



NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

To the Shareholders of VirTra Systems, Inc.:

You are cordially invited to the annual meeting of shareholders of VirTra Systems, Inc., a Texas corporation ("VirTra"), to be held at its corporate offices located at 7970 S. Kyrene Road, Tempe, Arizona 85284 on Friday, September 16, 2016, at 10:00 a.m. local time to consider and vote on the following matters:

1. to approve a Plan of Conversion in order to effectuate the Redomestication from Texas to Nevada (the "**Redomestication Plan of Conversion**");
2. the election of three directors to VirTra's Board of Directors to serve until VirTra's annual meeting following the end of fiscal year 2016 or until their successors are elected and qualified;
3. to ratify the appointment of Friedman, LLP ("Friedman") as VirTra's independent registered public accounting firm; and
4. To consider and act upon any other business as may properly come before the annual meeting or any adjournments thereof.

Our Board of Directors unanimously recommends a vote FOR Items 1, 2, 3 and 4 described above. Holders of our common stock will have appraisal rights under Texas law in connection with the Redomestication Plan of Conversion.

Our Board of Directors has fixed July 28, 2016, as the record date for determining shareholders entitled to notice of and to vote at the Annual Meeting. Only shareholders of record as of the record date will be entitled to notice of and to vote at the Annual Meeting or any adjournment thereof. The proxy statement and accompanying proxy card will first be sent to shareholders beginning August 1, 2016.

It is important that your shares be represented and voted at the meeting. If you received the proxy materials by mail, you can vote your shares by completing, signing, dating, and returning your completed proxy card, by mail or over the Internet. If you received the proxy materials over the Internet, a proxy card was not sent to you, and you may vote your shares over the Internet. To vote over the Internet, follow the instructions included in the proxy statement. You can revoke a proxy at any time prior to its exercise at the meeting by following the instructions in the proxy statement.

You may attend the annual meeting and vote in person even if you have previously voted by proxy. Your proxy is revocable in accordance with the procedures set forth in the proxy statement.

The Notice of Annual Meeting, Proxy Statement, the proxy card and Year End Report for the year ended December 31, 2015 are available at <http://www.cstproxy.com/virtra/2016>.

For ten days before the date of the Annual Meeting, a complete list of the shareholders entitled to vote at the meeting will be available for examination by any shareholder for any purpose relating to the meeting during ordinary business hours at VirTra's executive offices at 7970 S. Kyrene Road, Tempe, Arizona 85284.

By Order of the Board of Directors,

Robert Ferris
Chairman of the Board
Chief Executive Officer

Dated: July 29, 2016

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QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETING AND THE REDOMESTICATION

The following section provides answers to frequently asked questions about the annual meeting of stockholders and the redomestication. This section, however, only provides summary information. These questions and answers may not address all issues that may be important to you as a stockholder. For a more complete response to these questions and for additional information, please refer to the cross-referenced sections below. You should carefully read this entire proxy statement, including each of the annexes.

Q: Why am I receiving this proxy statement?

A: You are receiving this proxy statement because you have been identified as a stockholder of VirTra as of the record date, and thus you are entitled to vote at VirTra's annual meeting of shareholders. This document serves as a proxy statement used to solicit proxies for the annual meeting. This document contains important information about the redomestication and the annual meeting of VirTra, and you should read it carefully.

Q: How does VirTra's board of directors recommend that VirTra's stockholders vote?

A: After careful consideration, VirTra's board of directors unanimously recommends that VirTra's stockholders vote:

- **FOR** Proposal 1 to approve the Plan of Conversion in order to effectuate the Redomestication from Texas to Nevada (the "Plan of Conversion");
- **FOR** Proposal 2 to elect three directors to VirTra's Board of Directors to serve until VirTra's annual meeting following the end of fiscal year 2016 or until their successors are elected and qualified;
- **FOR** Proposal 3 to ratify the appointment of Friedman, LLP ("Friedman") as VirTra's independent registered public accounting firm; and
- **FOR** Proposal 4 to consider and act upon any other business as may properly come before the annual meeting or any adjournments thereof.

Q: May I vote in person?

A: If you are a stockholder of VirTra and your shares of VirTra's common stock are registered directly in your name with the transfer agent, with respect to those shares you are the stockholder of record, and a notice which indicates how our shareholders may access their proxy materials and proxy card are being sent directly to you by VirTra. If you are an VirTra stockholder of record, you may attend the annual meeting to be held on September 16, 2016 and vote your shares in person, rather than signing and returning your proxy or voting on the internet.

If your shares of VirTra's common stock are held by a bank, broker or other nominee, you are considered the beneficial owner of shares held in "street name," and the proxy materials are being forwarded to you together with a voting instruction card. As the beneficial owner, you are also invited to attend the annual meeting. Since a beneficial owner is not the stockholder of record, you may not vote these shares in person at the annual meeting unless you obtain a proxy from your broker issued in your name giving you the right to vote the shares at the annual meeting.

Q: If my VirTra shares are held in "street name" by my broker, will my broker vote my shares for me?

A: Your broker will not be able to vote your shares of VirTra's common stock without specific instructions from you for Proposal 1 (the redomestication) or Proposal 2 (the election of directors) or Proposal 4 (other business). Your broker or other nominee may exercise their discretionary voting power with respect to the ratification of the appointment of Friedman as our independent registered public accounting firm which is considered a routine matter. You should instruct your broker to vote your shares, following the procedure provided by your broker.

Broker non-votes occur when a beneficial owner of shares held by a broker or other nominee does not give instructions as to how to vote on matters deemed "non-routine." If you are the beneficial owner of the shares you are generally entitled to

give voting instructions to the broker or nominee holding the shares. If the beneficial owner does not provide voting instructions, the broker or nominee can only vote the shares with respect to matters that are considered to be "routine." Your broker will not be able to vote your shares of VirTra's common stock without specific instructions from you for any of Proposal 1, Proposal 2, or Proposal 4. For your shares to be voted, you must instruct your broker to vote your shares by following the procedure provided by your broker.

Q: May I change my vote after I have submitted a proxy or provided proxy instructions?

A: Any VirTra stockholder of record voting by proxy, other than those VirTra stockholders who have executed a voting agreement, has the right to revoke the proxy at any time before the polls close at the annual meeting by sending a written notice stating that he, she or it would like to revoke his, her or its proxy to the Corporate Secretary of VirTra, by providing a duly executed proxy card bearing a later date than the proxy being revoked or by attending the annual meeting and voting in person. Attendance at the annual meeting, without more, will not revoke a proxy. If a stockholder of VirTra has instructed a broker to vote its shares of VirTra's common stock that are held in "street name," the stockholder must follow directions received from its broker to change those instructions.

Q: Am I entitled to appraisal rights?

A: Yes, VirTra's stockholders are entitled to appraisal rights in connection with the redomestication that is Proposal 1, but not in connection with the other Proposals. To exercise this right, you must, among other requirements, give notice before the meeting to VirTra that you will exercise this right, you must vote against the Plan of Conversion, and you must reply within 20 days to the notice sent to you that the redomestication has occurred. This is more fully described in the section *The Redomestication – Proposal 1, Dissenters Rights of VirTra Shareholders*. Stockholders interested in appraisal rights should carefully review that section of this proxy statement.

Q: Who is soliciting my proxy?

A: VirTra's directors and management are soliciting your proxy. The VirTra board of directors recommends a vote in favor of all four proposals that will be presented at the annual meeting. The interests of the directors may be different from your interests as a shareholder. Their interests and the interests of the directors and executive officers are more fully described in *The Redomestication – Proposal 1, Interests of VirTra's Directors and Executive Officers in the Redomestication*.

Q: Who is entitled to vote at the annual meeting?

A: The holders of VirTra common stock are entitled to vote at the meeting. As of July 28, 2016 there were 158,250,045 shares of common stock and 500,000 shares of our Series A Preferred Stock outstanding. Each share of common stock is entitled to one vote per share and each share of Series A Preferred Stock is entitled to 600 votes per share or, 66.67% of all votes cast at any meeting of stockholders in the event that such votes do not total at least 66.67% of all votes.

Q: What is the redomestication that is contemplated by Proposal 1?

A: The first proposal presented at the annual meeting will be to seek approval for a Plan of Conversion in order to effectuate the redomestication from Texas to Nevada (the "Plan of Conversion"). The primary reason why we are seeking to redomesticate our company to Nevada is to make it easier and less costly and time consuming for us to obtain shareholder approval and to enhance minority shareholder participation in matters that require their approval enabling them to have greater influence to consider a proposed transaction in a manner that best serves the overall interests of our shareholders. As a result of the significant increase in the number of our shareholders holding relatively small share amounts, we have been unable to attract a sufficient number of shareholders to reach the required threshold to establish a quorum for annual meetings of our shareholders for the past four annual meetings. The inability to obtain a quorum limits our ability to seek shareholder approval for one or more transactions that we may enter into, as well as one or more financing or recapitalization transactions in connection with our anticipated continued growth.

Immediately prior to the effective time of the redomestication, we intend to redeem and thereafter cancel the Series A Preferred Stock at a price of \$0.005 per share.

Q: What is required to consummate the redomestication?

A: To consummate the redomestication, VirTra's stockholders must approve the Plan of Conversion which has the effect of approving the redomestication by which VirTra Systems, Inc., a Texas corporation ("VirTra" or "VirTra Texas") will become VirTra, Inc., a Nevada corporation ("VirTra Nevada"). Approval of Proposal 1 requires the affirmative vote of the holders of two-thirds of the issued and outstanding capital stock of VirTra as of the record date for the annual meeting, present in person or represented by proxy and voting at the meeting.

For a more complete description of the closing conditions under the Plan of Conversion, please see the section *The Redomestication – Proposal 1, The Plan of Conversion – Conditions to the Completion of the Redomestication*.

Q: Are there any federal or state regulatory filings, approvals or clearances that must be made or obtained in connection with the redomestication?

A: VirTra is required to file a notice regarding the redomestication with The Financial Information Regulatory Association, Inc. ("FINRA") which will not become effective until approved by FINRA. Other than seeking FINRA approval, VirTra is not required to make any filings or to obtain any approvals or clearances from any antitrust regulatory authorities in the United States or other countries to consummate the redomestication. VirTra must comply with applicable United States federal and state securities laws in connection with the redomestication, including the filing with the OTC Markets Group of a press release disclosing the upcoming annual meeting and matters to be voted on.

Q: What will stockholders of VirTra receive in the redomestication?

A: Each share of VirTra common stock outstanding at the time of the Plan of Conversion will be converted into one share of Common Stock of VirTra Nevada.

For a more complete discussion of consideration you will receive please see the section *The Redomestication – Proposal 1, The Plan of Conversion Agreement– Consideration to VirTra Shareholders*.

Q: Who will be the executive officers of VirTra following the redomestication?

A: Promptly following the effective time of the redomestication, the executive management team for VirTra Nevada is expected to include the individuals identified below. None of them will have employment agreements with VirTra Nevada or any of its subsidiaries until after the Board of Directors has considered and adopted a compensation plan for senior management.

<u>Name</u>	<u>Position with the Redomesticated Company</u>
Robert Ferris	Chairman of the Board Chief Executive Officer
Matthew Burlend	Chief Operating Officer
Donna S. Moore	Interim Chief Financial Officer Secretary and Treasurer

Q: What are the material federal income tax consequences of the redomestication to me?

A: The Plan of Conversion have been structured to qualify as a reorganization within the meaning of Section 368 of the Internal Revenue Code of 1986, as amended, or the Code. No tax opinions will be given for any party. There will be no U.S. federal income tax consequences to VirTra's stockholders as a result of the redomestication.

Tax matters are very complicated, and the tax consequences of the redomestication to a particular stockholder will depend in part on such stockholder's circumstances. Accordingly, you are urged to consult your own tax advisor for a full understanding of the tax consequences of the redomestication to you, including the applicability and effect of federal, state, local and foreign income and other tax laws.

For a more complete description of the consequences of the redomestication, please see the section *The Redomestication – Proposal 1, Material U.S. Federal Income Tax Consequences to VirTra Shareholders*.

Q: What do I need to do now?

A: You are urged to read this proxy statement carefully, including each of the annexes, and to consider how the redomestication affects you. If your shares are registered directly in your name, you may complete, date and sign the enclosed proxy card and mail return it in the enclosed postage-paid envelope. Alternatively, you can deliver your completed proxy card in person or vote by completing a ballot in person at the annual meeting. If your shares are held in street name by your broker, bank or other nominee, you must instruct the broker, bank or nominee how to vote your shares following instructions that are provided to you.

Q: What happens if I do not return a proxy card or otherwise provide proxy instructions?

A: The failure to vote on the internet, return your proxy card or otherwise provide proxy instructions will have the same effect as voting against Proposal 1, Proposal 2 and Proposal 3. If your shares are held in street name, the failure to give instructions as to how to vote your shares on Proposal 3 may have the same effect as voting for Proposal 3 if your broker elects to exercise its discretionary authority to vote those shares.

Q: Should VirTra's stockholders send in their stock certificates now?

A: No. After the redomestication is consummated, VirTra shares will not be represented by certificates. Stockholders of VirTra will receive information as to the electronic certification of their VirTra shares after the closing. After the VirTra share information has been distributed to VirTra shareholders VirTra will purge its shareholder records and you may destroy your old VirTra share certificate(s).

Q: Who is paying for this proxy solicitation?

A: VirTra will bear the cost of soliciting proxies, including the printing, mailing and filing of this proxy statement, the proxy card and any additional information furnished to VirTra's stockholders. Arrangements will also be made with banks, brokers, nominees, custodians and fiduciaries who are record holders of VirTra's common stock for the forwarding of solicitation materials to the beneficial owners of VirTra's common stock. VirTra will reimburse these banks, brokers, nominees, custodians and fiduciaries for the reasonable out-of-pocket expenses they incur in connection with the forwarding of solicitation materials.

Q: Who can provide me with additional information and help answer my questions?

A: If you would like additional copies, without charge, of this proxy statement or if you have questions about the redomestication and the other proposals being considered at the annual meeting, including the procedures for voting your shares, please call 1-888-221-0690, or log on to <http://www.cstproxy.com/virtra/2016> or by email at: proxy@continentalstock.com. Please include the company name and your account number in the subject line.

FORWARD LOOKING STATEMENTS

This proxy statement includes forward-looking statements within the meaning of Section 21E of the Exchange Act. For this purpose, any statements in this proxy statement, other than statements of historical fact, including statements regarding the proposed redomestication and the expected timetable for completing the transaction; future financial and operating results, including future products; benefits of the transaction; future opportunities of VirTra, the combined company; the plans for product development programs; and the strategy, plans and objectives of management of VirTra, may be forward-looking statements under the provisions of The Private Securities Litigation Reform Act of 1995. In this proxy statement, words such as "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "plan," "project," "should," "target," "will," "would" or other words that convey uncertainty of future events or outcomes are used to identify these forward-looking statements. Actual results may differ materially from those indicated by forward-looking statements as a result of various important factors, including risks relating to: the ability to consummate the proposed

redomestication. If one or more risk factors materialize, or if any underlying assumptions prove incorrect, actual results, performance or achievements may vary materially from any future results, performance or achievements expressed or implied by these forward-looking statements.

In addition, any forward-looking statements in this proxy statement represent VirTra's views only as of the date of this proxy statement and should not be relied upon as representing VirTra's views as of any subsequent date. VirTra anticipates that subsequent events and developments will cause its views to change. However, while VirTra may elect to update these forward-looking statements publicly at some point in the future, VirTra specifically disclaims any obligation to provide updates, except as may be required by law, whether as a result of new information, future events or otherwise.

INFORMATION ABOUT THE ANNUAL MEETING

Time, Place & Purpose of the Annual meeting

Our annual meeting of shareholders will be held on September 16, 2016 at 10:00 a.m. (local time) at VirTra's corporate offices located at 7970 S. Kyrene Road, Tempe, Arizona 85284, unless postponed or adjourned to a later date.

The purpose of the annual meeting is for our shareholders to consider and vote on four proposals:

1. to approve a Plan of Conversion in order to effectuate the Redomestication from Texas to Nevada (the "**Plan of Conversion**");
2. the election of three directors to VirTra's Board of Directors to serve until VirTra's annual meeting following the end of fiscal year 2016 or until their successors are elected and qualified;
3. to ratify the appointment of Friedman, LLP ("Friedman") as VirTra's independent registered public accounting firm; and
4. To consider and act upon any other business as may properly come before the annual meeting or any adjournments thereof.

Our board of directors unanimously recommends a vote **FOR** each of the four proposals that will be presented at the meeting.

The first proposal presented at the annual meeting will be to seek approval for a Plan of Conversion in order to effectuate the redomestication from Texas to Nevada (the "Plan of Conversion"). The primary reason why we are seeking to redomesticate our company to Nevada is to make it easier and less costly and time consuming for us to obtain shareholder approval and to enhance minority shareholder participation in matters that require their approval enabling them to have greater influence to consider a proposed transaction in a manner that best serves the overall interests of our shareholders. As a result of the significant increase in the number of our shareholders holding relatively small share amounts, we have been unable to attract a sufficient number of shareholders to reach the required threshold to establish a quorum for annual meetings of our shareholders for the past four annual meetings. The inability to obtain a quorum limits our ability to seek shareholder approval for one or more transactions that we may enter into, as well as one or more financing or recapitalization transactions in connection with our anticipated continued growth.

The second proposal at the annual meeting is the election of three directors to our Board of Directors to serve until our annual meeting following the end of fiscal year 2016 or until their successors are elected and qualified.

The third proposal at the annual meeting is to seek shareholder ratification of the appointment of Friedman, LLP as our independent registered public accounting firm.

The fourth proposal at the annual meeting will only be presented if there are additional matters properly brought for consideration at the meeting or any adjournment of the meeting until a later date.

Record Date and Quorum

The board has fixed July 28, 2016 as the “record date” for determining shareholders that will be entitled to notice of and to vote at the annual meeting. Only shareholders of record as of July 28, 2016 will be entitled to notice of the meeting and to vote at the meeting.

The required quorum for the annual meeting is a majority of the common stock issued and outstanding on the record date. If a quorum is not present when the meeting is called to order on the day and time stated above, the shareholders will be asked to vote to adjourn the meeting in order to enable us to have more shareholders in attendance, either in person or by proxy. Those who are present at the time of the meeting, though less than a quorum to transact other business, are sufficient to have a vote on adjournment of the meeting to a later date.

Attendance

Shareholders may attend the annual meeting either in person or by proxy. Whether or not you plan to attend the annual meeting, PLEASE vote your shares by internet or complete, sign, date and return the proxy card included with this proxy statement. An addressed, postage prepaid envelope is included for your convenience.

If your shares of VirTra's common stock are held by a bank, broker or other nominee, you are considered the beneficial owner of shares held in "street name," and the proxy materials are being forwarded to you together with a voting instruction card. Beneficial owners may also attend the annual meeting. Since a beneficial owner is not the stockholder of record, a beneficial owner *may not vote* these shares in person at the annual meeting *unless* you obtain a proxy from your broker issued in your name giving you the right to vote the shares at the annual meeting. If you do not attend, or you don't obtain a proxy from your broker, your shares will NOT be voted.

Your broker will not be able to vote your shares of VirTra's common stock without specific instructions from you for Proposal 1 (the redomestication) or Proposal 2 (the election of directors) or Proposal 4 (other business). Your broker or other nominee may exercise their discretionary voting power with respect to the ratification of the appointment of Friedman as our independent registered public accounting firm which is considered a routine matter. You should instruct your broker to vote your shares, following the procedure provided by your broker.

For entry to the annual meeting, each shareholder may be asked to present valid picture identification, such as a driver's license. Shareholders holding stock in brokerage accounts ("street name" holders) will need to bring a copy of a brokerage statement reflecting stock ownership as of the record date. Cameras, recording devices and other electronic devices will not be permitted at the meeting.

Vote Required

To approve Proposal 1, the Plan of Conversion and the redomestication, requires the affirmative vote of the holders of two-thirds of the issued and outstanding shares of VirTra capital stock entitled to vote. For Proposal 1 you may vote **FOR**, **AGAINST** or **ABSTAIN** or **WITHHOLD**. Votes to abstain will not be counted as votes cast in favor of Proposal 1 for the Plan of Conversion and the redomestication, but will count for the purpose of determining whether a quorum is present. **If you fail to submit a proxy or to vote in person at the annual meeting, or if you vote to abstain, it will have the same effect as a vote “AGAINST” Proposal 1 and against the Plan of Conversion and the redomestication.**

To approve the election of directors, the three people receiving the highest number of (or plurality) “FOR” votes at the annual meeting will be elected. For the election of directors in Proposal 2 you may vote **FOR** or **WITHHOLD**. Votes to withhold will not be counted as votes cast in favor of the election of a director in Proposal 2, but will count for the purpose of determining whether a quorum is present. **If you fail to submit a proxy or to vote in person at the annual meeting, or if you vote to withhold, it will have the same effect as a vote “AGAINST” the election of a director in Proposal 2.**

The vote on Proposal 3, ratification of the appointment of Friedman, LLP as our independent registered public accounting firm. If not ratified, the board of directors will reconsider the selection, although the audit committee will not be required to select a different independent auditor for our company. **If you fail to submit a proxy or to vote in person at the**

annual meeting, or if you vote to abstain, it will have the same effect as a vote “AGAINST” Proposal 3 and the ratification of Friedman, LLP.

To approve Proposal 4 to consider and act upon any other business as may properly come before the annual meeting or any adjournments thereof requires the affirmative vote of the holders of a majority of the shares present in person or represented by proxy and entitled to vote. **If you fail to submit a proxy or to vote in person at the annual meeting, or if you vote to abstain, your absence will not affect the vote. If your shares are held in street name, and are present at the meeting but you have not provided voting instructions, it will have the same effect as a vote “AGAINST” Proposal 4 and the adjournment.**

If your shares of VirTra common stock are registered directly in your name with the transfer agent of VirTra, Continental Stock Transfer & Trust, you are considered, with respect to those shares of VirTra common stock, the shareholder of record. If you are a shareholder of record, this proxy statement and the enclosed proxy card have been sent directly to you by VirTra. **To vote, please complete and return the proxy card. Even if you are planning to attend the meeting, to be sure your shares are voted, PLEASE return the proxy card.**

If your shares of VirTra common stock are held through a bank, brokerage firm or other nominee, you are considered the beneficial owner of shares of VirTra common stock held in “street name”. If you are a beneficial owner of our shares, this proxy statement has been forwarded to you by your bank, brokerage firm or other nominee who is the shareholder of record. As the beneficial owner, you have the right to direct your bank, brokerage firm or other nominee how to vote your shares by following their instructions for voting. **Without instructions from you, your bank, brokerage firm or other nominee can NOT vote your shares for Proposal 1, Proposal 2, or on Proposal 4. If you do not give instructions, your shares will be broker non-votes and it will have the same effect as a vote “AGAINST” each of these proposals. If you do not want to be treated as voting against these proposals, you must instruct your bank, brokerage firm or other nominee to vote your shares FOR each of the proposals.**

PLEASE take action to vote your shares at the annual meeting. Our board recommends a vote **FOR** each of the four proposals being presented at the meeting.

Proxies and Revocation of Proxies

If you are a shareholder of record, you may have your shares of VirTra common stock voted on matters presented at the annual meeting in any of the following ways:

- over the Internet, by accessing the Internet website specified on the enclosed proxy card. The control number provided on your proxy card is designed to verify your identity when voting by telephone or by Internet. Please be aware that if you vote over the Internet, you may incur costs such as Internet access charges for which you will be responsible;
- by completing, signing, dating and returning the enclosed proxy card in the accompanying prepaid reply envelope; or
- in person—you may attend the annual meeting and cast your vote there.

If you are a beneficial owner, you will receive instructions from your bank, brokerage firm or other nominee that you must follow in order to have your shares of VirTra common stock voted. Those instructions will identify which of the above choices are available to you in order to have your shares voted. Please note that if you are a beneficial owner and wish to vote in person at the annual meeting, you must provide a legal proxy from your bank, brokerage firm or other nominee at the annual meeting.

