

## **OTC Disclosure Document for the first quarter ended March 31, 2018**

### **1) Name of the issuer and its predecessors (if any)**

In answering this item, please also provide any names used by predecessor entities in the past five years and the dates of the name changes.

VMS Rehab Systems, Inc.

### **2) Address of the issuer's principal executive office**

Company Headquarters

Address 1: 200-400 Laurier Ave West

Address 2: Ottawa Ontario, Canada, K1R 7X6

Phone: 613-731-5935

Email: [info@vmsrehabsystemsinc.com](mailto:info@vmsrehabsystemsinc.com)

Website(s): [www.vmsrehabsystemsinc.com](http://www.vmsrehabsystemsinc.com)

IR Contact: [info@vmsrehabsystemsinc.com](mailto:info@vmsrehabsystemsinc.com)

### **3) Security Information**

Trading Symbol: VRSYF

Exact title and class of securities outstanding: Class B Common Shares

CUSIP: 91830B100

Par or Stated Value: \$.10 Par Value

Total shares authorized: unlimited

Total shares outstanding 111,197,275 as of March 31, 2018

### **Transfer Agent**

Name: Integral Transfer Agency USA Inc.

Address: 635 16th Street, Niagara Falls , NY 14301

Phone: 716-402-8539

Fax: 1-866-695-2204

E-Mail: [info@integraltransfer.com](mailto:info@integraltransfer.com)

Is the Transfer Agent registered under the Exchange Act? \* Yes: X

Name: Island Stock Transfer

Address 1: 155500 Roosevelt Blvd suite 301

Address 2: Clearwater, Florida 3376

Phone: (727) 289-0010

Is the Transfer Agent registered under the Exchange Act? Yes: X

List any restrictions on the transfer of security: None

Describe any trading suspension orders issued by the SEC in the past 12 months. None

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months: N/A

#### **4) \*\*\*\*Issuance History**

**\*\*\*\*includes the following issuances/cancellations;**

1) During the 2017 fiscal year, 120,000,000 B voting common shares were cancelled as per a VMS Board Resolution and Reorganization Agreement signed on March 30<sup>th</sup>, 2017 in connection with a pending arrangement with Argus Worldwide Corp to transfer control of VMS to Argus. The Agreement signed on March 30, 2017 cancelled the issuance of the 120,000,000 VMS shares to Argus Worldwide but subsequently transferred to Argus Worldwide the control block of 17,000,500 voting A shares of BioPharmcor BV, a development stage generic pharmaceutical business.

2) During Q1 2018, 439,445 share options were exercised under an Agreement dated January 21, 2014 (and amendments thereto by Resolutions of the VMS Board) between VMS and Argus Holdings NV. Since the Argus Holdings options were issued in 2014, a total of 9,408,067 VMS share options have been drawn down through March 31, 2018.

3) Pursuant to a Resolution of the Board of Directors approved on January 11, 2018, a management fee of USD \$350,000 has been paid in stock during the quarter to the President and founder of the Company and or his assigns for services rendered to the Company since March 1998. The fee was convertible into shares at a strike price of USD\$0.01 cent per share.

4) Pursuant to a Resolution of the Board of Directors approved on January 11, 2018, a Special Dividend was declared for 20,000,000 B voting shares to be paid on the company's Voting A shares held by Cougar Capital BV, a Company controlled by the Chairman of the Company. It was noted that the Chairman and/or his holdings continue to meet the capital funding requirements of VMS and more recently have provided all the funding required to introduce the Company's new OrthoCush brand scheduled to launch during the second quarter 2018.

5) Pursuant to a Resolution of the Board of Directors approved on January 11, 2018, the terms of a Compensation plan for the Company's Board of Directors were proposed and ratified providing for a payment in cash and/or VMS stock priced at USD\$0.01 cents per share for services rendered for the period Jan 1, 2016 through December 31, 2017. Under the Board Compensation Plan it was agreed that Michael S Wexler, the Company's Chairman and/or his assigns Argus Holdings NV would be eligible to receive a monthly payment of USD\$3200; and Carol Segal, Director of the Company would be eligible to receive a monthly payment over the 24 months of USD\$ 1500 per month. Under the Board Compensation Plan, amounts due to Directors can be converted into common stock at a strike price of USD \$0.01 cents per share at the discretion of the Director.

