

OFFERING MEMORANDUM
Peace Summit Technologies (VCC) Inc.

1700-1185 West Georgia Street

Vancouver, BC V6E 4E6

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(the *Issuer*)

**OFFERING: 1 MILLION VOTING COMMON SHARES WITHOUT PAR VALUE
AT 70 CENTS PER SHARE**

LISTING/REPORTING STATUS:

Currently Listed on: These securities do not trade on
any exchange or market.

SEDAR filer: No.

Reporting Issuer: No.

THE OFFERING:

Securities Offered: up to 1 million common Shares.

Price per Security: 70 Canadian cents per share.

Minimum/Maximum Offering The Maximum Offering is 1 million Shares (\$700,000). The Issuer reserves the right to decrease the number of Shares offered. There is no minimum offering; you may be the only purchaser.

Payment Terms: Payment to be made in full to “**Peace Summit Technologies (VCC) Inc.**”, by certified cheque or money-order or other form of guaranteed funds, concurrently with the delivery of a duly executed and completed Subscription Agreement. See Item 5, entitled “Securities Offered”, below.

Tax Consequences: There are important tax consequences to these securities. See Item 6, entitled “Income Tax Consequences and RRSP Eligibility”, below.

Proposed Closing Dates: One or more dates not later than March 1, 2016 as may be determined by the Issuer.

Selling Agent: See Item 7, entitled “Compensation Paid to Sellers and Finders”, below.

RESALE RESTRICTIONS

You will be restricted from selling your securities for 4 months and a day. See Item 10, entitled “Resale Restrictions”, below.

PURCHASER’S RIGHTS

You have 2 business days to cancel your agreement to purchase these securities. If there is a misrepresentation in this Offering Memorandum, you have the right to sue either for damages or to cancel the agreement. See Item 11, entitled “Purchaser’s Rights”, below.

No securities regulatory authority has assessed the merits of these securities or reviewed this Offering Memorandum. Any representation to the contrary is an offence. This is a risky investment. See Item 8, entitled “Risk Factors”, below.

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GLOSSARY OF TERMS

In this Offering Memorandum, the following meanings are attached to certain words and expressions, which may be unfamiliar:

Accountants refers to Friesen Pankratz and Associates, Certified General Accountants, Abbotsford, British Columbia;

Additional Closing refers to the date on which any additional closings of the purchase and sale of the Shares are held after the Initial Closing;

Administrator refers to an administrator as defined under the *Canadian Income Tax Act* in respect of an RRSP;

Associates refers, where used to indicate a relationship with any person, to “associate” as defined in the *Securities Act*, and includes anyone who does not deal at arm’s length, with such person, as defined in the *Canadian Income Tax Act*;

BC Income Tax Act refers to the British Columbia *Income Tax Act*, R.S.B.C. 1996, c. 215, and any regulations and amendments thereto;

Business Corporations Act refers to the British Columbia *Business Corporations Act*, S.B.C. 2002 c. 57, and any regulations or amendments thereto;

Canadian Income Tax Act refers to the Canadian *Income Tax Act*, R.S.C. 1985, c. 1 (5th Suppl.) and any regulations or amendments thereto;

CRA refers to the Canada Revenue Agency, formerly Canada Customs and Revenue Agency, formerly Revenue Canada;

Class A iCan Share refers to a Class A voting common share of iCan with one vote per share in the capital of iCan. The shares in this class were subdivided by 2.5 on 16 September 2010;

Class B iCan Share refers to a Class B voting common share of iCan with one vote per share that entitles the holder to participate in dividends, cash distributions and upon the dissolution or windup of iCan. The shares in this class were subdivided by 2.5 on 16 September 2010;

Company Act refers to the British Columbia *Company Act*, R.S.B.C. 1996, c. 62, and any regulations or amendments thereto;

Closing Date refers to the date upon which all conditions of a closing have been satisfied, up to and March 1, 2016, or any date or dates upon which Subscriptions are accepted as the Issuer may determine in its sole discretion;

EBC refers to a business registered as an “eligible business corporation” pursuant to section 2 of the *SBVC Act*;

EEOC refers to the US Equal Employment Opportunity Commission;

Eligible Investor refers to a person, including an individual who is at least 19 years of age, a corporation, partnership or trust, resident in British Columbia at the time of entering into a Subscription Agreement;

Equity Capital Program refers to the incentive program as set out in the *SBVC Act* and delivered by the government of British Columbia;

Firstbase is a firm that specializes in market studies. Firstbase has offices in Abbotsford, Vancouver and Calgary and a website at www.firstbase.ca.

iCan refers to iCan Systems Inc., a company incorporated under the laws of the Province of British Columbia, and its associated organizations;

iCan's Patent refers to iCan's original US patent 5495412 dated 27 February 1996, in respect of a process and apparatus that includes a Neutral Site, preference analysis and optimization algorithms that generate improved solutions for negotiators;

Infinity refers to Smartsettle Infinity;

Initial Closing refers to the first date of the closing of the purchase and sale of all or part of the Offering;

Issuer refers to Peace Summit Technologies (VCC) Inc., a company incorporated under the laws of the Province of British Columbia and registered under the *SBVC Act*;

MART refers to the Market Assessment of Research and Technology program administered by the Science Council of British Columbia;

Maximum Offering refers to the offering of a maximum of 1 million Shares, for a total Subscription Amount of \$700,000, pursuant to this Offering Memorandum;

MML refers to MML Materials Management Limited, a company registered in British Columbia;

Neutral Site refers to a secure, encrypted, Internet-accessible site, used to facilitate multivariate, multilateral, synchronous or asynchronous (dispersed network) negotiations, which is the subject of iCan's original Patent;

NRC refers to the National Research Council of Canada;

ODR refers to "online dispute resolution";

Offering refers to the offering by the Issuer of up to a maximum of 1 million Shares pursuant to this Offering Memorandum;

Offering Expenses refers to the legal, accounting and issue costs of the Offering;

Offering Memorandum refers to this offering memorandum, including any amendment hereto or thereto;

One Accord refers to Smartsettle, as it was previously called;

Product refers to the Smartsettle decision and negotiation support system developed by iCan as an implementation of iCan's original Patent together with such other enhancements or new products that may in the future be developed by iCan. Smartsettle Products were known as One Accord products until September 2000;

PwC refers to PricewaterhouseCoopers in Canada;

Risk Acknowledgement Form refers to Form 45-106F4 as prescribed by the *Securities Act* and also attached to this Offering Memorandum as part of Schedule A, Appendix II Risk Acknowledgement Form (Form 45-106F4).

RRSP refers to a retirement savings plan registered pursuant to the *Canadian Income Tax Act*;

Rules refers to BC Regulation 194/97, as amended from time-to-time, made pursuant to the *Securities Act*;

Securities Act refers to the British Columbia *Securities Act*, R.S.B.C. 1996, c. 418, and any regulations or amendments thereto;

SEDAR refers to the System for Electronic Document Analysis and Retrieval;

Share refers to a voting common share without par value in the capital of the Issuer.;

Shareholder refers to any Subscriber for a Share, or a whole multiple thereof, whose subscription is accepted by the Issuer and any individual, corporation or other entity who acquires any one or more Shares on a subsequent transfer from a Shareholder;

Smartsettle refers to iCan's Product;

Smartsettle One refers to the edition of Smartsettle that is optimized for single-issue negotiations;

Smartsettle Infinity refers to the edition of Smartsettle that is designed for the most comprehensive multivariate multiparty cases;

SRED refers to research and development that qualifies for tax credits under the Canadian federal government incentive program to encourage the development and advancement of Canadian technologies. The program offers tax incentives in the form of refundable and non-refundable tax credits ranging from 20% to 35% on qualified expenditures;

SSHRC refers to the Social Sciences and Humanities Research Council of Canada;

Subscriber refers to a subscriber for Shares, pursuant to this Offering Memorandum;

Subscription Agreement refers to the subscription agreement, which is attached to this Offering Memorandum as SCHEDULE A, pursuant to which a Subscriber may agree to purchase Shares, having also completed a VCC Share Purchase Report and a Risk Acknowledgement Form;

Subscription Amount refers to the aggregate value of the Offering and, in the event that all Shares offered are subscribed, that amount shall be \$700,000;

Subscription Documents refers to the Subscription Agreement, VCC Share Purchase Report, Risk Acknowledgement Form and a cheque for the Subscription Price;

Subscription Price refers, with respect to any Subscription, to the amount that is the product of the number of Shares subscribed and the applicable price per Share;

US or USA refers to the United States or United States of America, respectively;

VCC refers to a special holding company known as a “venture capital corporation” and registered pursuant to section 3 of the *SBVC Act*;

SBVC Act refers to the British Columbia *Small Business Venture Capital Act*, R.S.B.C. 1996 c. 429, and any regulations and amendments thereto;

VCC Share Purchase Report refers to Schedule E of this Offering Memorandum and is the form prescribed under the *SBVC Act* as the application for the VCC Tax Credit;

VCC Tax Credit refers to a British Columbia provincial venture capital tax credit under the *SBVC Act*; and

\$ refers to Canadian dollars.

Item 1 Use of Net Proceeds

1.1 Net Proceeds

	Assuming minimum offering	Assuming Maximum Offering
A Amount to be raised by this offering	\$0	\$700,000
B Selling commissions and fees	\$0	\$70,000
C Estimated offering costs (<i>e.g.</i> legal, accounting, audit).	\$10,000	\$30,000
D Net proceeds: $D = A - (B + C)$	<u>\$(10,000)</u>	<u>\$600,000</u>

The Issuer might not engage any agent in respect of the Offering, in which case the “Selling commissions and fees” would be reduced, and the “Net proceeds” increased, accordingly.

1.2 Use of Net Proceeds

Description of Issuer’s intended use of net proceeds listed in order of priority	Assuming minimum offering	Assuming Maximum Offering
At least 420,000 Class B iCan shares	<u>\$0</u>	<u>\$600,000</u>

Description of iCan’s intended use of iCan share proceeds in order of priority	Assuming minimum offering	Assuming Maximum Offering
Capital Expenditures	\$0	\$20,000
Working Capital	\$0	\$90,000
Administration & Professional Fees	\$0	\$60,000
Research & Development	\$0	\$100,000
Production	\$0	\$30,000
Pilot Projects	\$0	\$200,000
Sales & Marketing	<u>\$0</u>	<u>\$100,000</u>
TOTAL	<u>\$0</u>	<u>\$600,000</u>

If less than the Maximum Offering is raised, iCan will likely spend less in some categories.

Pursuant to the terms of this Offering, the Issuer will raise up to \$700,000 through the issuance of Shares. Up to \$100,000 will be paid as Offering Expenses (assuming an average commission rate of 10% and other administrative expenses around 5%) resulting in net proceeds of at least \$600,000. It should be noted that pursuant to the *SBVC Act*, the Issuer may

not expend more than 20% of its issued capital for administrative expenses (including commissions, legal and accounting expenses); for the purpose of this calculation, monies expended by iCan for administrative expenses on behalf of the Issuer are to be included.

The Issuer will use the net proceeds of the Offering to invest in Class B iCan Shares. The cost per Class B iCan Share shall be equal to the most recent cost of an Issuer share. A maximum subscription would result in the purchase by the Issuer of at least 1,000,000 Class B iCan Shares. iCan will use the net proceeds for the purposes of financing capital expenditures, providing working capital and in carrying out its business. In particular, iCan will use subscription proceeds to develop, produce, market, distribute and sell its Products.

The proceeds of this Offering will primarily be used to fuel current activities in order to keep the momentum going.

Until required for the Issuer's purposes, the proceeds from this Offering will be invested only in securities of, or those guaranteed by, the Government of Canada or any Province of Canada, or in certificates of deposit or interest-bearing accounts of Canadian chartered banks or trust companies. Any interest accrued on subscription funds will be solely for the account of the Issuer.

1.3 Reallocation

iCan intends to spend the net proceeds as stated. iCan will reallocate funds only for sound business reasons.

1.4 Working Capital Deficiency

The Issuer and iCan together currently project a working capital deficiency of about \$90,000 during the next twelve months, which will be eliminated if the Issuer is successful in raising the net proceeds as allocated in Item 1.2 above.

Item 2 Business

2.1 Structure

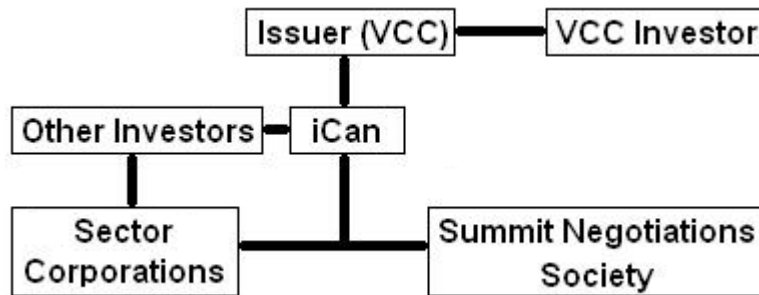
The Issuer was incorporated under the *Company Act*, on 21 July 1995 and continued under the *Business Corporations Act* on 08 November 2004. On 04 August 1995 the Issuer was registered as a VCC, pursuant to the *SBVC Act*.

The Issuer has already raised \$2,970,502.60, including \$108,500.00 raised to date in 2015, in equity capital through previous authorization under the Equity Capital Program (see details in Section 5.2 (Prior Sales – Issuer)). The Issuer has raised this under authorization to raise \$1,500,000 effective July 3 for the 2014 program year, which ends on March 1, 2015. This authorization may be suspended at any time with limited notice if the tax credit limit for the Equity Capital Program is reached before the end of the program year. If suspended, further investment in the VCC will not qualify for tax credits.

The Issuer is not a reporting issuer within the meaning of the *Securities Act*.

Following success with pilot projects, iCan plans to market Smartsettle rights to major players in various negotiation sectors. iCan has begun this strategy by having granted licensing rights to the Family sector to Smartsettle Family Resolutions Inc.

In order to build stronger confidence in the market, iCan will remain focused on protecting and developing its intellectual property; keeping its Products competitive by responding to market demand for enhancements and new features. iCan is partnering with Summit Negotiations Society, which has purposed to enhance the negotiation capacity of disadvantaged groups such as the Aboriginal Peoples of Canada. We expect Summit Negotiations Society to be able to pioneer new applications for Smartsettle. This should guide iCan in developing new applications and expand the market potential of Smartsettle Inc. Coupled with intense marketing, this strategy has the potential to produce a Product that would dominate other decision support systems, wherever offered.