Please refer to the instructions on your proxy or voting instruction card to determine the deadlines for voting over the Internet. If you choose to submit a proxy by mailing a proxy card, your proxy card should be mailed in the accompanying prepaid reply envelope, and your proxy card must be filed with the Corporate Secretary of VirTra by the time the annual meeting begins. **Please do not send in your share certificates with your proxy card.** If the redomestication is completed your shares of VirTra will automatically become shares of Common Stock of VirTra Nevada and you will not be required to exchange your share certificates.

If you vote by proxy, regardless of the method you choose to vote, the individuals named on the enclosed proxy card, and each of them, with full power of substitution, will vote your shares of VirTra common stock in the way that you indicate. When completing the Internet process or the proxy card, you may specify whether your shares of VirTra common stock should be voted for or against or to abstain from voting on all, some or none of the specific items of business to come before the annual meeting.

If you properly sign your proxy card but do not mark the boxes showing how your shares of VirTra common stock should be voted on a matter, the shares of VirTra common stock represented by your properly signed proxy will be voted “**FOR**” Proposal 1 to approve the Plan of Conversion, “**FOR**” Proposal 2 to elect three directors to VirTra’s Board of Directors, “**FOR**” Proposal 3 to ratify the appointment of Friedman as VirTra’s independent registered public accounting firm, and “**FOR**” any other business as may properly come before the annual meeting or any adjournments thereof.

You have the right to revoke a proxy, whether delivered over the Internet or by mail, at any time before it is exercised, by voting again at a later date through any of the methods available to you, by attending the annual meeting and voting in person, or by giving written notice of revocation to VirTra prior to the time the annual meeting begins. Written notice of revocation should be mailed to: VirTra, Inc. at 7970 S. Kyrene Road, Tempe, Arizona 85284.

If you have any questions or need assistance voting your shares, please contact Nichieli Ferris at VirTra by calling 480.968.1488 x5042.

IT IS IMPORTANT THAT YOU VOTE YOUR SHARES OF VIRTRA COMMON STOCK PROMPTLY. WHETHER OR NOT YOU PLAN TO ATTEND THE ANNUAL MEETING, PLEASE COMPLETE, DATE, SIGN AND RETURN, AS PROMPTLY AS POSSIBLE, THE ENCLOSED PROXY CARD IN THE PRE-ADDRESSED POSTAGE-PAID ENVELOPE, OR FOLLOW THE INSTRUCTIONS ON THE PROXY CARD TO VOTE OVER THE INTERNET. SHAREHOLDERS WHO ATTEND THE ANNUAL MEETING MAY REVOKE THEIR PROXIES BY VOTING IN PERSON.

Adjournments and Postponements

Although it is not currently expected, the annual meeting may be adjourned for the purpose of soliciting additional proxies if there are insufficient votes at the time of the annual meeting to approve the proposal to approve the Plan of Conversion or if a quorum is not present at the annual meeting. An adjournment generally may be made with the affirmative vote of the holders of a majority of the shares of VirTra common stock present in person or represented by proxy and entitled to vote on the matter at the annual meeting. Any adjournment of the annual meeting for the purpose of soliciting additional proxies will allow shareholders who have already sent in their proxies to revoke them at any time prior to their use at the annual meeting as adjourned.

Anticipated Completion Date for the Redomestication

When the closing conditions set forth in the Plan of Conversion have all been satisfied or waived, including the approval of the VirTra shareholders at the annual meeting and FINRA approval, the redomestication can close. It is expected that will occur approximately 20 days following the annual meeting. Accordingly, the parties expect that the redomestication will occur before the middle of October, 2016. However, it is possible that events or circumstances outside the control of the parties could result in the redomestication closing at a different time or not at all.

THE REDOMESTICATION – PROPOSAL 1

Background of the Redomestication

The first proposal presented at the annual meeting will be to seek approval for a Plan of Conversion in order to effectuate the redomestication from Texas to Nevada (the “Plan of Conversion”). The primary reason why we are seeking to redomesticate our company to Nevada is to make it easier and less costly and time consuming for us to obtain shareholder approval and to enhance minority shareholder participation in matters that require their approval enabling them to have greater influence to consider a proposed transaction in a manner that best serves the overall interests of our shareholders. As a result of the significant increase in the number of our shareholders holding relatively small share

amounts, we have been unable to attract a sufficient number of shareholders to reach the required threshold to establish a quorum for annual meetings of our shareholders for the past four annual meetings. The inability to obtain a quorum limits our ability to seek shareholder approval for one or more transactions that we may enter into, as well as one or more financing or recapitalization transactions in connection with our anticipated continued growth.

Recommendation and Reasons for the Redomestication

The VirTra board unanimously recommends that shareholders vote FOR Proposal 1 to approve the Plan of Conversion and the redomestication.

The Plan of Conversion

The following is a summary of the material terms of the Plan of Conversion. A copy of the Plan of Conversion is attached as Annex A to this proxy statement which is incorporated by reference into this proxy statement. The Plan of Conversion has been attached to this proxy statement to provide you with information regarding its terms. The summary of the material terms of the Plan of Conversion below and elsewhere in this proxy statement are qualified in its entirety by reference to the Plan of Conversion. This summary may not contain all of the information about the Plan of Conversion that is important to you. We urge you to read carefully the Plan of Conversion in its entirety as it is the legal document governing the redomestication.

Form of the Redomestication: The Plan of Conversion

Subject to the terms and conditions of the Plan of Conversion, VirTra Texas will convert into VirTra Nevada, a Nevada corporation that was formed by VirTra Texas for purposes of the redomestication. The Plan of Conversion provides that upon the consummation of the Redomestication Conversion the separate existence of VirTra Texas will cease as a Texas corporation and will continue as a Nevada corporation.

After completion of the redomestication, VirTra Texas expects its Common Stock to continue to trade on the OTC PINK.

Effective Time of the Redomestication

The Plan of Conversion requires the parties to consummate the redomestication after all of the conditions in the Plan of Conversion are satisfied or waived, including the approval of the Plan of Conversion by the shareholders of VirTra and FINRA. The Redomestication Conversion will become effective upon the filing of Articles of Domestication with the Secretary of State of the State of Nevada and a Certificate of Conversion with the Secretary of State of Texas and FINRA approval.

VirTra cannot predict the exact timing of the consummation of the redomestication. VirTra intends that the effective date shall occur shortly after the approval of the Plan of Conversion by the shareholders of VirTra and FINRA.

Consideration to VirTra Shareholders

At the effective time of the Redomestication Conversion each share of VirTra common stock (excluding shares which are held by VirTra shareholders who have exercised and not lost appraisal rights or dissenters' rights for such shares in accordance with the TBOC, if and to the extent applicable) will be converted solely into one share of Common Stock of VirTra Nevada.

Certificates for VirTra Common Stock

At the effective time of the Redomestication Conversion, holders of certificates representing shares of our common stock that were outstanding immediately prior to the effective time of the Redomestication Conversion will cease to have any rights as shareholders of VirTra as a Texas corporation. From and after the effective time of the Redomestication Conversion, each VirTra stock certificate will represent only the right to receive shares of Common Stock of VirTra Nevada (the "VirTra Nevada Shares").

No certificates for VirTra Nevada Shares will be issued as a result of the Redomestication Conversion, and no holder of record of any VirTra certificates will be required to surrender any certificate for cancellation to VirTra or its transfer agent in exchange for a certificate representing VirTra Nevada shares. The registered owner on the books and records of VirTra or its transfer agent will continue as the registered owner on the books and records of VirTra Nevada or its transfer agent and, as such, will have and be entitled to exercise any voting and other rights with respect to and to receive any dividend and other distributions upon the VirTra Nevada Shares.

After the Redomestication Conversion effective time, a holder of VirTra certificates may surrender certificates for cancellation. If there has been a transfer of ownership that is not registered on the transfer records, an instrument reflecting the transfer may be issued to the transferee if the certificate is presented to VirTra Nevada or its transfer agent, accompanied by all documents required to evidence and effect such transfer and to evidence that any applicable stock transfer taxes have been paid.

Regulatory Approvals

VirTra is required to file a notice regarding the redomestication with FINRA which will not become effective until approved by FINRA. Other than seeking FINRA approval, VirTra is not required to make any filings or to obtain any approvals or clearances from any antitrust regulatory authorities in the United States or other countries to consummate the redomestication. VirTra must comply with applicable United States federal and state securities laws in connection with the redomestication, including the filing with the OTC Markets Group of a press release disclosing the upcoming annual meeting and matters to be voted on.

OTC PINK Trading

VirTra's common stock currently is traded on the OTC PINK tier of the OTC Market's Group under the symbol "VTSI". We intend that VirTra Nevada will continue to trade on the OTC PINK under the symbol "VTSI".

Appraisal Rights

Holders of VirTra common stock are entitled to appraisal rights or dissenters' rights in connection with the redomestication. These rights, and the procedures to be followed to claim these rights, are set forth in the section *The Redomestication – Proposal 1, Dissenters Rights of VirTra Shareholders*.

Amendments to Articles of Incorporation and Bylaws

At the effective time of the Redomestication Conversion, the amended and restated Articles of Incorporation of VirTra Nevada attached as Exhibit C to the Plan of Conversion will be the Articles of Incorporation governing the rights of stockholders in VirTra Nevada.

VirTra Nevada, like VirTra, will have authorized shares of preferred stock that can be authorized for issuance by the board. The VirTra Nevada certificate, like that of VirTra, permits the board to set the terms of different series of preferred stock, including their dividends rights, liquidation rights and preferences and voting rights, among other terms. The rights of common stockholders would be junior to the rights of any preferred stock that the board would decide to issue. Series preferred stock can provide financing options to VirTra Nevada.

While VirTra has only one class of common stock, VirTra Nevada will have three classes of common stock, namely, Common Stock, Class A Common Stock and Class B Common Stock. The powers, preferences, and rights and the qualifications, limitations, and restrictions of each class of common stock is identical except for voting rights. Each holder of Common Stock shall be entitled to one vote for each share of Common Stock held, Class A Common Stock shall be entitled to ten votes for each share of Class A Common Stock held and the holders of Class B Common Stock shall not be entitled to vote on any matter, except that the holders of Class B Common Stock shall be entitled to vote separately as a class with respect to amendments to the Articles of Incorporation that increase or decrease the aggregate number of authorized shares of such class, increase or decrease the par value of the shares of such class, or alter or change the powers, preferences, or special rights of the shares of such class so as to affect them adversely. No shares of Class A Common Stock or Class B Common Stock will be issued as part of the Redomestication.

The VirTra Nevada Articles of Incorporation also has a larger number of authorized shares than are required to complete the redomestication. The balance of the authorized number of VirTra Nevada shares, less those reserved or otherwise subject to issuance commitment, will be available for issuance without stockholder approval (unless approval is otherwise required by applicable law, regulation, agreement or other arrangements).

In addition, at the effective time of the Redomestication Conversion, the Bylaws of VirTra Nevada will be amended and restated in its entirety to read identically to the Bylaws as set forth in Exhibit D of the Plan of Conversion.

A chart comparing your rights as a common shareholder of VirTra with your rights as a holder of VirTra Nevada common stock can be found in the section *The Redomestication – Proposal 1, Comparison of Shareholder’s Rights*.

Conditions to the Completion of the Redomestication

VirTra is obligated to complete the redomestication only if certain conditions are satisfied or, to the extent permitted by applicable law, waived in writing by each of them, at or prior to the redomestication, which include the following:

- Shareholders of VirTra must have approved the Plan of Conversion; and
- VirTra shall have timely obtained from FINRA all approvals, waivers and consents, if any, necessary for consummation of or in connection with the Plan of Conversion and the redomestication.

Directors and Officers Following the Redomestication

After the redomestication, VirTra Nevada will initially have a three-member board of directors. The initial directors of VirTra Nevada will be three continuing directors of VirTra: Robert Ferris, Matt Burlend and Jeffrey Brown. Each of these will serve until their respective successors are duly elected or appointed and qualified or their earlier death, resignation or removal. In addition, Robert Ferris will be continuing as our President, Chief Executive Officer, Donna S. Moore, Interim Chief Financial Officer, Secretary and Treasurer and Matthew Burlend will continue as our Chief Operating Officer.

Interests of VirTra’s Directors and Executive Officers in the Redomestication

In considering the recommendation of the VirTra board to approve the redomestication, shareholders should be aware that our directors and executive officers have certain interests in the redomestication that may be different from, in addition to, or in conflict with, the interests of our shareholders generally. These interests include, but are not limited to, equity awards held by these executive officers and directors.

Change of Control Provisions. The employment agreements we have entered into with our Chief Executive Officer and Chief Operating Officer include a change of control provision that is triggered by the redomestication. In the event we terminate their employment for any reason or the executive terminates their employment for any reason, then we are obligated to pay the terminated employee severance in an amount equal to the product of the greater of (i) the executive’s annual base salary in effect on the day preceding the date on which the change of control occurred or (ii) the executive’s annual base salary for during the 12 calendar months preceding the date on which the change of control occurred, times four. Our equity compensation plans include provisions that would vest all outstanding options upon a change of control, but all options awarded under the plans are already vested, so no options will become vested under the change of control provisions.

Stock Options. Options held by our executive officers and directors, will receive the same treatment as other outstanding options of VirTra and will become exercisable on a share for share basis for Common Stock of VirTra Nevada. The other terms of each option will remain unchanged. All options are fully vested, so there is no vesting as a result of the redomestication.

Indemnification; Directors and Officers Insurance. Generally, our directors and executive officers are entitled to be indemnified by VirTra only if a determination is made that there should be indemnification in that instance. If that determination is made, they can be indemnified for any loss or expense incurred in connection with claims or proceedings brought against them as a result of their service as a director or officer of VirTra. These rights are further described in the

VirTra column under the heading “Indemnification of Directors and Officers” in the section *The Redomestication – Proposal 1, Comparison of Shareholders’ Rights*.

Material U.S. Federal Income Tax Consequences to VirTra Shareholders

VirTra intends the redomestication to qualify as a reorganization within the meaning of Section 368 of the Code. That means that VirTra shareholders, VirTra, and its successor, VirTra Nevada will not recognize any gain or loss for federal income tax purposes as a result of the Redomestication Conversion. Therefore, there will be no material U.S. federal income tax consequences of the redomestication for VirTra shareholders. Generally, the tax basis of an VirTra shareholder in its stock of VirTra will be carried over and be that shareholder’s basis in its VirTra Nevada stock.

The foregoing discussion is for general information purposes only and is not intended to be a complete analysis or description of all potential U.S. federal income tax consequences of the redomestication. The redomestication is also intended to qualify as a reorganization under Section 368 of the Code. If the redomestication is not treated as a reorganization, it is not expected to affect the treatment of the Redomestication Conversion, so it should not directly affect shareholders of VirTra and the tax consequences to them, but it could result in a significant tax liability for VirTra Nevada.

The discussion does not address tax consequences which may vary with, or are contingent on, your individual circumstances. The discussion does not address any non-income tax or any foreign, state or local tax consequences of the redomestication. Accordingly, you are strongly encouraged to consult with your own tax advisor as to the tax consequences of the redomestication in your particular circumstances, including the applicability and effect of the alternative minimum tax and any state, local or foreign and other tax laws and of changes in those laws.

TAX MATTERS ARE VERY COMPLICATED, AND THE TAX CONSEQUENCES TO HOLDERS WILL DEPEND UPON THE FACTS OF THEIR PARTICULAR SITUATION. BECAUSE INDIVIDUAL CIRCUMSTANCES MAY DIFFER, HOLDERS SHOULD CONSULT THEIR TAX ADVISORS REGARDING THE APPLICABILITY TO THEM OF THE RULES DISCUSSED ABOVE AND THE PARTICULAR TAX EFFECTS TO THEM OF THE REDOMESTICATION, INCLUDING THE APPLICATION OF STATE, LOCAL AND FOREIGN TAX LAWS.

COMPARISON OF SHAREHOLDERS’ RIGHTS

If the redomestication is completed, VirTra stockholders will receive shares of VirTra Nevada Common Stock in the Redomestication Conversion. VirTra is organized under the laws of the State of Texas, and VirTra Nevada is organized under the laws of the State of Nevada. The following is a summary of the material differences between (i) the current rights of holders of VirTra common stock under the Texas Business Organizations Code (“TBOC”) and VirTra’s articles of incorporation, as amended and first amended and restated bylaws and (ii) the rights of holders of VirTra Nevada Common Stock under the Nevada Revised Statutes (the “NRS”) and VirTra Nevada’s Articles of Incorporation and bylaws that will become effective at the time of the Redomestication Conversion.

The following summary is not a complete statement of the rights of stockholders of the two companies or a complete description of the specific provisions referred to below. This summary is qualified in its entirety by reference to the TBOC and the NRS and VirTra’s and VirTra Nevada’s governing documents, which we urge you to read carefully and in their entirety. Copies of VirTra’s governing documents and those for VirTra Nevada are exhibits to the Plan of Conversion that is Annex A to this proxy statement. Defined terms below shall have the same meaning set forth in the applicable document that is summarized below.

ARTICLES OF INCORPORATION

<i>VirTra Systems, Inc. (“VirTra Texas”)</i> (a Texas corporation)	<i>VirTra, Inc. (“VirTra Nevada”)</i> (a Nevada corporation)
Name	
The name of the corporation is VirTra Systems, Inc.	The name of the corporation is VirTra, Inc.
Authorized Capital	
VirTra Texas, a Texas corporation is authorized to issue	VirTra Nevada, a Nevada corporation shall have the

<p><i>VirTra Systems, Inc. (“VirTra Texas”)</i> (a Texas corporation)</p>	<p><i>VirTra, Inc. (“VirTra Nevada”)</i> (a Nevada corporation)</p>
<p>up to 502,000,000 shares, consisting of: (i) 500,000,000 shares of common stock, par value \$0.005 per share (“Common Stock”) and (ii) 2,000,000 shares of preferred stock, par value \$0.005 per share (“Preferred Stock”), of which 500,000 shares shall be designated Series A Preferred Stock, par value \$0.005 per share (“Series A Preferred”).</p>	<p>authority to issue is 1,250,000,000 shares, of which (1) 1,200,000,000 shares shall be Common Stock, par value \$0.005 per share (the “Common Stock”), of which (a) 1,000,000,000 shares shall be Common Stock, par value \$0.005, (b) 50,000,000 shares shall be Class A Common Stock, par value \$0.005 per share (the “Class A Common Stock”), and (c) 150,000,000 shares shall be Class B Common Stock, par value \$0.005 per share (the “Class B Common Stock”) and (2) 50,000,000 shares shall be Preferred Stock, par value \$0.005 per share, which may, at the sole discretion of the Board of Directors be issued in one or more series (the “Preferred Stock”).</p>
<p>Common Stock</p>	
<p>The Common Stock is subject and subordinate to the rights, privileges and preferences of any series of the Preferred Stock to the extent set forth by the resolutions of Board of Director establishing such series. Subject to the foregoing and the TBOC, the Common Stock (i) have equal ratable rights to dividends from funds legally available therefore, when and if declared by its Board of Directors; (ii) are entitled to share in all of the assets available for distribution to holders of common stock upon liquidation, dissolution or winding up of the affairs of VirTra; (iii) do not have preemptive, subscription or conversion rights and there are no redemption or sinking fund provisions or rights; and (iv) are entitled to one non-cumulative vote per share on all matters on which stockholders may vote.</p>	<p>The powers, preferences, and rights and the qualifications, limitations, and restrictions of the Common Stock, the Class A Common Stock and the Class B Common Stock are as follows:</p> <p>(a) Voting Rights. Except as otherwise required by the NRS or as provided by or pursuant to the provisions of the Articles of Incorporation:</p> <p style="padding-left: 40px;">(i) Each holder of Common Stock shall be entitled to one (1) vote for each share of Common Stock held of record by such holder. The holders of shares of Common Stock shall not have cumulative voting rights.</p> <p style="padding-left: 40px;">(ii) Each holder of Class A Common Stock shall be entitled to ten (10) votes for each share of Class A Common Stock held of record by such holder. The holders of shares of Class A Common Stock shall not have cumulative voting rights.</p> <p style="padding-left: 40px;">(iii) The holders of Common Stock and Class A Common Stock shall vote together as a single class on all matters on which stockholders are generally entitled to vote.</p> <p style="padding-left: 40px;">(iv) The holders of Class B Common Stock shall not be entitled to vote on any matter, except that the holders of Class B Common Stock shall be entitled to vote separately as a class with respect to amendments to the Articles of Incorporation that increase or decrease the aggregate number of authorized shares of such class, increase or decrease the par value of the shares of such class, or alter or change the powers, preferences, or special rights of the shares of such class so as to affect them adversely.</p> <p>(b) Dividends. Subject to any other provisions of the Articles of Incorporation, as it may be amended from time to time, holders of shares of Common Stock, Class A Common Stock and Class B Common Stock shall be entitled to receive ratably, in proportion to the number of shares held by them, such dividends and other</p>

<i>VirTra Systems, Inc. (“VirTra Texas”)</i> (a Texas corporation)	<i>VirTra, Inc. (“VirTra Nevada”)</i> (a Nevada corporation)
	<p>distributions in cash, stock, or property of the corporation when, as, and if declared thereon by the Board of Directors from time to time out of assets or funds of the corporation legally available therefor.</p> <p>(c) Liquidation, Dissolution, etc. In the event of any liquidation, dissolution, or winding up (either voluntary or involuntary) of the corporation, after payments to creditors of the corporation that may at the time be outstanding and subject to the rights of any holders of Preferred Stock that may then be outstanding, the holders of shares of Common Stock, Class A Common Stock and Class B Common Stock shall be entitled to receive all remaining assets and funds of the Corporation available for distribution, ratably in proportion to the number of shares held by them.</p> <p>(d) No Preemptive or Subscription Rights. No holder of shares of Common Stock, Class A Common Stock or Class B Common Stock shall be entitled to preemptive or subscription rights.</p>
Preferred Stock	
<p>The Board of Directors is hereby expressly authorized, by resolution or resolutions, to provide, out of the unissued shares of Preferred Stock, for series of Preferred Stock and, with respect to each such series, to fix the number of shares constituting such series and the designation of such series, the voting powers (if any) of the shares of such series, and the preferences and relative, participating, optional or other special rights, if any, and any qualifications, limitations or restrictions thereof, of the shares of such series. The powers, preferences and relative, participating, optional and other special rights of each series of Preferred Stock, and the qualifications, limitations or restrictions thereof if any, may differ from those of any and all other series at any time outstanding.</p>	<p>The Board of Directors is authorized at any time, and from time to time, to provide the for the issuance of shares of Preferred Stock in one or more series, and to determine the designations, preferences, limitations and relative or other rights of the Preferred Stock or any series thereof. For each series, the Board of Directors shall determine, by resolution or resolutions adopted prior to the issuance of any shares thereof, the designations, preferences, limitations and relative or other rights thereof, including but not limited to the following relative rights and preferences, as to which there may be variations among different series: (a) The rate and manner of payment of dividends, if any; (b) Whether shares may be redeemed and, if so, the redemption price and the terms and conditions of redemption; (c) The amount payable upon shares in the event of liquidation, dissolution or other winding-up of the Corporation; (d) Sinking fund provisions, if any, for the redemption or purchase of shares; (e) The terms and conditions, if any, on which shares may be converted or exchanged; (f) Voting rights, if any; and (g) Any other rights and preferences of such shares, to the full extent now or hereafter permitted by the laws of the State of Nevada. The Board of Directors shall have the authority to determine the number of shares that will comprise each series.</p>
Series A Preferred Stock	
<p>VirTra has designated 500,000 shares of Series A Preferred Stock (the “Series A Preferred”). Each share of Series A Preferred shall have a par value of \$0.005 per share, entitles the holder to 600 votes per share (which</p>	<p>At this time, there are no designated series of Preferred Stock.</p>

