

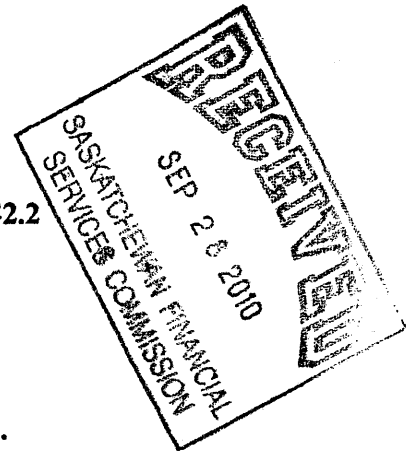


Saskatchewan
Financial Services
Commission

In the Matter of
The Securities Act, 1988, S.S. 1988, C. S-42.2

and

In the Matter of
Pure Water Box Corp.
Pure Water Box Canada Capital Corp.
Ryan Mitchell
Randy Shoeman



Settlement Agreement

This Settlement Agreement has been reached between Pure Water Box Corp., Pure Water Box Canada Capital Corp., Ryan Mitchell and Randy Shoeman (the Respondents) and the Director, Securities Division, Saskatchewan Financial Services Commission (the Director) to resolve the matters set out in this Agreement.

Statement of Facts

1. Pure Water Box Canada Capital Corp. was incorporated in the Province of Alberta on July 28, 2009.
2. Pure Water Box Corp. was incorporated in the Province of Alberta on April 1, 2010.
3. Pure Water Box Corp. is in the business of marketing water purification systems.
4. Ryan Mitchell (Mitchell) resides in Markham, Ontario. He is the president of both Pure Water Box Corp. and Pure Water Box Canada Capital Corp.
5. On May 20, 2010 Mitchell opened a corporate bank account in the name of Pure Water Box Corp. at the Bank of Montreal, Main Branch in Regina, Saskatchewan (the Bank Account).
6. In late May 2010 Mitchell hosted a seminar at a Regina restaurant at which he promoted the sale of securities of Pure Water Box Corp.

7. At the seminar prospective investors who expressed interest in purchasing the securities of Pure Water Box were advised to contact Randy Shoeman at his place of business.
8. Randy Shoeman (Shoeman) carries on the business of selling tax shelters and investment products under the business name of Global SaveTax Consultants in Regina, Saskatchewan.
9. From late May 2010 to June 15, 2010 Shoeman sold securities of Pure Water Box Corp to 35 Saskatchewan residents, including himself, for a total of \$1,013,000.
10. From late May 2010 to June 15, 2010 Mitchell sold securities of Pure Water Box Corp. to:
 - (a) 1 British Columbia resident for a total of \$25,000;
 - (b) 3 Manitoba residents for a total of \$67,500;
 - (c) 5 Ontario residents for a total of \$58,000.
11. The proceeds of the sale of Pure Water Box Corp. securities were deposited into the Bank Account.
12. None of the Respondents has ever been registered to trade in securities in Saskatchewan.
13. The Director has not issued a receipt for a prospectus for the securities of Pure Water Box Corp.
14. A Report of Exempt Distribution pursuant to National Instrument 45-106 *Prospectus and Registration Exemptions* (NI 45-106) for the distribution of securities of Pure Water Box Corp was not filed until August 3, 2010.
15. On June 30, 2010 the Director issued a temporary order pursuant to section 135.4 of the Act ordering the Bank of Montreal to hold all funds in the Bank Account (the Freeze Order) and ordering the Respondents to not withdraw funds from the Bank Account. The Freeze Order has been extended several times and is currently in force.
16. On July 15, 2010 The Director issued a temporary order pursuant to section 134 of the Act (the Temporary Cease Trade Order) ordering that:
 - (a) the exemptions in Saskatchewan securities laws do not apply to the Respondents up to and including July 30, 2010;
 - (b) the Respondents cease trading in all securities and exchange contracts up to and including July 30, 2010;

- (c) the Respondents cease acquiring securities and entering into exchange contracts up to and including July 30, 2010; and
- (d) the Respondents cease giving advice respecting any securities, trades or exchange contracts up to and including July 30, 2010;

The Temporary Cease Trade Order has been extended several times and is currently in force.

17. On August 3, 2010 Pure Water Box Corp. filed a Report of Exempt Distribution dated July 30, 2010 pursuant to Part 6 of NI 45-106 listing 43 trades of securities of Pure Water Box Corp. for a total purchase price of \$1,163,500 (the Report of Exempt Distribution).
18. McCrank Stewart LLP, Regina, Saskatchewan has reviewed the trades to Saskatchewan residents listed in the Report of Exempt Distribution and has represented to the Commission that:
 - (a) the trades listed on Schedule A to this agreement qualified for the family, friends and business associates exemption in section 3.6 of NI 45-106;
 - (b) the trades listed on Schedule B to this agreement did not qualify for an exemption under either NI 45-106 or under Saskatchewan securities laws generally;
 - (c) the investors on Schedule C to this agreement requested that their invested monies be returned;
19. Pure Water Box Corp. and its directors including Randy Shoeman and Ryan Mitchell cooperated fully with the Commission and have undertaken to comply with the Act in the future.