2.2 Our Business

The Issuer is a private British Columbia company incorporated solely for the purpose of making equity investments in iCan for the purpose of developing and commercialising a negotiation system based on the implementation of iCan's original Patent. Information in the Offering Memorandum relating to iCan was produced to the Issuer by iCan, and the Issuer has relied upon the representations of iCan regarding its business and affairs.

2.3 iCan's Business

iCan was incorporated on 26 April 1993 pursuant to the *Company Act* and continued under the *Business Corporations Act* on 18 October 2004. The head office of iCan is located at 32182 Astoria Crescent, Abbotsford, BC V2T 4P5. The registered and records office of iCan is located at 1700-1185 West Georgia Street, Vancouver, BC V6E 4E6.

(a) Overview

Following a concentrated period of research and development, iCan is launching a generic negotiation system, presently called Smartsettle. Smartsettle is an online decision support system that accelerates the negotiation process while enabling multiple parties to resolve any type of problem, whether simple, or complex and dynamic. It is designed for negotiators and intervenors. An introduction to Smartsettle is available at www.smartsettle.com.

In the longer term, iCan sees its core business as development of a negotiation engine that can be applied to any negotiation, big or small, simple or complex. iCan expects to spend several million dollars on further research and development and the launch of Smartsettle in various market segments over the next few years.

Smartsettle supports both synchronous (face-to-face) and asynchronous (dispersed network) negotiations, managing confidential information through the Neutral Site. Optimization and the networking technology at the core of Smartsettle is a tool that can confidentially elicit preferences and generate solutions for any number of decision-makers with access to the worldwide web.

Conventional negotiation is often adversarial, with emphasis placed on the different positions of each party. Principled negotiation focuses on the underlying interests and preferences of negotiating parties. Without the power of a computer, negotiations generally deal with only one issue at a time, whereas Smartsettle can generate solutions for complex problems by resolving multiple issues simultaneously. Smartsettle is designed to help negotiating parties resolve complex negotiation problems in less time and with less frustration than conventional negotiating methods.

In complex cases, Smartsettle requires parties first to work together to describe their problem in terms of a written *Agreement Framework*. Smartsettle then requires parties to summarize the case in terms of the unresolved issues and define their preferences relative to those issues. Smartsettle manages preference information at the Neutral Site and keeps that information confidential. The added confidentiality combined with the process of establishing party preferences, encourages parties to reveal their preferences more willingly and precisely. Smartsettle is designed to provide parties with solutions that are both equitable (fair to everyone), and efficient (no value left on the table).

Cornell University studies published in 1993 showed a potential direct financial benefit of about 16% of the assigned negotiating range values to each party involved in conflicts similar to those studied. Similar results have been obtained since then with real-life data. Smartsettle is currently available for evaluation purposes through the International eNegotiation Exhibition at www.enegotiation.org, in which one of the objectives is to determine the advantage of analytical support to negotiations.

Smartsettle has five main Product categories as shown in the following table. Smartsettle One is a webapp optimized for single-issue cases, while the other four editions are part of the Infinity series.

Decision Support System	Functionality	Target Customers
Smartsettle One	Single Issue Support	Simple Cases
Smartsettle Decider	Single Party Support	Individuals
Smartsettle Observer	Negotiation Process Support	Casual Negotiators
Smartsettle Negotiator	Multi-party Support	Professional Negotiators
Smartsettle Pro	Full-featured Multi-case	Facilitators

In development is another product that will replace Smartsettle One with a multivariate webapp. The aim is a product that will be accessible on the Internet from any platform, as simple to use as Smartsettle One and more powerful than Smartsettle Infinity.

iCan will offer organizations the services of Smartsettle facilitators or provide them with training for their own in-house facilitators. All users of multi-party versions will have access to the Neutral Site, which will provide convenient secure networking for multi-party negotiations. iCan plans to automate certain Smartsettle functions in high-volume markets where the problem model is very similar from case to case. In these situations, the *Agreement Framework* will be created automatically based on input from the parties.

(b) Process for Complex Negotiations

There are several phases in the process for complex negotiations for which Smartsettle Infinity is designed. In practice, these phases will overlap and an iterative process will bring parties back to an earlier phase as often as necessary to define the parameters with sufficient precision to produce a mutually satisfactory outcome.

(i) Qualifying Interests

Once parties have agreed on the process and the rules, the first step is to develop an *Agreement Framework*. This can be thought of as an early draft of the final agreement, with blanks representing choices to be made on unresolved issues. How these choices are represented in the form depends on whether the issues are quantitative or qualitative. Ideally each blank in the Agreement Framework will be associated with a negotiating range before the parties exchange their first formal packaged proposals.

A quantitative issue is one that is measured with numbers such as price or size, whereas a qualitative issue is defined in terms of worded options. A facilitator may meet with parties to help express interests, identify issues and formulate the *Agreement Framework*.

To prevent Smartsettle from generating infeasible solutions, parties may also agree on constraints specified in terms of mathematical expressions that describe certain relationships between the issues that must be obeyed.

(ii) Quantify Satisfaction

To enable Smartsettle to generate solutions, it must be trained with the preferences of all parties to the negotiation. The quality of the solution depends on the extent to which these preferences are accurately and completely input. There are multiple ways in which to input preferences defining satisfaction with the Smartsettle interface. *Satisfaction Graphs* produce a detailed representation of how satisfied a party should become given different outcomes for a particular issue.

The relative importance of issues is determined by tradeoffs. One way of easily defining tradeoffs is by using a simple procedure that identifies *Even Swaps* between pairs of issues. This method defines a number of potential solutions that are quite different in terms of decision values for particular issues, but still yield the same degree of satisfaction for the party. Smartsettle uses this information to formulate composite *Satisfaction Functions* that relate all issues to each other. Parties may specify varying levels of confidence in their entered information so

that Smartsettle can deal with contradictory information to yield a more accurate representation of party interests.

(iii) **Establish Equity**

The objective of this phase is to reach a *Baseline* agreement. Parties are encouraged to start with initial proposals with which they are prepared to be flexible. If initial bargaining ranges are too wide, parties may follow up with concessions on the basis of objective criteria. Parties may also consider Smartsettle *Suggestions*. In a process called Visual Blind Bidding, parties may place a secret acceptance on any package that they would be prepared to sign. Parties reach agreement at the end of a session if there is at least one mutually accepted package at the end of that session. If parties are close enough, Smartsettle can solve an impasse by generating a package with equivalent satisfaction to other packages identified as acceptable.

(iv) **Maximize Benefits**

Having first established equity with a *Baseline* agreement, parties have effectively set a reference point for determining how benefits are to be divided. At that point, Smartsettle may be directed to look for improvements that maximize mutual benefits for all parties in the negotiation.

(c) **Services**

(i) **Neutral Site Access**

iCan maintains the Neutral Site to facilitate convenient and secure negotiations over the Internet. Multiple parties can negotiate with each other from anywhere in the world. A powerful computer at the Neutral Site improves solution times and provides the capacity to deal with large cases.

(ii) **Security**

Transmission security for Smartsettle Infinity cases is derived with 168-bit encryption. Additional security can be provided for sensitive negotiations with a dedicated Neutral Site.

(iii) **Training**

Smartsettle training seminars are available for professional development and for credit toward becoming a Certified Smartsettle Facilitator. Organizations may also arrange for training customized to suit particular applications. User support is extremely important to iCan's corporate strategy.

(iv) **Consulting to Negotiating Parties**

If parties need help defining their specific problem or describing their preferences or if a party is unsure as to how to formulate constraints for a complex interdependency, facilitators and consultants will be available to help.

(v) **Facilitation**

Smartsettle facilitators are available to support parties using Smartsettle. Parties may cooperate with a single facilitator or each party may hire a separate facilitator.

(d) **Intellectual Property**

Computer software development is a labour intensive, knowledge-based business that creates intellectual property rather than tangible assets as a base asset. In 1996 iCan received a Patent for its Neutral Site, protecting the technology within the United States and giving iCan seventeen years within which to implement the invention. Copyright and trademarks protect the slogan “Beyond Win-Win” and, in Canada, the Smartsettle product name.

Smartsettle’s Neutral Site embodies trade secrets that remain under iCan control, thereby providing additional Product security for the investor. If the market requires it, the Neutral Site functionality may later be distributed among other trusted and uninvolved neutral third parties. iCan envisions a wide distribution of licenses for client versions of the software for which the Neutral Site technology provides automatic and secure communication with other parties, wherever they might be located on the Internet.

If Smartsettle becomes a widely recognized Internet application, the potential applications of iCan’s technology will also grow as will income from licensing for particular applications. Sale of the rights for use in other purposes has been discussed and declined, for the time being.

(e) **Operations**

iCan’s research and development operations take place in a virtual private office on the Internet. Workers are physically dispersed in offices located in private homes within the Lower Mainland of British Columbia. The company is now seeking additional funding to supplement sales revenue to enable an increase in the number of employees reporting to work in British Columbia to about a dozen full-time within one year. iCan will need permanent physical office premises and more equipment to accommodate this anticipated growth. iCan will acquire those facilities when necessary as funding allows.

(f) **Pilot Projects and Product launch**

iCan is in the process of launching a multi-issue, multi-party system with preference analysis, optimization and process controls. iCan is unaware of any product that meets or exceeds its capacity. Basic features are in place for immediate application to most kinds of disputes and iCan intends to focus continuing development activities on building a system that will adapt to the type of case and level of complexity. The simplest mode will handle smaller cases with its proprietary Visual Blind Bidding system and more advanced modes will handle cases with greater levels of complexity.

Early prototype demonstrations began in 2000 with the EEOC for employer-employee disputes. In 2002 iCan worked with MML (previously a subsidiary of PwC) to successfully demonstrate the application of Smartsettle to supply agreements. In 2006

a Family Conflict pilot project was conducted in the Abbotsford in cooperation with Community Futures South Fraser Development Corporation (CFDC)

iCan now owns and operates the International eNegotiation Exhibition, which began as part of a multi-year SSHRC research project. iCan is using the results of this research to commercialize the exhibition and charge fees paid by participants.

iCan plans to respond to interest from potential users in various markets with simpler cases (e.g., insurance, eCommerce, property value assessment, financial debt, residential tenancy, real estate). iCan is anticipating interest from the government in BC. iCan is also working with partners to introduce Smartsettle to markets in California and in India and in China.

(g) Marketing

iCan plans to distribute Smartsettle by various means, such as joint ventures, strategic alliances, franchises, service contracts, user licenses and site licensing in which bulk sales will be made at volume prices. Initially a high commission incentive may be required to develop sales.

(i) Early promotion

iCan has presented Smartsettle at several international conferences on Alternative Dispute Resolution as a Product that works in both stand-alone and network environments. Dr. Thiessen has been an invited speaker at most of the Annual International Forums on Online Dispute Resolution since they began in 2003. Most of these have also been sponsored by the United Nations. In Feb of 2010, Dr. Thiessen was an instructor in a Water Conflict Management course for UNESCO.

iCan markets a Smartsettle facilitator-training program, which is delivered in both online and offline formats. iCan has begun issuing certificates to its graduates.

Indirectly, by virtue of the original Cornell University research, there have been contacts with several other universities including Harvard University, University of Massachusetts, University of Ottawa, New York University, and Concordia University. Preliminary market activities have generated interest from law firms, ADR firms and a management-consulting firm with offices and clients worldwide. A Google[®] Internet search on the term “smartsettle” returns the Smartsettle web site as the first of more than ten thousand hits and virtually all of these put Smartsettle in a very positive light. This number of hits has doubled since 2013.

In their 2001 book about resolving conflicts in cyberspace, *Online Dispute Resolution*, at page 58 Ethan Katsh and Janet Rifkin describe Smartsettle as “a sophisticated negotiation system that guarantees better solutions than parties could reach themselves” and one of four “interesting, active, and ambitious” emerging ODR institutions.

A multi-year eNegotiation research project with several universities evolved into the International eNegotiation Exhibition, which iCan is now using as a testing platform, mostly with university students.

(ii) **Markets and Strategy**

The market for Smartsettle is comprised of any negotiation situation that involves multiple decision makers with conflicting objectives. Within that market, the market segment Smartsettle anticipates targeting initially encompasses those who are already providing mediation or facilitation services. This would include such professionals as lawyers, accountants, insurance adjusters, real estate agents, negotiators, facilitators, mediators, arbitrators, policy analysts and politicians.

After gaining some experience in the domestic market (e.g., helping estranged couples negotiate separation agreements) with the Centre for Family Resolutions, iCan turned that business over to Smartsettle Family Resolutions Inc. (SFR) (iCan's first spinoff) in 2012. SFR is starting to generate revenue doing Family cases and raising its own funding.

Initial work in the domestic market is serving as a training ground for facilitators, from which iCan anticipates moving towards more vertical markets where it could sell in bulk. Such vertical markets may include management-consulting firms, dispute warehouses such as the EEOC, insurance companies, and financial institutions, and other large public and private sector corporations and institutions, such as members of the Fortune 500 group, which have the internal human resources for specialized training. iCan anticipates that systems analysts, attorneys, lawyers, and accountants could be among the early adopters within these groups. Strategic marketing might expand over several years to include consulting assignments from large organizations; conducting training sessions, seminars and conferences; selling Product packages and operating licenses with training and on-going support; and providing expertise in corporate in-house systems development. Eventually, Smartsettle Products and services might spread out horizontally, accessible to the general population via the Internet.

Large organizations, such as financial institutions, government ministries, management-consulting firms, and insurance companies constitute another large market segment. Smartsettle could potentially be applied to many types of negotiations, including those related to labour-management collective bargaining, supply-chain procurement, insurance claims, mergers & acquisitions, securities transactions, brokerage transactions, real estate transactions, employment contracts and disputes, partnership negotiations, franchise negotiations, construction contracts, family mediation and domestic conflicts.

There are an estimated 70,000 labour-management agreements negotiated every year in North America. The potential to bring economies to this market segment and the existing Smartsettle support infrastructure for this segment should give labour-management negotiations the potential to adopt Smartsettle earlier than other market segments.

A related segment that iCan is targeting is that of workplace disputes. Accordingly, iCan has conducted pilot project simulations with the EEOC. In 2001 there were approximately 40,000 backlogged cases, with 100,000 new cases entering the system each year. According to Executive Risk Inc. of Simsbury, CT, which provides sexual-harassment lawsuit insurance and advice on avoiding such lawsuits, the average cost of defending against sexual-harassment charges is \$250,000 (Shela Turpin, "Preventing Sexual Harassment", *Warehousing Management*, 1 April 1998). Based on simulations with Smartsettle, iCan expects to be able to solve these types of cases online more quickly and at a lower cost than the present litigation system.