<i>VirTra Systems, Inc. (“VirTra Texas”)</i> (a Texas corporation)	<i>VirTra, Inc. (“VirTra Nevada”)</i> (a Nevada corporation)
<p>total votes shall be no less than 66.67% of all votes cast at a meeting of all stockholders).</p> <p>Immediately following the effectiveness of the Redomestication Merger or in the event the Redomestication Merger does not close within 90 days after the issuance date of the Series A Preferred, each 100,000 shares of Series A Preferred shall automatically convert into 5,000 shares of VirTra Common Stock unless redeemed by us.</p>	
Stockholder Meetings/Voting	
<p>Section 9(B) of the articles of incorporation provide that, subject to the rights of holders of Preferred Stock, special meetings of Stockholders may be called at any time only by: (i) Stockholders of not less than 50% of all the votes entitled to vote at a stockholder meeting, (ii) the Board, (iii) the Chairman of the Board, or the (iv) the President.</p> <p>The holders of a majority of the voting power of the outstanding shares of capital stock of the Corporation entitled to vote generally on the business properly brought before the meeting shall constitute a quorum at a meeting of Stockholders.</p> <p>Action by stockholders may not be taken without a meeting through a written consent and must be effected at a duly called annual or special meeting of such of such stockholders.</p>	<p>Subject to the rights of holders of Preferred Stock, special meetings of Stockholders may be called at any time only by: (i) the Board, (ii) the Chairman of the Board, (iii) the Chief Executive Officer, (iv) the President or (v) Stockholders representing at least 15% of the outstanding common stock of the Corporation.</p> <p>The holders of one-third of the voting power of the outstanding shares of capital stock of the Corporation entitled to vote generally on the business properly brought before the meeting shall constitute a quorum at a meeting of Stockholders</p> <p>Any action required to be taken at any annual or special meeting of stockholders of the Corporation, or any action which may be taken at any annual or special meeting of the stockholders, may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted.</p>
Board of Directors	
<p>The business and affairs of the Corporation shall be managed under the direction of a Board of Directors which shall consist of not less than one person. The manner of election and qualifications shall be provided in the Bylaws of the Corporation. The exact number of directors shall be fixed from time to time by the Board of Directors pursuant to resolution adopted by a majority of the full Board of Directors.</p> <p>The exact number of directors shall be fixed from time to time by the Board of Directors pursuant to resolution adopted by a majority of the full Board of Directors, but in no event shall there be less than 3 directors.</p> <p>The members of the board of directors are elected annually and hold office until their successors are elected</p>	<p>The business and affairs of the Corporation shall be managed under the direction of a Board of Directors which shall consist of not less than one person. The manner of election and qualifications shall be provided in the Bylaws of the Corporation. The exact number of directors shall be fixed from time to time by the Board of Directors pursuant to resolution adopted by a majority of the full Board of Directors.</p> <p>The initial number of the Board of Directors shall be three (3). Thereafter, the number of directors shall be as provided in the Bylaws of the corporation. The exact number of directors shall be fixed from time to time by the Board of Directors pursuant to resolution adopted by a majority of the full Board of Directors. Directors need not be stockholders. At this time, the Bylaws</p>

<i>VirTra Systems, Inc. (“VirTra Texas”)</i> (a Texas corporation)	<i>VirTra, Inc. (“VirTra Nevada”)</i> (a Nevada corporation)
<p>and qualified.</p> <p>With respect to the election of Directors, the act of the shareholders electing the Directors shall be a vote of the holders of a majority of the outstanding shares entitled to vote in the election of Directors.</p> <p>Directors may be removed from office, with or without cause, only by the affirmative vote of the holders of not less than a majority of the outstanding shares entitled to vote in the election of Directors, if notice of the intention to act upon such matter shall have been given in the notice calling for the meeting.</p> <p>Subject to such rights to elect Directors under specified circumstances as may be granted to holders of Preferred Stock, newly created directorships resulting from any increase in the number of Directors and any vacancies on the Board of Directors resulting from death, resignation, disqualification, removal or other reason shall be filled solely by the affirmative vote of a majority of the Continuing Directors, even though less than a quorum of the Board of Directors. No decrease in the number of Directors constituting the Board of Directors shall shorten the term of any incumbent Director.</p>	<p>restrict the number of directors to no more than 11.</p> <p>The members of the board of directors are elected annually and hold office until their successors are elected and qualified.</p> <p>With respect to the election of Directors, the act of the shareholders electing the Directors shall be a vote of the holders of a majority of the outstanding shares entitled to vote in the election of Directors.</p> <p>Any Director may resign upon giving written notice to the chairman of the board, the President, the Secretary or the Board of the Corporation. Any or all of the Directors may be removed without cause if such removal is approved by the affirmative vote of a majority of the outstanding shares entitled to vote. No reduction of the authorized number of Directors shall have the effect of removing any Director before his term of office expires.</p> <p>Subject to the rights of the holders of any series of Preferred Stock, any vacancies in the Board shall be filled by a majority vote of the remaining Directors, though less than a quorum, or by a sole remaining Director and not by the stockholders. Each Director so elected shall hold office until the next annual meeting of the stockholders and until a successor has been elected and qualified.</p> <p>Any action required or permitted to be taken at any meeting of the Board may be taken without a meeting if all of the members of the Board consent thereto in writing.</p>
Limitation of Director Liability	
<p>VirTra’s articles of incorporation generally limit the personal liability of directors for monetary damages for any act or omission in their capacities as directors to the fullest extent permitted by law. In addition, the bylaws provide that we must indemnify and advance or reimburse reasonable expenses incurred by our directors, officers, employees, or agents, to the fullest extent that we may grant indemnification to a director under the TBOC, and may indemnify the persons above to such further extent as permitted by law.</p>	<p>A director shall have no liability to the Corporation or its stockholders for monetary damages for conduct as a director, except for acts or omissions that involve intentional misconduct by the director, or a knowing violation of law by the director, or for conduct violating NRS 78.138(7), or for any transaction from which the director will personally receive a benefit in money, property or services to which the director is not legally entitled. If NRS is hereafter amended to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director shall be eliminated or limited to the full extent permitted by NRS as so amended.</p>
Indemnification	
<p>VirTra’s articles of incorporation generally limit the personal liability of directors for monetary damages for any act or omission in their capacities as directors to the fullest extent permitted by law.</p>	<p>VirTra Nevada’s articles of incorporation provide that each person: (1) who is or was a director or officer of the Corporation or who is or was serving at the request of the Corporation in the position of a director, officer, trustee, partner, agent or employee of another corporation, partnership, joint venture, trust or other enterprise, or (2)</p>

<i>VirTra Systems, Inc. ("VirTra Texas")</i> (a Texas corporation)	<i>VirTra, Inc. ("VirTra Nevada")</i> (a Nevada corporation)
	who is or was an agent or employee (other than an officer) of the Corporation and as to whom the Corporation has agreed to grant such indemnity, shall be indemnified by the Corporation as of right to the fullest extent permitted or authorized by current or future legislation or by current or future judicial or administrative decision (but, in the case of any future legislation or decision, only to the extent that it permits the Corporation to provide broader indemnification rights than permitted prior to the legislation or decision), against all fines, liabilities, settlements, costs and expenses, including attorneys' fees, asserted against him or incurred by him in his capacity as such director, officer, trustee, partner, agent or employee, or arising out of his status as such director, officer, trustee, partner, agent or employee. The foregoing right of indemnification shall not be exclusive of other rights to which those seeking indemnification may be entitled.

Power to Adopt, Amend, or Repeal Bylaws

Under VirTra’s articles of incorporation, a change in the bylaws requires the affirmative vote of not less than a majority of our "Continuing Directors." A Continuing Director is a member of the board who is not and who was a member of the board of directors immediately before the time a 10% or more holder became the beneficial owner of 10% or more of that voting stock. Notwithstanding the above, any Bylaw or amendment thereto as adopted by the Board of Directors may be altered, amended, suspended or repealed by the affirmative vote of the holders of not less than 66 2/3% of the outstanding voting stock or a new Bylaw in lieu thereof may be adopted by vote of such shareholders. No Bylaw that has been altered, amended or adopted by such a vote of the shareholders may be altered, amended or repealed by vote of the Directors until two years shall have expired since such action by such vote of shareholders.	The bylaws or any of them may be altered or repealed, and new bylaws may be adopted, by the stockholders by a vote at a meeting or by written consent without a meeting. The Board shall also have the power, by a majority vote of the whole Board, to alter or repeal any of these bylaws, and to adopt new bylaws, except as otherwise provided by law or by the Articles of Incorporation.
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BYLAWS

<i>VirTra Systems, Inc.</i> (a Texas corporation)	<i>VirTra, Inc.</i> (a Nevada corporation)
Calling of a Special Stockholders Meeting	
Subject to the rights of Preferred Stock stockholders, special meetings of Stockholders may be called at any time only by: (i) Stockholders of not less than 50% of all the votes entitled to vote at a stockholder meeting, (ii) the Board, (iii) the Chairman of the Board, or the (iv) the President. The above provision is set forth in section 9(B) of the articles of incorporation.	Subject to the rights of Preferred Stock stockholders, special meetings of Stockholders may be called at any time only by: (i) the Board, (ii) the Chairman of the Board, (iii) the Chief Executive Officer, (iv) the President or (v) Stockholders representing at least 15% of the outstanding common stock of the Corporation.

<i>VirTra Systems, Inc.</i> (a Texas corporation)	<i>VirTra, Inc.</i> (a Nevada corporation)
Quorum	
The holders of a majority of the voting power of the outstanding shares of capital stock of the Corporation entitled to vote generally on the business properly brought before the meeting shall constitute a quorum at a meeting of Stockholders.	The holders of one-third of the voting power of the outstanding shares of capital stock of the Corporation entitled to vote generally on the business properly brought before the meeting shall constitute a quorum at a meeting of Stockholders
Action Without a Meeting	
Action by stockholders may not be taken without a meeting through a written consent and must be effected at a duly called annual or special meeting of such of such stockholders.	Any action required to be taken at any annual or special meeting of stockholders of the Corporation, or any action which may be taken at any annual or special meeting of the stockholders, may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted.
Board Composition	
The exact number of directors shall be fixed from time to time by the Board of Directors pursuant to resolution adopted by a majority of the full Board of Directors, but in no event shall there be less than 3 directors.	The initial number of the Board of Directors shall be three (3). The exact number of directors shall be fixed from time to time by the Board of Directors pursuant to resolution adopted by a majority of the full Board of Directors, but at this time, the Bylaws restrict the number of directors to no more than 11.
Removal of Directors	
Directors may be removed from office, with or without cause, only by the affirmative vote of the holders of not less than a majority of the outstanding shares entitled to vote in the election of Directors, if notice of the intention to act upon such matter shall have been given in the notice calling for the meeting. The above provision is set forth in section 6(D) of the articles of incorporation.	Any or all of the Directors may be removed without cause if such removal is approved by the affirmative vote of a majority of the outstanding shares entitled to vote.
Vacancy on Board	
Any vacancies on the Board of Directors shall be filled solely by the affirmative vote of a majority of the Continuing Directors, even though less than a quorum of the Board of Directors.	Any vacancies in the Board shall be filled by a majority vote of the remaining Directors, though less than a quorum, or by a sole remaining Director.
Issuance of Shares	
Shares of the Company can only be issued by the Board.	Shares of the Company can only be issued by the Board.
Restrictions on Transfer	
No provision providing for restriction on transfer.	All shares are subject to transfer restrictions, unless the Company has obtained an opinion of counsel acceptable to the Company that confirms transfer restrictions are not required under applicable securities laws.

<p style="text-align: center;"><i>VirTra Systems, Inc.</i> (a Texas corporation)</p>	<p style="text-align: center;"><i>VirTra, Inc.</i> (a Nevada corporation)</p>
Lost or Destroyed Certificates	
<p>A new certificate may be issued upon such terms and indemnity to the Company as the Board may prescribe</p>	<p>A new certificate may be issued upon such terms and indemnity to the Company as the Board may prescribe</p>
Books and Records	
<p>The Corporation shall keep books and records of account and shall keep minutes of the proceedings of the shareholders, the board of directors, and each committee of the board of directors. The Corporation shall keep at its registered office or principal place of business, or at the office of its transfer agent or registrar, a record of the original issuance of shares issued by the Corporation and a record of each transfer of those shares that have been presented to the Corporation for registration of transfer.</p>	<p>The Corporation shall keep: (i) a record of its stockholders, (ii) the original or a copy of the bylaws, (iii) the accounting books and records and minutes of proceedings of the stockholders and the Board and any committee or committees of the Board, and (iv) a copy of any annual financial statement and any income statement of the Corporation for each quarterly period of each fiscal year, and any accompanying balance sheet of the Corporation as of the end of each such period.</p>
Director and Officer Indemnification	
<p>Subject to the TBOC, the Corporation shall indemnify every directors and officers against all judgments and reasonable expenses if such person (a) conducted himself in good faith, (b) reasonably believed, in the case of conduct in his Official Capacity, that his conduct was in the Corporation's best interests and, in all other cases, that his conduct was at least not opposed to the Corporation's best interests, and (c) in the case of any criminal proceeding, had no reasonable cause to believe that his conduct was unlawful.</p>	<p>The Corporation shall, to the fullest extent permitted by the NRS and applicable Nevada law as in effect at any time, indemnify, hold harmless and defend any person who: (i) was or is a Director or Officer of the Corporation or was or is a Director or Officer of a direct or indirect wholly-owned subsidiary of the Corporation, and (ii) was or is a party or is threatened to be made a party to, or was or is otherwise directly involved in (including as a witness), any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that such person was or is a Director or Officer of the Corporation or any direct or indirect wholly-owned subsidiary of the Corporation, or was or is serving at the request of the Corporation as a Director, Officer, employee, partner, member or agent of another corporation, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise, whether the basis of such proceeding is alleged action in an official capacity or in any other capacity, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe such person's conduct was unlawful.</p>
Amendment to Bylaws	
<p>The power to adopt, alter, amend or repeal the Bylaws of the Corporation shall be vested in the board of directors. Under VirTra's articles of incorporation, a change in the bylaws requires the affirmative vote of not less than a majority of our "Continuing Directors." A Continuing</p>	<p>These bylaws or any of them may be altered or repealed, and new bylaws may be adopted, by the stockholders by a vote at a meeting or by written consent without a meeting. The Board shall also have the power, by a majority vote of the Whole Board, to alter or repeal any of</p>

<i>VirTra Systems, Inc.</i> (a Texas corporation)	<i>VirTra, Inc.</i> (a Nevada corporation)
Director is a member of the board who is not and who was a member of the board of directors immediately before the time a 10% or more holder became the beneficial owner of 10% or more of that voting stock. Notwithstanding the above, any Bylaw or amendment thereto as adopted by the Board of Directors may be altered, amended, suspended or repealed by the affirmative vote of the holders of not less than 66 2/3% of the outstanding voting stock or a new Bylaw in lieu thereof may be adopted by vote of such shareholders. No Bylaw that has been altered, amended or adopted by such a vote of the shareholders may be altered, amended or repealed by vote of the Directors until two years shall have expired since such action by such vote of shareholders.	these bylaws, and to adopt new bylaws, except as otherwise provided by law or by the Articles.

DISSENTERS' RIGHTS OF VIRTRA STOCKHOLDERS

General. If you hold one or more shares of VirTra common stock, you are entitled to dissenters' rights under Texas law which means you have the right to dissent from the Plan of Conversion and have the appraised fair value of your shares of VirTra common stock paid to you in cash. The appraised fair value may be more or less than the value of the VirTra Nevada stock to be issued in the Redomestication Conversion. If you are contemplating exercising your right to dissent, we urge you to read carefully the provisions of Chapter 10, Subchapter H of the TBOC, which are attached to this proxy statement as **Annex B**, and consult with your legal counsel before electing or attempting to exercise these rights. The following discussion describes the steps you must take if you want to exercise your right to dissent. You should read this summary and the full text of the law carefully.

How to Exercise and Perfect Your Right to Dissent. To be eligible to exercise your right to dissent to the Plan of Conversion:

- you must, prior to the annual meeting, provide VirTra with a written objection to the Plan of Conversion that states that you intend to exercise your right to dissent if the proposal to approve the Plan of Conversion is approved and the Plan of Conversion is completed and that provides an address to which VirTra Nevada may send a notice if the Plan of Conversion is completed;
- you must vote your shares against approval of the proposal to approve the Plan of Conversion at the annual meeting.
- you must, not later than the 20th day after VirTra sends you notice that the conversion was completed, provide VirTra Nevada with (i) a written demand for payment that states the number and class of shares of VirTra common stock you own, your estimate of the fair value of that stock and an address to which a notice relating to the dissent and appraisal procedures may be sent and (ii) (x) if your shares are certificated, your certificates representing the shares and (y) if your shares are uncertificated, signed assignments of the ownership interests in the shares; and
- you must continuously hold your shares of VirTra common stock from the record date through the completion of the Plan of Conversion.

If you intend to dissent from the Plan of Conversion, you should send the notice to:

VirTra Systems, Inc.
7970 S. Kyrene Road
Tempe, Arizona 85284
Attention: Corporate Secretary

If you fail to vote your shares at the meeting against the proposal to approve the Plan of Conversion, or otherwise fail to comply with any of these conditions and the Plan of Conversion is completed, you will lose your right to dissent from the Plan of Conversion and will instead receive shares of VirTra Nevada Common Stock. If you comply with the items set forth in the first two bullet points above and the Plan of Conversion is completed, VirTra Nevada will send you a written notice advising you that the Plan of Conversion has been completed. VirTra Nevada must deliver this notice to you within 10 days after the Plan of Conversion is completed. A proxy card which is signed and does not contain voting instructions will, unless revoked, be voted “**FOR**” the proposal to approve the Plan of Conversion, will constitute a waiver of your dissenters’ rights, and will nullify any previous written demand for appraisal.

Your Demand for Payment. If you wish to receive the fair value of your shares of VirTra common stock in cash, you must, within 20 days of the date the notice was delivered or mailed to you by VirTra Nevada, send a written demand to VirTra Nevada for payment of the fair value of your shares of VirTra common stock. The fair value of your shares of VirTra common stock will be the value of the shares on the day immediately preceding the Plan of Conversion, excluding any appreciation or depreciation in anticipation of the Plan of Conversion. Your written demand and any notice addressed to VirTra Nevada must be sent to:

VirTra Systems, Inc.
7970 S. Kyrene Road
Tempe, Arizona 85284
Attention: Corporate Secretary

Your written demand must state how many shares of VirTra common stock you own and your estimate of the fair value of your shares of VirTra common stock. If you fail to send this written demand to VirTra Nevada within 20 days of VirTra Nevada’s delivery or mailing of your notice, you will be bound by the Plan of Conversion and you will not be entitled to receive a cash payment representing the fair value of your shares of VirTra common stock. Instead, you will receive shares of VirTra Nevada Common Stock.

VirTra Nevada’s Actions Upon Receipt of Your Demand for Payment. Within 20 days after VirTra Nevada receives your demand for payment and your estimate of the fair value of your shares of VirTra common stock, VirTra Nevada must send you written notice stating whether or not it accepts your estimate of the fair value of your shares.

If VirTra Nevada accepts your estimate, VirTra Nevada will notify you that it will pay the amount of your estimated fair value within 90 days of the Plan of Conversion being completed. VirTra Nevada will make this payment to you only if you have surrendered the share certificates or the signed assignments of ownership in non-certificated shares, as applicable, representing your shares of VirTra common stock, duly endorsed for transfer, to VirTra Nevada.

If VirTra Nevada does not accept your estimate, VirTra Nevada will notify you of this fact and will make an offer of an alternative estimate of the fair value of your shares that it is willing to pay you within 120 days of the Plan of Conversion being completed, which you may accept within 90 days or decline.

Payment of the Fair Value of Your Shares of VirTra Upon Agreement of an Estimate. If you and VirTra Nevada have reached an agreement on the fair value of your shares of VirTra common stock within 90 days after the Plan of Conversion is completed, and if you have surrendered to VirTra Nevada the duly endorsed share certificates or the signed assignments of ownership in non-certificated shares, as applicable, representing your shares of VirTra common stock, VirTra Nevada must pay you the agreed amount within 120 days after the Plan of Conversion is completed.

Commencement of Legal Proceedings if a Demand for Payment Remains Unsettled. If you and VirTra Nevada have not reached an agreement as to the fair value of your shares of VirTra common stock within 90 days after the Plan of Conversion is completed, you or VirTra Nevada may, within 60 days after the expiration of the 90-day period, commence proceedings in Travis County, Texas, asking the court to determine the fair value of your shares of VirTra common stock. The court will determine if you have complied with the dissent provisions and if you have become entitled to a valuation of and payment for your shares of VirTra common stock. The court will appoint one or more qualified persons to act as appraisers to determine the fair value of your shares. The appraisers will determine the fair value of your shares and will report this value to the court. The court will consider the report, and both you and VirTra Nevada may address the court

about the report. The court will determine the fair value of your shares and direct VirTra Nevada to pay that amount, plus interest, which will begin to accrue 91 days after the Plan of Conversion is completed.

Rights as a Shareholder. If you have made a written demand on VirTra Nevada for payment of the fair value of your shares of VirTra common stock, you will not thereafter be entitled to vote or exercise any other rights as a shareholder except the right to receive payment for your shares as described herein and the right to maintain an appropriate action to obtain relief on the ground that the Plan of Conversion would be or was fraudulent. In the absence of fraud in the Plan of Conversion, your right under the dissent provisions described herein is the exclusive remedy for the recovery of the value of your shares or money damages with respect to the Plan of Conversion.

Withdrawal of Demand. If you have made a written demand on VirTra Nevada for payment of the fair value of your VirTra common stock, you may withdraw such demand at any time before payment for your shares has been made or before a petition has been filed with a court for determination of the fair value of your shares. If you withdraw your demand or are otherwise unsuccessful in asserting your dissenters' rights, you will be bound by the terms of the Plan of Conversion and your status as a shareholder of VirTra Nevada will be restored without prejudice to any corporate proceedings, dividends or distributions which may have occurred during the interim.

Income Tax Consequences. If you dissent from the Plan of Conversion the income tax consequences to you will be different. Please consult your tax advisor to understand the federal, state or local income tax consequences of your action if you elect to dissent from the Plan of Conversion.

**THE BOARD OF DIRECTORS RECOMMENDS A VOTE
“FOR” APPROVAL OF THE PLAN OF CONVERSION IN ORDER TO EFFECTUATE THE
REDOMESTICATION FROM TEXAS TO NEVADA.**

ELECTION OF DIRECTORS – PROPOSAL 2

Nominees for the board of directors

The board of directors proposes the election of the following three individuals to serve on its board of directors for a term of one year. These nominees include current board members Messrs. Ferris, Burlend and Brown are standing for reelection.

The following is information about each nominee, including biographical data for at least the last five years. Should one or more of these nominees become unavailable to accept nomination or election as a director, the individual named as proxy on the enclosed proxy card will vote the shares that he represents for the election of such other persons as the board of directors may recommend.

Following the annual meeting, the board of directors will consist of three directors. The term of each director continues until the next annual meeting or until successors are elected. The names of the nominees for our board of directors and information about them are set forth below.

***Robert Ferris,
Chairman, President, CEO***

Mr. Ferris founded Ferris Productions, Inc. in 1993 and, after the merger between Ferris Productions and GameCom in September 2001, he became CEO of the combined company, VirTra, in 2008. Mr. Ferris's vision was to create the most effective simulators in the world, and he helped create the ideas and attract the talent responsible for developing VirTra's market leading products. When he became CEO, VirTra had a market capitalization of under \$4 million with over \$4 million in debt. He then led the company to become what it is today, having a strong market position, generating profits and possessing a solid balance sheet. Along with building a profitable company, Mr. Ferris has been awarded multiple patents, spoken at various trade shows, and has written or assisted with various ground-breaking articles and studies. He is considered one of the top experts in the world at applying virtual reality and simulation technology to solve real world problems. Mr. Ferris attended the US Air Force Academy and received a degree in Systems Engineering from the University of Arizona.

