



**Saskatchewan  
Financial Services  
Commission**  
Securities Division

**IN THE MATTER OF  
*THE SECURITIES ACT, 1988, S.S. 1988, c. S-42.2***

**AND**

**IN THE MATTER OF  
**EDGEWORTH VENTURES INC.****

**SETTLEMENT AGREEMENT**  
(Section 135.3)

The following agreement (Agreement) has been reached between Edgeworth Ventures Inc. (EVI), and the Director of the Securities Division, (the Director) Saskatchewan Financial Services Commission (the Commission).

**FACTS**

EVI acknowledges and agrees as follows:

- 1 On January 17, 2006 Zynex International Inc. a business incorporated under the Ontario Business Corporations Act (OBCA) changed its name to EVI;
- 2 On February 9, 2006, EVI applied pursuant to section 181 of the OBCA for continuance in the State of Nevada;
- 3 On March 1, 2006, EVI, ceased to be a corporation governed by the OBCA and was incorporated under the laws of the State of Nevada as a Domestic Corporation. The nature of EVI's business is real estate investment;
- 4 EVI is not nor has it ever been registered to trade in securities in the Province of Saskatchewan;
- 5 The Director has not issued a receipt for a prospectus for the securities of EVI;
- 6 From June 2006 to September 2006, EVI raised capital from Saskatchewan residents by selling shares of EVI thereby contravening the registration and prospectus requirements of *The Securities Act, 1988, (the Act)*;

- 7 On June 9, 2008 EVI provided a list of all of its Saskatchewan investors to Commission staff, a copy of which is attached as Appendix "A". At that date EVI had 11 Saskatchewan investors who had invested a total of US\$471,750;
- 8 No Saskatchewan investors have invested in EVI since June 9, 2008;
- 9 Since June 9, 2008, EVI and its subsidiaries and related companies have ceased all promotion and trading of securities in Saskatchewan;

### **EVI's AGREEMENT**

EVI hereby agrees and consents as follows:

1. that EVI agrees that the facts in this Settlement Agreement are true and that there are no other key facts related to these matters that are not set out in this agreement;
2. that EVI offer in writing to each of its Saskatchewan investors a right of rescission of their purchase of EVI shares and provide to the Director by October 31, 2009:
  - a. a written statement signed by each Saskatchewan investor indicating whether the investor accepted or declined the right of rescission; and
  - b. if the investor accepted the right of rescission, written evidence that EVI has returned the money to the investor;
3. that EVI consent to the Commission issuing an order under sections 134, 135.1 and 161 of the Act on the following terms:
  - a. that EVI cease trading in all securities and exchange contracts in Saskatchewan until the Director issues a receipt for a prospectus to EVI under section 58 of the Act;
  - b. that EVI use the exemptions available in Saskatchewan securities law only with the prior written consent of the Director;
  - c. that EVI pay an administrative penalty in the amount of \$10,000;
  - d. that EVI pay the costs of the investigation into this matter by the staff of the Commission in the amount of \$5,000;
4. That EVI waives any right to a hearing or appeal with respect to this matter; and

5. To dispose of this proceeding by agreement without a hearing pursuant to section 135.3 of the Act.

**DIRECTOR'S AGREEMENT**

The Director hereby agrees that this Agreement is the only sanction the Director will seek to impose upon EVI pursuant to the Act with respect to the matters set out in this Agreement, provided that nothing herein shall prohibit the Director from considering and dealing with any matter not set out in this Agreement or any new complaint brought to the Director's attention in respect to EVI.

**IN WITNESS WHEREOF**

EVI has executed this Agreement on this 29 day of September, 2009.

Edgeworth Ventures Inc.

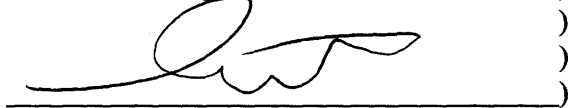
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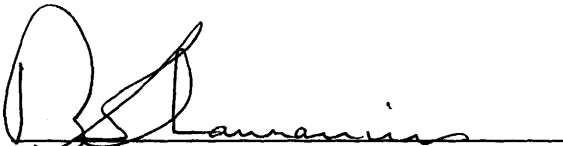
  
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President

The Director has executed this Agreement on this 2nd day of October, 2009.

SIGNED in the presence of:

  
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Barbara L. Shourounis, Director  
Securities Division.