any member of any such committee may resign at any time by giving notice to the Corporation; provided, however, that notice to the board, the chairman of the board, the chief executive officer, the chairman of such committee, or the secretary shall be deemed to constitute notice to the Corporation. Such resignation shall take effect upon receipt of such notice or at any later time specified therein; and, unless otherwise specified therein, acceptance of such resignation shall not be necessary to make it effective. Any member of any such committee may be removed at any time, either with or without cause, by the affirmative vote of a majority of the authorized number of directors at any meeting of the board called for that purpose.

ARTICLE V
Officers

SECTION 1. Positions. The officers of the Corporation shall be a chairman, a president, one or more vice presidents, a secretary and a treasurer, each of whom shall be elected by the board of directors. The board of directors may designate one or more vice presidents as executive vice president or senior vice president. The board of directors may also elect or authorize the appointment of such other officers as the business of the Corporation may require. The officers shall have such authority and perform such duties as the board of directors may from time to time authorize or determine. In the absence of action by the board of directors, the officers shall have such powers and duties as generally pertain to their respective offices.

SECTION 2. Election and Term of Office. The officers of the Corporation shall be elected annually by the board of directors at the first meeting of the board of directors held after each annual meeting of the stockholders. If the election of officers is not held at such meeting, such election shall be held as soon thereafter as possible. Each officer shall hold office until his successor shall have been duly elected and qualified or until his death or until he shall resign or shall have been removed in the manner hereinafter provided. Election or appointment of an officer, employee or agent shall not of itself create contract rights. The board of directors may authorize the Corporation to enter into an employment contract with any officer in accordance with state law; but no such contract shall impair the right of the board of directors to remove any officer at any time in accordance with Section 3 of this Article V.

SECTION 3. Removal. Any officer may be removed by vote of two-thirds of the board of directors whenever, in its judgment, the best interests of the Corporation will be served thereby, but such removal, other than for cause, shall be without prejudice to the contract rights, if any, of the person so removed.

SECTION 4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the board of directors for the unexpired portion of the term.

SECTION 5. Remuneration. The remuneration of the officers shall be fixed from time to time by the board of directors, and no officer shall be prevented from receiving such salary by reason of the fact that he is also a director of the Corporation.

ARTICLE VI
Contracts, Loans, Checks and Deposits

SECTION 1. Contracts. To the extent permitted by applicable law, and except as otherwise prescribed by the Corporation's Articles of Incorporation or these By Laws with respect to certificates for shares, the board of directors or the executive committee may authorize any officer, employee, or agent of the Corporation to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation. Such authority may be general or confined to specific instances.

SECTION 2. Loans. No loans shall be contracted on behalf of the Corporation and no evidence of indebtedness shall be issued in its name unless authorized by the board of directors. Such authority may be general or confined to specific instances.

SECTION 3. Checks, Drafts, Etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by one or more officers, employees or agents of the Corporation in such manner, including in facsimile form, as shall from time to time be determined by resolution of the board of directors.

SECTION 4. Deposits. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in any of its duly authorized depositories as the board of directors may select.

ARTICLE VII
Certificates for Shares and Their Transfer

SECTION 1. Certificates for Shares. The shares of the Corporation shall be represented by certificates signed by the chairman of the board of directors or the president or a vice president and by the treasurer or an assistant treasurer or the secretary or an assistant secretary of the Corporation, and may be sealed with the seal of the Corporation or a facsimile thereof. Any or all of the signatures upon a certificate may be facsimiles if the certificate is countersigned by a transfer agent, or registered by a registrar, other than the Corporation itself or an employee of the Corporation. If any officer who has signed or whose facsimile signature has been placed upon such certificate shall have ceased to be such officer before the certificate is issued, it may be issued by the Corporation with the same effect as if he were such officer at the date of its issue.

SECTION 2. Form of Share Certificates. All certificates representing shares issued by the Corporation shall set forth upon the face or back that the Corporation will furnish to any stockholder upon request and without charge a full statement of the designations, preferences, limitations, and relative rights of the shares of each class authorized to be issued, the variations in the relative rights and preferences between the shares of each such series so far as the same have been fixed and determined, and the authority of the board of directors to fix and determine the relative rights and preferences of subsequent series.