According to the *Wall Street Journal* (Ann Davis, "For Dueling Lawyers, Internet is Referee", 12 May 1999), the insurance industry is another warehouse of simple types of disputes. Insurance companies spend over \$50 billion dollars per year to settle claims. iCan believes that there is room to be more efficient settling these types of cases. Indeed, the insurance industry is one place where Smartsettle has faced competition. Several recent Online Dispute Resolution (ODR) start-ups are settling cases for about 1% to 2% of case value. The first of these companies, Cybersettle, online since August 1998, has processed over 75,000 claims worth about half a billion dollars (Cybersettle Press Release, 18 August 2003, www.cybersettle.com).

Companies like Cybersettle are using variations of a conventional two-party single-issue blind bidding system, wherein each party makes several proposals that are not shown to the other party. Such a procedure cannot be extended to more than one issue or more than two parties.

iCan has developed a negotiation process called Visual Blind Bidding. This process has been implemented with Smartsettle One and Smartsettle Infinity with a feature called Suggestion. Suggestion not only solves the problem of multivariate blind bidding but also actually simplifies the process for single issues. Rather than having the parties make proposals, Smartsettle does the proposing or suggesting itself and then lets parties indicate acceptance or rejection of any of these generated suggestions. A party's acceptance is not shown to any other party that hasn't also accepted a particular package. The advantage of this method is that parties can see exactly what the solution will be if other parties also agree. iCan believes that the Smartsettle system will prove superior to current blind bidding methods, even for single issues.

Independent research to resolve the multivariate negotiation problem suggests that the market for multivariate cases remains open. There is no research to indicate how inefficient a typical merger or acquisition might be and quantifying the potential benefits of Smartsettle in this market segment is complex because Smartsettle does more than simply save time. In complex negotiations, it actually helps negotiators produce agreements that are more valuable to all parties than they would have achieved otherwise. Smartsettle's added value is expected to be in proportion to the value of the agreement. As such, Smartsettle's largest markets

are expected to be in those fields where the agreements are most valuable, such as mergers and acquisitions or large supply agreements.

iCan plans to pursue various means of distribution for Smartsettle, *i.e.* joint venture, sector license sales, strategic alliances, franchises, service contracts, user licenses, site licensing in which bulk sales will be made at volume prices, *etc.* The key to successful sales in many of these areas will involve an initial high commission incentive to overcome resistance to innovation.

The timeline for pursuing the plans described in this section will begin immediately with the existing prototypes. How long it will take to penetrate all the markets mentioned will depend on the timing and level of funding.

2.4 Development of Business

(a) **Start-up development phase completed: \$9 million**

The start-up phase for Smartsettle's initial development has been funded, completed and tested by a proven prototype that was, according to a recent market survey, deemed acceptable by potential users. Two MART studies have been done. The first was by Powerpoint Investment Communications Inc., June 1998 and the second was completed by Firstbase in 2006. The development of the Product technology began in 1993, by its founder, with an initial first year investment of \$50,000. Approximately nine million dollars have been spent since then, as shown in the following table:

Start-up Investment (1993 to date)

Category	Investment (\$ millions)
Research & Development	\$8
Capital Investment	\$0.5
Marketing	\$0.5
TOTAL	\$9

Nearly half of the project development has been funded from private investor sources. Another major source has been government. Smartsettle has qualified for funding from the NRC and/or for SRED tax credits every year since 1994. Funding from these two Canadian Government sources has been more than two million dollars. Sales have totalled about one million dollars to date; most of this from Smartsettle Family Resolutions Inc. The remainder are loans and outstanding payables, mostly to the founders, payable when iCan is able.

(b) **Launch phase**

The VCC equity financing described in this Offering Memorandum will continue to be complemented with funds from other sources such as research and development grants, government assistance, loans, and sales revenues. Extrapolating from experience in past years, total funding required for launch activities is expected to be more than double the amount of VCC equity financing raised.

With proven working prototypes iCan is now seeking more profitable applications both for Smartsettle One and for Smartsettle Infinity. At the same time iCan is building a third application that hasn't been named yet. Smartsettle is being re-built from the ground up to be as easy to use as Smartsettle One and more powerful than Smartsettle Infinity. Possible names are Smartsettle Web or Smartsettle One+ and eventually Smartsettle One to Infinity.

2.5 Long Term Objectives

iCan's long term objectives are to:

- become profitable on a sustainable basis.
- collaborate with Summit Negotiations Society for Product development and testing.
- maintain a high quality ethical investment by developing, promoting, supplying and supporting a secure online decision support system that:
 - enables cooperation between parties with conflicting objectives;
 - accelerates and simplifies the decision-making process for negotiators and intervenors;
 - helps multiple parties achieve optimal solutions to complex and dynamic problems; and
 - establishes Smartsettle as a practical and useful peacemaking tool available to everyone, regardless of wealth or power.
- Sell sectors or the entire company or go public if necessary to provide returns to investors.

2.6 Short Term Objectives

(a) **Objectives, in approximate order of priority, for the next one to two years are to:**

- customize Smartsettle suitably for simple applications (e.g., small claims, insurance claim settlements, financial debt, landlord tenancy, real estate, eCommerce) and conduct one or more revenue generating pilot projects;
- continue development towards a multivariate, multilateral negotiation system with preference analysis, optimization and process controls that can be applied with ease to any type of case from the very simplest to the most complex;
- collaborate with Smartsettle Family Resolutions Inc. to continue launching Smartsettle in the Family sector;
- market Smartsettle to the education market and develop training capacity for certain markets;
- become a reliable customer of Summit Negotiations Society; and

- introduce Smartsettle to other markets (e.g., education, labour-management, supply agreements) and begin generating revenue from those markets.

(b) **Meeting the Short-term Objectives**

What iCan must do and how it will do it	Months to complete	Estimated cost (including overhead & marketing)
Raise capital from private investors and other sources.	6 months	\$25,000
Continue the development of Smartsettle One+* to the point of producing a minimum viable product that can be sold as a debt resolution application.	2 months	\$15,000
Launch Smartsettle One+ in the court system or as an alternative to the court system	6 months	\$40,000
Develop templates and infrastructure to customize Smartsettle One+ for other markets like insurance, financial debt, real estate, residential tenancy, or eCommerce, etc.	4 months	\$50,000
Market and start selling Smartsettle One for simple applications	3 months	\$30,000
Penetrate the education market by establishing a foothold with a prominent university.	4 months	\$40,000
Develop templates and infrastructure to customize Smartsettle Infinity for more complex applications in markets such as insurance, Family (supporting Smartsettle Family Resolutions Inc.), supply agreements, real estate, mergers & acquisitions, etc.	6 months	\$100,000
Launch Smartsettle Infinity in other markets.	6 months	\$700,000
Expand Smartsettle Infinity's platform compatibility.**	30 months	\$2,000,000
		<hr/>
		\$3,000,000

* Smartsettle One+ is just a code name for a new product being developed.

** This will likely be an extension of the Smartsettle One+ project

2.7 Insufficient Proceeds

The proceeds of the Offering will not be sufficient to accomplish all of iCan's proposed objectives. iCan will also need to obtain financing from other sources but there is no assurance that such additional or alternative financing will be available.

2.8 Material Agreements

Copies of the following agreements will, when executed, be available for inspection at the registered records office of the Issuer at 1700-1185 West Georgia Street, Vancouver, BC V6E 4E6, during normal business hours:

(a) **Material Agreements to which Issuer is currently a party**

The Issuer has not entered into any material contracts other than an agreement between the Issuer and iCan pursuant to which the Issuer has agreed to use the net subscription proceeds realized by it from sale of its Shares to subscribe to Class B iCan Shares at a price equal to the most recent cost of an Issuer share. The Issuer may also enter into an agency agreement for the purpose of raising the funds defined by this Offering.

(b) **Material Agreements with a related party**

The following summarizes the material agreements to which iCan is currently, or may be a party:

- (i) an employment agreement, updated 31 December 1996, between iCan and Ian Upright, President and a Director of the Issuer. This agreement includes a provision describing Ian Upright's proprietary rights to the "Nebulous" database used by Smartsettle.
- (ii) A licensing agreement with Smartsettle Family Resolutions Inc.(SFR) that grants SFR exclusive rights to the Family sector in exchange for licensing and royalty fees.

There are no other current leasing agreements or major Product licensing arrangements.

Item 3 Directors, Management, Promoters and Principal Holders

3.1 Compensation and Securities Held—Issuer

The names, municipalities of residence, offices held, during the past five years, and shareholdings of the directors of officers, promoters, and persons holding directly or indirectly, more than 10% of any class of the voting securities of the Issuer are:

Name and municipality of principal residence	Positions held and date of obtaining that position	Compensation paid by the Issuer (most recently completed financial year and anticipated in current financial year)	Number, type and percentage of securities of the Issuer held after completion of the minimum offering*	Number, type and percentage of securities of the Issuer held after completion of the Maximum Offering*
Ian Upright (Vancouver, BC)	Director, President, since 1995	Nil	2,082,000 Shares (13.4%)	2,082,000 Shares (12.6%)
Robert LaRoy (Sardis, BC)	Secretary-Treasurer since October, 2003	Nil	1,235,700 Shares (8.0%)	1,235,700 Shares (7.5%)

* assumes no Shares of the current Offering will be purchased by any individual listed here.

There are no existing or potential conflicts of interest among the Issuer, its directors, officers, principal security holders, promoter and any persons providing professional services to the Issuer that could reasonably be expected to affect the investment decision of a Subscriber.

3.2 Management Experience—Issuer

The following is a summary of the qualifications of the directors and senior officers of the Issuer over the past five years:

Name	Principal occupation and related experience
Robert W. LaRoy, R. Psych. (Secretary)	See section 3.5 below.
Ian Upright (President)	See section 3.5 below.

There are no existing or potential conflicts of interest among the Issuer, its directors, officers, principal security holders, promoter or any persons providing professional services to the Issuer that could reasonably be expected to affect the investment decision of a Subscriber.

3.3 Penalties, Sanctions and Bankruptcy—Issuer

(a) Penalties against directors

No director, senior officer or control person of the Issuer is subject to any penalty or sanction

No director, senior officer, or control person of the Issuer is, or within the ten years prior to the date of this Offering Memorandum, has been a director or senior officer of any other issuer that, while that person was acting in that capacity:

- (i) was the subject of a penalty or sanction imposed by a court or securities regulatory authority relating to trading in securities, promotion, formation or management of an issuer, or involving theft or fraud; or
- (ii) was declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that issuer.

(b) Bankruptcies of directors

No director, senior officer or control person of the Issuer has declared bankruptcy, made a voluntary assignment in bankruptcy or a proposal under any bankruptcy or insolvency legislation or any proceedings, arrangements or compromises with creditors or has appointed a receiver, receiver manager or trustee to hold assets during the last ten years.

3.4 Compensation and Securities Held—iCan

The names, municipalities of residence, offices held and shareholdings of the directors, officers, promoters, and persons holding directly or indirectly, more than 10% of any class of the voting securities of iCan are:

Name and municipality of principal residence	Positions held and date of obtaining that position	Compensation paid by iCan (most recently completed financial year and anticipated in current financial year)	Number, type and percentage of iCan Shares held after completion of the Minimum Offering	Number, type and percentage of iCan Shares held after completion of the Maximum Offering*
Ernest Thiessen (Abbotsford, BC)	Director, President, CEO & CTO since 1993	\$150,000	12,500,000 Class A 11,037,084 Class B (36%)	12,500,000 Class A 11,037,084 Class B (35%)
Evangeline Thiessen (Abbotsford, BC)	Director since 1993	Nil	12,500,000 Class A 11,037,084 Class B (36%)	12,500,000 Class A 11,037,084 Class B (35%)
Robert LaRoy (Sardis, BC)	Director since 1993 and Chairman since 2000	About 800,000 iCan Class B Shares for work done since 2000	988,618 Class B (1.5%)	988,618 Class B (1.4%)
Wayne Northey (Langley, BC)	Director since 1993	Nil	478,750 Class B (0.7%)	478,750 Class B (0.6%)
Ian Upright	Software Engineer since 1995, VP of Product Development since 2004	on leave	Nil	Nil
The Issuer	None	Nil	13,964,165 Class B (21%)	14,384,165 Class B (22%)

* This assumes all of the Offering is purchased by the Issuer. The Issuer currently holds 35% of the iCan Class B Shares. After completion of the Maximum Offering, the Issuer would hold about 36% of the iCan Class B Shares.

3.5 Management Experience—iCan

The following is a summary of the qualifications of the directors and senior officers of iCan over the past five years:

Name	Principal occupation and related experience
Ernest M. Thiessen, PEng, PhD (President, CEO, CTO, Inventor & Principal Founder)	<p>Prior to founding iCan Systems Inc., in 1993, Dr. Thiessen worked for 17 years as a consulting engineer and researcher in Canada and Nepal. He completed his doctoral dissertation in 1993 at the School of Civil and Environmental Engineering at Cornell. While at Cornell, Dr. Thiessen developed an efficient methodology called ICANS to solve complex negotiation problems. Dr. Thiessen continued the research, further perfecting the analytical methodology and working out details of the required graphical user interface. In 1996, a US patent was issued for his algorithms and computer configuration. Smartsettle is now using a methodology based on iCan's Patent. As President and CEO of iCan, Dr. Thiessen oversees the continuing development of Smartsettle and training of personnel for customer support.</p> <p>For a specific reference to Dr. Thiessen's contribution to the use and development of computer-aided mediation and conflict resolution, see Harvard University Professor Howard Raiffa's 1997 book <i>Lectures on Negotiation Analysis</i> published by PON Books.</p>

Wayne Northey
(Director & Co-Founder)

Mr. Northey has taught and practiced mediation since the late 1970s. He has also taken mediation training through the Fraser Region Community Justice Initiatives Association. He is author of several works in the field of Restorative Justice and has extensive experience as a board member of several organizations (*e.g.*, M2/W2 Association, Fraser Region Community Justice Initiatives Association, and Christian Conciliation Service). In his role as a director, he has acted as liaison in a number of mediation related programs. As a director on the iCan Board, Mr. Northey helps direct the corporate policies of the business.

Evangeline H. Thiessen, BEd
(Director & Co-Founder)

Mrs. Thiessen has worked in Canada, the USA, Japan and Nepal as a teacher since 1976. She currently teaches for School District #34 in Abbotsford. Her communication skills compliment her position as a Director, in corporate policy making.

