

June 2006

No. 2006-2

**visitalk capital**  
an investment company

**NEWS FLASH**

**Dynamic Biometric Systems, Inc. approved for trading!!!**

(Symbol DYBO.OB)

**VT Consumer Services, Inc. rolls out new software!!!**

***Bankruptcy Implementation Update***

Visitalk Capital, both as an entity and as agent for all the other Visitalk related companies, has delivered all of the Common Stock certificates and Creditors' Trust units to the Class 1-7 claimants under the Plan. The Warrant Units not accepted by the Class 1-7 claimants have been delivered to the Creditors' Trust. The delivery of the Class 8 Warrant Units is our last Plan Implementation step. These Warrant Units were mailed to all Class 8 claimants on Wednesday, April 19, 2006 and must be accepted by June 26th. To date, approximately 80% of all Warrant Units have been accepted by bankruptcy claimants. **If you are a Class 8 claimant, please sign and return your Execution, Warrant Acceptance and Effective Delivery Agreement as soon as possible.**



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## Portfolio Company Focus

### Dynamic Biometric Systems, Inc. (“DBSI”)

[www.dynamicbiometric.com](http://www.dynamicbiometric.com)

VCC ownership 14%\*\*



On May 23, 2006, Peacock, Hislop, Staley & Given, Inc., a Phoenix, Arizona-based investment banking and securities brokerage firm, received approval from the National Association of Securities Dealers to initiate quotations on DBSI’s common stock, which will trade under the symbol “DYBO.OB.” DBSI is now our first trading Portfolio Company. Below is a short interview with Richard C. Kim, Ph.D., Chief Executive Officer of DBSI.

**Q: Dr. Kim, please describe your new Bio-Pen product that was unveiled at the International Securities Conference in Las Vegas about a month ago.**

A: At the ISC, we introduced our newest product, a personal version of the Bio-Pen Envelope system which was modified to create an easy to use, very secure email product called the “Person-to-Person Lock-Box.” This product utilizes our Bio-Pen and a system that everyone is familiar with – email. Our Person-to-Person Lock-Box can be used with any email system and assures the identity of both the sender and receiver. I believe this is our first example of a Bio-Pen product that can be broadly adopted as a highly secure, very flexible but easy-to-use tool for both personal and corporate users. Being secure and safe is now as easy as attaching a file to an email.



**Q: How does this security tool work?**

A: The Person-to-Person Lock-Box is easy to create and easy for a recipient to save in its “locked” state and it can hold multiple documents created using different programs, such as a word processing documents, blueprints, or video files. The simplest way to describe it is that a sender opens a Lock-Box, writes a message, inserts any files or information they would like to secure, clicks to select a receiver or receivers, and “locks” this file by signing their name. From there, the sender just emails this file. The Lock-Box assures the sender that only the specified recipient can open the Lock-Box holding the files and view the secure contents. If a non-designated recipient wants to open the Lock-Box they won’t be able to since they need the sender’s permission. The recipient also benefits. The recipient can be confident of the authenticity of the sender and integrity of the



We expect to apply to the Bankruptcy Court for a final decree before the end of June. Upon a final order of the Bankruptcy Judge, we will no longer be operating under the oversight of the Bankruptcy Court. Documents regarding the Visitalk Bankruptcy are still available on our special website: [reorg.visitalk.com](http://reorg.visitalk.com) (no www).

## Visitalk Creditors Trust

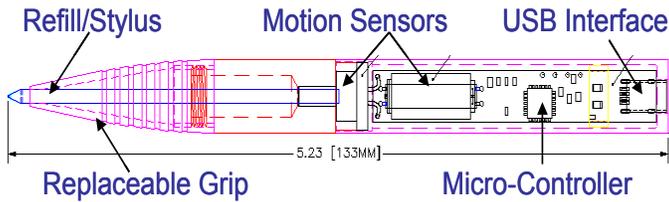
Many of our shareholders also have an interest in the Visitalk Creditors Trust (“Trust”). We have no control over the Trust, but as a courtesy we wanted to provide you with some brief details regarding the Trust. The Trust was formed under the order confirming the Visitalk Plan. All rights to litigate were transferred to the Trust in accordance with the Visitalk Plan. The Trust is governed by the Visitalk Plan and by a Trust Agreement approved by the Bankruptcy Court. A link to the Trust documents is on our website. The Trust’s current primary concentration is complicated litigation related to Visitalk’s directors, officers, professionals and possible insurance coverage. Litigation has been ongoing in U.S. District Court since 2003. If you have any specific questions about the Trust, please direct them to Biltmore Associates, as Trustee for [visitalk.com](http://visitalk.com), Attn.: Vernon S. Schweigert, 1121 E. Missouri Ave., Suite 100, Phoenix, AZ 85014. Phone: 602-604-0878.