Matthew Burlend,
Director, COO

Prior to joining the pre-merger company, Ferris Productions, Inc. in 1999, Mr. Burlend was a mechanical engineer focused on the design of automated production equipment for Panduit, a \$1+ billion per year global manufacturing company. At VirTra he worked his way up from engineer to becoming COO in 2011. Over the years, Matt has contributed significantly to managing the design, production and support of VirTra's most successful and innovative simulator products and has achieved a highly successful track record in the daily operations of VirTra's core business. In addition, he was instrumental in managing the company from a debt position of over \$4 million, to becoming debt-free in less than three years at the height of the Great Recession, to then achieving record profits. Mr. Burlend graduated from Olivet Nazarene University with a Mechanical Engineering Degree.

Jeffrey Brown
Independent Director

Mr. Brown has been a Certified Public Accountant and a financial planning service provider for over 10 years, performing financial services for a wide range of companies. Mr. Brown was the CFO/Controller for Gold Canyon Candles during a period of growth, in which annual gross revenue grew from \$8 million to \$55 million. Mr. Brown joined VirTra's board as an independent director in 2011. Previously, Mr. Brown worked for Ernst & Young performing audits for a variety of organizations. Mr. Brown received a Bachelor of Science in Accounting from California State University, San Bernardino and his CPA designation in 1993.

Board Compensation

Board members who are not employees of the company (Mr. Brown) are awarded a stock option to purchase 50,000 shares of our common stock each quarter.

Executive Officer Compensation

Robert Ferris. On April 2, 2012, we entered into three-year Employment Agreement with Mr. Ferris that calls for base annual salary of \$195,000, subject to cost of living adjustments, and contains automatic one-year extension provisions. In addition, each quarter during the term of Mr. Ferris's employment, he is awarded options to purchase 100,000 shares of our common stock. If Mr. Ferris is terminated by the Company for any reason other than for cause, or if he voluntarily terminates his own employment for good reason but not including a change in control, then we will be obligated to pay Mr. Ferris an amount equal to the product of the greater of (a) Mr. Ferris' annual base salary in effect on the day preceding the date of such termination, times three. This payment shall be payable in 18 equal monthly payments commencing the first day of the month following the month in which the termination occurs. If a change of control of the Company occurs while Mr. Ferris is an employee of the Company and within 36 months from the date of such change in control the, we terminate Mr. Ferris' employment for any reason (except for his death or disability or for cause) or Mr. Ferris Executive terminates his employment for any reason, then we are obligated, subject to certain limitations, pay Mr. Ferris any earned and accrued but unpaid base salary through the date of termination plus an amount of severance pay equal to the product of the greater of (a) Mr. Ferris' annual base salary in effect on the day preceding the date on which the change of control occurred or (b) Mr. Ferris' annual base salary during the twelve full calendar months preceding the date on which the change of control occurred, times four.

Matthew Burlend. On April 2, 2012, we entered into three-year Employment Agreement with Mr. Burlend that calls for base annual salary of \$175,000, subject to cost of living adjustments, and contains automatic one-year extension provisions. In addition, each quarter during the term of Mr. Burlend's employment, he is awarded options to purchase 75,000 shares of our common stock. If Mr. Burlend is terminated by the Company for any reason other than for cause, or if he voluntarily terminates his own employment for good reason but not including a change in control, then we will be obligated to pay Mr. Burlend an amount equal to the product of the greater of (a) Mr. Burlend's annual base salary in effect on the day preceding the date of such termination, times three. This payment shall be payable in 18 equal monthly payments commencing the first day of the month following the month in which the termination occurs. If a change of control of the Company occurs while Mr. Burlend is an employee of the Company and within 36 months from the date of such change in control the, we terminate Mr. Burlend's employment for any reason (except for his death or disability or

for cause) or Mr. Burlend Executive terminates his employment for any reason, then we are obligated, subject to certain limitations, pay Mr. Burlend any earned and accrued but unpaid base salary through the date of termination plus an amount of severance pay equal to the product of the greater of (a) Mr. Burlend's annual base salary in effect on the day preceding the date on which the change of control occurred or (b) Mr. Burlend's annual base salary during the twelve full calendar months preceding the date on which the change of control occurred, times four.

CERTAIN BENEFICIAL OWNERS OF VIRTRA COMMON STOCK

The following table sets forth certain information regarding beneficial ownership of our common stock and Series A preferred stock as of July 28, 2016, by (i) each person known by us to be the beneficial owner of more than 5% of our outstanding common stock, (ii) each director and each of our Named Executive Officers and (iii) all executive officers and directors as a group. As of July 28, 2016, there were 158,250,045 shares of our common stock outstanding and 500,000 shares of Series A Preferred Stock outstanding.

The number of shares of common stock beneficially owned by each person is determined under the rules of the Securities and Exchange Commission and the information is not necessarily indicative of beneficial ownership for any other purpose. Under such rules, beneficial ownership includes any shares as to which such person has sole or shared voting power or investment power and also any shares which the individual has the right to acquire within 60 days after the date hereof, through the exercise of any stock option, warrant or other right. Unless otherwise indicated, each person has sole investment and voting power (or shares such power with his or her spouse) with respect to the shares set forth in the following table. The inclusion herein of any shares deemed beneficially owned does not constitute an admission of beneficial ownership of those shares.

Common Stock

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class
Named Executive Officers and Directors:		
Robert Ferris, CEO and Chairman of the Board of Directors	14,994,350 ⁽¹⁾	9.3%
Matthew Burlend, COO and Director	2,275,000	1.4%
Donna S. Moore, Interim CFO, Secretary and Treasurer	0	0%
Jeffrey Brown, Director	950,000	*%
All executive officers and directors as a group (three persons)	18,219,350	11.1%

* Less than 1%.

- (1) Amount includes 11,794,350 shares owned directly or indirectly and 3,200,000 shares of common stock issuable upon exercise of stock options and excludes up to 5,000 shares of common stock issuable upon conversion of the Series A preferred. Also, amounts do not include the number of votes attributable to the Series A preferred. When combined with the Mr. Ferris' ownership of 11,794,350 shares of common stock and shares issuable upon exercise of stock options, Mr. Ferris is entitled to 314,994,350 votes or approximately 68.7% of the total votes.
- (2) Includes 2,275,000 shares issuable upon exercise of stock options.
- (3) Includes 950,000 shares issuable upon exercise of stock options.

Series A Preferred Stock

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class (1)
Robert Ferris, CEO and Chairman of the Board of Directors	500,000	100.0%

- (1) Holders of our Series A preferred stock are entitled to 600 votes per share (which total votes shall be no less than 66.67% of all votes cast at a meeting of all stockholders). Immediately following the effectiveness of the Redomestication Merger or in the event the Redomestication Merger does not close within 90 days after the issuance date of the Series A Preferred, each 100,000 shares of Series A Preferred shall automatically convert into 5,000 shares of VirTra Common Stock unless redeemed by us.

***THE BOARD OF DIRECTORS RECOMMENDS A VOTE
“FOR” ELECTION OF THE DIRECTOR NOMINEES.***

RATIFICATION OF THE APPOINTMENT OF FRIEDMAN, LLP – PROPOSAL 3

The Board of Directors has appointed Friedman as our independent registered public accounting firm to audit our financial statements for the year ending December 31, 2016. Although shareholder ratification of the appointment of our independent auditor is not required by our bylaws or otherwise, we are submitting the selection of Friedman to our shareholders for ratification to permit shareholders to participate in this important corporate decision. If not ratified, the Board of Directors will reconsider the selection, although the Board of Directors will not be required to select a different independent auditor for our company.

***THE BOARD OF DIRECTORS RECOMMENDS A VOTE “FOR” RATIFICATION OF FRIEDMAN LLP AS THE
INDEPENDENT REGISTERED ACCOUNTING FIRM OF VIRTRA SYSTEMS, INC.***

HOUSEHOLDING OF PROXY MATERIALS

Some banks, brokerage firms or other nominees may be participating in the practice of “householding” proxy statements. This means that only one copy of this proxy statement may have been sent to multiple VirTra shareholders sharing the same address. VirTra will promptly deliver a separate copy of this proxy statement to you if you direct your request to Corporate Secretary, VirTra Systems, Inc., 7970 S. Kyrene Road, Tempe, Arizona 85284, or call (480) 968-1488. If you want to receive separate copies of a proxy statement in the future, or if you are receiving multiple copies and would like to receive only one copy for your household, you should contact your bank, brokerage firm or other nominee, or you may contact VirTra at the above address and telephone number.

WHERE YOU CAN FIND MORE INFORMATION

VirTra files annual and quarterly reports and other information with the OTC Markets. You may read and copy any documents filed by VirTra at the OTC Markets website at www.otcmarkets.com. In addition, you may obtain free copies of the documents VirTra files with the SEC by going to <http://www.virtra.com/company-reports/>. The OTC Markets filings, other than this proxy statement and the documents incorporated by reference is and are not part of this proxy statement and is not incorporated by reference.

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**PLAN OF CONVERSION OF
VIRTRA SYSTEMS, INC.
FROM A TEXAS CORPORATION
INTO
A NEVADA CORPORATION**

This Plan of Conversion of VirTra Systems, Inc. from a Texas corporation into a Nevada corporation (the "Plan"), is entered into and adopted as of June 23, 2016.

RECITALS:

A. VirTra Systems, Inc. ("VirTra") is a corporation duly organized and existing under the laws of the State of Texas, having been formed on February 3, 2000, under the name Gamecom, Inc.;

B. The authorized capital stock of VirTra consists of 500,000,000 shares of common stock, par value \$0.005 per share, of which 158,250,045 shares are issued and outstanding as of the date of this Plan and 2,000,000 shares of preferred stock, par value \$0.005 per share, of which 500,000 shares have been designated as Series A Preferred Stock and such shares are issued and outstanding as of the date of this Plan; and

C. The Shareholders of VirTra deem it advisable for the general welfare and advantage of VirTra and its shareholders that VirTra convert from a Texas corporation into a Nevada corporation pursuant to this Plan and pursuant to the applicable provisions of the laws of the State of Nevada.

PLAN

1. CONVERSION TO NEVADA CORPORATION. VirTra shall effect the conversion (the "Conversion") of VirTra from a Texas corporation to a Nevada corporation by causing (i) Articles of Domestication (the "Articles of Domestication") in such form as required by the provisions of Section 92A.270 of the Nevada Revised Statutes, as amended (the "NRS") to be properly executed and acknowledged, and filed with the Secretary of State of the State of Nevada as provided in the NRS which shall be substantially similar to the form attached as Exhibit A hereto, and (ii) Certificate of Conversion (the "Certificate of Conversion") in such form as required by the provisions of Section 10.154 of the Texas Business Organization Code ("TBOC") to be properly executed and acknowledged, and filed with the Secretary of State of the State of Texas, which shall be substantially similar to the form attached as Exhibit B, hereto. Upon the filing of the Articles of Domestication in Nevada and Certificate of Conversion in Texas and after satisfaction of the respective requirements of the applicable laws of Nevada and Texas prerequisite to such filings the Conversion shall become effective (the "Conversion Effective Time"). At the Conversion Effective Time, VirTra Texas shall cease to be a Texas corporation and shall become a Nevada corporation.

2. NAME OF CONVERTED CORPORATION. Following the conversion, VirTra Nevada shall change its name to VirTra, Inc. ("VirTra Nevada")

3. VIRTRA TO REMAIN IN AND CONTINUE EXISTENCE. Following the conversion, VirTra Nevada shall continue in existence. Following the conversion, VirTra Nevada shall be a corporation duly formed and in existence pursuant to the laws of the State of Nevada. The Articles of

Incorporation of VirTra Nevada, to be filed with the Nevada Secretary of State are attached hereto as Exhibit C and are incorporated herein by reference (the “Articles of Incorporation”).

4. GOVERNING LAW: ARTICLES OF INCORPORATION. At all times during and after the Conversion, VirTra Nevada shall be governed by the laws of the State of Nevada, and by the terms of the Articles of Incorporation, which will be filed with the Nevada Secretary of State.

5. BYLAWS. At Conversion Effective Time, the bylaws of VirTra Texas currently in place shall be replaced in all respects by the Bylaws of VirTra Nevada, attached hereto as Exhibit D, to comply in all respects with the applicable provisions of NRS.

6. DIRECTORS AND OFFICERS OF SURVIVING CORPORATION. The Board of Directors and the officers of VirTra Texas shall remain the same following the conversion, and such directors and officers are as follows:

DIRECTORS:

Robert Ferris – Director
Jeffrey Brown – Director
Matt Burlend - Director

OFFICERS:

Robert Ferris –President, Chief Executive Officer,
Donna S. Moore – Interim Chief Financial Officer, Secretary and Treasurer
Matt Burlend – Chief Operating Officer,

7. CONVERSION OF COMMON STOCK.

(a) Except for the Dissenting Shares (as hereinafter defined), by virtue of the Conversion, and without any action on the part of the stockholders of VirTra Texas, each one (1) issued and outstanding share of VirTra Texas common stock, par value \$0.005 per share (“VirTra Texas Common Stock”) shall be converted into and represent one (1) issued and outstanding share of VirTra Nevada common stock, par value \$0.005 per share (“VirTra Nevada Common Stock”), the converted entity. Each VirTra Texas Common Stock certificate evidencing ownership of any such shares shall, as of the Conversion Effective Time, evidence ownership of shares of VirTra Nevada Common Stock.

(b) Following the Conversion Effective Time, except for the holders of the Dissent Shares, each holder of record of shares of VirTra Texas Common Stock may, but shall not be required to, surrender any VirTra Texas Common Stock certificate for cancellation to VirTra Nevada or its transfer agent, and the holder of such certificate shall be entitled to be entered on the register of shareholders of VirTra Nevada as the holder of that number of VirTra Nevada Shares represented by the VirTra Texas Common Stock certificate or certificates, as applicable, and the VirTra Texas Common Stock certificates so surrendered shall forthwith be cancelled. In the event of a transfer of ownership of shares of VirTra Texas Common Stock which is not registered in the transfer records of VirTra Texas, a certificate or other applicable document or instrument representing the proper number of shares of VirTra Nevada Common Stock may be issued to such a transferee if the Certificate representing such shares of VirTra Texas Common Stock is presented to VirTra Nevada or its transfer agent, accompanied by all documents required to evidence and effect such transfer and to evidence that any applicable stock transfer taxes have been paid.

(c) All shares of VirTra Nevada Common Stock is and/or will be issued carrying the same registered status under the Securities Act of 1933, as amended (the " Act"), as the respective shares status in VirTra Texas.

(d) *Dissenting Holders of VirTra Texas Common Stock.* Notwithstanding any other provision contained in this Plan, VirTra Texas Common Stock issued and outstanding as of the Conversion Effective Time and that are held by a shareholder who has not voted such VirTra Texas Common Stock in favor of the Redomestication Merger and who is entitled to demand and properly demands the fair value of such VirTra Texas Common Stock pursuant to, and who complies in all respects with (and has otherwise taken all of the steps required by) Subchapter H of Chapter 10 of the TBOC to properly exercise and perfect such shareholder's rights of dissent and appraisal (the "**Dissenting Shares**") shall be deemed to have ceased to represent any interest in VirTra Texas as of the Conversion Effective Time and shall be entitled to those rights and remedies set forth in Subchapter H of Chapter 10 of the TBOC; EXCEPT that in the event that a shareholder of VirTra Texas fails to perfect, withdraws or otherwise loses any such right or remedy granted by the TBOC, the VirTra Texas Common Stock held by such shareholder shall be converted into and represent only the right to receive the VirTra Nevada Common Stock specified in Section 7(a) of this Plan.

8. EFFECT OF CONVERSION. At the Conversion Effective Time, VirTra Nevada, as a Nevada corporation, shall succeed to, without other transfer, and shall possess and enjoy all the rights, privileges, immunities, powers, and franchises both of a public and a private nature, and shall own all property, real, personal, and mixed, and shall be obligated for all prior debts of VirTra Texas, on whatever account, and all rights of creditors and all liens upon any property of VirTra Texas shall be preserved unimpaired, and all debts, liabilities, and duties of VirTra Texas as a corporation, shall attach to VirTra Nevada, as a Nevada corporation, and may be enforced against it. No shareholder shall, as a result of this conversion, become personally liable for the liabilities or obligations of the converted entity.

9. ACCOUNTING MATTERS. The assets and liabilities of VirTra Texas, as a Texas corporation, as of the Conversion Effective Time, shall be recorded on the books of VirTra Nevada, the Nevada corporation, in the amounts at which they were carried at that time on the books of VirTra Texas, as a Texas corporation.

10. APPROVAL OF BOARD OF DIRECTORS: FILING ARTICLES OF DOMESTICATION; SHAREHOLDER APPROVAL.

(a) The Conversion was approved, subject to the approval of the VirTra Texas shareholders, by the Board of Directors of VirTra Texas as provided by Section 21.453 of the TBOC on June 23, 2016, and the Articles of Domestication shall be signed and delivered to the Nevada Secretary of State pursuant to NRS and the Certificate of Conversion shall be signed and delivered to the Texas Secretary of State pursuant to the TBOC.

(b) The Conversion shall have been approved by the holders of VirTra Texas Common Stock in accordance with the TBOC.

(c) VirTra shall have timely obtained from The Financial Information Regulatory Association, Inc. all approvals, waivers and consents, if any, necessary for consummation of or in connection with the Redomestication Plan of Conversion and the redomestication.

11. CONSTRUCTION. The captions and sections of this Plan are for convenience of reference only and shall not affect the meaning or construction of any of the terms or provisions of this Plan. Whenever the context so requires, all words used herein in any gender shall include the masculine, feminine, and neuter gender, all singular words shall include the plural, and all plural words shall include the singular.

12. GOVERNING LAW. To the extent not otherwise stated, this Plan shall be governed by and construed in accordance with the laws of the States of Nevada and Texas, as applicable.

13. FURTHER DOCUMENTS. From time to time, as and when necessary, the officers of VirTra shall execute and deliver, or cause to be executed and delivered, all such deeds and instruments, and to take, or cause to be taken, such further or other action as they may deem necessary or desirable, in order to vest in and confirm to VirTra, as a Nevada corporation, title to, and possession of, any property of VirTra acquired prior to the conversion, and otherwise to carry out the intent and purposes hereof; and the directors of VirTra and the proper officers and directors of VirTra are fully authorized, in the name of VirTra or otherwise, to take any and all such action.

14. SECTION HEADINGS. Section headings are for convenience only and shall not define or limit the provisions of this Plan.

15. COUNTERPARTS; ELECTRONIC EXECUTION. This Plan may be executed in one or more counterparts, all of which shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by each of the Parties and delivered to the other Parties. Facsimile, “pdf” or other electronic transmission or execution and delivery of this Plan is legal, valid and binding for all purposes.

[Signatures begin next page]

IN WITNESS WHEREOF, the Parties hereto have caused this Plan to be duly executed by their respective authorized signatories as of the date first indicated above.

VirTra Systems, Inc.
a Texas corporation

VirTra, Inc.
a Nevada corporation

By: _____
Robert Ferris
Chief Executive Officer

By: _____
Robert Ferris
Chief Executive Officer

EXHIBIT A
ARTICLES OF DOMESTICATION



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

Articles of Domestication
(PURSUANT TO NRS 92A.270)

USE BLACK INK ONLY - DO NOT HIGHLIGHT

ABOVE SPACE IS FOR OFFICE USE ONLY

1. Entity Name and Type of Domestic Entity as set forth in its Constituent Documents:	VirTra Systems, Inc., a Texas corporation
2. Entity Name Before Filing Articles of Domestication:	VirTra Systems, Inc.
3. Date and Jurisdiction of Original Formation:	Formed February 3, 2000 in the State of Texas.
4. Jurisdiction that Constituted the Principal Place of Business, Central Administration or Equivalent of the Undomesticated Entity Immediately Before Articles of Domestication:	Arizona
5. Signature of Authorized Representative:	<div style="display: flex; justify-content: space-between; align-items: flex-end;"> <div style="text-align: center;"> <p style="font-size: 2em; margin: 0;">X</p> <p style="margin: 0;">Authorized Signature</p> </div> <div style="border: 1px solid black; width: 100px; height: 20px; margin-left: 20px;"></div> <div style="margin-left: 10px;"> <p style="margin: 0;">Date</p> </div> </div>

Filing Fee: \$350.00

IMPORTANT: This document must be accompanied by the appropriate constituent document for the type of domestic entity described in article 1 above and the filing fees.

This form must be accompanied by appropriate fees.

Nevada Secretary of State NRS 92A Domestication
Revised: 1-5-15

EXHIBIT B
CERTIFICATE OF CONVERSION

CERTIFICATE OF CONVERSION

(Texas)

**FOR THE CONVERSION OF VIRTRA SYSTEMS, INC., A TEXAS CORPORATION
INTO VIRTRA, INC., A NEVADA CORPORATION**

1. Parties to the Conversion

- a. VirTra Systems, Inc., is a for-profit corporation organized under the laws of the state of Texas (“VirTra Texas”) and its file number is 156864900. VirTra Texas’s principal place of business is 7970 S. Kyrene Road, Tempe, Arizona 85284. VirTra Texas is the “filing entity” and will not survive the conversion.
- b. VirTra, Inc. is a for-profit corporation that will be organized under the laws of the state of Nevada (“VirTra Nevada”) and it has no file number in Texas. VirTra Nevada’s principal place of business will be 7970 S. Kyrene Road, Tempe, Arizona 85284. VirTra Nevada is the “converted entity” and will survive the conversion.

2. Plan of Conversion. In lieu of providing a copy of the Plan of Conversion (the “Conversion Agreement”), the parties hereto certify that:

- a. A signed copy of the Conversion Agreement is on file at the principal place of business of VirTra Texas.
- b. A signed copy of the Conversion Agreement is on file at the principal place of business of VirTra Nevada.
- c. On written request, a copy of the Conversion Agreement will be furnished without cost by VirTra Texas before the conversion.
- d. On written request, a copy of the Conversion Agreement will be furnished without cost by VirTra Nevada after the conversion.

3. Approval of the Plan of Conversion. The Conversion Agreement has been approved as required by the laws of the jurisdiction of formation of each organization that is a party to the conversion and by the governing documents of those organizations.

4. Effective of Filing. This document becomes effective at 12:01AM on October 1, 2016.

5. Tax Certification. In lieu of providing the tax certificate, the surviving entity, VirTra Nevada will be liable for the payment of the required franchise taxes.

6. Continuation of Existence. VirTra Nevada hereby certifies that as the converting entity, it hereby elects to continue its existence in its current organizational form and jurisdiction of formation.

7. **Execution.** The undersigned sign this document subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument. The undersigned certify that the statements contained herein are true and correct, and that the persons signing are authorized to execute this certificate.

Date: _____, 2016

VirTra Systems, Inc.
a Texas corporation

VirTra, Inc.
a Nevada corporation

By: _____
Robert Ferris
Chief Executive Officer

By: _____
Robert Ferris
Chief Executive Officer

EXHIBIT C
ARTICLES OF INCORPORATION
OF
VIRTRA, INC.

That the undersigned, being at least eighteen (18) years of age and acting as the incorporator of the Corporation hereby being formed under and pursuant to the laws of the State of Nevada, §78.030 of the Nevada Revised Statutes, does hereby certify that:

ARTICLE I - NAME

The name of the corporation is VIRTRA, INC. (the "Corporation").

ARTICLE II - PURPOSE

The Corporation is organized for the purpose of engaging in any business, trade or activity which may be lawfully conducted or permitted by a corporation organized under Chapter 78 of the Nevada Revised Statutes ("NRS"). The Corporation also shall have the authority to engage in any and all such activities as are incidental or conducive to the attainment of the purpose or purposes of this Corporation.

ARTICLE III - DURATION

The duration of the Corporation's existence shall be perpetual.

ARTICLE IV - CAPITAL STOCK

Section 1. Authorized Capital Stock. The aggregate number of shares which the Corporation shall have the authority to issue is 1,250,000,000 shares, of which (1) 1,200,000,000 shares shall be Common Stock, par value \$0.005 per share (the "Common Stock"), of which (a) 1,000,000,000 shares shall be Common Stock, par value \$0.005, (b) 50,000,000 shares shall be Class A Common Stock, par value \$0.005 per share (the "Class A Common Stock"), and (c) 150,000,000 shares shall be Class B Common Stock, par value \$0.005 per share (the "Class B Common Stock") and (2) 50,000,000 shares shall be Preferred Stock, par value \$0.005 per share, which may, at the sole discretion of the Board of Directors be issued in one or more series (the "Preferred Stock").