Robert W. LaRoy, R. Psych.
(Chairman)

As a Registered Psychologist in British Columbia, Mr. LaRoy has worked as a Clinical Operations Manager for the Mental Health and Substance Use Program of the Fraser Health Authority in British Columbia since 2007. Mr. LaRoy also maintains a part-time private practice as a Registered Psychologist. Mr. LaRoy has been associated with the Smartsettle project for several years as an early investor. Mr. LaRoy is Chairman of the Board of iCan Systems Inc. Mr. LaRoy is now an active member of the Board of iCan and regularly contributes his business skills and experience to help shape the policies of the company. As Chairman, Mr. LaRoy provides leadership for the development and marketing of Smartsettle.

Ian Upright
(VP of Product Development & president of the Issuer)

Mr. Upright, an specialist in networking and object-oriented programming, has worked with iCan since 1994, heading up the design and implementation of a sophisticated negotiation system that successfully implemented the ICANS patent. Prior to working with iCan, Mr. Upright was employed as a Systems Development Consultant through his own firm, Astaria Digital Enterprises. He also worked several years as a programmer for a development company called Visual Knowledge conducting software research and development, and specializing in custom software applications and database development. Mr. Upright was a Technician/Salesman at GraphiComp Services Inc., where he had a variety of responsibilities, including installation and maintenance of hardware and software on both PC and Macintosh platforms, networking, custom database development, and desktop publishing.

There are no existing or potential conflicts of interest among iCan, its directors, officers, principal security holders, promoter or any persons providing professional services to iCan that could reasonably be expected to affect the investment decision of a Subscriber.

3.6 Penalties, Sanctions and Bankruptcy—iCan

(a) Penalties against directors

No director, senior officer or control person of iCan is subject to any penalty or sanction.

No director, senior officer, or control person of iCan is, or within the ten years prior to the date of this Offering Memorandum, has been a director or senior officer of any other issuer that, while that person was acting in that capacity:

- (i) was the subject of a penalty or sanction imposed by a court or securities regulatory authority relating to trading in securities, promotion, formation or management of an issuer, or involving theft or fraud; or
- (ii) was declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that issuer.

(b) Bankruptcies of directors

No director, senior officer or control person of iCan has declared bankruptcy, made a voluntary assignment in bankruptcy or a proposal under any bankruptcy or insolvency

legislation or any proceedings, arrangements or compromises with creditors or has appointed a receiver, receiver manager or trustee to hold assets during the last ten years.

Item 4 Capital Structure

4.1 Share Capital—Issuer

Pursuant to the terms of the Memorandum of Incorporation and Articles of Incorporation of the Issuer, the authorized capital of the Issuer consists of an unlimited number of common Shares without par value, which rank equally as to dividends, voting powers and the right to participate in the distribution of assets. At the date of this Offering Memorandum, 15,506,040 common Shares of the Issuer have been issued for an aggregate Subscription Price of \$2,970,502.60.

No Shares of the Issuer have pre-emptive or conversion rights or are the subject to a call, a put or other assessment. No provision has been made by the Issuer in any of its constating documents or in any other oral or written contract that would provide for the redemption, purchase for cancellation, or surrender of any of its Shares. There are no persons who are entitled to any special rights or priorities that differ from the rights of any other holder of the Shares.

Description of Security	Number authorized to be issued	Number outstanding as at date of this Offering Memorandum	Number outstanding after minimum offering	Number outstanding after Maximum Offering
Shares	unlimited	15,506,040 Shares	15,506,040 Shares	16,506,040 Shares

4.2 Long Term Debt—Issuer

The Issuer has no long term debts.

4.3 Prior Sales—Issuer

15,506,040 Shares of the Issuer have been previously issued for an aggregate of \$2,970,502.60. Of these, 542,500 Shares were issued to date in 2015 for \$108,500. 187,200 Shares were issued in 2014 for \$131,040, 123,700 Shares were issued in 2013 for \$86,590, 305,600 Shares were issued in 2012 for \$147,420, and 1,105,00 Shares were issued in 2011 for \$381,540. Shares issued during the previous twelve months are shown below.

Date of Issuance	Type of Security issued	Number of securities issued	Price per security	Total funds received
January 27, 2014	Common Shares	187,200	70 cents	\$131,040
February 3, 2015	Common Shares	542,500	20 cents	\$108,500

4.4 Share Capital—iCan

The authorized capital of iCan consists of an unlimited number of voting Class A iCan Shares without par value and without rights of participation, and an unlimited number of voting common Class B iCan Shares without par value, of which 25,000,000 Class A iCan Shares and 22,074,166 Class B iCan Shares have already been issued to Dr. Ernest Thiessen and his spouse Evangeline Thiessen and 16,668,032 Class B iCan Shares have been issued to other shareholders, including the iCan shareholders detailed above under Item 3, entitled “Directors, Management, Promoters and Principal Holders”.

Description of Security	Number authorized to be issued	Number outstanding as at date of this Offering Memorandum	Number outstanding after minimum offering	Number outstanding after Maximum Offering
Class A iCan Shares	unlimited	25,000,000	25,000,000	25,000,000
Class B iCan Shares	unlimited	39,072,700	39,072,700	39,492,700

Class A iCan Shares without par value

The registered holders of the Class A iCan Shares shall be entitled to receive notice of and to attend and vote at all general meetings of the Issuer and to have one vote for each share so held.

In the event of the liquidation, dissolution or winding-up of the Issuer, holders of the Class A Shares shall not be entitled to share in any remaining assets or surpluses of the Issuer, but shall only, subject to the priority of the Class B iCan Shares, be entitled to a return of paid up capital.

Class B iCan Shares without par value

The registered holders of the Class B iCan Shares shall be entitled to receive notice of and to attend and vote at all general meetings of the Issuer and to have one vote for each share so held.

The Class B Shares shall be entitled to share in all the assets, surpluses and dividends of the Issuer, subject to the special rights and restrictions of the Class A iCan Shares.

In the event of the liquidation, dissolution or winding-up of the Issuer, holders of the Class B Shares shall be entitled to share in any remaining assets or surpluses of the Issuer, subject to the return of capital to the Class A iCan Shares.

4.5 Long Term Debt

There are long-term loans and other debt due mostly to iCan shareholders, totalling approximately one million dollars. Most of this amount does not bear interest and is payable when iCan is able, at the discretion of iCan's directors.

Description of long term debt (including whether secured)	Interest rate	Repayment terms	Approximate amount outstanding at the date of this Offering Memorandum
Accrued payable (including payroll)	None	When iCan is able	\$512,000
Thiessen loan	None	When iCan is able	\$100,000
Orieux loan	10.5%	When iCan is able	\$82,000

4.6 Prior Sales—iCan

39,072,700 iCan Class B Shares have been previously issued for an aggregate of \$3,344,274.67. Of these 330,500 iCan Class B Shares were issued in 2015 to date for \$66,100. 164,500 iCan Class B Shares were issued in 2014 for \$115,150, 114,200 iCan Class B Shares were issued in 2013 for \$79,940, and 521,000 iCan Class B Shares were issued in 2012 for \$219,450. Shares issued during the previous twelve months are shown below.

Date of Issuance	Type of Security issued	Number of securities issued	Price per security	Total funds received
January 29, 2014	Class B iCan Shares	48,500	70 cents	\$33,950
February 20, 2014	Class B iCan Shares	116,000	70 cents	\$81,200
February 3, 2015	Class B iCan Shares	330,500	20 cents	\$66,100

Item 5 Securities Offered

5.1 Terms of Securities—Issuer

We are offering a maximum of 1 million Shares in the Issuer.

(a) **Voting rights and restrictions**

Each Share is entitled to one vote at a meeting of shareholders.

(b) **Conversion or exercise rights**

There are no issued shares of the Issuer that have pre-emptive or conversion rights or which are subject to a call, a put or other assessment.

(c) **Redemption or retraction rights**

No provision has been made by Issuer in any of its constating documents or in any other oral or written contract that would provide for the redemption, purchase for cancellation, surrender of any of its shares.

(d) Interest or dividend rates

We have no present intention of paying dividends. Future dividends, if any, will be determined by our directors.

There are no persons who are entitled to any special rights or priorities that differ from the rights of any other holder of the Shares and all Shares shall have equal voting rights. As of the date of this Offering Memorandum, there have been no modifications to or amendments to the constating documents of the Issuer.

The Issuer may decide to close a particular offering and advance to the next offering if any is defined. On the other hand, if due to unforeseen circumstances Issuer falls behind schedule and insufficient funds have been raised within the projected time schedule, Issuer may extend the time frame for a particular offering.

5.2 Subscription Procedure**(a) How to subscribe and method of payment**

You may subscribe for Shares by returning to the Issuer the following:

1. a completed Subscription Agreement in the form accompanying this Offering Memorandum, duly executed and witnessed;
2. a completed copy of a Risk Acknowledgement Form (Form 45-106F4), duly executed—you should keep a signed copy of this form;
3. a completed and duly executed VCC Share Purchase Report; and
4. a certified cheque or bank draft made payable to Peace Summit Technologies (VCC) Inc., in the amount of the Subscription Price.

The Subscription Agreement, Risk Acknowledgement Form and VCC Share Purchase Report and the Subscription Price will be retained in the possession of the Issuer until closing. On the Closing Date, the Subscription Agreement and the Subscription Price will be accepted by the Issuer, and the Risk Acknowledgement Form will be retained by the Issuer for six years in compliance with sections 128(a) and 128(b) of the Rules.

By signing the Subscription Agreement, the prospective purchaser authorizes the Issuer to perform certain functions, as described in this Offering Memorandum. In particular, the Issuer will be authorized to deduct and remit the Offering Expenses and to subscribe and pay for and acquire Class B iCan Shares in the capital stock of iCan.

A Subscriber will only be accepted as a Shareholder if on or before the Closing Date the Issuer is in receipt of the Subscription Documents in accordance with the Subscription Agreement, including the Subscription Price.

You may not subscribe for fractional shares.

(b) Consideration to be held in trust

We will hold your subscription funds in trust until midnight on the second business day after the day on which we received your signed Subscription Agreement.

(c) **Right of Issuer to refuse Subscriptions**

The Issuer reserves the right to accept or reject any Subscription Agreement in whole or in part and close the Offering at any time, without notice. If the Issuer rejects any Subscription Agreement, the Issuer will return the Subscription Price to the Subscriber together with the Subscription Price, without deduction or interest.

(d) **Conditions to closing**

We reserve the right to accept or reject subscriptions in whole or in part at our discretion and to close the Offering at any time without notice. Any subscription funds for subscriptions that we do not accept will be returned promptly after we have determined not to accept the funds. It is a condition precedent to the Initial Closing that the Program Administrator under the British Columbia Equity Capital Program have issued approval to raise capital under the *SBVC Act*.

In case of subscriptions exceeding the limit of the current offering, the Issuer may offer one or more subscribers shares from more than one Offering at an equivalent blended price.

We expect to close the Offering on or before Mar 1, 2014. We may close the Offering on an earlier or later date as we may determine.

At the Closing of the Offering we will deliver to you certificates representing fully paid and non-assessable Shares, provided the Subscription Price has been paid in full.

Item 6 Income Tax Consequences and RRSP Eligibility

6.1 Professional Advisor

You should consult your own professional advisers to obtain advice on the tax consequences that apply to you.

6.2 RRSP eligibility

Not all securities are eligible for investment in a registered retirement savings plan (**RRSP**). You should consult your own professional advisers to obtain advice on the RRSP eligibility of these securities.

6.3 Equity Capital Program

(a) Program Summary

The venture capital programs operating under the *SBVC Act* encourage early stage or “seed” equity capital investment in small businesses by offering resident investors refundable tax credits. The Equity Capital Program encourages investment in small businesses throughout the province while the Community Venture Capital Program encourages investment in small businesses operating outside of the Greater Vancouver and Capital Regional Districts.

The Province of British Columbia provides investors with a tax credit incentive equal to 30% of their investment in a VCC, which in turn invests in one or more businesses that meet the eligibility criteria of the *SBVC Act*.

Investors who require further information on the provisions of the *SBVC Act* and Regulations are advised to consult either their own professional advisors or contact the Investment Capital Branch staff.

(b) Provincial Government Disclaimers

In registering the VCC under the *SBVC Act*, the Province of British Columbia makes no representations with respect to any tax considerations discussed in this document other than with respect to those dealing with the British Columbia tax credit available in respect of the purchase of the shares.

The Province of British Columbia in no way guarantees the value of any shares issued by a VCC registered under the *SBVC Act*. Nor does it in any way express an opinion as to the financial condition of the issuing company, the merits of an investment in shares of the issuing company, or the merits of the issuing company's investments in eligible small businesses.

The review of this offering document by the Investment Capital Branch staff was limited specifically to the requirements of the *SBVC Act* only and any other matters that concern investors should be reviewed with their own personal advisors.

(c) Equity Capital Authorizations

Before a VCC can raise equity capital and issue shares it must have an authorization from the Program Administrator to do so. All authorizations granted to VCCs are specific both with respect to the maximum amount of capital the company can raise and with respect to the length of time in which this raising of funds can occur. A VCC may only issue common shares to investors that come with no special rights or restrictions except for those that apply to the redemption of shares by the company.

No tax credits will be issued to investors who purchase shares in a VCC that does not have either an authorization to raise equity capital or where the authorization has expired prior to the investor's purchase of shares.

The Administrator of the *SBVC Act* can extend the authorization period and establish a new expiration date. As there is no assurance that such an extension would always be granted, investors should verify that they are purchasing their shares in a VCC or EBC within a duly authorized period of time.

(d) The VCC Tax Credit

The VCC shall, on behalf of its shareholders who are individuals resident in British Columbia at the date they subscribe for shares or corporations with a permanent establishment in British Columbia, apply for a tax credit certificate entitling each of those shareholders to a tax credit equal to 30% of the amount received by the VCC from those shareholders in a particular

taxation year. For individuals to earn a tax credit their investment must be made within a calendar year or within 60 days of the following year. Tax credit certificates will only be issued if the VCC complies with both the technical requirements and intent of the *SBVC Act*.

A **subscriber who is an individual investor** must deduct the lesser of their tax credit or \$60,000 against tax otherwise payable under the *BC Income Tax Act* for that taxation year. To the extent that the tax credit of an individual exceeds the amount of provincial taxes payable, the individual will be entitled to a refund of the difference between the lesser of \$60,000 or their tax credit and the tax otherwise payable, after deducting certain other credits available under the *BC Income Tax Act*.

In administering the refund process, the refund must first apply to offset other amounts payable, including arrears under both the federal and the *BC Income Tax Act*. If an individual has a tax credit in excess of \$60,000, the excess may be carried forward and used, subject to the \$60,000 annual limit, in any of the four subsequent taxation years. Note that an individual shareholder may claim a tax credit in the prior year if the shares of a VCC are purchased within the first 60 days of the year.