## Investment Company Update

We are continuing development of a secure database on our website ([www.visitalkcapital.com](http://www.visitalkcapital.com)) where our shareholders will be able to log in and view their documents, review their initial share distribution and warrant holdings, and update their contact information. Currently, we are only providing investors secure access to their contact information. Before providing full access, we need to finalize all warrant related administration. Our website also provides more detail about Visitalk Capital Corporation (“VCC”) and our Portfolio Companies. We urge you to frequently visit our website where the most up-to-date information can be found as well as visiting the websites of our Portfolio Companies. For those of you who prefer to call, we are always happy to hear from you and discuss any topic you may be interested in.

information inside the Lock-Box because each time a Lock-Box is created, the sender must verify their identity with their own unique signature. This signature Lock securely binds and encrypts the entire contents of the Lock-Box making tampering impossible.

In addition to the software security, the pen works like a hardware cryptographic token. Inside the pen, it contains its own processor with unique coding so that each valid pen can be identified. Also, we have specialized motion sensors to detect and process the motion of the writer



**Q: Does the information have to be sent to a specified or registered email address?**

A: No, in fact the Lock-Box can be stored, or sent to as many email addresses as needed but only designated recipients of a Lock-Box can view the contents. This means senders can use public email accounts and receive email at easy to access computers.

**Q: It's great to secure the initial access to the data, but then what?**

A: Part of the functionality of the Person-to-Person Lock-Box product is that it includes an option of extremely easy-to-use, ultra-secure storage. All Lock-Boxes can be safely and very easily saved over a network or locally with all the "Locks" intact. The next time information is needed, just sign again and it's available. This feature can also be used by a sender without sending the information, just as a ultra secure storage.

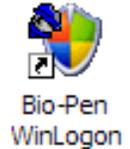
**Q: If I'm sending lots of data, do I have to send lots of Lock-boxes?**

A: No, just one Lock-Box will do. Any type and number of files can be included inside a Lock-Box. These could include pictures, videos, audios, blueprints, documents and spreadsheets. Think of it as an inter-company envelope where the sender and the recipient must sign in order to receive the envelope. But this envelope cannot be opened by an imposter even if it is intercepted. Inside the sealed envelope can be any number of different documents, only in the case of our Person-to-Person Lock-Box, it is electronic information with an unbreakable electronic seal.

**Q: Who is your target market?**

A: We are targeting both individual consumers and institutions. In many cases, early adopter individuals explore new technologies and adapt them to business uses. Enterprise buyers typically lag in

the early adoption stage as they have to determine how to formally implement products in their environment. One of our advantages is very low training requirements. Everyone knows how to sign their name! To focus on enterprise applications we have a "pro" version of our Lock-Box product which allows for electronic contract execution, multiple signatures and restricted viewers who can't execute documents. In addition, we have 3 other programs for institutional use: Web Client for the web access control and document approval, Log Book for the attendance keeping and Windows Logon for protecting entry into individual computers and network access.



**Q: What are some of the other industry opportunities and applications for the Bio-Pen?**

A: We have identified numerous industry opportunities and applications for our DynaSig Signature solution including: Document Management, Execution and Control; Bank Account, On-line and ATM Access, Credit Card Processing; Remote Access Identification; Government and Military; and Visa/Passport Security. Each of these markets and applications are discussed further at our website, [www.bio-pen.com/page/markets.htm](http://www.bio-pen.com/page/markets.htm). We continue to make presentations to banks, other financial institutions and insurance companies about their needs and Bio-Pen features.

You may enjoy reading some selected articles posted on our website. We believe our DynaSig Signature solution is very effective at addressing the issues raised in these articles:

- [How E-Mail Is Revolutionizing Litigation -- and What You Should Be Doing About It](#) (This article first appeared in *The Corporate Counselor*.)
- [Solutions for the MailStream](#) -- Companies must find a solution that protects the confidentiality of data sent via email. (For further information on Butler Group, please visit [www.butlergroup.com](http://www.butlergroup.com).)
- [Your Vanishing Privacy](#) by Bruce Schneier (CTO of Counterpane Internet Security and the author of "Beyond Fear: Thinking Sensibly About Security in an Uncertain World.")