Section 2. Common Stock. The powers, preferences, and rights and the qualifications, limitations, and restrictions of the Common Stock, the Class A Common Stock and the Class B Common Stock are as follows:

(a) Voting Rights. Except as otherwise required by the NRS or as provided by or pursuant to the provisions of these Articles of Incorporation:

(i) Each holder of Common Stock shall be entitled to one (1) vote for each share of Common Stock held of record by such holder. The holders of shares of Common Stock shall not have cumulative voting rights.

(ii) Each holder of Class A Common Stock shall be entitled to ten (10) votes for each share of Class A Common Stock held of record by such holder. The holders of shares of Class A Common Stock shall not have cumulative voting rights.

(iii) The holders of Common Stock and Class A Common Stock shall vote together as a single class on all matters on which stockholders are generally entitled to vote.

(iv) The holders of Class B Common Stock shall not be entitled to vote on any matter, except that the holders of Class B Common Stock shall be entitled to vote separately as a class with respect to amendments to the Articles of Incorporation that increase or decrease the aggregate number of authorized shares of such class, increase or decrease the par value of the shares of such class, or alter or change the powers, preferences, or special rights of the shares of such class so as to affect them adversely.

(b) *Dividends.* Subject to any other provisions of these Articles of Incorporation, as it may be amended from time to time, holders of shares of Common Stock, Class A Common Stock and Class B Common Stock shall be entitled to receive ratably, in proportion to the number of shares held by them, such dividends and other distributions in cash, stock, or property of the Corporation when, as, and if declared thereon by the Board of Directors from time to time out of assets or funds of the Corporation legally available therefor.

(c) *Liquidation, Dissolution, etc.* In the event of any liquidation, dissolution, or winding up (either voluntary or involuntary) of the Corporation, after payments to creditors of the Corporation that may at the time be outstanding and subject to the rights of any holders of Preferred Stock that may then be outstanding, the holders of shares of Common Stock, Class A Common Stock and Class B Common Stock shall be entitled to receive all remaining assets and funds of the Corporation available for distribution, ratably in proportion to the number of shares held by them.

(d) *No Preemptive or Subscription Rights.* No holder of shares of Common Stock, Class A Common Stock or Class B Common Stock shall be entitled to preemptive or subscription rights.

Section 3. Preferred Stock. The Board of Directors is authorized at any time, and from time to time, to provide for the issuance of shares of Preferred Stock in one or more series, and to determine the designations, preferences, limitations and relative or other rights of the Preferred Stock or any series thereof. For each series, the Board of directors shall determine, by resolution or resolutions adopted prior to the issuance of any shares thereof, the designations, preferences, limitations and relative or other rights thereof, including but not limited to the following relative rights and preferences, as to which there may be variations among different series:

- (a) The rate and manner of payment of dividends, if any;
- (b) Whether shares may be redeemed and, if so, the redemption price and the terms and conditions of redemption;
- (c) The amount payable upon shares in the event of liquidation, dissolution or other winding-up of the Corporation;
- (d) Sinking fund provisions, if any, for the redemption or purchase of shares;
- (e) The terms and conditions, if any, on which shares may be converted or exchanged;
- (f) Voting rights, if any; and

(g) Any other rights and preferences of such shares, to the full extent now or hereafter permitted by the laws of the State of Nevada.

The Board of Directors shall have the sole authority to determine the number of shares that will comprise each series.

Section 4. Consideration for Shares. The Common Stock, the Class A Common Stock, the Class B Common Stock and the Preferred Stock shall be issued for such consideration, as shall be fixed from time to time by the Board of Directors. In the absence of fraud, the judgment of the Board of Directors as to the value of any property or services received in full or partial payment for such shares of stock shall be conclusive. When shares are issued upon payment of the consideration fixed by the Board of Directors, such shares shall be taken to be fully paid stock and shall be non-assessable. The Articles of Incorporation shall not be amended in this particular.

Section 5. Stock Rights and Options. The Corporation shall have the power to create and issue rights, warrants, or options entitling the holders thereof to purchase from the Corporation any shares of its capital stock of any class or classes, upon such terms and conditions and at such times and prices as the Board of Directors may provide, which terms and conditions shall be incorporated in an instrument or instruments evidencing such rights. In the absence of fraud, the judgment of the Directors as to the adequacy of consideration for the issuance of such rights or options and the sufficiency thereof shall be conclusive. Prior to the issuance of any shares of a series, but after adoption by the Board of Directors of the resolution establishing such series, the appropriate officers of the Corporation shall file such documents with the State of Nevada as may be required by law.

ARTICLE V - NO PREEMPTIVE RIGHTS

No preemptive rights to acquire additional securities issued by the Corporation shall exist with respect to shares of stock or securities convertible into shares of stock of the Corporation, except to the extent otherwise provided by contract.

ARTICLE VI - NO CUMULATIVE VOTING

At each election for directors, every stockholder entitled to vote at such election has the right to vote in person or by proxy the number of shares held by such stockholder for as many persons as there are directors to be elected. No cumulative voting for directors, however, shall be permitted.

ARTICLE VII - BOARD OF DIRECTORS

The business and affairs of the Corporation shall be managed under the direction of a Board of Directors which shall consist of not less than one (1) person. The manner of election and qualifications shall be as provided in the Bylaws of the Corporation. For the conduct of the affairs of the Corporation, and for the future definition, limitation, and regulation of the powers of the Corporation and its directors and stockholders, it is further provided:

Section 1. Size of Board. The initial number of the Board of Directors shall be three (3). Thereafter, the number of directors shall be as provided in the Bylaws of the Corporation. The exact number of directors shall be fixed from time to time by the Board of Directors pursuant to resolution adopted by a majority of the full Board of Directors. Directors need not be stockholders.

Section 2. Powers of Board. In furtherance and not in limitation of the powers conferred by the laws of the State of Nevada, the Board of Directors is expressly authorized and empowered:

- (a) To make, alter, amend, and repeal the Bylaws subject to the power of the stockholders to alter or repeal the Bylaws made by the Board of Directors;
- (b) Subject to the applicable provisions of the Bylaws then in effect, to determine, from time to time, whether and to what extent, and at what times and places, and under what conditions and regulations, the accounts and books of the corporation, or any of them, shall be open to stockholder inspection. No stockholder shall have any right to inspect any of the accounts, books or documents of the Corporation, except as permitted by law, unless and until authorized to do so by resolution of the Board of Directors or of the stockholders of the Corporation;
- (c) To authorize and issue, without stockholder consent, obligations of the Corporation, secured and unsecured, under such terms and conditions as the Board, in its sole discretion, may determine, and to pledge or mortgage, as security therefore, any real or personal property of the corporation, including after-acquired property;
- (d) To determine whether any and, if so, what part of the earned surplus of the Corporation shall be paid in dividends to the stockholders, and to direct and determine other use and disposition of any such earned surplus;
- (e) To fix, from time to time, the amount of the profits of the corporation to be reserved as working capital or for any other lawful purpose;
- (f) To establish bonus, profit-sharing, stock option, or other types of incentive compensation plans for the employees, including officers and directors, of the Corporation, and to fix the amount of profits to be shared or distributed, and to determine the persons to participate in any such plans and the amount of their respective participations.
- (g) To designate, by resolution or resolutions passed by a majority of the whole Board, one or more committees, each consisting of two or more directors, which, to the extent permitted by law and authorized by the resolution or the Bylaws, shall have and may exercise the powers of the Board;
- (h) To provide for the reasonable compensation of its own members by Bylaw, and to fix the terms and conditions upon which such compensation will be paid; and
- (i) In addition to the powers and authority hereinbefore, or by statute, expressly conferred upon it, the Board of Directors may exercise all such powers and do all such acts and things as may be exercised or done by the Corporation, subject, nevertheless, to the provisions of the laws of the State of Nevada, of these Articles of Incorporation, and of the Bylaws of the Corporation.

Section 3. Interested Directors. No contract or transaction between this Corporation and any of its directors, or between this Corporation and any other corporation, firm, association, or other legal entity shall be invalidated by reason of the fact that the director of the Corporation has a direct or indirect interest, pecuniary or otherwise, in such corporation, firm, association, or legal entity, or because the interested director was present at the meeting of the Board of Directors which acted upon or in reference to such contract or transaction, or because he participated in such action, provided that: (1) the interest of each such director shall have been disclosed to or known by the Board and a disinterested majority of the Board shall have, nonetheless, ratified and approved such contract or transaction (such interested director or directors may be counted in determining whether a quorum is present for the meeting at which such ratification or approval is given); or (2) the conditions of NRS § 78.140 are met.

Section 4. Name and Address. The name and post office address of the first Board of Directors which shall consist of three (3) persons who shall hold office until his successors are duly elected and qualified, are as follows:

NAME	ADDRESS
Robert Ferris	7970 S. Kyrene Road Tempe, Arizona 85284
Matthew Burlend	7970 S. Kyrene Road Tempe, Arizona 85284
Jeffrey Brown	7970 S. Kyrene Road Tempe, Arizona 85284

ARTICLE VIII - BYLAWS

The Board of Directors shall have the power to adopt, amend or repeal the Bylaws or adopt new Bylaws. Nothing herein shall deny the concurrent power of the stockholders to adopt, alter, amend or repeal the Bylaws.

ARTICLE IX - PLACE OF MEETING; CORPORATE BOOKS

Subject to the laws of the State of Nevada, the stockholders and the directors shall have power to hold their meetings, and the directors shall have power to have an office or offices and to maintain the books of the Corporation outside the State of Nevada, at such place or places as may from time to time be designated in the Bylaws or by appropriate resolution.

ARTICLE X - AMENDMENT OF ARTICLES

The provisions of these Articles of Incorporation may be amended, altered or repealed from time to time to the extent and in the manner prescribed by the laws of the State of Nevada, and additional provisions authorized by such laws as are then in force may be added. All rights herein conferred on the directors, officers and stockholders are granted subject to this reservation.

ARTICLE XI - LIMITATION OF DIRECTORS' LIABILITY

A director shall have no liability to the Corporation or its stockholders for monetary damages for conduct as a director, except for acts or omissions that involve intentional misconduct by the director, or a knowing violation of law by the director, or for conduct violating NRS 78.138(7), or for any transaction from which the director will personally receive a benefit in money, property or services to which the director is not legally entitled. If NRS is hereafter amended to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director shall be eliminated or limited to the full extent permitted by NRS as so amended. Any repeal or modification of this Article shall not adversely affect any right or protection of a director of the Corporation existing at the time of such repeal or modification for or with respect to an act or omission of such director occurring prior to such repeal or modification.

ARTICLE XII - INDEMNIFICATION

Section 1. Right to Indemnification. Each person (including here and hereinafter, the heirs, executors, administrators or estate of such person) (1) who is or was a director or officer of the Corporation or who is or was serving at the request of the Corporation in the position of a director,

officer, trustee, partner, agent or employee of another corporation, partnership, joint venture, trust or other enterprise, or (2) who is or was an agent or employee (other than an officer) of the Corporation and as to whom the Corporation has agreed to grant such indemnity, shall be indemnified by the Corporation as of right to the fullest extent permitted or authorized by current or future legislation or by current or future judicial or administrative decision (but, in the case of any future legislation or decision, only to the extent that it permits the Corporation to provide broader indemnification rights than permitted prior to the legislation or decision), against all fines, liabilities, settlements, costs and expenses, including attorneys' fees, asserted against him or incurred by him in his capacity as such director, officer, trustee, partner, agent or employee, or arising out of his status as such director, officer, trustee, partner, agent or employee. The foregoing right of indemnification shall not be exclusive of other rights to which those seeking indemnification may be entitled. The Corporation may maintain insurance, at its expense, to protect itself and any such person against any such fine, liability, cost or expense, including attorney's fees, whether or not the Corporation would have the legal power to directly indemnify him against such liability.

Section 2. **Savings Clause.** If this Article XII or any portion of it is invalidated on any ground by a court of competent jurisdiction, the Corporation shall nevertheless indemnify each director and officer of the Corporation to the fullest extent permitted by all portions of this Article VI that has not been invalidated and to the fullest extent permitted by law.

ARTICLE XIII – TRANSACTIONS WITH STOCKHOLDERS

Section 1. **Control Share Acquisition Exemption.** The Corporation elects not to be governed by the provisions of NRS §78.378 to NRS §78.3793, inclusive.

Section 2. **Combinations with Interested Stockholders.** The corporation elects not to be governed by the provisions of NRS §78.411 through NRS §78.444, inclusive.

ARTICLE XIV - INCORPORATOR

The name and address of the incorporator signing these Articles of Incorporation is:

NAME	ADDRESS
Robert Ferris	7970 S. Kyrene Road Tempe, Arizona 85284

ARTICLE XV – REGISTERED AGENT

The name and address of the registered agent for service of process is:

NAME	ADDRESS
Incorp Services, Inc.	3773 Howard Hughes Pkwy · Suite 500s Las Vegas, NV 89169-6014 Clark County

Effective Date. The effective date of these Articles of Incorporation shall be [_____, 2016].

SIGNATURE OF INCORPORATOR

I declare, to the best of my knowledge under penalty of perjury, that the information contained herein is correct 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.

Dated: July [__], 2016.

VIRTRA, INC.

By: _____

Name: Robert Ferris

Title: Incorporator & Director

CERTIFICATE OF ACCEPTANCE OF APPOINTMENT OF REGISTERED AGENT

I hereby accept appointment as Registered Agent for the above named corporation.

Incorp Services, Inc.

By: _____

On behalf of Registered Agent Entity

Date: _____

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EXHIBIT D
BYLAWS OF VIRTRA SYSTEMS, INC.
A NEVADA CORPORATION

BY-LAWS
OF
VIRTRA, INC.



ARTICLE I

OFFICES

Section 1. PRINCIPAL OFFICES. The principal office of VirTra, Inc., a Nevada corporation (the “Corporation”) shall be in the City of Tempe, Maricopa County, State of Arizona. The registered agent shall be InCorp Services, Inc. located at 3773 Howard Hughes Parkway, South Tower, Suite 500, Las Vegas, NV 89169 or such other place as the Board of Directors of the Corporation (the “Board”) shall from time to time select.

Section 2. OTHER OFFICES. The Board may at any time establish branch or subordinate offices at any place or places where the Corporation is qualified to do business.

ARTICLE II

MEETINGS OF STOCKHOLDERS

Section 1. PLACE OF MEETINGS. Meetings of stockholders of the Corporation (each, a “Stockholder” and collectively, the “Stockholders”) shall be held at any place within or without the State of Arizona designated by resolution of the Board. In the absence of any such designation, stockholders’ meetings shall be held at the principal executive office of the Corporation.

Section 2. ANNUAL MEETINGS. The annual meetings of stockholders shall be held at a date and time designated by resolution of the Board.

- (a) Nominations of persons for election to the Board and the proposal of business to be considered by Stockholders may be made at an annual meeting of Stockholders: (A) pursuant to the Corporation’s notice of meeting delivered pursuant to Section 4 of this Article II; (B) by or at the direction of the Chairman (defined below) or (C) by any Stockholder who is entitled to vote at the meeting on the election of directors or such business (as applicable) who complies with the notice procedures set forth in Sections 2(b) and who is a Stockholder of record at the time such notice is delivered to the Secretary. Except as otherwise required by applicable law, the foregoing clause (C) shall be the exclusive means for a Stockholder to make nominations or propose business at an annual meeting of Stockholders.

- (b) For nominations or other business to be properly brought before an annual meeting of Stockholders by a Stockholder pursuant to Section 2(a), (A) the Stockholder must give timely notice thereof in proper written form to the Secretary and (B) in the case of business other than nominations, such other business must otherwise be a proper matter for Stockholder action. To be timely, a Stockholder's notice must be delivered to the Secretary at the principal executive offices of the Corporation not less than 90 days nor more than 120 days prior to the first anniversary of the preceding year's annual meeting; provided, however, that in the event that the date of the annual meeting is advanced by more than 30 days, or delayed by more than 90 days, from such anniversary date, or if no annual meeting was held in the preceding year, notice by a Stockholder to be timely must be so delivered not earlier than the 120th day prior to such annual meeting and not later than the close of business on the later of the 90th day prior to such annual meeting and the 10th day following the day on which the Public Announcement (defined below) of the date of such meeting is first made by the Corporation. In no event shall the Public Announcement of an adjournment or postponement of an annual meeting commence a new time period for the giving of a Stockholder's notice as described in this Section 2(b).
- (c) In order to be in proper written form, such Stockholder's notice must include the following information and/or documents, as applicable: (A) the name and address of the Stockholder giving the notice, as they appear on the Corporation's books, and of the beneficial owner of stock of the Corporation, if any, on whose behalf such nomination or proposal of other business is made (such beneficial owner, the "Beneficial Owner"); (B) representations that, as of the date of delivery of such notice, such Stockholder is a holder of record of stock of the Corporation and is entitled to vote at such meeting and intends to appear in person or by proxy at such meeting to propose and vote for such nomination and any such other business; (C) as to each person whom the Stockholder proposes to nominate for election or re-election as a director (a "Stockholder Nominee"): (1) all information relating to such Stockholder Nominee that is required to be disclosed in solicitations of proxies for election of directors in an election contest, or is otherwise required, in each case pursuant to Regulation 14A under the Securities Exchange Act of 1934 (as amended from time to time, the "Exchange Act") or any successor provision thereto, including such Stockholder Nominee's written consent to being named in the proxy statement as a nominee and to serving as a director if elected and to being named in the Corporation's proxy statement and form of proxy if the Corporation so determines, (2) a statement whether such Stockholder Nominee, if elected, intends to tender, promptly following such Stockholder Nominee's election or re-election, an irrevocable offer of resignation effective upon such Stockholder Nominee's failure to receive the required vote for re-election at the next meeting at which such Stockholder Nominee would face re-election and upon acceptance of such resignation by the Board in accordance with the Corporation's Board Practice on Director Elections, as may be in effect from time to time and (3) such other information as may be reasonably requested by the Corporation; (D) as to any other business that the Stockholder proposes to bring before the meeting: (1) a brief description of such business, (2) the text of the proposal (including the text of any resolutions proposed for consideration and, if such business includes a proposal to amend these By-laws, the text of the proposed amendment) and (3) the reasons for conducting such business at the meeting; and (E) in all cases: (1) the name of each individual, firm, corporation, limited liability company, partnership, trust or other entity (including any successor thereto, a "Person") with whom the Stockholder, any Beneficial Owner, any Stockholder Nominee and the respective affiliates and associates (as defined under Regulation 12B under the Exchange Act or any successor provision thereto) of such Stockholder, Beneficial Owner and/or Stockholder Nominee (each of the foregoing, including, for the avoidance of doubt, the Stockholder, Beneficial Owner and/or Stockholder Nominee, a "Stockholder Group Member") either is acting in concert with respect to the Corporation or has any agreement, arrangement or understanding (whether written or oral) for the purpose of acquiring, holding, voting (except pursuant to a revocable proxy given to such Person in response to a public proxy solicitation

made generally by such Person to all holders of common stock of the Corporation) or disposing of any capital stock of the Corporation or to cooperate in obtaining, changing or influencing the control of the Corporation (except independent financial, legal and other advisors acting in the ordinary course of their respective businesses) (each Person described in this clause (1), including each Stockholder Group Member, a “Covered Person”), and a description, and, if in writing, a copy, of each such agreement, arrangement or understanding, (2) a list of the class, series and number of shares of capital stock of the Corporation that are beneficially owned or owned of record by each Covered Person, together with documentary evidence of such record or beneficial ownership, (3) a list of all derivative securities (as defined in Rule 16a-1 under the Exchange Act or any successor provision thereto) and other derivatives or similar arrangements to which any Covered Person is a counterparty and relating to any shares of capital stock of the Corporation, a description of all economic terms of all such derivative securities and other derivatives or similar arrangements and copies of all agreements and other documents relating to each of such derivative securities and other derivatives or similar arrangements, (4) a list of all transactions by any Covered Person involving any shares of capital stock of the Corporation or any derivative securities (as defined under Rule 16a-1 under the Exchange Act or any successor provision thereto) or other derivatives or similar arrangements related to any shares of capital stock of the Corporation entered into or consummated within 60 days prior to the date of such notice, (5) details of all other material interests of each Covered Person in such nomination or proposal or shares of capital stock of the Corporation (including any rights to dividends or performance-related fees based on any increase or decrease in the value of such shares of capital stock) and (6) a representation as to whether any Covered Person intends or is part of a group which intends to deliver a proxy statement and/or form of proxy to, in the case of a nomination or nominations, at least the percentage of the Corporation’s outstanding capital stock reasonably believed by the Covered Person to be sufficient to elect the nominee or nominees proposed to be nominated by the Stockholder and, in the case of a proposal, holders of at least the percentage of the Corporation’s outstanding capital stock required to elect any Stockholder Nominee or approve such proposal (such representation, the “Solicitation Representation”). A notice delivered by or on behalf of any Stockholder under this Section 2(c) shall be deemed to be not in compliance with this Section 2(c) and not be effective if: (x) such notice does not include all of the information, documents and representations required under this Section 2(c), (y) after delivery of such notice, any information or document required to be included in such notice changes or is amended, modified or supplemented, as applicable, prior to the date of the relevant meeting and such information and/or document is not delivered to the Corporation by way of a further written notice as promptly as practicable following the event causing such change in information or amendment, modification or supplement, as applicable, and in any case where such event occurs within 45 days of the date of the relevant meeting, within five business days after such event or (z) any Covered Person does not act in accordance with the representation set forth in the Solicitation Representation; provided, however, that the Board shall have the authority to waive any such non-compliance if the Board determines that such action is appropriate in the exercise of its fiduciary duties.

- (d) Notwithstanding the second sentence of Section 2 of Article III, in the event that the number of directors to be elected to the Board is increased effective at the next annual meeting and there is no Public Announcement specifying the size of the increased Board made by the Corporation at least 100 days prior to the first anniversary of the preceding year’s annual meeting, a Stockholder’s notice required by this Section 2 shall also be considered timely, but only with respect to nominees for any new positions created by such increase, if it is delivered to the Secretary at the principal executive offices of the Corporation not later than the close of business on the 10th day following the day on which such Public Announcement is first made by the Corporation and such notice otherwise complies with the requirements of this Section 2.

Section 3. SPECIAL MEETINGS.