A **subscriber that is a corporation** must deduct the tax credit earned in the taxation year from tax otherwise payable by the corporation under the *BC Income Tax Act*; there is no annual limit on the tax credit for corporations. A corporation is not entitled to a refund in respect of a taxation year if the amount of the tax credit exceeds the amount of its tax otherwise payable under the *BC Income Tax Act* for the taxation year.

A tax credit not used by a corporation may be carried forward for up to four subsequent taxation years and may be used to the extent that there is tax otherwise payable under the *BC Income Tax Act* in such taxation years.

(e) **Term of the Investment**

Under the *SBVC Act*, the VCC is required to have at least 40 percent of its raised equity capital invested in eligible businesses by the end of its next fiscal year and 80 percent within the second fiscal year following the original date of share capital issue.

Should the VCC for any reason divest itself of an “eligible investment” prior to the expiration of the statutory 5-year period and fall below the minimum investment level requirements, the VCC must reinvest additional funds into another “eligible investment” for the remainder of the 5-year period or it may face the possibility of program suspension and repayment of tax credits.

(f) **Consequences of Non-Compliance**

There are a variety of situations that can arise to cause the VCC to not be in compliance with the *SBVC Act*. The result of a failure to comply with the legislation varies depending upon the particular nature of the non-compliance but essentially the Administrator can require any non-complying VCC to either rectify the circumstances of non-compliance or to pay back the tax credits previously issued to its shareholders. In some circumstances, the directors, officers or major shareholders of a VCC, or a small business, may be held jointly liable to repay tax credits to the province.

(g) Fees and Remuneration

The VCC pursuant to both the *SBVC Act* and its own corporate Articles shall not pay any fees or remuneration to any director or officer or shareholder of the VCC, or to any “affiliate” or “associate” (as those terms are defined in the *SBVC Act*) of those persons except as permitted by special resolution voted upon at least annually. Under the Regulations, no shareholder of the VCC is permitted to vote on a special resolution approving payment to themselves or to their associate or affiliate.

Item 7 Compensation Paid to Sellers and Finders

The Issuer and iCan may enter into Agency Agreements pursuant to which agents will market the Shares under the terms of this Offering Memorandum. Each of the Agency Agreements shall provide for a sales commission not to exceed twelve percent (12%) of the subscription proceeds raised thereunder.

Item 8 Risk Factors

8.1 Investment Risk

The purchase of Shares involves a number of significant risk factors. In addition to the factors set forth elsewhere in this Offering Memorandum, prospective purchasers should consider the following:

(a) **Our securities are speculative**

The purchase of Shares is highly speculative. You should buy them only if you are able to bear the risk of the entire loss of your investment and have no need for immediate liquidity in your investment. An investment in the Shares should not constitute a major portion of your portfolio. You should consult your own independent advisors as to the tax, business and legal considerations regarding an investment in our securities.

(b) **Because there is no market for our securities you may not be able to sell your securities. The securities you are buying are not listed on any stock exchange, and they may never be listed. You may never be able to sell your securities and recover any part of your investment.**

(c) **Value of securities of the company**

We determined the price of the Shares arbitrarily. The price bears no relationship to earnings, book value or other valuation criteria.

(d) **No Minimum Subscription**

The Offering is not subject to any aggregate minimum subscription level and, therefore, any funds received from an investor will be made available to the Issuer subject only to compliance with the *SBVC Act*, and the purchaser’s rights described in Item 11 and need not be refunded to the investor. Upon acceptance of any Subscription Agreements, all of the subscription Price of any subscriptions will be advanced to the

Issuer. A significant risk associated with no minimum subscription level is the fact that iCan's needs are in excess of the maximum net proceeds of the Offering. In the event that the Issuer does not raise or invest the Maximum Offering, there may be insufficient funds to achieve iCan's objectives.

(e) **iCan has a limited operating history**

iCan is anticipating losses in the current fiscal period. iCan's accumulated deficit was \$4,339,981 as at 31 December 31, 2013. There is no assurance that iCan will be able to achieve and maintain profitable operations.

(f) **iCan will need to raise additional capital**

There is no assurance that iCan's sales will increase as planned. Even if we sell all the Shares, we anticipate that iCan will need additional working capital to significantly expand its operations as part of its strategy to increase operating profits. There is no assurance that iCan will be able to obtain additional financing on reasonable terms or at all. If iCan raises additional capital through equity, existing shareholders will experience dilution. If iCan is unable to raise additional financing when needed, it may be unable to grow or maintain its current level of business operations.

(g) **Marketability of the Shares and Exit Strategy**

There is currently no formal market for the Shares, nor is it expected that one will develop. The Shares will be sold pursuant to exemptions from applicable securities laws and any disposition of Shares will require compliance with such laws. Consequently, it is possible that holders of Shares may not be able to liquidate their investment and that Shares may not be readily acceptable as collateral for loans. However, iCan's business plan, which has been adopted by the Issuer's Board of Directors and by iCan's Board of Directors, is to return the VCC's investment at the earliest reasonable opportunity.

iCan anticipates that the Issuer will achieve liquidity of its investment in iCan through:

1. sale of the shares or assets of iCan to a third party purchaser,
2. redemption or repurchase of the shares of the Issuer by iCan,
3. investment in iCan by one or more private equity investors, or
4. the public listing of the shares of iCan on a stock exchange.

(h) **Assessment of the Investment**

Prospective purchasers assessing the risks and rewards of this investment should appreciate that they will, in part, be relying not only on the good faith and expertise of the management of iCan but also on their continuing ability to meet their respective financial obligations with respect to the management of the business of iCan. Although there may be considerable potential value in the intellectual property owned by iCan, this potential value is currently dependent on the knowledge of a few individuals and the tangible net worth of iCan is very limited. Therefore, the overall performance of the business of iCan may be considered to be partially dependent upon the success of

the sale of the Shares. Unless early Product sales are greater than expected, iCan will be able to implement all of its plans only if the Maximum Offering is achieved.

(i) **Import Restrictions**

The market for Products may be affected in the event that any foreign country imposes importation restrictions preventing iCan from selling and shipping its Products to a person resident in such country.

(j) **Tax Matters**

The Canadian federal and provincial tax treatment of business activities and of limited partnerships has a material effect on the attractiveness of investment in the Shares (see “Income Tax Consequences for Shareholders”). The return on a Shareholder’s investment in his/her Shares is subject to changes in Canadian Federal and Provincial tax laws. There can be no assurance that the tax laws will not be changed in a manner which will fundamentally alter the tax consequences to investors of holding or disposing of Shares. No advance income tax ruling has been applied for or received with respect to the income tax consequences set out in this Offering Memorandum. There is also the risk that CRA may reassess the returns of Shareholders relating to their investment in the Shares. Shareholders should also review “Liability to Repay VCC Tax Credit”.

8.2 Issuer Risk

(a) **iCan may not be able to compete successfully**

As the market for iCan’s Product is established but iCan’s participation in it is not, it is difficult to predict the share of the market that will be obtainable by iCan, its future rate of growth, if any, or the level of prices the market will pay for iCan’s services. There are at least four companies in North America that provide services similar to iCan’s and, because of market potential, iCan expects competition in the market to increase. There is no assurance that iCan will be able to compete or capture adequate market share. iCan will not remain profitable if it cannot compete successfully with other businesses.

All of the Products and services of iCan may face local, national and international competition. The production standards, pricing and marketing of the iCan’s Products and services will have to be maintained at a competitive level. While there are no products in the marketplace of which iCan is aware that are as advanced as iCan’s Product and while the Product has enjoyed patent protection for seventeen years, there is no guarantee that more directly competitive products will not be offered for sale by a competitor of iCan.

(b) **Operations**

An investor must assess the impact of the lack of business history of iCan. Investors in the Issuer must rely upon iCan in the selection of the products to be developed, the management of the development and testing process, the marketing and distribution of Products and the general administration of its business. iCan has relied to a significant extent on the expertise of its officers, employees and consultants. In addition, the overall performance of the business of iCan may be considered to be partially

dependent upon the success of the sale of the Shares, since iCan will only be able to commence all of its projects if the Maximum Offering is achieved. Success of the Issuer may also depend upon the continued ability of iCan to source and develop new Products.

(c) **iCan depends on the services of several key employees and will depend on strategic alliances**

Our success depends substantially on the services of Dr. Ernest Thiessen, Kristi Schroots, Paul Miniato, Derek Barber, James Loewen, and Ian Upright. iCan's business may be harmed if it loses any one of their services and is unable to attract and retain qualified replacements.

iCan intends to seek strategic alliances with other firms, on which it will develop dependencies. iCan's business may be harmed if it loses the services of companies on which it is or becomes dependent.

(d) **Interests of Principals and Others in Material Contracts and Conflicts of Interest**

All agreements and arrangements between the Issuer and its officers and directors and iCan and its officers and directors, including employment contracts and services contracts, have not been the result of arm's length negotiations but are believed to be reasonable in relation to the services performed.

Each of the Issuer and iCan will be relying on its respective officers and directors to advise with respect to the development of new Products. Certain of these officers and directors of the Issuer, are now or may become in the future officers and/or directors of other entities or act as principals, officers or directors of other businesses. They may have conflicts of interest in allocating management time, services and functions among the Issuer, iCan and any other present or future businesses which they may organize, or provide management services to, as well as other business ventures in which they are or may become involved.

Ian Upright is a part-time employee of iCan and does not currently derive much of his personal income from iCan. Robert LaRoy, who holds the office of secretary of the Issuer, is also a director and minor shareholder of iCan. Save as aforesaid, there are no existing or potential conflicts of interest among the Issuer, iCan each of their respective directors, officers, principal security holders and any persons providing professional services to the Issuer or iCan which could reasonably be expected to affect the investment decision of a Subscriber.

(e) **Management of growth**

iCan anticipates rapid growth and plans to capitalize on this growth. iCan's future operating results will depend on management's ability to manage this anticipated growth, hire and retain qualified employees, properly generate revenues and control expenses. A decline in the growth rate of revenues without a corresponding reduction in expense growth could have a material adverse effect on iCan's business, results of operations, cash flows and financial condition.

(f) **Nature of the Underlying Businesses**

iCan is continuing to develop a relatively new business and products within an early stage market. The completion of the Product has not yet been achieved and the commercial viability of iCan's Products and services has yet to be established. Its success will be dependent upon its ability to develop, produce and profitably market its Products and services in the domestic and international marketplaces. Also important will be iCan's ability to source and maintain adequate debt financing and/or government assistance to meet the cash flow requirements of its operations.

(g) **Management Skills**

Investors in the Issuer must rely upon iCan in the selection of the Products to be developed, the management of the development and testing process, the marketing and distribution of Products and the general administration of its business. iCan has relied to a significant extent on the expertise of its officers, employees and consultants. An investor must assess the impact of the short (incorporated in 1993) business history of iCan and the relatively small number of current management personnel. These few individuals possess the knowledge upon which the success of iCan largely depends. iCan's business plan calls for significant additions to management during the first year of operations but until this need can be filled adequately, the relative shortage of management personnel poses an increased risk to the investor.

(h) **Cash Flow Deficiencies**

The successful operation of iCan will be dependent on management's ability to attain and maintain sales revenue sufficient to meet expenditures. There is no assurance that the operations of iCan will provide any cash flow available for distribution to the Issuer.

8.3 Industry Risk

(a) **Competition**

Although iCan and the Issuer are each unaware of any product directly comparable to Smartsettle Infinity, iCan operates in a competitive industry. If iCan is unable to compete, or if iCan's competitors develop a similar product, it could have a material adverse effect on iCan's business.

(b) **The sale of software items, such as Smartsettle, are sensitive to economic shifts and fluctuations of currency**

A significant number of customers may come from outside of Canada. As economic uncertainty rises, or if incomes fall, the target market for our Products could shrink. As the value of the Canadian dollar increases, our Products become more expensive to customers who must first purchase Canadian dollars in order to purchase our Products. Similarly, if the currency of a competitor declines in value compared to the Canadian dollar, the competitor's product may appear less expensive to customers in our target market. A general downturn in the economy or an increase in the value of the Canadian dollar could have a material adverse impact on our business.

(c) **We may need to change the manner in which we conduct our business if government regulation increases or changes**

There are currently few laws or regulations that specifically regulate commercial Internet activities in Canada or in the USA. Laws and regulations may be adopted in the future, however, that could have a material adverse impact on our business.

In the USA, the status of the Internet as a “tax-free” zone has expired and has not been renewed. Changes to the tax status of transactions conducted across the Internet could have a negative impact on iCan’s business.

Item 9 Reporting Obligations

The Issuer is not a reporting issuer in British Columbia. As a Shareholder of the Issuer you may request a copy of the latest audited financial statements prepared by the Accountants and the most recent financial statements of the Issuer, in accordance with the provisions of the *Business Corporations Act*. You will also be given notice of and entitled to attend general meetings of the holders of outstanding common shares of the Issuer in accordance with the *Business Corporations Act*.

Item 10 Resale Restrictions

10.1 General statement

These securities will be subject to a number of resale restrictions, including a restriction on trading. Until the restriction on trading expires, you will not be able to trade the securities unless you comply with an exemption from the prospectus and registration requirements under the Securities Act.

10.2 Restricted period

Unless permitted under the Securities Act, you cannot trade the securities before the earlier of the date that is 4 months and a day after the date Issuer becomes a reporting issuer in any province or territory of Canada.

Item 11 Purchaser’s Rights

If you purchase these securities you will have certain rights, some of which are described below. For information about your rights you should consult a lawyer.

11.1 Two day cancellation right

You can cancel your agreement to purchase these securities. To do so, you must send a notice to us by midnight on the 2nd business day after you sign the agreement to buy the securities.

11.2 Statutory rights of action in the event of a misrepresentation

If there is a misrepresentation in this Offering Memorandum, you have a statutory right under the *Securities Act* to sue:

1. the Issuer to cancel your agreement to buy these securities; or
2. for damages against the Issuer, each person who signed the Offering Memorandum and every Director who was a Director at the time the Offering Memorandum was circulated.

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defences available to the persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities.

If you intend to rely on the rights described above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date you signed the Subscription Agreement. You must commence your action for damages within the earlier of 180 days after having first knowledge of the facts giving rise to the cause of action or three years after the date you signed the Subscription Agreement.

Item 12 Financial Statements (Issuer)

(see next page)

PEACE SUMMIT TECHNOLOGIES (VCC) INC.

Financial Statements

December 31, 2013

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INDEPENDENT AUDITORS' REPORT

To the shareholders of:

PEACE SUMMIT TECHNOLOGIES (VCC) INC.

