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BOUNDLESS CORP  
Form 10QSB  
November 13, 2006

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C.

FORM 10-QSB

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)  
OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended September 30, 2006

Commission File Number 0-17977

BOUNDLESS CORPORATION  
(Exact name of registrant as specified in its charter)

Delaware  
(State or other Jurisdiction of Incorporation or Organization)

13-3469637  
(I.R.S. Employer Identification No.)

50 Engineers Lane Unit 2  
Farmingdale, NY  
(Address of principal executive offices)

11735  
(Zip Code)

(631) 962-1500  
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes  No

Indicate by check mark whether the registrant is an accelerated filer (as defined in Exchange Act Rule 12b-2)

Yes  No

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act)

Yes  No

As of November 6, 2006, the Registrant had approximately 4,000,000 shares of Common Stock, \$.01 par value per share which will be issued upon validation of unsecured claims pursuant to the Amended Plan of Bankruptcy Reorganization.

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BOUNDLESS CORPORATION

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BOUNDLESS CORPORATION  
(REORGANIZED COMPANY)  
CONDENSED BALANCE SHEET  
(in thousands)

	September 30, 2006
	----- (unaudited)
ASSETS	
Current assets	\$ --
Other assets	--
	-----
Total assets	\$ -- =====
LIABILITIES AND STOCKHOLDERS' DEFICIT	

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Current liabilities	\$	--
Other liabilities		--
		-----
Total liabilities		--
		-----

COMMITMENTS AND CONTINGENCIES (See Notes)

Stockholders' equity: (Note 3)		
Common stock to be issued		40
Additional paid-in capital		164
Asset value to be recognized upon distribution of distributable shares		(200)
Accumulated deficit		(4)
		-----
Total stockholders' equity		--
		-----
Total liabilities and stockholders' equity	\$	--
		=====

SEE ACCOMPANYING NOTES TO CONDENSED FINANCIAL STATEMENTS

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BOUNDLESS CORPORATION  
(REORGANIZED COMPANY)  
CONDENSED STATEMENT OF OPERATIONS  
(in thousands)

	Three Months Ended September 30, 2006	Period June 10 to September 30 2006
	-----	-----
Revenues	\$ --	\$ --
General and administrative expense (Note 3)	3	4
	-----	-----
Net loss	\$ (3)	\$ (4)
	=====	=====
Basic and diluted loss per common share	\$ --	\$ --
	=====	=====
Basic and diluted weighted average shares outstanding	--	--
	=====	=====
Proforma basic and diluted loss per common share(1)	\$ --	\$ --
	=====	=====
Proforma basic and diluted weighted average shares outstanding(1)	4,000	4,000
	=====	=====

(1) Giving effect to the distribution of distributable shares (Note 1)

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SEE ACCOMPANYING NOTES TO CONDENSED FINANCIAL STATEMENTS

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BOUNDLESS CORPORATION  
(REORGANIZED COMPANY)  
CONDENSED STATEMENT OF CASH FLOWS  
(in thousands)

	Period June 10 to September 30, 2006
	-----
Cash flows from operating activities:	
Net loss	\$ (4)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:	
Imputed expense	4
Changes in assets and liabilities:	--
	-----
Net cash from operating activities	--
	-----
Net cash from investing activities	--
	-----
Net cash from financing activities	--
	-----
Net change in cash and cash equivalents	--
Cash and cash equivalents at beginning of period	--
	-----
Cash and cash equivalents at end of period	\$ --
	=====
Cash paid for:	
Interest	\$ --
Taxes	--

SEE ACCOMPANYING NOTES TO CONDENSED FINANCIAL STATEMENTS

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BOUNDLESS CORPORATION  
NOTES TO CONDENSED FINANCIAL STATEMENTS  
OF THE SHELL COMPANY (THE "REORGANIZED COMPANY")  
(in thousands)  
(unaudited)

1. Voluntary Reorganization Under Chapter 11 of the Bankruptcy Code

On June 9, 2006 (the "Effective Date"), the Company and its subsidiaries emerged from proceedings under Chapter 11 of Title 11 of the United States Code (the "Bankruptcy Code") pursuant to the terms of its Amended Plan (as defined). On June 1, 2006, the United States Bankruptcy Court for the Eastern District of New York (the "Bankruptcy Court") approved the Company's fourth amended plan of reorganization filed with the Bankruptcy Court, as modified at the confirmation hearing (the "Amended Plan") and established June 9, 2006 as the Effective Date.

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As used in this Form 10-QSB, the term "Predecessor Company" refers to the Company and its operations for periods prior to June 10, 2006, while the term "Reorganized Company" is used to describe the Company and its operations for periods thereafter.

### Material Features of the Amended Plan Relating to the Reorganized Company

As soon as practicable after the Effective Date, the Reorganized Company shall take all steps necessary to arrange for the cancellation of each class of their existing common stock and preferred stock. Holders of existing common and preferred stock on the record date shall have his, her or its stock cancelled, and shall receive nothing on account thereof from the Company. As of October 31, 2006, the Reorganized Company had cancelled each class of the existing common stock and preferred stock.