**Q: What have been some of the main obstacles in selling your product?**

A: The main obstacle we had to overcome is that the Bio-Pen is "New to the World." In fact it is. Everybody knows their signature

is unique, and everybody knows that sending electronic documents in a totally secured, verified and authenticated form is an awkward, complex and challenging task. We believe the Bio-Pen is the solution. However, users have to absorb this option, and that takes time.

**Q: Where can one purchase your products?**

**A:** Some of our products can be purchased directly from our product website at [www.bio-pen.com](http://www.bio-pen.com). We are currently negotiating distributor and sales representative relationships in order to broaden our market penetration. We have just entered into a sales agency agreement with Delta Resources, LLC, a Scottsdale, Arizona-based sales agency. Under our agreement, Delta was appointed as a non-exclusive, independent sales agent to solicit orders for our products for both the U.S. and Canadian markets. I am also in continuing discussions with several other domestic and international sales agencies: a UK company for western Europe, a company in the Slovak Republic for eastern Europe, a company in Puerto Rico for the Caribbean, a company in Bombay for India and a company in South Korea for Asia.

**VT Consumer Services, Inc. (“VTCS”)**

[www.visitalk.com](http://www.visitalk.com)

VCC ownership 85%\*\*



After years of development, on May 24, 2006, VTCS, which operates the historical Visitalk website and business, has

launched new software that will allow complete flexibility and scalability. VTCS’s challenges are only beginning but we now have a platform to build on. VTCS is still trying to address the flaws in old Visitalk’s video choice, NetMeeting, but we hope to have a plan to resolve this problem in a few weeks. The new Visitalk connector includes instant messaging and can be easily private labeled. We encourage shareholders to sign up for the new version. If you are interested, call Ivan in investor relations.

**Empresa Solutions, Inc. (“Empresa”)**

[www.empresasolutions.com](http://www.empresasolutions.com)

VCC ownership 45%\*\*



In January 2006, Empresa launched its

newest product at the SolidWorks World 2006 Conference in Las Vegas. SolidWorks sells the fastest growing 3-D design software in the U.S. Empresa’s product is called Kinnosa Workflow and based on the number of responses at the show we believe this product has been very well received by the public. Kinnosa Workflow seamlessly integrates with SolidWorks’ PDMWorks product data management. Users can easily manage product changes with a simple click of their mouse. Kinnosa also integrates eDrawings Pro® for fast and easy markup collaboration between workflow participants. In addition to a complete markup history, Kinnosa Workflow users are provided a comment history to ensure they have correct and up to date information.

**ATTENTION**

**If you have claims related to your preferred shares, you need to sign and return the Execution, Warrant Acceptance and Effective Delivery Agreement required by the Visitalk Plan before June 26, 2006 to receive a warrant distribution. Otherwise, your warrants will be cancelled!**

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Visitalk Capital Corporation (“VCC”), a Nevada corporation, was formed as the reorganized debtor under the Chapter 11 reorganization plan of visitalk.com, Inc., an Arizona corporation (the “Debtor” or “Old Visitalk”). The Bankruptcy Court confirmed the Debtor’s Second Joint Reorganization Plan (the “Visitalk Plan”) on August 27, 2004. VCC has 203 shareholders and may have as many as 500 warrant holders when the implementation of the Visitalk Plan is completed. VCC intends to operate as an investment company but, due to its bankruptcy antecedents, is exempt from regulation under the Investment Company Act of 1940. VCC believes that the securities issued to non-controlling shareholders under the Visitalk Plan are exempt from registration and freely transferable due to exemptions under Section 1145 of the Bankruptcy Code. This newsletter is a general communication of VCC and is not intended to be a solicitation to buy securities in any company or legal advice. Holders of VCC or Portfolio Company securities should consult their own financial and other advisors. Portfolio Company web sites are believed to be correct, however these web sites are the responsibility of each company and we do not represent or warrant accuracy.

\*\* All ownership percentages presented in this newsletter are approximate and include, if applicable, vested warrants and options if their exercise prices are at or below market. More information is available under “Portfolio Companies” on VCC’s website, [www.visitalkcapital.com](http://www.visitalkcapital.com).