- (a) Subject to the rights of the holders of any series of preferred stock of the Corporation (the "Preferred Stock") with respect to special meetings of the holders thereof, special meetings of Stockholders may be called at any time only by: (i) the Board, (ii) the Chairman of the Board (the "Chairman"), (iii) the Chief Executive Officer, (iv) the President or (v) Stockholders following receipt by the Secretary of the Corporation (the "Secretary") of a written request for a special meeting in proper form (a "Special Meeting Request") from the record holders of shares of common stock of the Corporation representing at least 15% of the outstanding common stock of the Corporation if such Special Meeting Request complies with the requirements set forth in this Section 3. The Board shall determine whether all such requirements have been satisfied and such determination shall be binding on the Corporation and the Stockholders; provided, however, that the Board shall have the authority to waive any such non-compliance if the Board determines that such action is appropriate in the exercise of its fiduciary duties. If a Special Meeting Request complies with this Section 3, the Board shall determine the date and time of a special meeting requested in such Special Meeting Request; provided, however, that: (i) the date of such special meeting shall not be later than 120 days following receipt of the Special Meeting Request and (ii) the Board may (in lieu of calling the special meeting requested in such Special Meeting Request) present an identical or substantially similar item (a "Similar Item", and the nomination of directors for election shall be deemed a "Similar Item" with respect to all items of business involving the election or removal of directors) for Stockholder approval at any other meeting of Stockholders that is held not more than 120 calendar days after the date the Secretary receives such Special Meeting Request.
- (b) For a Special Meeting Request to comply with this Section 3, such Special Meeting Request must be delivered to the Secretary at the principal executive offices of the Corporation in proper written form. In order to be in proper written form, such Special Meeting Request must include all the information and/or documents, as applicable, required pursuant to Section 2(b) and 2(c) of this Article II.
- (c) A Special Meeting Request shall not be valid if: (i) the Special Meeting Request relates to an item of business that is not a proper subject for stockholder action under applicable law, (ii) a Similar Item was presented at any meeting of Stockholders held within 120 days prior to receipt by the Corporation of such Special Meeting Request, (iii) a Similar Item is included in the Corporation's notice as an item of business to be brought before a meeting of Stockholders that has been called but not yet held or (iv) the Special Meeting Request is received by the Corporation during the period commencing 90 days prior to the first anniversary of the preceding year's annual meeting and ending on the date of that year's annual meeting of Stockholders.
- (d) The Stockholders who submitted a Special Meeting Request may revoke a Special Meeting Request by written revocation delivered to the Secretary at any time prior to the special meeting; provided, however, that the Board shall have the discretion to determine whether or not to proceed with the special meeting. Notwithstanding the foregoing provisions of this Section 3, and except as otherwise required by applicable law, if all of the Stockholders who submitted the Special Meeting Request for a special meeting of Stockholders do not appear or send a representative to present and vote for the nominations or business submitted by the Stockholders for consideration at such special meeting, then the Corporation need not present such nominations or business for a vote at such meeting notwithstanding that proxies in respect of such nomination or business may have been received by the Corporation.
- (e) Only such business shall be conducted at a special meeting of Stockholders as shall be brought before a special meeting: (i) pursuant to the Corporation's notice of meeting

delivered pursuant to Section 4 of this Article II or (ii) by or at the direction of the Chairman. Except as set forth in this Section 3 or otherwise required by applicable law, Stockholders shall have no right to bring business at a special meeting of the Stockholders. At a special meeting of Stockholders at which Directors are to be elected pursuant to the Corporation's notice of meeting, nominations of persons for election to the Board may be made: (A) by or at the direction of the Board or (B) by any Stockholder who is entitled to vote at the meeting on the election of Directors, who complies with the notice procedures set forth in this Section 3(e) and who is a Stockholder of record at the time such notice is delivered to the Secretary. In the event the Corporation calls a special meeting of Stockholders for the purpose of electing directors to the Board, any Stockholder may nominate such number of persons for election to such position(s) as are specified in the Corporation's notice of meeting, if the Stockholder's notice, containing all the information, documents and representations required under Section 2 is delivered to the Secretary at the principal executive offices of the Corporation not earlier than the 120th day prior to such special meeting and not later than the close of business on the later of the 90th day prior to such special meeting and the 10th day following the day on which Public Announcement of the date of the special meeting and of the nominees proposed by the Board to be elected at such meeting is first made by the Corporation. Except as otherwise required by applicable law, the foregoing clause (B) shall be the exclusive means for stockholders to make nominations at special meetings of stockholders. A notice delivered by or on behalf of any Stockholder under this Section 3(e) shall be deemed to be not in compliance with this Section 3(e) and not be effective if: (x) such notice does not include all of the information, documents and representations required under this Section 3(e), (y) after delivery of such notice, any information or document required to be included in such notice changes or is amended, modified or supplemented, as applicable, prior to the date of the relevant meeting and such information and/or document is not delivered to the Corporation by way of a further written notice as promptly as practicable following the event causing such change in information or amendment, modification or supplement, as applicable, and in any case where such event occurs within 45 days of the date of the relevant meeting, within five business days after such event or (z) any Covered Person does not act in accordance with the representation set forth in the Solicitation Representation; provided, however, that the Board shall have the authority to waive any such non-compliance if the Board determines that such action is appropriate in the exercise of its fiduciary duties. In no event shall the Public Announcement of an adjournment or postponement of a special meeting commence a new time period for the giving of a Stockholder's notice as described above.

- (f) For purposes of these By-laws, "Public Announcement" shall mean disclosure in a press release reported by the Dow Jones News Service, Associated Press or comparable national news service or in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Section 13, 14 or 15(d) of the Exchange Act or any document delivered to all Stockholders (including any quarterly income statement).

Section 4. NOTICE OF STOCKHOLDERS' MEETINGS. Except as otherwise provided by applicable law, notice stating: (i) the place of the meeting, if any, (ii) the date and time of the meeting, (iii) the means of remote communications, if any, by which Stockholders and proxyholders may be deemed to be present in person and vote at the meeting, (iv) the record date for determining the Stockholders entitled to vote at the meeting, if such date is different from the record date for determining Stockholders entitled to notice of the meeting and (v) in the case of special meetings, the purpose or purposes for which such special meeting is called, shall be prepared and sent by the Corporation not less than 10 days nor more than 60 days before the date of the meeting to each Stockholder of record entitled to vote at such meeting. Such further notice shall be given as may be required by applicable law.

Section 5. MANNER OF GIVING NOTICE; AFFIDAVIT OF NOTICE. (a) Notice of any meeting of stockholders shall be given either personally or by first-class mail or telegraphic or other written

communication, charges prepaid, addressed to the stockholder at the address of such stockholder appearing on the books of the Corporation or given by the stockholder to the Corporation for the purpose of notice. With the consent of any shareholder thereto, notice may also be given by any means of electronic delivery as may from time to time be utilized by the Corporation. If no such address appears on the Corporation's books or is given, notice shall be deemed to have been given if sent by mail or telegram to the Corporation's principal executive office, or if published at least once in a newspaper of general circulation in the county where this office is located. Personal delivery of any such notice to any Officer of a corporation or association or to any member of a partnership shall constitute delivery of such notice to such corporation, association or partnership. Notice shall be deemed to have been given at the time when delivered personally or deposited in the mail or sent by telegram or other means of written communication. In the event of the transfer of stock after delivery or mailing of the notice of and prior to the holding of the meeting, it shall not be necessary to deliver or mail notice of the meeting to the transferee.

(b) If any notice addressed to a stockholder at the address of such stockholder appearing on the books of the Corporation is returned to the Corporation by the United States Postal Service marked to indicate that the United States Postal Service is unable to deliver the notice to the stockholder at such address, all future notices or reports shall be deemed to have been duly given without further mailing if the same shall be available to the stockholder upon written demand of the stockholder at the principal executive office of the Corporation for a period of one year from the date of the giving of such notice.

(c) An affidavit of the mailing or other means of giving any notice of any stockholders' meeting shall be executed by the Secretary, assistant Secretary or any transfer agent of the Corporation giving such notice, and shall be filed and maintained in the minute book of the Corporation.

(d) Business transacted at any special meeting of stockholders shall be limited to the purposes stated in the notice.

Section 6. QUORUM. Except as otherwise provided by applicable law, the Articles of Incorporation of the Corporation (as amended from time to time, the "Articles") or these By-laws, the holders of one-third (33 1/3%) of the voting power of the outstanding shares of capital stock of the Corporation entitled to vote generally on the business properly brought before the meeting in accordance with these By-laws (collectively, the "Voting Stock"), represented in person or by proxy, shall constitute a quorum at a meeting of Stockholders; provided, however, that if specified business is to be voted on by a class of the Corporation's capital stock or a series of the Corporation's capital stock voting as a class, the holders of one-third (33 1/3%) of the voting power of the shares of such class or series, represented in person or by proxy, shall constitute a quorum for the transaction of such specified business. The Stockholders present at a duly organized meeting may continue to transact any business for which a quorum existed at the commencement of such meeting until adjournment, notwithstanding the withdrawal of enough Stockholders to leave less than a quorum.

Section 7. ADJOURNED MEETING AND NOTICE THEREOF. (a) Any stockholders' meeting, annual or special, whether or not a quorum is present, may be adjourned from time to time by the vote of the majority of the shares represented at such meeting, either in person or by proxy, but in the absence of a quorum, no other business may be transacted at such meeting.

(b) When any meeting of stockholders, either annual or special, is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place thereof are announced at a meeting at which the adjournment is taken. At any adjourned meeting the Corporation may transact any business which might have been transacted at the original meeting.

Section 8. VOTING.

- (a) Unless a record date set for voting purposes be fixed as provided in Section 1 of Article VII of these bylaws, only persons in whose names shares entitled to vote stand on the stock records of the Corporation at the close of business on the business day next preceding the day on which notice is given (or, if notice is waived, at the close of business on the business day next preceding the day on which the meeting is held) shall be entitled to vote at such meeting. Any stockholder entitled to vote on any matter other than elections of Directors or Officers, may vote part of the shares in favor of the proposal and refrain from voting the remaining shares or vote them against the proposal, but, if the stockholder fails to specify the number of shares such stockholder is voting affirmatively, it will be conclusively presumed that the stockholder's approving vote is with respect to all shares such stockholder is entitled to vote. Such vote may be by voice vote or by ballot; provided, however, that all elections for Directors must be by ballot upon demand by a stockholder at any election and before the voting begins.
- (b) When a quorum is present or represented at any meeting, the vote of the holders of a majority of the stock having voting power present in person or represented by proxy shall decide any question brought before such meeting, unless the question is one upon which by express provision of the statutes or of the Articles a different vote is required in which case such express provision shall govern and control the decision of such question. Every stockholder of record of the Corporation shall be entitled at each meeting of stockholders to one vote for each share of stock standing in his name on the books of the Corporation.
- (c) Except as otherwise required by applicable law, the Articles, these By-laws or any applicable rule of a national securities exchange, all matters submitted to Stockholders at any meeting shall be decided by the affirmative vote of a majority of the voting power of the shares of capital stock of the Corporation present in person or represented by proxy at the meeting and voting thereon, and where a separate vote by class is required, a majority of the voting power of the shares of that class present in person or represented by proxy at the meeting and voting thereon.
- (d) The vote on any matter, including the election of Directors, need not be by written ballot. Any written ballot shall be signed by the Stockholder voting, or by such Stockholder's proxy, and shall state the number of shares voted.

Section 9. WAIVER OF NOTICE OR CONSENT BY ABSENT STOCKHOLDERS. (a) The transactions at any meeting of stockholders, either annual or special, however called and noticed, and wherever held, shall be as valid as though had at a meeting duly held after regular call and notice, if a quorum be present either in person or by proxy, and if, either before or after the meeting, each person entitled to vote, not present in person or by proxy, signs a written waiver of notice or a consent to a holding of the meeting, or an approval of the minutes thereof. The waiver of notice or consent need not specify either the business to be transacted or the purpose of any regular or special meeting of stockholders, except that if action is taken or proposed to be taken for approval of any of those matters specified in Section 4 of this Article II, the waiver of notice or consent shall state the general nature of such proposal. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

(b) Attendance of a person at a meeting shall also constitute a waiver of notice of such meeting, except when the person objects, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened, and except that attendance at a meeting is not a waiver of any right to object to the consideration of matters not included in the notice if such objection is expressly made at the meeting.

Section 10. STOCKHOLDER ACTION BY WRITTEN CONSENT WITHOUT A MEETING.

- (a) Except as otherwise provided in the Articles, any action required to be taken at any annual or special meeting of stockholders of the Corporation, or any action which may be taken at any annual or special meeting of the stockholders, may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted and shall be delivered to the Corporation by delivery to its registered office in Nevada, its principal place of business, or an Officer or agent of the Corporation having custody of the book in which proceedings of meetings of stockholders are recorded.
- (b) Every written consent shall bear the date of signature of each stockholder who signs the consent and no written consent shall be effective to take the corporate action referred to therein unless, within 60 days of the date the earliest dated consent is delivered to the Corporation, a written consent or consents signed by a sufficient number of holders to take action are delivered to the Corporation in the manner prescribed in the paragraph (a), above. An electronic transmission consenting to an action to be taken and transmitted by a stockholder or proxyholder, or by a person or persons authorized to act for a stockholder or proxyholder, shall be deemed to be written, signed and dated for the purposes of this Section 10 to the extent permitted by law. Any such consent shall be delivered in accordance with the Nevada Revised Statutes. Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not consented in writing or electronic transmission and who, if the action had been taken at a meeting, would have been entitled to notice of the meeting if the record date of such meeting had been the date that written consents signed by a sufficient number of stockholders or members to take the action were delivered to the Corporation as provided by law.
- (c) Any copy, facsimile or other reliable reproduction of a consent in writing may be substituted or used in lieu of the original writing for any and all purposes for which the original writing could be used, provided that such copy, facsimile or other reproduction shall be a complete reproduction of the entire original writing. Any action which may be taken at any annual or special meeting of stockholders may be taken without a meeting and without prior notice, if a consent in writing, setting forth the action so taken, is signed by the holders of outstanding shares having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted. All such consents shall be filed with the Secretary of the Corporation and shall be maintained in the corporate records. Any stockholder giving a written consent, or the stockholder's proxy holders, or a transferee of the shares of a personal representative of the stockholder or their respective proxy holders, may revoke the consent by a writing received by the Secretary of the Corporation prior to the time that written consents of the number of shares required to authorize the proposed action have been filed with the Secretary.

Section 11. PROXIES. Every person entitled to vote for Directors or on any other matter shall have the right to do so either in person or by one or more agents authorized by a written proxy signed by the person and filed with the Secretary of the Corporation. A proxy shall be deemed signed if the stockholder's name is placed on the proxy (whether by manual signature, typewriting, telegraphic transmission or otherwise) by the stockholder or the stockholder's attorney in fact. A validly executed proxy which does not state that it is irrevocable shall continue in full force and effect unless revoked by the person executing it, prior to the vote pursuant thereto, by a writing delivered to the Corporation stating that the proxy is revoked or by a subsequent proxy executed by, or attendance at the meeting and voting in person by the person executing the proxy; provided, however, that no such proxy shall be valid after the expiration of six (6) months from the date of such proxy, unless coupled with an interest, or unless the person executing it specifies therein the length of time for which it is to continue in force, which in no case shall exceed seven (7) years from the date of its execution. Subject to the above and the provisions

of NRS §78.355, any proxy duly executed is not revoked and continues in full force and effect until an instrument revoking it or a duly executed proxy bearing a later date is filed with the Secretary of the Corporation.

Section 12. INSPECTORS OF ELECTION. Before any meeting of stockholders, the Board may appoint any persons other than nominees for office to act as inspectors of election at the meeting or its adjournment. If no inspectors of election are appointed, the chairman of the meeting may, and on the request of any stockholder or his proxy shall, appoint inspectors of election at the meeting. The number of inspectors shall be either one (1) or three (3). If inspectors are appointed at a meeting on the request of one or more stockholders or proxies, the holders of a majority of shares or their proxies present at the meeting shall determine whether one (1) or three (3) inspectors are to be appointed. If any person appointed as inspector fails to appear or fails or refuses to act, the vacancy may be filled by appointment by the Board before the meeting, or by the chairman at the meeting.

The duties of these inspectors shall be as follows:

- (a) Determine the number of shares outstanding and the voting power of each, the shares represented at the meeting, the existence of a quorum, and the authenticity, validity, and effect of proxies;
- (b) Receive votes, ballots, or consents;
- (c) Hear and determine all challenges and questions in any way arising in connection with the right to vote;
- (d) Count and tabulate all votes or consents;
- (e) Determine the election result; and
- (f) Do any other acts that may be proper to conduct the election or vote with fairness to all stockholders.

ARTICLE III

BOARD OF DIRECTORS

Section 1. POWERS. The business and affairs of the Corporation shall be managed by or under the direction of the Board, subject to the provisions of the Nevada Revised Statutes (the “NRS”) and any limitations in the Articles and these bylaws relating to action required to be approved by the stockholders or by the outstanding shares.

Without prejudice to such general powers, but subject to the same limitations, it is hereby expressly declared that the Board shall have the power and authority to:

- (a) Select and remove all Officers, agents, and employees of the Corporation, prescribe such powers and duties for them as may not be inconsistent with law, with the Articles or these bylaws, fix their compensation, and require from them security for faithful service.
- (b) Change the principal executive office or the principal business office from one location to another; cause the Corporation to be qualified to do business in any other state, territory, dependency, or foreign country and conduct business within or without the State; designate

any place within or without the State for the holding of any stockholders' meeting, or meetings, including annual meetings; adopt, make and use a corporate seal, and prescribe the forms of certificates of stock, and alter the form of such seal and of such certificates from time to time as in their judgment they may deem best, provided that such forms shall at all times comply with the provisions of law.

- (c) Authorize the issuance of shares of stock of the Corporation from time to time, upon such terms as may be lawful, in consideration of money paid, labor done or services actually rendered, debts or securities cancelled, tangible or intangible property actually received.
- (d) Borrow money and incur indebtedness for the purpose of the Corporation, and cause to be executed and delivered therefor, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, or other evidences of debt and securities therefor.

Section 2. NUMBER OF DIRECTORS. The authorized number of Directors shall be no fewer than one (1) nor more than eleven (11). The exact number of authorized Directors shall be set by resolution of the Board, within the limits specified above. The maximum or minimum number of Directors cannot be changed, nor can a fixed number be substituted for the maximum and minimum numbers, except by a duly adopted amendment to this bylaw duly approved by a majority of the outstanding shares entitled to vote. No decrease in the number of Directors constituting the Board shall shorten the term of any incumbent Director.

Section 3. QUALIFICATION, ELECTION AND TERM OF OFFICE OF DIRECTORS. Directors shall be elected at each annual meeting of the stockholders to hold office until the next annual meeting, but if any such annual meeting is not held or the Directors are not elected at any annual meeting, the Directors may be elected at any special meeting of stockholders held for that purpose, or at the next annual meeting of stockholders held thereafter. Each Director, including a Director elected to fill a vacancy, shall hold office until the expiration of the term for which elected and until a successor has been elected and qualified or until his earlier death, resignation, disqualification, removal or his office has been declared vacant in the manner provided in these bylaws. Directors need not be stockholders. Each Director shall be at least 21 years of age.

Section 4. RESIGNATION AND REMOVAL OF DIRECTORS. Any Director may resign effective upon giving written notice to the chairman of the board, the President, the Secretary or the Board of the Corporation, unless the notice specifies a later time for the effectiveness of such resignation, in which case such resignation shall be effective at the time specified. Unless such resignation specifies otherwise, its acceptance by the Corporation shall not be necessary to make it effective. The Board may declare vacant the office of a Director who has been declared of unsound mind by an order of a court or convicted of a felony. Any or all of the Directors may be removed without cause of such removal is approved by the affirmative vote of a majority of the outstanding shares entitled to vote. No reduction of the authorized number of Directors shall have the effect of removing any Director before his term of office expires.

Section 5. VACANCIES. Subject to the rights of the holders of any series of Preferred Stock, any vacancies in the Board shall be filled by a majority of the remaining Directors, though less than a quorum, or by a sole remaining Director and not by the stockholders. Each Director so elected shall hold office until the next annual meeting of the stockholders and until a successor has been elected and qualified.

A vacancy in the Board exists as to any authorized position of Directors which is not then filled by a duly elected Director, whether caused by death, resignation, disqualification or removal from office.

Section 6. PLACE OF MEETINGS. Regular meetings of the Board shall be held at any place within or without the State of Arizona that has been designated from time to time by resolution of the

Board. In the absence of such designation, regular meetings shall be held at the principal executive office of the Corporation. Special meetings of the Board shall be held at any place within or without the State of Arizona that has been designated in the notice of the meeting or, if not stated in the notice or there is not notice, at the principal executive office of the Corporation. Any meeting, regular or special, may be held by conference telephone or similar communication equipment, so long as all Directors participating in such meeting can hear one another, and all such Directors shall be deemed to be present in person at such meeting.

Section 7. ANNUAL MEETINGS. Immediately following each annual meeting of stockholders, the Board shall hold a regular meeting for the purpose of transaction of other business. Notice of this meeting shall not be required.

Section 8. OTHER REGULAR MEETINGS. Other regular meetings of the Board shall be held without call at such time as shall from time to time be fixed by the Board. Such regular meetings may be held without notice, provided the notice of any change in the time of any such meetings shall be given to all of the Directors. Notice of a change in the determination of the time shall be given to each Director in the same manner as notice for special meetings of the Board.

Section 9. SPECIAL MEETINGS. Special meetings of the board of Directors for any purpose or purposes may be called at any time by the chairman of the board or the President or any vice President or the Secretary or any two Directors.

Notice of the time and place of special meetings shall be delivered personally or by telephone to each Director or sent by first-class mail or facsimile, charges prepaid, addressed to each Director at his or her address as it is shown upon the records of the Corporation. In case such notice is mailed, it shall be deposited in the United States mail at least four (4) days prior to the time of the holding of the meeting. In case such notice is delivered personally, or by telephone or facsimile, it shall be delivered personally or by telephone or facsimile at least forty-eight (48) hours prior to the time of the holding of the meeting. Any oral notice given personally or by telephone may be communicated to either the Director or to a person at the office of the Director who the person giving the notice has reason to believe will promptly communicate it to the Director. The notice need not specify the purpose of the meeting nor the place if the meeting is to be held at the principal executive office of the Corporation.

Section 10. QUORUM. Except as otherwise provided by applicable law, the Articles or these By-laws, a majority of the authorized number of Directors shall constitute a quorum for the transaction of business, except to adjourn as hereinafter provided. Every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board, subject to the provisions of NRS §78.140 (approval of contracts or transactions in which a Director has a direct or indirect material financial interest), §78.125 (appointment of committees) and §78.751 (indemnification of Directors). A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum for such meeting.

Section 11. WAIVER OF NOTICE. The transactions of any meeting of the Board, however called and noticed or wherever held, shall be as valid as though had at a meeting duly held after regular call and notice if a quorum be present and if, either before or after the meeting, each of the Directors not present signs a written waiver of notice, a consent to holding the meeting or an approval of the minutes thereof. The waiver of notice of consent need not specify the purpose of the meeting. All such waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Notice of a meeting shall also be deemed given to any Director who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to such Director.

Section 12. ADJOURNMENT. A majority of the Directors present, whether or not constituting a quorum, may adjourn any meeting to another time and place.

Section 13. NOTICE OF ADJOURNMENT. Notice of the time and place of holding an adjourned meeting need not be given, unless the meeting is adjourned for more than twenty-four (24) hours, in which case notice of such time and place shall be given prior to the time of the adjourned meeting, in the manner specified in Section 8 of this Article III, to the Directors who were not present at the time of the adjournment.

Section 14. ACTION WITHOUT MEETING. Any action required or permitted to be taken at any meeting of the Board or any committee thereof may be taken without a meeting if all of the members of the Board or of any such committee, as the case may be, consent thereto in writing, by electronic transmission or transmissions, or as otherwise permitted by applicable law and, if required by applicable law, the writing or writings or electronic transmission or transmissions are filed with the minutes of proceedings of the Board or of such committee. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

Section 15. FEES AND COMPENSATION OF DIRECTORS. Unless otherwise restricted by the Articles, the Board shall have the authority to fix the compensation of the Directors. The Directors may be paid their expenses, if any, of attendance at each meeting of the Board and may be paid a fixed sum for attendance at each meeting of the Board or paid a stated salary or paid other compensation as Director. No such payment shall preclude any Director from serving the Corporation in any other capacity and receiving compensation therefor. Members of special or standing committees may be allowed compensation for attending committee meetings.

ARTICLE IV

COMMITTEES

Section 1. COMMITTEES OF DIRECTORS. The Board may, by resolution adopted by a majority of the authorized number of Directors, designate one or more committees, each consisting of one or more Directors, with such functions, duties and powers as the Board shall by resolution prescribe, including, without limitation, a nominating and governance committee, an audit committee and a compensation committee. The Board may designate one or more Directors as alternate members of any committees, who may replace any absent member at any meeting of the committee. Any such committee, to the extent provided in the resolution of the Board, shall have all the authority of the Board, except with regard to:

- (a) the approval of any action which, under the NRS, also requires stockholders' approval or approval of the outstanding shares;
- (b) the filing of vacancies on the board of Directors or in any committees;
- (c) the fixing of compensation of the Directors for serving on the board or on any committee;
- (d) the amendment or repeal of bylaws or the adoption of new bylaws;
- (e) the amendment or repeal of any resolution of the Board which by its express terms is not so amendable or repealable;
- (f) a distribution to the stockholders of the corporation, except at a rate or in a periodic amount or within a price range determined by the Board; or
- (g) the appointment of any other committees of the Board or the members thereof.