## 5) Financial Statements

The following financial statements are incorporated by reference and can be found on OTCIQ. The statements are as follows:

- The Q1 financials for the period ended March 31, 2018 posted on May 15, 2018.

## 6) Describe the Issuer's Business, Products and Services

On March 29, 2017, the company signed an Agreement with Argus Worldwide Corp to transfer the VMS holding in BioPharmcor BV, a developer of Generic medicines, to Argus Worldwide.

In addition, during fiscal 2017, the Company launched an initiative in Poland to manufacture and market initially in Europe, a line of 'quality of life products' including a high quality wedge orthopedic seat cushion under the company's new proprietary brand name OrthoCush™ label. It is anticipated that VMS will commence selling in Europe its OrthoCush™ line of orthopedic seat cushions on or about May 30<sup>th</sup>, 2018. At the same time, VMS will launch a new E-commerce platform through which its OrthoCush™ brand of 'quality of life' products will be offered. A wholly owned VMS European subsidiary, VMS Rehab Polska Sp z o.o. will manage the OrthoCush production in Poland and operate the new global E-shop on line.

VMS Rehab Systems, Inc is currently a core vendor in Canada of a line of 3<sup>rd</sup> party manufactured orthopedic seat cushions.

- Date and State (or Jurisdiction) of Incorporation: Incorporated on March 26, 1998 in Ontario Canada
- the issuer's primary and secondary SIC Codes; N/A
- the issuer's fiscal year end date; December 31<sup>st</sup>
- The principal products or services, and their markets; Home Healthcare Products including Orthopedic Seat Cushions and other products that serve to enhance the quality of life.

## 7) Describe the Issuer's Facilities

The company contracts out all of its design, development, manufacturing and distribution activities to core suppliers well qualified and experienced in their field. The Company's registered Head Office is situated in Ottawa, Ontario Canada at 200-440 Laurier Avenue West. The Company's administrative offices are provided under contract through a full office services provider.

In addition, the Company maintains an affiliate administrative office with its new European subsidiary, VMS Rehab Polska z.o.o. in Warsaw, Poland.

## 8) Officers, Directors, and Control Persons

A. Names of Officers, Directors, and Control

Michael S Wexler    President/CEO/Director

Carol Segal            Non Executive Director

**B. Legal/Disciplinary History.**

Please identify whether any of the foregoing persons have, in the last five years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses); N/A
2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities; N/A
3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; N/A
4. The entry of an order by a self-regulatory organization that permanently or temporarily barred suspended or otherwise limited such person's involvement in any type of business or securities activities. N/A

**C. Beneficial Shareholders.**

1. Cougar Capital BV (Ultimate Beneficiary Michael Wexler President/CEO/Director of the Company) 62-64 Keizersgracht 1015CS Amsterdam, The Netherlands is the holder of 35,312,500 Class B voting shares.
2. Argus Holdings NV is a holding company controlled by the Company's Chairman and is the beneficial owner of 42,680,000 Voting Class B shares.

**9) Third Party Providers**

**Legal Counsel :** Bauman & Associates Law Firm

Address 1: 6228 Dartle Street,

Address 2: Las Vegas, NV 89130

Phone: 702-533-8372

Email: [fred@lawbauman.com](mailto:fred@lawbauman.com)

**Accountant or Auditor:**

Name: Peirs VanZiffle CPA

Address 1: [Suite 950 – 1130 West Pender Street,](#)

Address 2: Vancouver BC V6E 4A4

Telephone: 778-881-5544

E-Mail: [Vanziffle@gmail.com](mailto:Vanziffle@gmail.com)

**Other Advisor:** N/A

**10) Issuer Certification**

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles, but having the same responsibilities). The certifications shall follow the format below:

I, Michael Wexler certify that:

1. I have reviewed this Annual Disclosure Statement of VMS Rehab Systems, Inc.
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

May 15, 2018



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Michael Wexler  
Chairman of the Board/CEO  
VMS Rehab Systems, Inc.