Respondents' Undertaking and Agreement

20. The Respondents agree that all of the facts set out above are true and that there are no material facts related to these matters that are not set out in paragraphs 1 to 19 above.
21. Pure Water Box Corp. agrees to pay to the Commission an administrative penalty of \$10,000 and costs of \$2,500.
22. Pure Water Box Corp. undertakes to:
 - (a) to instruct the Bank of Montreal to pay out of the Account to McCrank Stewart LLP the necessary monies to refund the monies listed on Schedule B and C and the necessary monies to pay the administrative penalty and costs set out in paragraph 21;
 - (b) instruct the law firm of McCrank Stewart LLP to pay from the proceeds of the Account:
 - (i) the refund the purchase price of Pure Water Box Corp. securities to the purchasers listed on Schedules B and C immediately after the Freeze Order has been revoked

- (ii) to the Commission the administrative penalty and costs set out in paragraph 21 above;
 - (c) comply with the requirements of Saskatchewan securities laws; and
 - (d) if trading in a security pursuant to an exemption from Saskatchewan securities law, to comply with all of the terms of the exemption.
23. Mitchell agrees to pay to the Commission an administrative penalty of \$2,500.
24. Mitchell undertakes to ensure that any company of which he is a promoter:
- (a) complies with Saskatchewan securities laws;
 - (b) if trading in a security pursuant to an exemption from Saskatchewan securities law, to comply with all of the terms of the exemption
25. Shoeman agrees to pay an administrative penalty of \$2,500.
26. Shoeman consents to an order in the form attached whereby:
- (a) the exemptions in Saskatchewan securities laws do not apply to him;
 - (b) he cease trading in securities and exchange contracts;
 - (c) he cease giving advice respecting securities, trades and exchange contracts;
- unless he is registered under the Act as an exempt market dealer or a representative of an exempt market dealer.
27. Shoeman agrees to not apply for registration for a period of 6 months from the date of this agreement.
28. The Respondents agree to waive any right to a hearing or appeal with respect to this matter; and
29. The Respondents agree to dispose of this proceeding by agreement without a hearing pursuant to section 135.3 of the Act.

Directors' Undertaking

30. The Director undertakes to revoke the Temporary Cease Trade Order and to apply to the Court of Queen's Bench for a revocation of the Freeze Order immediately after:
- (a) this Settlement Agreement is executed by the Respondents;
 - (b) the Mitchell and Shoeman have paid the administrative penalties and costs set out above;

31. The Director will not initiate any further proceedings against the Respondents under Saskatchewan securities law in respect of any conduct of the Respondents in relation to the facts set out in this Settlement Agreement.

Disclosure of Settlement Agreement

32. The terms of this Settlement Agreement shall be treated as confidential by all parties until signed by all parties except with the consent of both the Respondents and the Director or as required by law.

33. Any obligations of confidentiality shall terminate upon execution of this Settlement Agreement.

Execution of Settlement Agreement

34. This Settlement Agreement may be signed in one or more counterparts, which together shall constitute a binding agreement.

35. A facsimile copy of any signature shall be effective as an original signature.

Dated: September 27, 2010.

Pure Water Box Corp.

Per: 

Ryan Mitchell, President
Print name and title of person signing

Dated: September 27, 2010.

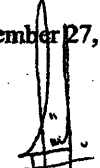
Pure Water Box Canada Capital Corp.

Per: 

Ryan Mitchell, President
Print name and title of person signing

Dated: September 27, 2010.

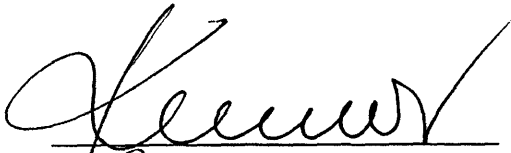
Witness




Ryan Mitchell

Dated: September 27, 2010.

Witness *Anaglica Martinez Acosta*

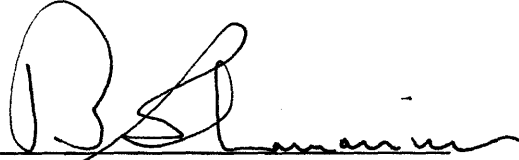


October
Dated: ~~September~~ 5, 2010.

