INITIAL BRIEF

Initial Brief sent via fax transmission 202.772.9324 dated July 18, 2014

Administration Proceeding File Number 3-15619

ORDER GRANTING PETITION FOR
REVIEW AND SCHEDULING BRIEFS
Dated June 18, 2014

In the matter of

JOSEPH P. DOXEY AND
WILLIAM DANIELS

Before the
SECURITIES AND EXCHANGE COMMISSION
Office of the Secretary, Washington, D.C.

HISTORY

Joseph P. Doxey (the "Petitioner" or "Doxey") [redacted]

Doxey further stated in his Motion for Review that he is relying on the statement from Judge Cameron Elliott, ALJ at the Prehearing Conference with Ryan Farney and Nina Finston present for the Division of Enforcement and Doxey dated;
January 9, 2014. "Doxey is allowed to come before the Court to go through item by item in order to show the Court where the Division went wrong." Doxey has relied on this statement by Cameron Elliott, ALJ and is seeking confirmation from the Commission to allow a date certain as deemed appropriate by Cameron Elliott, ALJ.

June 16, 2014 Division of Enforcement's Opposition to Respondent Doxey's Petition for Review, Ryan Farney, Counsel for Division.

June 18, 2014 Petition of Doxey for review of the administration law judge's initial decision is granted by the Commission and General Counsel.

SUMMARY

On petition for review of an order granted by the Commission and the General Counsel as described above, the Petitioner "Doxey" challenges the Division of Enforcement in connection with the Initial Decision dated May 15, 2014.

1. The Initial Decision states Doxey willfully violated Section 10(b) of the SEC Act of 1934, Exchange act Rule 10b-5, and Sections 5(a) and (c) and 17(a)(1), (2,) and (3) of the Securities Act of 1933.

Doxey disagrees with this finding in its entirety. Doxey is the Founder, President and co-inventor of certain patented water filtration and disinfection products under the name of Pure H20 Bio-Technologies, Inc. ("PRHB" or the "Company"). In 2007 the Company was awarded it first patent after four (4) years of submission to the U.S. Patent and Trademark office in Washington, D.C.

PRHB has been trading its common stock for over twelve (12) years without any law suits or blemishes or black marks or any cease and desist orders from violations in connection with the Securities Act of 1933 or the Securities Exchange Act of 1934 until the Division of Enforcement commenced its pursuit against PRHB in January 2009 due to a call from disgruntled consultant who was paid montly for 5 years found himself along with millions of others that the financial crash in September 2008 would have served serious consequences for everyone's lively hood.

The Company's stock price was as high as $1.67 back in 1998 and as low as $.0001 without a bid price in early 2008.

The Company experienced problems due to the self interest of certain consultants, individuals, investors who dishonestly submitted investor questionnaires represented themselves to legal counsel as accredited investors that would affect a guarantee to them in regard to certain exemptions in certain states to access freely tradable shares.

Further findings resulted in breach of contracts by public relation firms from 2007-2008 resulted in a financial crisis for the Company. The fall of the investment markets in September 2008 all but positioned the Company and brought the citizens of our country to its knees.

As always our centers of influence from the board of directors, family, professionals and associates all borrowed funds personally and loaned funds to the Company in 2008-2009. Post September 11, 2001 had any officer or director of the Company benefit from a sale of single share of stock.

The Division's continued drum beat that the Company had no money is just not true.

The Division's selected Six (6) Press Releases in 2008 and 2009 do no justice to other press releases written during same time frame and are purposely put aside by the Division. The Division states that the Company did not have the funds to complete the new facility in Georgia

One press release that is not listed in the "Big Six" is the 2009 announcement that Appalachian Bank funded a loan to PRHB management. The Division does not want to recognize the fact that PRHB was solicited by a Community Bank in Blairsville, Georgia and closed an equity loan in early 2009. This loan was pursued after Chastain & Etcheson tried to fund $500,000 via the purchase of a third party debt. See Press Release January 29, 2009. Chaistain was confident but failed due to the uncertainty in the market and no investor confidence.