We were engaged to audit the accompanying financial statements of PEACE SUMMIT TECHNOLOGIES (VCC) INC. which are comprised of the statement of financial position as at December 31, 2013, and the statements of comprehensive operations, changes in deficit and cash flows for the year then ended, along with a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of PEACE SUMMIT TECHNOLOGIES (VCC) INC. as at December 31, 2013 and its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards.

Friesen Pankratz & Associates LLP

CERTIFIED GENERAL ACCOUNTANTS

Abbotsford, BC
April 16, 2014

PEACE SUMMIT TECHNOLOGIES (VCC) INC.**Statement of Comprehensive Operations****For the year ended December 31, 2013**

	2013	2012
REVENUE	\$ -	\$ -
OPERATING EXPENSES		
Professional fees	7,632	51,935
Office, stationery and postage	150	-
Bank charges and interest	65	105
Advertising and promotion	-	20
	7,847	52,060
LOSS FROM OPERATIONS	(7,847)	(52,060)
Share of operations of equity-accounted investee (Note 5)	46,192	(88,860)
NET INCOME (LOSS)	38,345	(140,920)
OTHER COMPREHENSIVE LOSS		
Impairment of investment (Note 5)	(126,132)	(130,590)
TOTAL COMPREHENSIVE LOSS	\$ (87,787)	\$ (271,510)

PEACE SUMMIT TECHNOLOGIES (VCC) INC.

Statement of Changes in Deficit

For the year ended December 31, 2013

	2013	2012
DEFICIT - Open	\$ (2,495,103)	\$ (2,223,593)
Net income (loss)	38,345	(140,920)
Other comprehensive loss	(126,132)	(130,590)
DEFICIT - Close	\$ (2,582,890)	\$ (2,495,103)

PEACE SUMMIT TECHNOLOGIES (VCC) INC.**Statement of Financial Position****As at December 31, 2013**

	2013	2012
ASSETS		
CURRENT ASSETS		
Cash and bank	\$ 1,171	\$ 1,017
LONG TERM INVESTMENTS (Note 5)	1	1
	\$ 1,172	\$ 1,018
LIABILITIES & SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 5,501	\$ 5,500
LONG-TERM LIABILITIES		
Due to iCan Systems Inc. (Note 8)	15,473	8,479
DEFICIT		
Share capital (Note 9)	2,563,088	2,482,142
Deficit	(2,582,890)	(2,495,103)
	(19,802)	(12,961)
	\$ 1,172	\$ 1,018

APPROVED ON BEHALF OF THE BOARD:_____
Director_____
Director

PEACE SUMMIT TECHNOLOGIES (VCC) INC.**Statement of Cash Flows****For the year ended December 31, 2013**

	2013	2012
OPERATING ACTIVITIES		
Net loss before income taxes	\$ 38,345	\$ (140,920)
Add: non-cash items affecting operations		
Accounts receivable	-	741
Due to iCan Systems Inc.	6,995	8,479
Loss (gain) from associate entities	(46,192)	88,860
Deposits payable	-	(58,000)
	(852)	(100,840)
FINANCING ACTIVITIES		
Share capital issued	80,946	262,080
Restricted cash	-	58,000
	80,946	320,080
INVESTING ACTIVITIES		
Purchase of shares of iCan Systems Inc.	(79,940)	(219,450)
INCREASE (DECREASE) IN CASH OR EQUIVALENTS	154	(210)
CASH - OPEN	1,017	1,227
CASH - CLOSE	\$ 1,171	\$ 1,017

PEACE SUMMIT TECHNOLOGIES (VCC) INC.

Notes to Financial Statements

For the year ended December 31, 2013

1. DEFINITION OF ENTITY

Peace Summit Technologies (VCC) Inc. ("the Company") was incorporated on July 21, 1995, under the British Columbia Company Act for the purpose of meeting the conditions of and applying for registration under the British Columbia Small Business Venture Capital Act ("VCC Act"). Accordingly, the Company has raised capital through private sales of common shares for the purpose of investing in iCan Systems Inc. as permitted under the VCC Act.

2. ACCOUNTING POLICIES

(a) Accounting framework

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS).

(b) Investments

Investments in shares of subsidiary companies are accounted for on the equity basis.

(c) Measurement uncertainty

The preparation of the financial statements in conformity with International Financial Reporting Standards requires management to make estimates that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the date of the financial statements, as well as reported amounts of revenues and expenses during the reporting period. These estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

(d) Financial instruments

The entity has elected the following policies for financial assets and liabilities:

(i) Short-term receivables and accounts payable have been measured at amortized cost.

(ii) Long-term liabilities have been measured at amortized cost using the effective interest rate method.

PEACE SUMMIT TECHNOLOGIES (VCC) INC.

Notes to Financial Statements

For the year ended December 31, 2013

3. ECONOMIC DEPENDENCE

The company relies on cash received from employees and consultants of iCan Systems Inc. to offset working capital deficiencies.

The December 31, 2013 Financial Statements of iCan Systems Inc. have disclosed a going concern note that it may not continue in operation for the foreseeable future. iCan Systems Inc. is in a significant loss position with a working capital deficiency as the current cash level of the company does not allow for the settlement of current working capital.

4. FINANCIAL INSTRUMENTS

Financial instruments are defined as a contractual right to either receive or deliver cash or another financial instrument to another party. The company's financial instruments consist of the following items:

Accounts payable and accrued liabilities

Due to iCan Systems Inc.

Investment in iCan Systems Inc.

Fair Value

The carrying amount of accounts payable and accrued liabilities approximates their fair value because of the short-term nature of these items.

The carrying amount due to iCan Systems Inc. approximates the fair value as the related party loan is non-interest bearing.

The carrying amount of the investment in iCan Systems Inc. cannot be estimated at fair value as no current market can be reasonably estimated. The balance was impaired to a nominal amount for reporting purposes.

Credit Risk

The company does not have financial assets that are exposed to credit risk.

Interest Rate Risk

The company is not exposed to interest rate risk on the balance due to iCan Systems Inc. as it is non-interest bearing. The company may be exposed to interest rate risk on the contingent liability for iCan Systems Inc. See Note 6.

PEACE SUMMIT TECHNOLOGIES (VCC) INC.

Notes to Financial Statements

For the year ended December 31, 2013

FINANCIAL INSTRUMENTS (Continued)

Liquidity Risk

The company has an ongoing liquidity risk due to a working capital deficiency.

Market Risk

The company is exposed to significant market risk as it relies on capital investment from investors to continue operations and support research in its associate companies. As the company shares do not trade on an active market, the pool of investors is dependent on the network of upper management and current investors.

5. LONG-TERM INVESTMENTS

The investment consists of 12,988,665 (2012 - 12,874,465) Class B voting common shares of iCan Systems Inc., which represents 26.74% (2012 - 26.57%) of the voting shares and 33.67% (2012 - 32.56%) of the participating shares of the investee. The principal place of business for iCan Systems Inc. is Abbotsford BC, Canada.

As a result of its share investment in iCan Systems Inc. and the crossover of key management, the company is able to exert significant influence over iCan Systems Inc. Therefore, the investment has been accounted for using the equity method. As there is no quoted market for the investment, fair value could not be reliably determined.

Amounts advanced to affiliated companies bear no interest and have no fixed terms of repayment.

iCan Systems Inc. is in the development stage and may require significant amounts of financing from Peace Summit Technologies (VCC) Inc. or other sources in order to complete the research and development and bring its product to market. In order for the value of the investment in iCan Systems Inc. to be realized, iCan Systems Inc. must develop a market for its products and be able to sell its products in volumes and at prices that enable it to attain profitability.

The company believes the investment has a significant advantage in the market place due to development of proprietary technologies that have been protected historically. Although they have significant advantage, the company has been unable to determine or assign a fair value to this investment. Due to lack of support for positive future cash flows and based on the available financial information, the investment in iCan Systems Inc. has been impaired to a nominal amount.

PEACE SUMMIT TECHNOLOGIES (VCC) INC.

Notes to Financial Statements

For the year ended December 31, 2013

INVESTMENTS (Continued)

Summarised financial Information for iCan Systems Inc. is as follows:

	2013	2012
Current assets	\$ 515,870	\$ 64,497
Non-current assets	\$ 3,986	\$ 2,364
Bank indebtedness	\$ 26,321	\$ 22,445
Accounts payable	\$ 312,780	\$ 250,430
Other current liabilities	\$ 1,357,711	\$ 1,254,376
Revenue	\$ 1,231,410	\$ 504,796
Expenses	\$ 1,028,116	\$ 841,113
Gain (loss) from continuing operations	\$ 203,294	\$ (336,317)
Interest expense	\$ 33,658	\$ 22,824
Amortization expense	\$ 1,582	\$ 1,948

6. CONTINGENT LIABILITIES

The company is contingently liable for \$100,000 in respect of a bank loan guarantee for iCan Systems Inc.

7. RELATED PARTY TRANSACTIONS

The company has similar shareholders and significant common management influence with iCan Systems Inc. and Smartsettle Family Resolutions Inc.

8. RELATED PARTY LOANS

Related party loans are unsecured, bear no interest and have no fixed terms of repayment. The carrying cost of the loan approximates the fair value of the loan due to the terms.

PEACE SUMMIT TECHNOLOGIES (VCC) INC.

Notes to Financial Statements

For the year ended December 31, 2013

9. SHARE CAPITAL

	2013	2012
Authorized:		
Unlimited Common voting shares with no par value, participating		
Issued:		
14,776,340 Common shares	\$ 2,563,088	\$ 2,482,142
	\$ 2,563,088	\$ 2,482,142

During the year the company issued 123,700 shares for proceeds of \$86,590.

The total value of shares reported above are net of legal and affiliated costs paid to issue shares of \$167,875 (2012: \$162,232).

10. COMPARATIVE FIGURES

Comparative figures have been reclassified where necessary to conform to current presentation.

11. SUBSEQUENT EVENTS

Subsequent to the company's year-end additional funds of \$77,840 were raised through issuance of shares.

Item 13 Financial Statements (iCan)

(see next page)

**ICAN SYSTEMS INC.
DBA Smartsettle
Financial Statements
December 31, 2013**

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INDEPENDENT AUDITORS' REPORT

To the shareholders of:
ICAN SYSTEMS INC. DBA Smartsettle

We were engaged to audit the accompanying financial statements of ICAN SYSTEMS INC. DBA Smartsettle which are comprised of the statement of financial position as at December 31, 2013, and the statements of comprehensive operations and changes in deficit and cash flows for the year then ended, along with a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of ICAN SYSTEMS INC. DBA Smartsettle as at December 31, 2013 and its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards.

Emphasis of Matter

We draw attention to note 4 in the financial statements which indicates that the Company has recurring losses, and a working capital deficiency. These conditions as set forth in note 4 indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

Friesen Pankratz & Associates LLP

CERTIFIED GENERAL ACCOUNTANTS

Abbotsford, BC
April 21, 2014

ICAN SYSTEMS INC.
DBA Smartsettle
Statement of Comprehensive Operations
For the year ended December 31, 2013

	2013	2012
REVENUE		
Support services (Note 6)	\$ 775,490	\$ 187,938
Scientific research and development tax credit	386,777	301,886
Royalty fees (Note 6)	69,143	14,972
	1,231,410	504,796
OPERATING EXPENSES		
Salaries, wages and contract	913,558	715,429
Professional fees	42,594	49,459
Bank charges and interest	33,658	22,824
Insurance	10,031	7,990
Advertising and promotion	9,826	17,912
Rent and utilities	5,438	13,584
Travel	5,120	4,570
Fees and memberships	3,715	4,602
Office and miscellaneous	2,594	2,795
Amortization	1,582	1,948
	1,028,116	841,113
NET INCOME (LOSS)	\$ 203,294	\$ (336,317)

ICAN SYSTEMS INC.
DBA Smartsettle
Statement of Changes in Deficit
For the year ended December 31, 2013

	2013	2012
DEFICIT - Open (Note 14)	\$ (4,543,275)	\$ (4,206,958)
Net Income (Loss)	203,294	(336,317)
DEFICIT - Close	\$ (4,339,981)	\$ (4,543,275)

ICAN SYSTEMS INC.
DBA Smartsettle
Statement of Financial Position
As at December 31, 2013

	2013	2012
ASSETS		
CURRENT ASSETS		
Accounts receivable	\$ 220	\$ 220
Due from Peace Summit Technologies (VCC) Inc. (Note 7)	15,473	8,479
Due from Smartsettle Family Resolutions Inc. (Note 7)	500,177	55,998
	515,870	64,697
CAPITAL ASSETS (Note 9)	3,986	2,364
	\$ 519,856	\$ 67,061
LIABILITIES & SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Bank indebtedness (Note 8)	\$ 26,321	\$ 22,445
Accounts payable and accrued liabilities	24,284	43,441
Wages payable	288,496	206,989
Payroll deductions	35,526	26,647
Sales taxes payable	21,458	25,957
Callable debt (Note 11)	598,672	290,472
Due to shareholders, without interest or fixed terms of repayment (Note 12)	702,055	911,300
	1,696,812	1,527,251
DEFICIT		
Share capital (Note 13)	3,163,025	3,083,085
Deficit	(4,339,981)	(4,543,275)
	(1,176,956)	(1,460,190)
	\$ 519,856	\$ 67,061

APPROVED ON BEHALF OF THE BOARD:

_____ Director _____ Director

ICAN SYSTEMS INC.
DBA Smartsettle
Statement of Cash Flows
For the year ended December 31, 2013

	2013	2012
OPERATING ACTIVITIES		
Income (Loss) before income taxes	\$ 203,294	\$ (336,317)
Add: non-cash items affecting operations		
Amortization	1,582	1,948
Accounts receivable	(2)	1,902
Prepaid expenses	-	90
Accounts payable and accrued liabilities	(19,156)	(92,093)
Sales taxes payable	(4,499)	27,530
Payroll and remittances payable	90,386	104,770
	271,605	(292,170)
FINANCING ACTIVITIES		
Proceeds of callable debt	400,000	151,000
Repayment of callable debt	(91,800)	(1,800)
Shareholder loans	(209,244)	(32,053)
Share capital	79,940	219,450
Intercompany loans	(451,173)	(64,477)
	(272,277)	272,120
INVESTING ACTIVITIES		
Acquisitions of capital assets	(3,204)	(550)
DECREASE IN CASH OR EQUIVALENTS	(3,876)	(20,600)
BANK INDEBTEDNESS - OPEN	(22,445)	(1,845)
BANK INDEBTEDNESS - CLOSE	\$ (26,321)	\$ (22,445)

ICAN SYSTEMS INC.
DBA Smartsettle
Notes to Financial Statements
For the year ended December 31, 2013

1. DEFINITION OF ENTITY

iCan Systems Inc. (the "Company") was incorporated under the laws of the Province of British Columbia on April 26, 1993. The Company's primary business activity is the development of eNegotiation software.