On the Effective Date, the Reorganized Company shall be authorized to issue one hundred (100,000,000) million shares of common stock ("Boundless Common Stock") of which four million shares shall be issued to the claimants as set forth in the Amended Plan.

All assets of the Reorganized Company, if any, not owned by Boundless Technologies, Inc. ("Technologies"), a wholly-owned subsidiary of the Predecessor Company, shall be transferred to Technologies and any and all liabilities of the Reorganized Company, including guarantees, shall be assumed by Technologies or canceled. On the Effective Date, Boundless Manufacturing Services, Inc. and Boundless Acquisition Corp. shall be dissolved.

On the Effective Date, Boundless shall issue to Vision Technologies, Inc., 2,040,000 shares of Boundless Common Stock. In addition, each holder of Claims shall also receive its pro rata share of 1,960,000 shares of Boundless Common Stock, which shares shall be issued in accordance with ss. 1145 of the Bankruptcy Code. As of November 6, 2006, the Reorganized Company was in the process of validating the Claims for the purpose of determining the appropriate share distribution amongst the holders of approved Claims.

Subsequent to the Effective Date, the Reorganized Company contemplates acquiring (the "Acquisition") an interest in an operating company which desires to become a public company. In effecting this subsequent transaction under the Amended Plan, the Reorganized Company will issue Boundless Common Stock to acquire its interests in the operating company. The Boundless Common Stock issued to Vision and holders of Claims will represent approximately 10% of the outstanding common stock of the Reorganized Company after the Acquisition is consummated and the owners of the operating company will own approximately 90% of the outstanding common stock of the Reorganized Company after the transaction. The consummation of this transaction will be undertaken in compliance with the Securities Laws of the United States and all other jurisdictions, if any, which require such compliance. In this regard, the Predecessor Company filed a Form 8-K with the Securities and Exchange Commission with respect to this transaction on June 13, 2006.

Pursuant to the Amended Plan, the amount of cash payable by Technologies to holders of Claims shall be subject to reduction pro rata, in an amount equal to 75% of the average closing prices of the Boundless Common Stock traded on the electronic bulletin board during the twenty trading day period beginning 60 calendar days after the shares are

listed on any of the following: (i) the Nasdaq Electronic Bulletin Board, (ii)

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Nasdaq's Small Cap or National Market or (iii) any exchange (collectively, a "Trading Market"). For this purpose, if such shares do not trade on a particular trading day, the closing price for that day that shall be used in determining the average closing price of such shares shall be the closing price for the shares on the last day it did trade. No holder of a Claim shall be required to return any cash distributions to Technologies as a result of the adjustments provided herein notwithstanding the value of the Boundless Common Stock. Holders of Claims will be notified promptly after any such shares are listed on a Trading Market and of any adjustments hereunder.

### Financial Statement Presentation.

The unaudited condensed interim financial statements, and accompanying notes included herein, have been prepared by the Reorganized Company pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC") and reflect all adjustments which are of a normal recurring nature and which, in the opinion of management, are necessary for the fair statement of the results of the three months ended September 30, 2006, and the period June 10, 2006 through September 30, 2006. Certain information and footnote disclosures have been condensed or omitted pursuant to such regulations. The Reorganized Company has no operating business, no assets, and its imputed operating overhead is funded by Technologies. The results for the current interim periods are not necessarily indicative of the results for the full year, particularly if the Company consummates an acquisition. These consolidated financial statements should be read in conjunction with the consolidated financial statements and the notes thereto in the Predecessor Company's latest annual report filed with the SEC on Form 10-K for the year ended December 31, 2005.

### Comparability of Financial Information/ Going Concern

The accompanying financial statements have been prepared assuming the Company will continue as a going concern and, accordingly, do not include any adjustments that might result from the outcome of the uncertainties described herein.

Since the Effective Date, the Reorganized Company has no operating business, no assets, and its imputed operating overhead is funded by Technologies. As described herein, the Reorganized Company is actively negotiating to acquire an operating business. There can be no assurances that the operating entity will be acquired or that a merger transaction will be consummated. As a result, there is substantial doubt about the Reorganized Company's ability to continue as a going concern. No adjustments have been made with respect to the financial statements to record the results of the ultimate outcome of this uncertainty on the Reorganized Company.

## 2. Summary of Certain Accounting Policies

### Pervasiveness of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

## 3. Stockholders' Equity

At September 30, 2006 the stockholders' equity of the Reorganized Company consisted of the

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following:

	Reorganized Company
	----- September 30, 2006 -----
Common stock, \$0.01 par value, 100,000,000 shares authorized, 4,000,000 shares distributable	\$ 40
Additional paid-in capital	164
Asset value to be recognized upon distribution of distributable shares	(200)
Accumulated deficit	(4)
	-----
Total stockholders' deficit	\$ -- =====

As of the Effective Date, the Reorganized Company is authorized to issue one hundred (100,000,000) million shares of common stock ("Boundless Common Stock") of which four million shares are distributable to Vision Technologies, Inc. and the claimants as set forth in the Amended Plan. (See Note 1) As of October 31, 2006, the shares have not been distributed.