Witness



Randy Shoeman



Barbara Shourounis
Director, Securities Division
Saskatchewan Financial Services Commission

Schedule D

**In the Matter of
*The Securities Act, 1988, S.S. 1988, C. S-42.2***

AND

**In the Matter of
Pure Water Box Corp.
Pure Water Box Canada Capital Corp.
Ryan Mitchell
Randy Shoeman**

Order

WHEREAS Pure Water Box Corp., Pure Water Box Canada Capital Corp., Ryan Mitchell and Randy Shoeman (the Respondents) and the Director (the Director) of the Securities Division of the Saskatchewan Financial Services Commission (the "Commission") have entered into a settlement agreement (the Settlement Agreement) dated September , 2010, the original of which is attached hereto as Appendix "A";

AND WHEREAS an application has been received by the Director from the staff of the Commission for an order (the Order):

1. Pursuant to section 134 of *The Securities Act, 1988, SS 1988, c. S-42.2* (the "Act") that:
 - (a) the exemptions in Saskatchewan securities laws do not apply to Randy Shoeman;
 - (b) Randy Shoeman cease trading in securities and exchange contracts;
 - (c) Randy Shoeman cease giving advice respecting securities, trades and exchange contracts;

unless he is registered under the Act as an exempt market dealer or a representative of an exempt market dealer.

AND WHEREAS Randy Shoeman has waived any right to a hearing or appeal and has consented to the issuance of this Order;

AND WHEREAS the Director is of the opinion that it is in the public interest to make this Order;

THE DIRECTOR HEREBY ORDERS pursuant to section 134 of the Act that:

- (a) the exemptions in Saskatchewan securities laws do not apply to Randy Shoeman;**
- (b) Randy Shoeman cease trading in securities and exchange contracts;**
- (c) Randy Shoeman cease giving advice respecting securities, trades and exchange contracts;**

unless he is registered under the Act as an exempt market dealer or a representative of an exempt market dealer.

DATED at Regina, Saskatchewan, on September , 2010.

**Director, Securities Division
Saskatchewan Financial Services Commission**

AFFIDAVIT OF EXECUTION

I, Ryan E Mitchell, of MARKHAM, in the Province of Ontario:

MAKE OATH AND SAY THAT:

1. I was personally present and did see Ryan Mitchell named in the within Settlement Agreement, who is personally known to me to be the person named herein, duly sign and execute the same for the purposes named therein;
2. The same was executed at MARKHAM, in the Province of Ontario, on the 28 day September, 2010 and that I am the subscribing witness thereto;
3. I know the said Ryan Mitchell and he is, in my belief, 18 years of age or more.

SWORN before me at the town of Markham
in the Province of Ontario this 28th day of)
September, 2010)

Alida Tari
A Notary Public in and for the Province of Ontario
Being a Solicitor.

Alida Tari
Deputy Clerk
a Commissioner, etc.
Regional Municipality of York, for the
Corporation of the Town of Markham.


AFFIDAVIT OF EXECUTION

I, Randy Shoeman, of Regina, Sask., in the
Province of Saskatchewan:

MAKE OATH AND SAY THAT:

4. I was personally present and did see Randy Shoeman named in the within Settlement Agreement, who is personally known to me to be the person named herein, duly sign and execute the same for the purposes named therein;
5. The same was executed at Regina, in the Province of Saskatchewan, on the 27th day of September, 2010 and that I am the subscribing witness thereto;
6. I know the said Randy Shoeman and he is, in my belief, 18 years of age or more.

SWORN before me Regina)
in the Province of Saskatchewan this 27th day of)
September, 2010)


A Notary Public in and for the Province of Saskatchewan
Being a Solicitor.


Randy Shoeman

AFFIDAVIT OF EXECUTION

I, Dean Murrison, of Regina, in the
Province of Saskatchewan:

MAKE OATH AND SAY THAT:

7. I was personally present and did see Barbara Shourounis named in the within Settlement Agreement, who is personally known to me to be the person named herein, duly sign and execute the same for the purposes named therein;
8. The same was executed at Regina, in the Province of Saskatchewan, on the 5 day of October, 2010 and that I am the subscribing witness thereto;
9. I know the said Barbara Shourounis and she is, in my belief, 18 years of age or more.

SWORN before me at Regina)
in the Province of Saskatchewan this 7 day of)
October, 2010)

S.M. Elaud

[Signature]

Commission of Notary Public in and for the Province of Saskatchewan
Being a Solicitor. My appointment expires Sept 30, 2011. ✓ S.E.


AFFIDAVIT OF EXECUTION

I, Kevin Mellor, of Regina, in the Province of Saskatchewan:

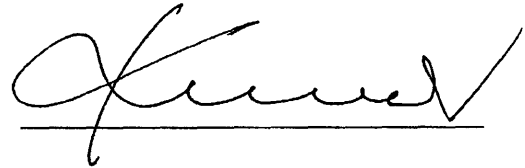
MAKE OATH AND SAY THAT:

4. I was personally present and did see Randy Shoeman named in the within Settlement Agreement, who is personally known to me to be the person named herein, duly sign and execute the same for the purposes named therein;
5. The same was executed at Regina, in the Province of Saskatchewan, on the 27th day of September, 2010 and that I am the subscribing witness thereto;
6. I know the said Randy Shoeman and he is, in my belief, 18 years of age or more.

SWORN before me Regina)
in the Province of Saskatchewan this 27th day of)
September, 2010)



A Commissioner of Oaths in and for the Province of Saskatchewan.



My commission expires:
March 31, 2012