2. ACCOUNTING POLICIES

(a) Accounting framework

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS).

(b) Amortization

Amortization of property, plant and equipment is on a straight-line basis over the following periods:

Computer software	5 Years
Computer equipment	5 Years

(c) Revenue recognition

Revenues are recognized when products or services are delivered and reasonable assurance regarding measurement and collectibility of the consideration exists.

Government assistance is recognized as revenue in the period it is received.

(d) Measurement uncertainty

The preparation of the financial statements in conformity with International Financial Reporting Standards requires management to make estimates that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the date of the financial statements, as well as reported amounts of revenues and expenses during the reporting period. These estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

ICAN SYSTEMS INC.
DBA Smartsettle
Notes to Financial Statements
For the year ended December 31, 2013

ACCOUNTING POLICIES (Continued)

(e) Financial instruments

The Company has elected the following policies for financial assets and liabilities:

Bank indebtedness, accounts payable and accrued liabilities, payroll remittances payable, HST payable, callable debt and amounts due to shareholders are measured at amortized cost.

Amounts due from Peace Summit Technologies (VCC) Inc. and Smartsettle Family Resolutions Inc. are classified as loans and receivables, due to the short-term nature of these amounts the carrying value approximates fair value.

3. FINANCIAL INSTRUMENTS

Financial instruments are defined as a contractual right to either receive or deliver cash or another financial instrument to another party. The Company's financial instruments consist of the following items:

Due from Smartsettle Family Resolutions Inc.
Due from Peace Summit Technologies (VCC) Inc.
Callable debt

Fair Value

The carrying amount of callable debt and amounts due from Peace Summit Technologies (VCC) Inc. and Smartsettle Family Resolutions Inc. approximates their fair value because of the short-term nature of these items.

Credit Risk

The Company carries a credit risk with a significant accounts receivable balance to a related party.

Interest Rate Risk

The Company is exposed to interest rate risk on bank indebtedness because of the variable rate of interest being charged.

Liquidity Risk

The Company has an ongoing liquidity risk due to a working capital deficiency. See note 4.

ICAN SYSTEMS INC.
DBA Smartsettle
Notes to Financial Statements
For the year ended December 31, 2013

FINANCIAL INSTRUMENTS (Continued)

Market Risk

The Company is exposed to significant market risk as it relies on capital investment from investors to continue operations and support research. As the Company shares do not trade on an active market, the pool of investors is dependent on the network of upper management and current investors.

4. GOING CONCERN

These financial statements have been prepared on a going concern basis in accordance with IFRS. The going concern basis of presentation assumes that the Company will continue in operation for the foreseeable future and be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

In addition to accumulated losses in the amount of \$4,323,005 and the working capital deficiency, the Company's primary source of financing is through Peace Summit Technologies (VCC) Inc. and amounts charged to Smartsettle Family Resolutions Inc. whose financial statements are prepared on a going concern basis.

The Company is financed by \$1,300,727 (2012 - \$1,201,722) of debt of which \$814,727 (2012 - \$1,022,972) has been financed by related parties. In order for the Company to continue for the foreseeable future, related parties must not call their balance due and must continue to support the company with advances when necessary.

If the related parties were to call amounts due or fail to advance funds when necessary, such events would raise substantial doubt about the Company's ability to continue as a going concern. These financial statements do not reflect adjustments that would be necessary if the going concern assumption was not appropriate. If the going concern basis was not appropriate for these financial statements, then adjustments would be necessary in the carrying value of assets and liabilities, the reported revenue and expenses and the balance sheet classifications used.

ICAN SYSTEMS INC.
DBA Smartsettle
Notes to Financial Statements
For the year ended December 31, 2013

5. ECONOMIC DEPENDENCE

The Company receives a significant portion of its financing from Peace Summit Technologies (VCC) Inc. in the form of equity investment and until the Company achieves a sustainable level of sales and profitability it will be dependent on share capital financing in order to meet operational expenditure requirements.

The Company receives service and support revenue, licensing revenue, royalty revenue and a portion of shared expenses from Smartsettle Family Resolutions Inc., a related party. The financial statements of Smartsettle Family Resolutions Inc. were prepared on a going concern basis.

The Company receives significant funding from Scientific Research and Development Tax Credits.

6. RELATED PARTY TRANSACTIONS

The company has similar shareholders and significant common management influence with Smartsettle Family Resolutions Inc. and Peace Summit Technologies (VCC) Inc.

Support and service fees, royalty payments and license fees were received from Smartsettle Family Resolutions Inc. in the amount of \$844,632 (2012 - \$187,938). Re-imbursements for shared computer system administration and communication costs of \$32,835 were received from Smartsettle Family Resolutions Inc. The entities have similar shareholders and share management and key employees.

During the year the company also entered into the following related party transactions:

Professional fees paid to directors and shareholders of the company in the amount of \$15,000 (2012 - \$30,000).

Salary and wages paid to directors and shareholders of the company in the amount of \$150,000 (2012 - \$123,000).

ICAN SYSTEMS INC.
DBA Smartsettle
Notes to Financial Statements
For the year ended December 31, 2013

7. RELATED PARTY LOANS

Related party loans are unsecured, bear no interest and have no fixed terms of repayment unless included in Note 12. The related parties have waived their right to demand repayment within the following year. The table below lists an absolute value of all related party amounts.

	2013	2012
Shareholder Loan	\$ 666,005	\$ 875,250
Wages Payable - Payable to shareholders/directors	150,000	140,000
Callable Debt - Due to shareholders/directors	136,050	136,050
Due to/from Smartsettle Family Resolution Inc.	500,177	55,998
Due to/from Peace Summit (VCC) Inc.	15,473	8,479
Accounts Payable - to director	15,000	30,000
	\$ 1,482,705	\$ 1,245,777

8. BANK INDEBTEDNESS

Unsecured revolving line of credit bearing interest at prime plus 3.25% due on demand with a maximum available balance of \$100,000. The directors of the company, Smartsettle Systems Inc. and Peace Summit Technologies VCC Inc. have provided unlimited guarantees in respect of the balance outstanding.

9. CAPITAL ASSETS

	Original Cost	Accumulated Amortization	2013	2012
Computer hardware	\$ 11,931	\$ (7,945)	\$ 3,986	\$ 2,364
Computer software	1,002	(1,002)	-	-
	\$ 12,933	\$ (8,947)	\$ 3,986	\$ 2,364

10. INTANGIBLE PROPERTY

The company has a patent with an original cost of \$121,644 that expired February 27, 2013 and is not renewable. Under IFRS the patent is required to be amortized on a straight-line basis over its useful life and tested for impairment. The patent was tested for impairment as at January 1, 2011 and there was no value determined by management. It has expired during the year.

ICAN SYSTEMS INC.
DBA Smartsettle
Notes to Financial Statements
For the year ended December 31, 2013

11. CALLABLE DEBT

	2013	2012
Unsecured demand loan issued by a shareholder bearing interest payable at 1% per month (12.68% APR).	\$ 100,000	\$ 100,000
Unsecured loan bearing interest at 10.5% per year with no fixed terms of repayment.	82,000	77,800
Unsecured loan issued by an officer of the company and without interest or fixed terms of repayment.	12,672	12,672
Unsecured demand loan issued by a shareholder bearing interest payable at 1% per month (12.68% APR).	404,000	100,000
	598,672	290,472
Less: principal amounts due within one year	(598,672)	(290,472)
	\$ -	\$ -

12. SHAREHOLDER LOANS

Shareholder loans are unsecured, bear no interest and have no fixed terms of repayment.

13. SHARE CAPITAL

	2013	2012
Authorized:		
Unlimited Class A Common voting shares with no par value, non-participating		
Unlimited Class B Common voting shares with no par value, participating		
Issued:		
10,000,000 Class A Common shares	\$ 200	\$ 200
38,577,700 Class B Common shares	3,162,825	3,082,885
	\$ 3,163,025	\$ 3,083,085

During the year an additional 79,940 Class B Shares were issued for \$114,200. Peace Summit Technologies (VCC) Inc., an affiliated company, owns 12,988,665 (2012 - 12,874,465) Class B Shares.

ICAN SYSTEMS INC.
DBA Smartsettle
Notes to Financial Statements
For the year ended December 31, 2013

14. RESTATEMENT OF COMPARATIVE FIGURES

Restatement of wages payable, wage expense and retained earnings results from the accrual of vacation payable as at December 31, 2012 and December 31, 2011. The inclusion of vacation payable is to accurately reflect the financial liabilities of the company. Prior year retained earnings have been decreased by \$17,303 which relates to the historical vacation expense and the balance of vacation payable as at December 31, 2011. Prior year wage payable has been increased by \$30,536 to reflect the vacation payable as at December 31, 2012 and wage expense has been increased by \$13,233 to reflect the vacation earned during the course of 2012.

Item 14 Certificate of Issuer

DATED February 25, 2015

This Offering Memorandum does not contain a misrepresentation.

**PEACE SUMMIT TECHNOLOGIES
(VCC) INC.**

Ian Upright (signed on original)

Per: _____
Ian Upright
President
Sole Director

Robert LaRoy (signed on original)

Per: _____
Robert LaRoy
Secretary

Item 15 Certificate of iCan

DATED February 25, 2014

This Offering Memorandum does not contain a misrepresentation.

iCan Systems Inc.

Ernest Thiessen (signed on original)

Per:

Ernest Thiessen
President & CEO
Director

Evangeline Thiessen (signed on original)

Per:

Evangeline Thiessen
Director

SCHEDULE A SUBSCRIPTION AGREEMENT

TO: **Peace Summit Technologies (VCC) Inc.**
 1700-1185 West Georgia Street
 Vancouver, BC V6E 4E6 (the *Issuer*)

The undersigned subscriber (the *Purchaser*) hereby tenders to the Issuer this subscription offer which, upon acceptance by the Issuer, will constitute an agreement between the Purchaser and the Issuer whereby the Purchaser agrees to subscribe for, take up, purchase and pay for, and the Issuer agrees to issue and sell to the Purchaser, the number of voting common shares without par value (the *Shares*) set out below on the terms and subject to the conditions set out in this Agreement. Any subscription funds raised will be held in trust until after midnight on the second business day after the Purchaser signs the Agreement. Upon acceptance of this Subscription, all of the subscription proceeds (net of expenses thereon) will be released to the Issuer. The Purchaser hereby acknowledges and agrees that the terms and conditions contained in the attached Appendix I and Appendix II form part of this Agreement and are incorporated herein by reference.

The Purchaser hereby subscribes for _____ voting common shares, without par value, of the Issuer at a price of **seventy cents** per Share for at total Subscription Amount of \$_____

DATED at _____, in the Province of BC this ____ day of _____, 201__.

 Name of Purchaser– please print

 Purchaser's Residential Address

 Authorized Signature

 Email Address (*please either print email address or “declined”*)

 Official Capacity or Title - Please Print

 Phone number

Registration Instructions:

Delivery Instructions:

 Name

 Address

 Address

 Contact Name

 Telephone Number

Appendix I

Terms of Subscription Agreement

1. Definitions

In this Agreement, unless the context requires otherwise, the following terms have the following meanings:

Agreement refers to this agreement, as amended or supplemented from time to time;

Closing refers to the closing of the sale of the Shares by the Issuer to the Purchaser;

Eligible Investor refers to an individual who is at least 19 years of age, or a corporation, resident in British Columbia at the time of entering into the Agreement and who complies with the provisions of the *SBVC Act* and *BC Income Tax Act*, if applicable, or any regulations made thereunder, that the investor must deal at arms-length with and not be associated with the VCC;

Financial Assets refers to cash and securities;

iCan refers to iCan Systems Inc., a company incorporated under the laws of the Province of British Columbia, and its associated organizations;

Issuer refers to Peace Summit Technologies (VCC) Inc., a corporation incorporated and subsisting under the laws of the Province of British Columbia;

MI 45-106 refers to Multilateral Instrument 45-106 - Capital Raising Exemptions;

Offering refers to the offering by the Issuer of Shares;

Offering Memorandum refers to that offering memorandum of the Issuer dated February 25, 2015;

Purchaser refers to the subscriber herein;

Shares refers to voting common shares without par value in the capital of the Issuer in the amount as indicated on the initial page of this Subscription;

Subscription Amount refers to the aggregate price paid by the Purchaser, being the number of Shares subscribed for multiplied by the price per Share recorded on the first page of this Agreement;

1933 Act refers to the United States *Securities Act of 1933*, as amended; and

\$ refers to Canadian dollars.

2. Subscription for Shares

The Purchaser hereby confirms its subscription for and agrees to take up the Shares as provided for on the initial page of this Agreement and delivers herewith a certified cheque or bank draft payable to Peace Summit Technologies (VCC) Inc. in the amount of the Subscription Amount and authorizes the release of the said funds for use by the Issuer on

Closing, provided that closing occurs after midnight on the second business day after the Purchaser signs the agreement, against delivery to the Purchaser of duly issued certificates representing the Shares subscribed for herein.

The Purchaser acknowledges that this subscription is subject to acceptance by the Issuer and to the fulfilment of certain other terms and conditions. This subscription is subject to rejection or allotment in whole or in part in the sole discretion of the Issuer.

The Purchaser agrees that this subscription is given for valuable consideration. The acceptance of this subscription shall be effective upon execution of this subscription on behalf of the Issuer.

In addition to one manually signed, completed copy of this Agreement, the Purchaser will execute and deliver to the Issuer all other documentation as may be required by applicable securities legislation, rules, policy statements, and orders, including MI 45-106, to permit the issue and sale of the Shares. The Purchaser acknowledges and agrees that any such documentation, when executed and delivered by the Purchaser, will form part of and will be incorporated into this Agreement with the same effect as if each constituted a representation and warranty or covenant of the Purchaser hereunder in favour of the Issuer, and the Purchaser consents to the filing of such documents as may be required to be filed with any securities or the regulatory authority in connection with the transactions contemplated hereby.