Each certificate representing shares shall state upon the face thereof: that the Corporation is organized under the laws of the State of Nevada; the name of the person to whom issued; the number and class of shares, the designation of the series, if any, which such certificate represents; the par value of each share represented by such certificate, or a statement that the shares are without par value. Other matters in regard to the form of the certificates shall be determined by the board of directors.

SECTION 3. Payment for Shares. No certificate shall be issued for any share until such share is fully paid.

SECTION 4. Form of Payment for Shares. The consideration for the issuance of shares shall be paid in accordance with the provisions of the Corporation's Articles of Incorporation.

SECTION 5. Transfer of Shares. Transfer of shares of capital stock of the Corporation shall be made only on its stock transfer books. Authority for such transfer shall be given only to the holder of record thereof or by his legal representative, who shall furnish proper evidence of such authority, or by his attorney thereunto authorized by power of attorney duly executed and filed with the Corporation. Such transfer shall be made only on surrender for cancellation of the certificate for such shares. The person in whose name shares of capital stock stand on the books of the Corporation shall be deemed by the Corporation to be the owner thereof for all purposes.

SECTION 6. Lost Certificates. The board of directors may direct a new certificate to be issued in place of any certificate theretofore issued by the Corporation alleged to have been lost, stolen, or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate of stock to be lost, stolen, or destroyed. When authorizing such issue of a new certificate, the board of directors may, in its discretion and as a condition precedent to the issuance thereof, require the owner of such lost, stolen, or destroyed certificate, or his legal representative, to give the Corporation a bond in such sum as it may direct as indemnity against any claim that may be made against the Corporation with respect to the certificate alleged to have been lost, stolen, or destroyed.

ARTICLE VIII
Fiscal Year; Annual Audit

The fiscal year of the Corporation shall end on the last day of December of each year. The Corporation shall be subject to an annual audit as of the end of its fiscal year by independent public accountants appointed by and responsible to the board of directors.

ARTICLE IX
Dividends

Dividends upon the stock of the Corporation, subject to the provisions of the Articles of Incorporation, if any, may be declared by the board of directors at any regular or special meeting, pursuant to law. Dividends may be paid in cash, in property or in the Corporation's own stock.

ARTICLE X
Corporation Seal

The corporate seal of the Corporation shall be in such form as the board of directors shall prescribe.

ARTICLE XI
Amendments

These By Laws may be repealed, altered, amended or rescinded by the stockholders of the Corporation only by vote of not less than 75% of the voting power of the outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors (considered for this purpose as one class) cast at a meeting of the stockholders called for that purpose (provided that notice of such proposed repeal, alteration, amendment or rescission is included in the notice of such meeting). In addition, the board of directors may repeal, alter, amend or rescind these By Laws by a majority vote of the board of directors at a legal meeting held in accordance with the provisions of these By Laws.

Certification

I, Tommie J. Morgan, Secretary of EnergyTEK Corp., a Nevada corporation, hereby certify that the foregoing is a true and correct copy of By Laws which were duly adopted by the Board of Directors of EnergyTEK Corp. on March 13, 2015.

Dated: March 15, 2015
/s/ Tommie J. Morgan
Tommie J. Morgan, Secretary

AMENDMENT TO BY LAWS
OF
ENERGYTEK CORP.

The By Laws of EnergyTEK Corp., a Nevada corporation are hereby amended to add a Section 7 to Article VII of the By Laws which were adopted by the Board of Directors on May 5, 2015.

“SECTION 7. Book-entry of Shares. The Corporation through its Transfer Agent is authorized to issue shares of its common or preferred stock through Book-entry on the records of the Transfer Agent.”

All other provisions of the existing By Laws shall remain in full force and effect.

Certification

I, Tommie J. Morgan, Secretary of EnergyTEK Corp., a Nevada corporation, hereby certify that the foregoing is a true and correct copy of Amendment to By Laws which was duly adopted by the Board of Directors of EnergyTEK Corp. on May 5, 2015.

Dated: May 6, 2015
Tommie J. Morgan, Secretary

/s/ Tommie J. Morgan

Subsidiaries

Name	Place of Incorporation
Timefire LLC	Nevada

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the use in this Registration Statement on Form S-1 of our report dated February 8, 2017, relating to the consolidated financial statement of TimefireVR Inc. and its subsidiaries appearing in the prospectus, which is part of this Registration Statement.

We also consent to the reference to us under the heading “Experts” in such prospectus.

/S/ Berkower LLC

Iselin, New Jersey
February 8, 2017