For the period June 10, 2006 through September 30, 2006, the Reorganized Company recognized imputed expenses of \$4, representing the estimate of expenses (principally salaries) incurred by Technologies for the benefit of the Reorganized Company following emergence from Chapter 11.

4. Income Taxes

The Company's loss for the interim period is not a tax loss and accordingly no tax benefit is recorded herein.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

RESULTS OF OPERATIONS - REORGANIZED COMPANY

Upon emergence from bankruptcy, the assets and liabilities of the Predecessor Company were assumed by Technologies. The Reorganized Company is a shell company as defined by Rule 12b-2 of the Exchange Act.

For the three months and cumulative period ended September 30, 2006, the Reorganized Company recognized imputed expenses of \$3 and \$4, respectively, representing the estimate of expenses (principally salaries) incurred by Technologies for the benefit of the Reorganized Company following emergence from Chapter 11.

LIQUIDITY AND CAPITAL RESOURCES

The matters described in "Liquidity and Capital Resources," to the extent that they relate to future events or expectations, may be significantly affected by the terms of the Amended Plan.

As discussed in Note 1, on the Effective Date, the assets and liabilities of the Predecessor Company were assumed by Technologies.

Subsequent to the Effective Date, the Reorganized Company contemplates acquiring (the "Acquisition") an interest in an operating company which desires to become a public company. In effecting this subsequent transaction under the Amended Plan, the Reorganized Company will issue Boundless Common Stock to acquire its interests in the operating company. As a result of these stock issuances, the Boundless Common Stock issued to Vision and to holders of Claims will represent approximately 10% of the outstanding common stock of the Reorganized Company after the Acquisition is consummated and the owners of the operating company will own approximately 90% of the outstanding common stock of the Reorganized Company after the transaction. The consummation of this transaction will be undertaken in compliance with the Securities Laws of the United States and all other jurisdictions, if any, which require such compliance. In this regard, the Reorganized Company will file a Form 8-K with the Securities and Exchange Commission with respect to this transaction.

Since the Effective Date, the Reorganized Company has no operating business, no assets, and its imputed operating overhead is funded by Technologies. As described herein, the Reorganized Company is actively negotiating to acquire an operating business. There can be no assurances that the operating entity will be acquired or that a merger transaction will be consummated. As a result, there is substantial doubt about the Reorganized Company's ability to continue as a going concern. No adjustments have been made with respect to the consolidated financial statements to record the results of the ultimate outcome of this uncertainty on the Reorganized Company.

FORWARD-LOOKING INFORMATION MAY PROVE INACCURATE

This Form 10-QSB contains various "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements represent the Company's expectations and beliefs concerning future events, based on information available to us on the date of the filing of this Form 10-QSB, and are subject to various risks and uncertainties. We disclaim any intent or obligation to update or revise any of the forward-looking statements, whether in response to new information, unforeseen events or changed circumstances except as required to comply with the disclosure requirements of the federal securities laws.

Forward looking statements necessarily involve known and unknown risks, uncertainties and other factors that may cause the actual results, levels of activity, performance, or achievements to be materially different from any future results, levels of activity, performance, or achievement expressed or implied by such forward-looking statements. Readers are cautioned to review carefully the discussion concerning these and other risks which can materially affect the Company's business, operations, financial condition and future prospects.

In some cases, you can identify forward-looking statements by terminology such as "may," "will," "should," "could," "intend," "expect," "anticipate," "assume," "hope," "plan," "believe," "seek," "estimate," "predict," "approximate," "potential," "continue", or the negative of such terms. Statements including these words and variations of such words, and other similar expressions, are forward-looking statements. Although the Company believes that the expectations reflected in the forward-looking statements are reasonable based upon its knowledge of its business, the Company cannot absolutely predict or guarantee its future results, levels of activity, performance, or achievements. Moreover, neither the Company nor any other person assumes responsibility for the accuracy and completeness of such statements.



Item 3. Controls and Procedures

An evaluation was carried out under the supervision and with the participation of the Company's management, including the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), of the effectiveness of the Company's disclosure controls and procedures as of September 30, 2006. Based on that evaluation, the Company's management, including the CEO and CFO, has concluded that the Company's disclosure controls and procedures are effective. During the period covered by this report, there was no change in the Company's internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Matters

None.

Item 2. Changes in Securities

None.

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

Exhibit 31.1: Certification of Acting Chief Executive Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act, as amended.

Exhibit 31.2: Certification of Chief Financial Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act, as amended.

Exhibit 32: Certification of Acting Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

(b) Reports on Form 8-K

A Current Report on Form 8-K was filed with the Securities and Exchange Commission on June 13, 2006, announcing the emergence from bankruptcy and describing the terms of the Amended Plan.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Dated: November 08, 2006

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Boundless Corporation

By: /s/ Joseph Gardner

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Joseph Gardner  
Vice President and Chief Financial Officer  
(Principal Accounting and Financial Officer)

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