Section 2. MEETINGS AND ACTION BY COMMITTEES. Meetings and action of committees shall be governed by, and held and taken in accordance with, the provisions of Article III, Sections 6 (place of meetings), 8 (regular meetings), 9 (special meetings), 10 (quorum), 11 (waiver of notice), 12 (adjournment), 13 (notice of adjournment) and 14 (action without meeting), with such changes in the context of those bylaws as are necessary to substitute the committee and its members for the Board and its members, except that the time or regular meetings of committees may be determined by resolutions of the Board and notice of special meetings of committees shall also be given to all alternate members, who shall have the right to attend all meetings of the committee. The Board may adopt rules for the government of any committee not inconsistent with the provisions of these bylaws. The committees shall keep regular minutes of their proceedings and report the same to the board when required.

ARTICLE V

OFFICERS

Section 1. OFFICERS. The Officers of the Corporation may consist of: a Chairman of the Board, a Chief Executive Officer, a President, a Chief Financial Officer, one or more Vice Presidents (including Assistant, Executive and Senior Vice Presidents), a Treasurer, a Secretary and such other Officers or agents with such titles and such duties as the Board may from time to time determine, each to have such authority, functions and duties as provided in these By-laws or as the Board may from time to time determine, as may be appointed in accordance with the provisions of Section 3 of this Article V. Any two or more offices may be held by the same person.

Section 2. ELECTION OF OFFICERS. The Officers of the Corporation, except such Officers as may be appointed in accordance with the provisions of Section 3 or Section 5 of this Article V, shall be elected by the Board, each to have such authority, functions and duties as provided in these By-laws or as the Board may from time to time determine, and each to hold office for such term as may be prescribed by the Board and until such person's successor shall have been chosen and qualified, or until such person's death or resignation, or until such person's removal in the manner hereinafter provided, and each shall serve at the pleasure of the board, subject to the rights, if any, of an Officer under any contract of employment. The Board at its first meeting after each annual meeting of stockholders shall choose a President, a vice President, a Secretary and a treasurer, none of whom need be a member of the board. The salaries of all Officers and agents of the Corporation shall be fixed by the Board.

Section 3. SUBORDINATE OFFICERS, ETC. The Board may appoint, and may empower the President to appoint, such other Officers as the business of the Corporation may require, each of whom shall hold office for such period, have such authority and perform such duties as are provided in the bylaws or as the Board may from time to time determine.

Section 4. REMOVAL AND RESIGNATION OF OFFICERS. The Officers of the Corporation shall hold office until their successors are chosen and qualify. Subject to the rights, if any, of an Officer under any contract of employment, any Officer may be removed, either with or without cause, by the Board, at any regular or special meeting thereof, or, except in case of an Officer chosen by the Board, by any Officer upon whom such power or removal may be conferred by the Board.

Any Officer may resign at any time by giving written notice to the Corporation. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Any such resignation is without prejudice to the rights, if any, of the Corporation under any contract to which the Officer is a party.

Section 5. VACANCIES IN OFFICES. A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in these bylaws for regular appointments to such office.

Section 6. CHAIRMAN OF THE BOARD. The Chairman of the Board may be an Officer of the Corporation, subject to the control of the Board, and shall report directly to the Board. The Chairman shall have supervisory responsibility over Officers operating and discharging their responsibilities as shall be determined by the Board. The Chairman shall preside over Board meetings and shall perform all such other duties which are commonly incident to the capacity of Chairman or which are delegated to him or her by the Board. The Chairman shall have the power to sign all stock certificates.

Section 7. CHIEF EXECUTIVE OFFICER. The Chief Executive Officer shall have general supervision and direction of the business and affairs of the Corporation, subject to control of the Board, and shall report directly to the Board. The Chief Executive Officer shall, if present and in the absence of the Chairman, preside at meetings of Stockholders.

Section 8. PRESIDENT. The President shall have general supervision and direction of the business and affairs of the Corporation, subject to the control of the Board. The President shall have the power to sign all stock certificates.

Section 9. CHIEF FINANCIAL OFFICER. The Chief Financial Officer shall perform all the powers and duties of the office of the chief financial Officer and in general have overall supervision of the financial operations of the Corporation. The Chief Financial Officer shall, when requested, counsel with and advise the other Officers of the Corporation and shall perform such other duties as he may agree with the Chief Executive Officer or as the Board may from time to time determine.

Section 10. VICE-PRESIDENTS. Any Vice-President shall have such powers and duties as shall be prescribed by his superior Officer or the Board.

Section 11. SECRETARY. It shall be the duty of the Secretary to act as secretary at all meetings of the Board, of the committees of the Board and of the Stockholders and to record the proceedings of such meetings in a book or books to be kept for that purpose, the Secretary shall see that all notices required to be given by the Corporation are duly given and served, the Secretary shall be custodian of the seal of the Corporation and shall affix the seal or cause it to be affixed to all certificates of stock of the Corporation (unless the seal of the Corporation on such certificates shall be a facsimile, as hereinafter provided) and to all documents, the execution of which on behalf of the Corporation under its seal is duly authorized in accordance with the provisions of these By-laws, the Secretary shall have charge of the books, records and papers of the Corporation and shall see that the reports, statements and other documents required by applicable law to be kept and filed are properly kept and filed and in general shall perform all of the duties incident to the office of Secretary. The Secretary shall have the power to sign all stock certificates.

Section 12. TREASURER. The Treasurer shall supervise and be responsible for all the funds and securities of the Corporation, the deposit of all moneys and other valuables to the credit of the Corporation in depositories of the Corporation, borrowings and compliance with the provisions of all indentures, agreements and instruments governing such borrowings to which the Corporation is a party, the disbursement of funds of the Corporation and the investment of its funds and in general shall perform all of the duties incident to the office of the Treasurer. The Treasurer shall have the power to sign all stock certificates.

Section 13. ASSISTANT SECRETARIES AND ASSISTANT TREASURERS. Any Assistant Secretaries and Assistant Treasurers shall perform such duties as shall be assigned to them by the Board, by the Treasurer or Secretary, respectively, or by the Chief Executive Officer.

Section 14. ADDITIONAL MATTERS. The Chief Executive Officer, the President and the Chief Financial Officer of the Corporation shall have the authority to designate employees of the Corporation to have the title of Vice President, Assistant Vice President, Assistant Treasurer, Assistant Controller or Assistant Secretary. Any employee so designated shall have the powers and duties determined by the Officer making such designation. The persons upon whom such titles are conferred shall not be deemed Officers of the Corporation unless elected by the Board.

ARTICLE VI

CAPITAL STOCK

Section 1. CERTIFICATES FOR SHARES; DIRECT REGISTRATION. The shares of capital stock of the Corporation may be represented by certificates or, if provided by a resolution of the Board, may be uncertificated shares that may be evidenced by a book-entry system (including, without limitation, a direct registration system) maintained by the registrar of such capital stock, or a combination of both. To the extent that shares of capital stock are represented by certificates, such certificates, whenever authorized by the Board, shall be in such form as shall be approved by the Board. The certificates representing shares of capital stock of each class shall be signed by, or in the name of the Corporation by, the Chief Executive Officer, President, or a Vice-President, and by the Treasurer or any Assistant Treasurer or the Secretary or any Assistant Secretary. Any or all such signatures may be facsimiles if countersigned by a transfer agent or registrar. Although any Officer, transfer agent or registrar whose manual or facsimile signature is affixed to such a certificate ceases to be such Officer, transfer agent or registrar before such certificate has been issued, it may nevertheless be issued by the Corporation with the same effect as if such Officer, transfer agent or registrar were still such at the date of its issue.

The stock ledger and blank share certificates shall be kept by the Secretary or by a transfer agent or by a registrar or by any other Officer or agent designated by the Board.

Section 2. TRANSFER OF SHARES. Transfers of shares of capital stock of each class of the Corporation shall be made only on the books of the Corporation upon authorization by the registered holder thereof, or by such holder's attorney thereunto authorized by a power of attorney duly executed and filed with the Secretary or a transfer agent for such stock, if any, and if such shares are represented by a certificate, upon surrender of the certificate or certificates for such shares properly endorsed or accompanied by a duly executed stock transfer power (or by proper evidence of succession, assignment or authority to transfer) and the payment of any taxes thereon; provided, however, that the Corporation shall be entitled to recognize and enforce any lawful restriction on transfer. The person in whose name shares are registered on the books of the Corporation shall be deemed the owner thereof for all purposes as regards the Corporation.

Except to the extent that the corporation has obtained an opinion of counsel acceptable to the corporation that transfer restrictions are not required under applicable securities laws, or has otherwise satisfied itself that such transfer restrictions are not required, all certificates representing shares of the corporation shall bear a legend on the face of the certificate, or on the reverse of the certificate if a reference to the legend is contained on the face, which reads substantially as follows:

THE SECURITIES EVIDENCED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR APPLICABLE STATE SECURITIES LAWS, AND NO INTEREST MAY BE SOLD, DISTRIBUTED, ASSIGNED, OFFERED, PLEDGED OR OTHERWISE TRANSFERRED UNLESS (A) THERE IS AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS COVERING ANY SUCH TRANSACTION INVOLVING SAID SECURITIES, (B) THIS CORPORATION RECEIVES AN OPINION OF LEGAL COUNSEL FOR THE HOLDER OF THESE SECURITIES SATISFACTORY TO THIS CORPORATION STATING THAT SUCH TRANSACTION IS EXEMPT FROM REGISTRATION, OR (C) THIS CORPORATION OTHERWISE SATISFIES ITSELF THAT SUCH TRANSACTION IS EXEMPT FROM REGISTRATION.

Section 4. REGISTERED STOCKHOLDERS AND ADDRESS OF STOCKHOLDERS. The Corporation shall be entitled to recognize the exclusive right of a person registered on its records as the owner of shares of capital stock to receive dividends and to vote as such owner, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares of capital stock on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by applicable law.

Each Stockholder shall designate to the Secretary or transfer agent of the Corporation an address at which notices of meetings and all other corporate notices may be given to such person, and, if any Stockholder fails to designate such address, corporate notices may be given to such person by mail directed to such person at such person's post office address, if any, as the same appears on the stock record books of the Corporation or at such person's last known post office address or as otherwise provided by applicable law.

Section 5. LOST, STOLEN, DESTROYED AND MUTILATED CERTIFICATES. The holder of any certificate representing any shares of capital stock of the Corporation shall notify the Corporation of any loss, theft, destruction or mutilation of such certificate. The Corporation may issue to such holder a new certificate or certificates for shares, upon the surrender of the mutilated certificate or, in the case of loss, theft or destruction of the certificate, upon satisfactory proof of such loss, theft or destruction. The Board, or a committee designated thereby, or the transfer agents and registrars for the capital stock, may, in their discretion, require the owner of the lost, stolen or destroyed certificate, or such

person's legal representative, to give the Corporation an indemnity or a bond in such sum and with such surety or sureties as they may direct to indemnify the Corporation and said transfer agents and registrars against any claim that may be made on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate.

Section 6. REGULATIONS. The Board may make such additional rules and regulations as it may deem expedient concerning the issue, transfer and registration of certificated or uncertificated shares of capital stock of each class of the Corporation and may make such rules and take such action as it may deem expedient concerning the issue of certificates in replacement of certificates claimed to have been lost, stolen, destroyed or mutilated.

Section 7. FIXING DATE FOR DETERMINATION OF STOCKHOLDERS OF RECORD. In order that the Corporation may determine the Stockholders entitled to notice of or to vote at any meeting of Stockholders or any adjournment thereof, or entitled to receive payment of any dividend or other distribution or allotment or any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board may, except as otherwise provided by applicable law, fix, in advance, a record date or record dates, as applicable. A determination of Stockholders of record entitled to notice of or to vote at a meeting of Stockholders shall apply to any adjournment of the meeting; provided, however, that the Board may fix a new record date or record dates.

Section 8. TRANSFER AGENTS AND REGISTRARS. The Board may appoint, or authorize any Officer or Officers to appoint, one or more transfer agents and one or more registrars.

ARTICLE VII

INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES, AND OTHER AGENTS

Section 1. ACTIONS OTHER THAN BY THE CORPORATION. The Corporation shall, to the fullest extent permitted by the Nevada Revised Statutes and applicable Nevada law as in effect at any time, indemnify, hold harmless and defend any person who: (i) was or is a Director or Officer of the Corporation or was or is a Director or Officer of a direct or indirect wholly-owned subsidiary of the Corporation, and (ii) was or is a party or is threatened to be made a party to, or was or is otherwise directly involved in (including as a witness), any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that such person was or is a Director or Officer of the Corporation or any direct or indirect wholly-owned subsidiary of the Corporation, or was or is serving at the request of the Corporation as a Director, Officer, employee, partner, member or agent of another corporation, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise, whether the basis of such proceeding is alleged action in an official capacity or in any other capacity, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe such person's conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea or nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which such person reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that such person's conduct was unlawful.

Section 2. ACTIONS BY THE CORPORATION. The Corporation shall indemnify, hold harmless and defend any person who: (i) was or is a Director or Officer of the Corporation or was or is a Director

or Officer of a direct or indirect wholly-owned subsidiary of the Corporation, and (ii) was or is a party or is threatened to be made a party to, or was or is otherwise directly involved in (including as a witness), any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that such person was or is a Director or Officer of the Corporation or any direct or indirect wholly-owned subsidiary of the Corporation, or was or is serving at the request of the Corporation as a Director, Officer, employee, partner, member or agent of another corporation, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise, and whether the basis of such action, suit or proceeding is alleged action in an official capacity or in any other capacity, against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the Corporation; except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the Corporation unless and only to the extent that the Courts in the State of Nevada or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court in the State of Nevada or such other court shall deem proper.

Section 3. SUCCESSFUL DEFENSE. To the extent that a Director, Officer, employee or agent of the Corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Sections 1 and 2, or in defense of any claim, issue or matter therein, he must be indemnified by the Corporation against expenses, including attorneys' fees, actually and reasonably incurred by him in connection with the defense.

Section 4. REQUIRED APPROVAL. Any indemnification under Sections 1 and 2, unless ordered by a court or advanced pursuant to Section 5, must be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the Director, Officer, employee or agent is proper in the circumstances. The determination must be made:

- (a) By the stockholders;
- (b) By the Board by majority vote of a quorum consisting of Directors who were not parties to the act, suit or proceeding;
- (c) If a majority vote of a quorum consisting of Directors who were not parties to the act, suit or proceeding so orders, by independent legal counsel in a written opinion; or
- (d) If a quorum consisting of Directors who were not parties to the act, suit or proceeding cannot be obtained, by independent legal counsel in a written opinion.

Section 5. ADVANCE OF EXPENSES. Expenses, including attorney's fees, incurred by a current or former Director or Officer in defending any action, suit or proceeding described in Section 1 or Section 2 of this Article VII shall be paid by the Corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such Director or Officer to repay such amount if it shall ultimately be determined that such person is not entitled to be indemnified by the Corporation as authorized in this Article VII.

Section 6. OTHER RIGHTS. The indemnification and advancement of expenses authorized in or ordered by a court pursuant to this Article VII:

- (a) Does not exclude any other rights to which a person seeking indemnification or advancement of expenses may be entitled under the Articles or any bylaw, agreement, vote of stockholders or disinterested Directors or otherwise, for either an action in his official capacity or an action in another capacity while holding his office, except that

indemnification, unless ordered by a court pursuant to Section 2 of this Article VII or for the advancement of expenses made pursuant to Section 5, may not be made to or on behalf of any Director or Officer if a final adjudication establishes that his acts or omissions involved intentional misconduct, fraud or a knowing violation of the law and was material to the cause of action.

- (b) Continues for a person who has ceased to be a Director, Officer, employee or agent and inures to the benefit of the heirs, executors and administrators of such a person.

Section 7. INSURANCE. The Corporation may purchase and maintain insurance on behalf of any person who is or was a Director, Officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a Director, Officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise for any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against such liability under the provisions of this Article VII.

Section 8. RELIANCE ON PROVISIONS. Each person who shall act as an authorized representative of the Corporation shall be deemed to be doing so in reliance upon the rights of indemnification provided by this Article.

Section 9. SEVERABILITY. If any of the provisions of this Article are held to be invalid or unenforceable, this Article shall be construed as if it did not contain such invalid or unenforceable provision and the remaining provisions of this Article shall remain in full force and effect.

Section 10. RETROACTIVE EFFECT. To the extent permitted by applicable law, the rights and powers granted pursuant to this Article VII shall apply to acts and actions occurring or in progress prior to its adoption by the Board.

ARTICLE VIII

RECORDS AND BOOKS

Section 1. MAINTENANCE OF SHARE REGISTER. The Corporation shall keep at its principal executive office, or at the office of its transfer agent or registrar, if either be appointed and as determined by resolution of the Board, a record of its stockholders, giving the names and addresses of all stockholders and the number and class of shares held by each stockholder.

Section 2. MAINTENANCE OF BYLAWS. The Corporation shall keep at its principal executive office, or if its principal executive office is not in this State at its principal business office in this State, the original or a copy of the bylaws as amended to date, which shall be open to inspection by the stockholders at all reasonable times during office hours. If the principal executive office of the Corporation is outside this state and the Corporation has no principal business office in this state, the Secretary shall, upon the written request of any stockholder, furnish to such stockholder a copy of the bylaws as amended to date.

Section 3. MAINTENANCE OF OTHER CORPORATE RECORDS. The accounting books and records and minutes of proceedings of the stockholders and the Board and any committee or committees of the Board shall be kept at such place or places designated by the Board, or, in the absence of such designation, at the principal executive office of the Corporation. The minutes shall be kept in written form and the accounting books and records shall be kept either in written form or in any other form capable of being converted into written form.

Every Director shall have the absolute right at any reasonable time to inspect and copy all books, records and documents of every kind and to inspect the physical properties of this Corporation and any subsidiary of this Corporation. Such inspection by a Director may be made in person or by agent or attorney and the right of inspection includes the right to copy and make extracts. The foregoing rights of inspection shall extend to the records of each subsidiary of the Corporation.

Section 4. ANNUAL REPORT TO STOCKHOLDERS. Nothing herein shall be interpreted as prohibiting the Board from issuing annual or other periodic reports to the stockholders of the Corporation as they deem appropriate.

Section 5. FINANCIAL STATEMENTS. A copy of any annual financial statement and any income statement of the Corporation for each quarterly period of each fiscal year, and any accompanying balance sheet of the Corporation as of the end of each such period, that has been prepared by the Corporation shall be kept on file in the principal executive office of the Corporation for twelve (12) months.

Section 6. ANNUAL LIST OF DIRECTORS, OFFICERS AND RESIDENT AGENT. The Corporation shall, on or before November 1st of each year, file with the Secretary of State of the State of Nevada, on the prescribed form, a list of its Officers and Directors and a designation of its resident agent in Nevada.

ARTICLE IX

GENERAL CORPORATE MATTERS

Section 1. RECORD DATE. For purposes of determining the stockholders entitled to notice of any meeting or to vote or entitled to receive payment of any dividend or other distribution or allotment of any rights or entitled to exercise any rights in respect of any other lawful action, the Board may fix, in advance, a record date, which shall not be more than sixty (60) days nor less than ten (10) days prior to the date of any such meeting nor more than sixty (60) days prior to any other action, and in such case only stockholders of record on the date so fixed are entitled to notice and to vote or to receive the dividend, distribution or allotment of rights or to exercise the rights, as the case may be, notwithstanding any transfer of any shares on the books of the Corporation after the record date fixed as aforesaid, except as otherwise provided in the NRS.

If the Board does not so fix a record date:

- (a) The record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given or, if notice is waived, at the close of business on the business day next preceding the day on which the meeting is held.
- (b) The record date for determining stockholders entitled to give consent to corporate action in writing without a meeting, when no prior action by the board has been taken, shall be the day on which the first written consent is given.
- (c) The record date for determining stockholders for any other purpose shall be at the close of business on the day on which the board adopts the resolution relating thereto, or the sixtieth (60th) day prior to the date of such other action, whichever is later.

Section 2. CLOSING OF TRANSFER BOOKS. The Directors may prescribe a period not exceeding sixty (60) days prior to any meeting of the stockholders during which no transfer of stock on the books of the corporation may be made, or may fix a date not more than sixty (60) days prior to the holding of any such meeting as the day as of which stockholders entitled to notice of and to vote at such meeting shall be determined; and only stockholders of record on such day shall be entitled to notice or to vote at such meeting.

Section 3. REGISTERED STOCKHOLDERS. The Corporation shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends, and to vote as such owner, and to hold liable for calls and assessments a person registered on its books as the owner of shares, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of Nevada.

Section 4. CHECKS, DRAFTS, EVIDENCES OF INDEBTEDNESS. All checks, drafts or other orders for payment of money, notes or other evidences of indebtedness, issued in the name of or payable to the Corporation, shall be signed or endorsed by such person or persons and in such manner as, from time to time, shall be determined by resolution of the Board.

Section 5. CORPORATE CONTRACTS AND INSTRUMENTS; HOW EXECUTED. The Board, except as in the bylaws otherwise provided, may authorize any Officer or Officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances; and, unless so authorized or ratified by the Board or within the agency power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or to any amount.

Section 6. DIVIDENDS. Dividends upon the capital stock of the Corporation, subject to the provisions of the Articles, if any, may be declared by the Board at any regular or special meeting pursuant to law. Dividends may be paid in cash, in property, or in shares of the capital stock, subject to the provisions of the Articles.

Before payment of any dividend, there may be set aside out of any funds of the Corporation available for dividends such sum or sums as the Directors from time to time, in their absolute discretion, think proper as a reserve or reserves to meet contingencies, or for equalizing dividends, or for repairing or maintaining any property of the Corporation, or for such other purpose as the Directors shall think conducive to the interest of the Corporation, and the Directors may modify or abolish any such reserves in the manner in which it was created.

Section 8. FISCAL YEAR. The fiscal year of the Corporation shall be fixed by resolution of the Board and if not so fixed by the Board the fiscal year shall be the calendar year.

Section 9. SEAL. The Board shall provide a suitable corporate seal, which shall bear, but not be limited to, the full name of the Corporation, and the words “Corporate Seal, Nevada”, and shall be in the charge of the Secretary. The seal may be used by causing it or a facsimile thereof to be impressed or affixed or in any other manner reproduced. If and when so directed by the Board or a duly authorized committee thereof, duplicates of the seal may be kept and used by the Treasurer or by an Assistant Secretary or Assistant Treasurer.”

Section 10. REPRESENTATION OF SHARES OF OTHER CORPORATIONS. The Chairman, the President, or any vice President, or any other person authorized by resolution of the Board by any of the foregoing designated Officers, is authorized to vote on behalf of the Corporation any and all shares of any other corporation or corporations, foreign or domestic, standing in the name of the Corporation. The authority herein granted to said Officers to vote or represent on behalf of the Corporation any and all shares held by the Corporation in any other corporation or corporations may be exercised by any such Officer in person or by any person authorized to do so by proxy duly executed by said Officer.

Section 11. CONTROL SHARE ACQUISITION EXEMPTION. The Corporation elects not to be governed by the provisions of NRS §78.378 to §78.3793 inclusive, generally known as the “Control Share Acquisition Statute” which contains a provision governing “Acquisition of Controlling Interest.”

Section 12. COMBINATIONS WITH INTERESTED STOCKHOLDERS. The Corporation elects not to be governed by the provisions of NRS §78.411 through NRS §78.444, inclusive.

Section 13. CONSTRUCTION AND DEFINITIONS. Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the NRS shall govern the construction of the bylaws. Without limiting the generality of the foregoing, the singular number includes the plural, the plural number includes the singular, and the term “person” includes both a corporation and a natural person.