3. Representations, Warranties and Covenants of the Purchaser

By executing this Agreement, the Purchaser hereby represents, warrants and covenants to, and agrees with the Issuer (and acknowledges that the Issuer, and its counsel are relying thereon) that:

- 3.1 the Purchaser has been independently advised as to and is aware of the applicable restrictions on the resale of the Shares imposed by securities legislation in the jurisdiction in which the Purchaser resides and of the fact that the Purchaser may not be able to resell the Shares except in accordance with applicable securities legislation, rules and regulatory policies and the Purchaser (and any others for whom the Purchaser is contracting) is solely responsible (and the Issuer is not in any way responsible) for the Purchaser's compliance with applicable resale restrictions;
- 3.2 the Purchaser has been independently advised as to and is aware of the fact the Shares will be subject to resale restrictions;
- 3.3 this Agreement is made unconditionally as a result of the Purchaser's desire to participate in the future development of the Issuer;
- 3.4 the Purchaser is purchasing as principal, knows that the Shares are being purchased pursuant to an exemption under MI 45-106 and, as a consequence, is restricted from using most of the civil remedies available under applicable securities legislation, may not receive information that would otherwise be required to be provided to the Purchaser under applicable securities legislation, and the Issuer is relieved from certain obligations that would otherwise apply under applicable securities legislation;

3.5 the Purchaser is a resident in the Province of British Columbia and the trade is made by the Issuer in securities of its own issue, that:

- (a) the Purchaser is purchasing as principal; and
- (b) at the same time or before signing this Agreement:
 - (i) the Purchaser has received the Offering Memorandum which is in compliance with MI 45-106; and
 - (ii) the Purchaser has signed the Risk Acknowledgement Form 45-106F4 attached hereto as Appendix II, in duplicate;
- (c) no person has made to the Purchaser any written or oral representations:
 - (i) that any person will resell or repurchase any of the Shares;
 - (ii) that any person will refund the purchase price of any of the Shares;
 - (iii) as to the future price or value of any of the Shares; or
 - (iv) that any of the Shares will be listed and posted for trading on a stock exchange or that application has been made to list and post any of the Shares for trading on a stock exchange;
- (d) the Purchaser has no knowledge of a “material fact” or “material change” (as those terms are defined by applicable securities legislation) in respect of the affairs of the Issuer that has not been generally disclosed to the public, other than knowledge relating directly to its subscription for the Shares;
- (e) the Purchaser:
 - (i) is not a person (as defined in the United States *Securities Act of 1933*, as amended (the **1933 Act**)) and is not purchasing the Shares for the account or the benefit of a person as defined in the *1933 Act*; and
 - (ii) was not offered the Shares in the United States (as defined in Regulation S under the *1933 Act*); and
 - (iii) did not execute or deliver this Agreement in the United States;
- (f) the Purchaser’s decision to execute this Agreement and purchase the Shares hereunder has not been based upon any oral or written representation, and the within subscription is made unconditionally as a result of the Purchaser’s desire to participate in the future development of the Issuer through the purchase of the Shares;
- (g) if an individual, the Purchaser has attained the age of majority and is legally competent to execute this Agreement and to take all actions required pursuant hereto;

- (h) the information set forth on the initial page of this Agreement relating to the Purchaser is true and correct;
 - (i) if required by applicable securities legislation, regulatory policy, order, MI 45-106 or by any securities commission or other regulatory authority, the undersigned will execute, deliver, file and otherwise assist the Issuer in filing, such reports, questionnaires, undertakings and other documents with respect to the issue of the Shares;
 - (j) this Agreement has been duly and validly authorized, executed and delivered by the Purchaser and constitutes a legal, valid, binding and enforceable obligation of the Purchaser;
 - (k) in the case of a subscription by the undersigned for Shares acting as agent for a disclosed principal, the undersigned is duly authorized to execute and deliver this Agreement and all other necessary documentation in connection with such subscription on behalf of such principal and this Agreement has been duly authorized, executed and delivered by or on behalf of, and constitutes the legal, valid and binding agreement of, such principal;
 - (l) the Purchaser acknowledges that the net subscription proceeds (gross proceeds less expenses, including legal fees, which have not been paid by the Issuer) will be immediately releasable to the Issuer on Closing or later closing dates, as the case may be, provided they occur after midnight on the second business day after the Purchaser signs the Agreement;
 - (m) the Purchaser presently deals and will, at all relevant times, continue to deal at arm's length with the Issuer for the purposes of the *Income Tax Act* (Canada) and has had the opportunity to consult its own independent advisor as to the income tax consequences of purchasing the Shares;
 - (n) if a corporation, partnership, unincorporated association or other entity, it has the legal capacity to enter into and be bound by this Subscription Agreement and further certifies that all necessary approvals of directors, shareholders or otherwise have been given and obtained; and
 - (o) the Purchaser has knowledge in financial and business affairs as to be capable of evaluating the merits and risks of its investment and is able to bear the economic risk of loss if its investment.
- 3.6 The Purchaser agrees that the above representations, warranties and covenants will be true and correct both as of the execution of this Agreement and as of the Closing and will survive the completion of the sale of the Shares.
- 3.7 The foregoing representations, warranties and covenants are made by the Purchaser with the intent that they be relied upon in determining its suitability as a purchaser of Shares. The Purchaser undertakes to notify the Issuer immediately at the address of the Issuer set forth above of any change in any representation, warranty or other

information relating to the undersigned set forth herein which takes place prior to the Closing.

- 3.8 The Issuer and its counsel shall be entitled to rely on the representations and warranties of the Purchaser contained in the section entitled “Representations, Warranties and Covenants of the Purchaser”, above, and the Purchaser shall indemnify and hold harmless the Issuer from any loss or damage that the Issuer may suffer as a result of any breach of any such representation and warranty or any other misrepresentation of the Purchaser.

4. Acknowledgements of Purchaser

THE PURCHASER FURTHER ACKNOWLEDGES THAT AN INVESTMENT IN THE SHARES OF THE ISSUER MUST BE CONSIDERED SPECULATIVE AND IS SUBJECT TO A NUMBER OF RISK FACTORS. THE PURCHASER COVENANTS AND AGREES TO COMPLY WITH MI 45-106, ANY OTHER APPLICABLE SECURITIES LEGISLATION, RULES, REGULATIONS, ORDERS OR POLICIES CONCERNING THE PURCHASE, HOLDING OF, AND RESALE OF THE SHARES OF THE ISSUER. THE SHARES ARE SUBJECT TO RESALE RESTRICTIONS AND WILL BEAR A LEGEND TO THAT EFFECT.

5. Representations and Warranties of the Issuer

The Issuer hereby represents and warrants to the Purchaser that it has been duly incorporated and is a valid and subsisting corporation under the laws of the Province of British Columbia and has full corporate power and authority to enter into this Agreement and to perform its obligations hereunder on behalf of the Issuer.

6. Covenants of the Issuer

The Issuer hereby covenants with the Purchaser that it will take all corporate action required to issue to the Purchaser the Shares.

7. Cancellation of Agreement

The Purchaser shall have the right to cancel this Agreement within two (2) business days of signing this Agreement by delivering to the Issuer, by not later than midnight on the 2nd business day after the Purchaser signs this Agreement, a written notice indicating the cancellation of this Agreement and the Issuer shall return to the Purchaser the Subscription Amount paid by the Purchaser, without interest, deduction or penalty.

8. Resale Restrictions

The Purchaser acknowledges that any resale of the Shares will be subject to resale restrictions contained in the applicable securities legislation, including but not limited to MI 45-106, applicable to the Purchaser. The Purchaser acknowledges that the Issuer is not a reporting issuer in any jurisdiction and accordingly, unless qualified by the Issuer for resale, the Purchaser will be required to hold the Shares indefinitely and may not trade except in very limited circumstances.

9. Closing

The sale of the Shares will be completed at the offices of the Issuer's solicitors, Access Law Group, in Vancouver, British Columbia on Closing, or at such other place or time as the Issuer decides.

10. Regulatory Approval

The completion of the Offering by the Issuer will not take place unless all regulatory provisions relating thereto have been observed.

11. General

- 11.1 This Agreement shall be binding upon and enure to the benefit of the Purchaser and the Purchaser's executors, personal representatives, successors and assigns and the Issuer and its successors and assigns.
- 11.2 The representations and warranties of the Issuer contained herein shall survive the Closing.
- 11.3 The Issuer shall be entitled to rely on delivery of a facsimile copy of this Agreement, and acceptance by the Issuer of such facsimile copy shall be legally effective to create a valid and binding agreement between the Purchaser and the Issuer in accordance with the terms hereof.
- 11.4 Each party shall from time to time do such further acts and execute and deliver such further documents as shall be reasonably required in order to fully perform and carry out the terms of this Agreement.
- 11.5 The headings of the section of this Agreement are inserted for convenience of reference only and shall not affect the meaning or construction hereof.
- 11.6 The terms of this Agreement express and constitute the entire agreement between the parties hereto as to the subject matter hereof, and no implied term of any kind shall arise by reason of anything contained in this Agreement.
- 11.7 Time is of the essence of this Agreement.
- 11.8 All costs and expenses incurred by the Purchaser (including any fees and disbursements of any special counsel retained by the Purchaser) relating to the sale of the Shares to the Purchaser shall be borne by the Purchaser.
- 11.9 This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein. The parties hereto each irrevocably and exclusively attorns to the jurisdiction of the courts of the Province of British Columbia.
- 11.10 In this Agreement, words importing the singular include the plural and vice versa and words importing persons include firms or corporations.

Appendix II
Risk Acknowledgement Form (Form 45-106F4) (copy 1 of 2)

Risk Acknowledgement

- I acknowledge that this is a risky investment.
- I am investing entirely at my own risk.
- No securities regulatory authority has evaluated or endorsed the merits of these securities or the disclosure in the offering memorandum.
- The person selling me these securities is not registered with a securities regulatory authority and has no duty to tell me whether this investment is suitable for me.
- I will not be able to sell these securities except in very limited circumstances. I may never be able to sell these securities.
- I will not be able to sell these securities for 4 months.
- I could lose all the money I invest.

I am investing \$_____ [total consideration] in total; this includes any amount I am obliged to pay in future. **Peace Summit Technologies (VCC) Inc.** will pay \$_____ [amount of fee or commission] of this to _____ [name of person selling the securities] as a fee or commission.

I acknowledge that this is a risky investment and that I could lose all the money I invest.

Date

Signature of Purchaser

Print name of Purchaser

SIGN 2 COPIES OF THIS DOCUMENT. KEEP ONE COPY FOR YOUR RECORDS.

YOU HAVE 2 BUSINESS DAYS TO CANCEL YOUR PURCHASE.

TO DO SO, SEND A NOTICE TO PEACE SUMMIT TECHNOLOGIES (VCC) INC. STATING THAT YOU WANT TO CANCEL YOUR PURCHASE. YOU MUST SEND THE NOTICE BEFORE MIDNIGHT ON THE 2ND BUSINESS DAY AFTER YOU SIGN THE AGREEMENT TO PURCHASE THE SECURITIES. YOU CAN SEND THE NOTICE BY FAX OR EMAIL OR DELIVER IT IN PERSON TO PEACE SUMMIT TECHNOLOGIES (VCC) INC. AT ITS BUSINESS ADDRESS. KEEP A COPY OF THE NOTICE FOR YOUR RECORDS.

Peace Summit Technologies (VCC) Inc.
1700 – 1185 West Georgia Street
Vancouver BC V6E 4E6

Fax: 604-756-2054
Email: vcc@smartsettle.com

WARNING

YOU ARE BUYING EXEMPT MARKET SECURITIES

THEY ARE CALLED *EXEMPT MARKET SECURITIES* BECAUSE TWO PARTS OF SECURITIES LAW DO NOT APPLY TO THEM. IF AN ISSUER WANTS TO SELL *EXEMPT MARKET SECURITIES* TO YOU:

- **THE ISSUER DOES NOT HAVE TO GIVE YOU A PROSPECTUS (A DOCUMENT THAT DESCRIBES THE INVESTMENT IN DETAIL AND GIVES YOU SOME LEGAL PROTECTIONS), AND**
- **THE SECURITIES DO NOT HAVE TO BE SOLD BY AN INVESTMENT DEALER REGISTERED WITH A SECURITIES REGULATORY AUTHORITY.**

THERE ARE RESTRICTIONS ON YOUR ABILITY TO RESELL *EXEMPT MARKET SECURITIES*. *EXEMPT MARKET SECURITIES* ARE MORE RISKY THAN OTHER SECURITIES.

YOU WILL RECEIVE AN OFFERING MEMORANDUM

READ THE OFFERING MEMORANDUM CAREFULLY BECAUSE IT HAS IMPORTANT INFORMATION ABOUT THE ISSUER AND ITS SECURITIES. KEEP THE OFFERING MEMORANDUM BECAUSE YOU HAVE RIGHTS BASED ON IT. TALK TO A LAWYER FOR DETAILS ABOUT THESE RIGHTS.

YOU WILL NOT RECEIVE ADVICE

YOU WILL NOT GET PROFESSIONAL ADVICE ABOUT WHETHER THE INVESTMENT IS SUITABLE FOR YOU. BUT YOU CAN STILL SEEK THAT ADVICE FROM A REGISTERED ADVISER OR INVESTMENT DEALER. IN ALBERTA, MANITOBA, NORTHWEST TERRITORIES, PRINCE EDWARD ISLAND, QUÉBEC AND SASKATCHEWAN TO QUALIFY AS AN ELIGIBLE INVESTOR, YOU MAY BE REQUIRED TO OBTAIN THAT ADVICE. CONTACT THE INVESTMENT DEALERS ASSOCIATION OF CANADA (WEBSITE AT www.ida.ca) FOR A LIST OF REGISTERED INVESTMENT DEALERS IN YOUR AREA.

THE SECURITIES YOU ARE BUYING ARE NOT LISTED

THE SECURITIES YOU ARE BUYING ARE NOT LISTED ON ANY STOCK EXCHANGE, AND THEY MAY NEVER BE LISTED. YOU MAY NEVER BE ABLE TO SELL THESE SECURITIES.

THE ISSUER OF YOUR SECURITIES IS A NON-REPORTING ISSUER

A *NON-REPORTING ISSUER* DOES NOT HAVE TO PUBLISH FINANCIAL INFORMATION OR NOTIFY THE PUBLIC OF CHANGES IN ITS BUSINESS. YOU MAY NOT RECEIVE ONGOING INFORMATION ABOUT THIS ISSUER.

FOR MORE INFORMATION ON THE EXEMPT MARKET, CALL YOUR LOCAL SECURITIES REGULATORY AUTHORITY OR THE BRITISH COLUMBIA SECURITIES COMMISSION AT 604-899-6500 OR 1-800-373-6393 (www.bcsc.bc.ca).

The purchaser must sign 2 copies of this form. The purchaser and the issuer must each receive a signed copy.

Risk Acknowledgement Form (Form 45-106F4) (copy 2 of 2)

Risk Acknowledgement

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