PRHB submitted detailed financial information to the Division in its OIP that outlined funds in the aggregate amount of $125,000 that completed and secured the new facility designed to produce the Company's Pilot Program consisting of 100 Hospital Disinfection Systems. Appalachian Bank had completed its appraisal of the secured building and property at $500,000. The bank offered 80% loan to value ($400,000), although being very conservative we closed on a loan amount at fifty (50%) loan to value or $253,000. The Division does not want to address these funds or this issue at all. It does not help their agenda and does not want to disclose the truth. In the last two hundred fifty (250) pages OIP submission to the Division last February 2014, these funds regarding the Appalachian loan and its supporting documentation was presented as fact. The Division intentionally disregards this fact and all documents encompassing this fact.

The Division states that the Company had no funds to proceed to NSF for its certification. The Division states that PRHB never could afford to go through testing with NSF, which would cost at least $25,000 and PRHB never began certification testing because it never had the money to pay for it. The Division states that the Company was dissolved by the state of Florida for nonpayment of fees, but was later reinstated. This is not true as the Division is misguided.

The Division states that it did not have a contract with NSF. The Division states that Ellen Van Buren was unaware of any contract with NSF. The Division states that Doxey committed fraud. The Division states that Doxey altered the evidence attached to his Summary or OIP. The Division States Doxey altered typeface used in the originals. The Division States that Clancy only reduced cryptosporidium to a three log level. The Division states Doxey misrepresented facts in six (6) press releases. The Division states Doxey wrote all (6) press releases. The Division states that PRHB does not need NSF certification for its hospital system. The Division states

PRHB never delivered its intellectual data, tests results, Q & A's, engineering designs, including material used, product construction, the parameters under which the product operates including flow rate, filtration capacity, etc. to NSF. The Division states that Doxey knew that Clancy's testing showed reduction that did not meet the three-log reduction criteria. The Division states that Doxey had limited communication with NSF. The Division states that tests conducted by Clancy showed that the system never met P-231's Cryptosporidium criterion. The Division states NSF never began any certification testing on the System.

The Division states Van Buren corresponded mostly with Felkner and also on a limited basis with Doxey. The Division stated Van Buren looked into Felkner's question, and told Felkner NSF might be able to use the Clancy data in their own testing. The Division states the Clancy Cryptosporidium Data, which Van Buren had discussed with Felkner was never sent to NSF nor was the system itself. The Division states that PRHB never gave NSF more than a general description of the System and a link to the company's web-site which showed nonspecific information about the product that was not the type NSF needed to commence certification work. The Division states that a February 3, 2009 email from Van Buren to Doxey shows that certification work never commenced. The Division states that there is a factual dispute between the Division and Doxey, regarding whether PRHB ever actually entered into a contract with NSF for certification work. The Division states NSF employee Maren Rouch and Felkner copied. The Division states PRHB struggled financially in 2008-2009. The Division states by Doxey's own admissions, which include a February 2014 statement that the current product is not ready for NSF certification and testimony Doxey gave to the Division in August 2012. It goes on and on...

The Division's statements above are all argumentative; inaccurate due to misguided lawyers of the Division's willful blindness to achieve their own agenda. It is the intent of the Petitioner to cross examine the Division's witnesses including certain parties employed at NSF, Clancy Consultants, and further submit affidavits relevant to the above statements made by the Division. The Petitioner further requests that the evidence submitted in the (250) page OIP last February 2014 be reviewed by the Commission as it is now evident that the OIP documents has not been read, analyzed or recognized as evidence as it was outlined to do. If it was, the ALJ would not site the above items in his Initial Decision dated May15, 2014.

2. The Initial Decision states Doxey willfully violated Section 10(b) of the SEC Act of 1934, Exchange act Rule 10b-5, and Sections 5(a) and (c) and 17(a)(1), (2,) and (3) of the Securities Act of 1933.