ARTICLE X

AMENDMENTS

Section 1. AMENDMENTS. These bylaws or any of them may be altered or repealed, and new bylaws may be adopted, by the stockholders by a vote at a meeting or by written consent without a meeting. The Board shall also have the power, by a majority vote of the Whole Board, to alter or repeal any of these bylaws, and to adopt new bylaws, except as otherwise provided by law or by the Articles.

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CERTIFICATE OF SECRETARY

I, the undersigned, do hereby certify:

1. That I am the duly elected and Secretary of VIRTRA, INC., a Nevada corporation; and

2. That the foregoing Bylaws constitute the Bylaws of said Corporation as duly adopted and approved by the Board of said Corporation by a Unanimous Written Consent dated as of _____, 2016, and duly adopted and approved by the stockholder of said Corporation at a special meeting held on _____, 2016.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Corporation this _____ day of _____, 2016.

_____, Secretary

TEXAS BUSINESS ORGANIZATIONS CODE
Chapter 10, Subchapter H

§10.352. Definitions

In this subchapter:

- (1) "Dissenting owner" means an owner of an ownership interest in a domestic entity subject to dissenters' rights who:
 - (A) provides notice under Section 10.356; and
 - (B) complies with the requirements for perfecting that owner's right to dissent under this subchapter.
- (2) "Responsible organization" means:
 - (A) the organization responsible for:
 - (i) the provision of notices under this subchapter; and
 - (ii) the primary obligation of paying the fair value for an ownership interest held by a dissenting owner;
 - (B) with respect to a merger or conversion:
 - (i) for matters occurring before the merger or conversion, the organization that is merging or converting; and
 - (ii) for matters occurring after the merger or conversion, the surviving or new organization that is primarily obligated for the payment of the fair value of the dissenting owner's ownership interest in the merger or conversion;
 - (C) with respect to an interest exchange, the organization the ownership interests of which are being acquired in the interest exchange; and
 - (D) with respect to the sale of all or substantially all of the assets of an organization, the organization the assets of which are to be transferred by sale or in another manner.

§ 10.353. Form And Validity Of Notice

- (a) Notice required under this subchapter:
 - (1) must be in writing; and
 - (2) may be mailed, hand-delivered, or delivered by courier or electronic transmission.
- (b) Failure to provide notice as required by this subchapter does not invalidate any action taken.

§ 10.354. Rights Of Dissent And Appraisal

- (a) Subject to Subsection (b), an owner of an ownership interest in a domestic entity subject to dissenters' rights is entitled to:
 - (1) dissent from:

- (A) a plan of merger to which the domestic entity is a party if owner approval is required by this code and the owner owns in the domestic entity an ownership interest that was entitled to vote on the plan of merger;
 - (B) a sale of all or substantially all of the assets of the domestic entity if owner approval is required by this code and the owner owns in the domestic entity an ownership interest that was entitled to vote on the sale;
 - (C) a plan of exchange in which the ownership interest of the owner is to be acquired;
 - (D) a plan of conversion in which the domestic entity is the converting entity if owner approval is required by this code and the owner owns in the domestic entity an ownership interest that was entitled to vote on the plan of conversion; or
 - (E) a merger effected under Section 10.006 in which:
 - (i) the owner is entitled to vote on the merger; or
 - (ii) the ownership interest of the owner is converted or exchanged; and
- (2) subject to compliance with the procedures set forth in this subchapter, obtain the fair value of that ownership interest through an appraisal.
- (b) Notwithstanding Subsection (a), subject to Subsection (c), an owner may not dissent from a plan of merger or conversion in which there is a single surviving or new domestic entity or non-code organization, or from a plan of exchange, if:
- (1) the ownership interest, or a depository receipt in respect of the ownership interest, held by the owner is part of a class or series of ownership interests, or depository receipts in respect of ownership interests, that are, on the record date set for purposes of determining which owners are entitled to vote on the plan of merger, conversion, or exchange, as appropriate:
 - (A) listed on a national securities exchange; or
 - (B) held of record by at least 2,000 owners;
 - (2) the owner is not required by the terms of the plan of merger, conversion, or exchange, as appropriate, to accept for the owner's ownership interest any consideration that is different from the consideration to be provided to any other holder of an ownership interest of the same class or series as the ownership interest held by the owner, other than cash instead of fractional shares or interests the owner would otherwise be entitled to receive; and
 - (3) the owner is not required by the terms of the plan of merger, conversion, or exchange, as appropriate, to accept for the owner's ownership interest any consideration other than:
 - (A) ownership interests, or depository receipts in respect of ownership interests, of a domestic entity or non-code organization of the same general organizational type that, immediately after the effective date of the merger, conversion, or exchange, as appropriate, will be part of a class or series of ownership interests, or depository receipts in respect of ownership interests, that are:
 - (i) listed on a national securities exchange or authorized for listing on the exchange on official notice of issuance; or
 - (ii) held of record by at least 2,000 owners;
 - (B) cash instead of fractional ownership interests the owner would otherwise be entitled to receive; or
 - (C) any redomestication of the ownership interests and cash described by Paragraphs (A) and (B).

(c) Subsection (b) shall not apply to a domestic entity that is a subsidiary with respect to a merger under Section 10.006.

§ 10.355. Notice Of Right Of Dissent And Appraisal

(a) A domestic entity subject to dissenters' rights that takes or proposes to take an action regarding which an owner has a right to dissent and obtain an appraisal under Section 10.354 shall notify each affected owner of the owner's rights under that section if:

(1) the action or proposed action is submitted to a vote of the owners at a meeting; or

(2) approval of the action or proposed action is obtained by written consent of the owners instead of being submitted to a vote of the owners.

(b) If a parent organization effects a merger under Section 10.006 and a subsidiary organization that is a party to the merger is a domestic entity subject to dissenters' rights, the responsible organization shall notify the owners of that subsidiary organization who have a right to dissent to the merger under Section 10.354 of their rights under this subchapter not later than the 10th day after the effective date of the merger. The notice must also include a copy of the certificate of merger and a statement that the merger has become effective.

(c) A notice required to be provided under Subsection (a) or (b) must:

(1) be accompanied by a copy of this subchapter; and

(2) advise the owner of the location of the responsible organization's principal executive offices to which a notice required under Section 10.356(b)(1) or (3) may be provided.

(d) In addition to the requirements prescribed by Subsection (c), a notice required to be provided under Subsection (a)(1) must accompany the notice of the meeting to consider the action, and a notice required under Subsection (a)(2) must be provided to:

(1) each owner who consents in writing to the action before the owner delivers the written consent; and

(2) each owner who is entitled to vote on the action and does not consent in writing to the action before the 11th day after the date the action takes effect.

(e) Not later than the 10th day after the date an action described by Subsection (a)(1) takes effect, the responsible organization shall give notice that the action has been effected to each owner who voted against the action and sent notice under Section 10.356(b)(1).

§ 10.356. Procedure For Dissent By Owners As To Actions; Perfection Of Right Of Dissent And Appraisal

(a) An owner of an ownership interest of a domestic entity subject to dissenters' rights who has the right to dissent and appraisal from any of the actions referred to in Section 10.354 may exercise that right to dissent and appraisal only by complying with the procedures specified in this subchapter. An owner's right of dissent and appraisal under Section 10.354 may be exercised by an owner only with respect to an ownership interest that is not voted in favor of the action.

(b) To perfect the owner's rights of dissent and appraisal under Section 10.354, an owner:

(1) if the proposed action is to be submitted to a vote of the owners at a meeting, must give to the domestic entity a written notice of objection to the action that:

(A) is addressed to the entity's president and secretary;

(B) states that the owner's right to dissent will be exercised if the action takes effect;

- (C) provides an address to which notice of effectiveness of the action should be delivered or mailed; and
 - (D) is delivered to the entity's principal executive offices before the meeting;
- (2) with respect to the ownership interest for which the rights of dissent and appraisal are sought:
- (A) must vote against the action if the owner is entitled to vote on the action and the action is approved at a meeting of the owners; and
 - (B) may not consent to the action if the action is approved by written consent; and
- (3) must give to the responsible organization a demand in writing that:
- (A) is addressed to the president and secretary of the responsible organization;
 - (B) demands payment of the fair value of the ownership interests for which the rights of dissent and appraisal are sought;
 - (C) provides to the responsible organization an address to which a notice relating to the dissent and appraisal procedures under this subchapter may be sent;
 - (D) states the number and class of the ownership interests of the domestic entity owned by the owner and the fair value of the ownership interests as estimated by the owner; and
 - (E) is delivered to the responsible organization at its principal executive offices at the following time:
 - (i) not later than the 20th day after the date the responsible organization sends to the owner the notice required by Section 10.355(e) that the action has taken effect, if the action was approved by a vote of the owners at a meeting;
 - (ii) not later than the 20th day after the date the responsible organization sends to the owner the notice required by Section 10.355(d)(2) that the action has taken effect, if the action was approved by the written consent of the owners; or
 - (iii) not later than the 20th day after the date the responsible organization sends to the owner a notice that the merger was effected, if the action is a merger effected under Section 10.006.
- (c) An owner who does not make a demand within the period required by Subsection (b)(3)(E) or, if Subsection (b)(1) is applicable, does not give the notice of objection before the meeting of the owners is bound by the action and is not entitled to exercise the rights of dissent and appraisal under Section 10.354.
- (d) Not later than the 20th day after the date an owner makes a demand under Subsection (b)(3), the owner must submit to the responsible organization any certificates representing the ownership interest to which the demand relates for purposes of making a notation on the certificates that a demand for the payment of the fair value of an ownership interest has been made under this section. An owner's failure to submit the certificates within the required period has the effect of terminating, at the option of the responsible organization, the owner's rights to dissent and appraisal under Section 10.354 unless a court, for good cause shown, directs otherwise.
- (e) If a domestic entity and responsible organization satisfy the requirements of this subchapter relating to the rights of owners of ownership interests in the entity to dissent to an action and seek appraisal of those ownership interests, an owner of an ownership interest who fails to perfect that owner's right of dissent in accordance with this subchapter may not bring suit to recover the value of the ownership interest or money damages relating to the action.

§ 10.357. Withdrawal Of Demand For Fair Value Of Ownership Interest

- (a) An owner may withdraw a demand for the payment of the fair value of an ownership interest made under Section 10.356 before:
 - (1) payment for the ownership interest has been made under Sections 10.358 and 10.361; or
 - (2) a petition has been filed under Section 10.361.
- (b) Unless the responsible organization consents to the withdrawal of the demand, an owner may not withdraw a demand for payment under Subsection (a) after either of the events specified in Subsections (a)(1) and (2).

§ 10.358. Response By Organization To Notice Of Dissent And Demand For Fair Value By Dissenting Owner

- (a) Not later than the 20th day after the date a responsible organization receives a demand for payment made by a dissenting owner in accordance with Section 10.356(b)(3), the responsible organization shall respond to the dissenting owner in writing by:
 - (1) accepting the amount claimed in the demand as the fair value of the ownership interests specified in the notice;
or
 - (2) rejecting the demand and including in the response the requirements prescribed by Subsection (c).
- (b) If the responsible organization accepts the amount claimed in the demand, the responsible organization shall pay the amount not later than the 90th day after the date the action that is the subject of the demand was effected if the owner delivers to the responsible organization:
 - (1) endorsed certificates representing the ownership interests if the ownership interests are certificated; or
 - (2) signed assignments of the ownership interests if the ownership interests are uncertificated.
- (c) If the responsible organization rejects the amount claimed in the demand, the responsible organization shall provide to the owner:
 - (1) an estimate by the responsible organization of the fair value of the ownership interests; and
 - (2) an offer to pay the amount of the estimate provided under Subdivision (1).
- (d) If the dissenting owner decides to accept the offer made by the responsible organization under Subsection (c)(2), the owner must provide to the responsible organization notice of the acceptance of the offer not later than the 90th day after the date the action that is the subject of the demand took effect.
- (e) If, not later than the 90th day after the date the action that is the subject of the demand took effect, a dissenting owner accepts an offer made by a responsible organization under Subsection (c)(2) or a dissenting owner and a responsible organization reach an agreement on the fair value of the ownership interests, the responsible organization shall pay the agreed amount not later than the 120th day after the date the action that is the subject of the demand took effect, if the dissenting owner delivers to the responsible organization:
 - (1) endorsed certificates representing the ownership interests if the ownership interests are certificated; or
 - (2) signed assignments of the ownership interests if the ownership interests are uncertificated.

§ 10.359. Record Of Demand For Fair Value Of Ownership Interest

- (a) A responsible organization shall note in the organization's ownership interest records maintained under Section 3.151 the receipt of a demand for payment from any dissenting owner made under Section 10.356.
- (b) If an ownership interest that is the subject of a demand for payment made under Section 10.356 is transferred, a new

certificate representing that ownership interest must contain:

- (1) a reference to the demand; and
- (2) the name of the original dissenting owner of the ownership interest.

§ 10.360. Rights Of Transferee Of Certain Ownership Interest

A transferee of an ownership interest that is the subject of a demand for payment made under Section 10.356 does not acquire additional rights with respect to the responsible organization following the transfer. The transferee has only the rights the original dissenting owner had with respect to the responsible organization after making the demand.

§ 10.361. Proceeding To Determine Fair Value Of Ownership Interest And Owners Entitled To Payment; Appointment Of Appraisers

- (a) If a responsible organization rejects the amount demanded by a dissenting owner under Section 10.358 and the dissenting owner and responsible organization are unable to reach an agreement relating to the fair value of the ownership interests within the period prescribed by Section 10.358(d), the dissenting owner or responsible organization may file a petition requesting a finding and determination of the fair value of the owner's ownership interests in a court in:
 - (1) the county in which the organization's principal office is located in this state; or
 - (2) the county in which the organization's registered office is located in this state, if the organization does not have a business office in this state.
- (b) A petition described by Subsection (a) must be filed not later than the 60th day after the expiration of the period required by Section 10.358(d).
- (c) On the filing of a petition by an owner under Subsection (a), service of a copy of the petition shall be made to the responsible organization. Not later than the 10th day after the date a responsible organization receives service under this subsection, the responsible organization shall file with the clerk of the court in which the petition was filed a list containing the names and addresses of each owner of the organization who has demanded payment for ownership interests under Section 10.356 and with whom agreement as to the value of the ownership interests has not been reached with the responsible organization. If the responsible organization files a petition under Subsection (a), the petition must be accompanied by this list.
- (d) The clerk of the court in which a petition is filed under this section shall provide by registered mail notice of the time and place set for the hearing to:
 - (1) the responsible organization; and
 - (2) each owner named on the list described by Subsection (c) at the address shown for the owner on the list.
- (e) The court shall:
 - (1) determine which owners have:
 - (A) perfected their rights by complying with this subchapter; and
 - (B) become subsequently entitled to receive payment for the fair value of their ownership interests; and
 - (2) appoint one or more qualified appraisers to determine the fair value of the ownership interests of the owners described by Subdivision (1).
- (f) The court shall approve the form of a notice required to be provided under this section. The judgment of the court is

final and binding on the responsible organization, any other organization obligated to make payment under this subchapter for an ownership interest, and each owner who is notified as required by this section.

- (g) The beneficial owner of an ownership interest subject to dissenters' rights held in a voting trust or by a nominee on the beneficial owner's behalf may file a petition described by Subsection (a) if no agreement between the dissenting owner of the ownership interest and the responsible organization has been reached within the period prescribed by Section 10.358(d). When the beneficial owner files a petition described by Subsection (a):
 - (1) the beneficial owner shall at that time be considered, for purposes of this subchapter, the owner, the dissenting owner, and the holder of the ownership interest subject to the petition; and
 - (2) the dissenting owner who demanded payment under Section 10.356 has no further rights regarding the ownership interest subject to the petition.

§ 10.362. Computation And Determination Of Fair Value Of Ownership Interest

- (a) For purposes of this subchapter, the fair value of an ownership interest of a domestic entity subject to dissenters' rights is the value of the ownership interest on the date preceding the date of the action that is the subject of the appraisal. Any appreciation or depreciation in the value of the ownership interest occurring in anticipation of the proposed action or as a result of the action must be specifically excluded from the computation of the fair value of the ownership interest.
- (b) In computing the fair value of an ownership interest under this subchapter, consideration must be given to the value of the domestic entity as a going concern without including in the computation of value any control premium, any minority ownership discount, or any discount for lack of marketability. If the domestic entity has different classes or series of ownership interests, the relative rights and preferences of and limitations placed on the class or series of ownership interests, other than relative voting rights, held by the dissenting owner must be taken into account in the computation of value.
- (c) The determination of the fair value of an ownership interest made for purposes of this subchapter may not be used for purposes of making a determination of the fair value of that ownership interest for another purpose or of the fair value of another ownership interest, including for purposes of determining any minority or liquidity discount that might apply to a sale of an ownership interest.

§ 10.363. Powers And Duties Of Appraiser; Appraisal Procedures

- (a) An appraiser appointed under Section 10.361 has the power and authority that:
 - (1) is granted by the court in the order appointing the appraiser; and
 - (2) may be conferred by a court to a master in chancery as provided by Rule 171, Texas Rules of Civil Procedure.
- (b) The appraiser shall:
 - (1) determine the fair value of an ownership interest of an owner adjudged by the court to be entitled to payment for the ownership interest; and
 - (2) file with the court a report of that determination.
- (c) The appraiser is entitled to examine the books and records of a responsible organization and may conduct investigations as the appraiser considers appropriate. A dissenting owner or responsible organization may submit to an appraiser evidence or other information relevant to the determination of the fair value of the ownership interest required by Subsection (b)(1).
- (d) The clerk of the court appointing the appraiser shall provide notice of the filing of the report under Subsection (b) to each dissenting owner named in the list filed under Section 10.361 and the responsible organization.

§ 10.364. Objection To Appraisal; Hearing

- (a) A dissenting owner or responsible organization may object, based on the law or the facts, to all or part of an appraisal report containing the fair value of an ownership interest determined under Section 10.363(b).
- (b) If an objection to a report is raised under Subsection (a), the court shall hold a hearing to determine the fair value of the ownership interest that is the subject of the report. After the hearing, the court shall require the responsible organization to pay to the holders of the ownership interest the amount of the determined value with interest, accruing from the 91st day after the date the applicable action for which the owner elected to dissent was effected until the date of the judgment.
- (c) Interest under Subsection (b) accrues at the same rate as is provided for the accrual of prejudgment interest in civil cases.
- (d) The responsible organization shall:
 - (1) immediately pay the amount of the judgment to a holder of an uncertificated ownership interest; and
 - (2) pay the amount of the judgment to a holder of a certificated ownership interest immediately after the certificate holder surrenders to the responsible organization an endorsed certificate representing the ownership interest.
- (e) On payment of the judgment, the dissenting owner does not have an interest in the:
 - (1) ownership interest for which the payment is made; or
 - (2) responsible organization with respect to that ownership interest.

§ 10.365. Court Costs; Compensation For Appraiser

- (a) An appraiser appointed under Section 10.361 is entitled to a reasonable fee payable from court costs.
- (b) All court costs shall be allocated between the responsible organization and the dissenting owners in the manner that the court determines to be fair and equitable.

§ 10.366. Status Of Ownership Interest Held Or Formerly Held By Dissenting Owner

- (a) An ownership interest of an organization acquired by a responsible organization under this subchapter:
 - (1) in the case of a merger, conversion, or interest exchange, shall be held or disposed of as provided in the plan of merger, conversion, or interest exchange; and
 - (2) in any other case, may be held or disposed of by the responsible organization in the same manner as other ownership interests acquired by the organization or held in its treasury.
- (b) An owner who has demanded payment for the owner's ownership interest under Section 10.356 is not entitled to vote or exercise any other rights of an owner with respect to the ownership interest except the right to:
 - (1) receive payment for the ownership interest under this subchapter; and
 - (2) bring an appropriate action to obtain relief on the ground that the action to which the demand relates would be or was fraudulent.
- (c) An ownership interest for which payment has been demanded under Section 10.356 may not be considered outstanding for purposes of any subsequent vote or action.

§ 10.368. Exclusivity Of Remedy Of Dissent And Appraisal

In the absence of fraud in the transaction, any right of an owner of an ownership interest to dissent from an action and obtain the fair value of the ownership interest under this subchapter is the exclusive remedy for recovery of:

- (1) the value of the ownership interest; or
- (2) money damages to the owner with respect to the action.

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YOUR VOTE IS IMPORTANT. PLEASE VOTE TODAY.

**Vote by Internet – QUICK ★★ ★ EASY
IMMEDIATE – 24 Hours a Day, 7 Days a Week or by Mail**

VirTra Systems, Inc.

Your Internet vote authorizes the named proxies to vote your shares in the same manner as if you marked, signed and returned your proxy card. Votes submitted electronically over the Internet must be received by 7:00 p.m., Eastern Time, on September 15, 2016.



**INTERNET/MOBILE –
www.cstproxyvote.com**

Use the Internet to vote your proxy. Have your proxy card available when you access the above website. Follow the prompts to vote your shares.



MAIL – Mark, sign and date your proxy card and return it in the postage-paid envelope provided

**PLEASE DO NOT RETURN THE PROXY CARD
IF YOU ARE VOTING ELECTRONICALLY.**

▲ FOLD HERE • DO NOT SEPARATE • INSERT IN ENVELOPE PROVIDED ▲

PROXY

Please mark your votes like this



THIS PROXY WHEN PROPERLY EXECUTED WILL BE VOTED AS INDICATED, OR IF NO DIRECTION IS INDICATED, WILL BE VOTED “FOR” PROPOSALS 1, 2, AND 3 AND IN THE PROXIES’ DISCRETION ON ANY OTHER MATTERS COMING BEFORE THE MEETING. THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE “FOR”:

1. Approval of a Plan of Conversion in order to effectuate the Redomestication from Texas to Nevada

	FOR	AGAINST	ABSTAIN
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

3. Ratification of Friedman, LLP as independent registered public accounting firm.

	FOR	AGAINST	ABSTAIN
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

2. Election of Directors

(01) Robert Ferris	FOR all Nominees listed to the left	WITHHOLD AUTHORITY to vote (except as marked to the contrary for all nominees listed to the left)
(02) Jeffrey Brown	<input type="checkbox"/>	<input type="checkbox"/>
(03) Matthew Burlend		

THE BOARD OF DIRECTORS RECOMMENDS A VOTE “FOR” PROPOSALS 1, 2 AND 3.

(Instruction: To withhold authority to vote for any individual nominee, strike a line through that nominee’s name in the list above)

COMPANY ID:

PROXY NUMBER:

ACCOUNT NUMBER:

Signature _____ Signature, if held jointly _____ Date _____, 2016.

Note Please sign exactly as name appears hereon. When shares are held by joint owners, both should sign. When signing as attorney, executor, administrator, trustee, guardian, or corporate officer, please give title as such.

**Important Notice Regarding the Availability of Proxy Materials for the
Annual Meeting of Stockholders to be held September 16, 2016**

**The proxy statement and our 2015 Year End Report are available at:
<http://www.cstproxy.com/virtra/2016>**

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PROXY

THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS

VIRTRA SYSTEMS, INC.

The undersigned appoints Robert Ferris and Matthew Burlend, and each of them, as proxies, each with the power to appoint his substitute, and authorizes each of them to represent and to vote, as designated on the reverse hereof, all of the shares of common stock of VirTra Systems, Inc. held of record by the undersigned at the close of business on July 28, 2016 at the Annual Meeting of Stockholders of VirTra Systems, Inc. to be held on September 16, 2016, or at any adjournment thereof.

THIS PROXY WHEN PROPERLY EXECUTED WILL BE VOTED AS INDICATED. IF NO CONTRARY INDICATION IS MADE, THE PROXY WILL BE VOTED IN FAVOR OF ELECTING THE [THREE] NOMINEES TO THE BOARD OF DIRECTORS, AND IN FAVOR OF PROPOSAL 1 AND PROPOSAL 3, AND IN ACCORDANCE WITH THE JUDGMENT OF THE PERSONS NAMED AS PROXY HEREIN ON ANY OTHER MATTERS THAT MAY PROPERLY COME BEFORE THE ANNUAL MEETING. THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS.

(Continued, and to be marked, dated and signed, on the other side)

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