In recent years, the Securities and Exchange Commission has increasingly relied on Section 17(a) of the 1933 Securities Act. Indeed, many of the cases the SEC has brought in the wake of the recent financial crisis have been charged solely under

> Section 17(a). While Section 17(a) shares the same basic structure as the more familiar Rule 10b-5, it is different in important ways. However, because courts often analyze Section 17(a) and Rule 10b-5 together, the unique provisions of Section 17(a) have received less attention over the years. There are thus a number of important questions regarding the application of Section 17(a) that have not yet been resolved. Below, we provide a brief overview of Section 17(a) and discuss the key differences between Section 17(a) and Rule 10b-5, then discuss several significant unanswered questions regarding Section 17(a).

Overview of Section 17(a) and Its Relationship to Rule 10b-5 - Congress passed the 1933 Securities Act in the wake of the market crash of 1929, to "provide investors with full disclosure of material information concerning public offerings of securities in commerce, to protect investors against fraud and, through the imposition of specified civil liabilities, to promote ethical standards of honesty and fair dealing." As the key enforcement provision of the 1933 Act, Section 17(a) prohibits fraud and misrepresentations in the offer or sale of securities. In order for Rule 10b-5 to be invoked, there must be *intentional* fraud or deceit by the party charged with the violation.

SEC Rule 10b-5, codified at 17 C.F.R. 240.10b-5, is one of the most important rules targeting securities fraud promulgated by the U.S. Securities and Exchange Commission, pursuant to its authority granted under § 10(b) of the Securities Exchange Act of 1934.[ii] The rule prohibits any act or omission resulting in fraud or deceit in connection with the purchase or sale of any security. The issue of insider trading is given further definition in SEC Rule 10b5-1.

"Rule 10b-5: Employment of Manipulative and Deceptive Practices":

> It shall be unlawful for any person, directly or indirectly, by the use of any means or instrumentality of interstate commerce, or of the mails or of any facility of any national securities exchange,
> (a) To employ any device, scheme, or artifice to defraud,
> (b) To make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading, or
> (c) To engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person,
> in connection with the purchase or sale of any security."

To what extent Rule 10b-5 prohibits insider trading is a matter of some dispute. The SEC has long advocated an "equal access theory" with regard to 10b-5, arguing that anyone

who has material, non-public information must either disclose that information or abstain from trading. However, the Supreme Court rejected the strongest version of that theory in *Chiarella v. United States*,[3] holding a person with no fiduciary duty to the shareholders had no duty to disclose information before trading on it. In 1997, the Supreme Court has embraced a "misappropriation" theory of omissions, holding in *United States v. O'Hagan*[4] that misappropriating confidential information for securities trading purposes, in breach of a duty owed to the source of that information, gives rise to a duty to disclose or abstain.

In order for Rule 10b-5 to be invoked, there must be *intentional* fraud or deceit by the party charged with the violation. Fraud can also happen through reckless conduct. Furthermore, for a private party to recover damages, they must be able to show that they were injured because they relied on the fraudulent claim. Alternately, fraud can also occur through omission of a material fact where reliance does not have to be proved by the party injured but is instead assumed to have occurred. If the defendant had publicly made a fraudulent statement, *every* investor could sue if it could be shown that the statement affected the market as a whole - this is the "fraud on the market" theory enunciated by the Supreme Court in *Basic Inc. v. Levinson*.[5] This "fraud on the market" presumption of the plaintiff's reliance upon the deceit is only available in situations (like in *Basic*) where the security is traded on a well organized, and presumably efficient, market. The same can be said for an omission of material information.

Both the "bespeaks caution" doctrine and the safe harbor provisions of the Private Securities Litigation Reform Act offer protection for forward-looking statements if they are accompanied by cautionary language identifying specific factors that could cause actual results to differ materially from those in the forward-looking statement and may be sufficient to absolve a defendant of liability.[6] However, in *Iowa Public Employees' Retirement System v. MF Global Ltd.*, the US Second Circuit Court of Appeals overturned a decision by the District Court for the Southern District of New York, ruling that the "bespeaks caution" defense to securities disclosure claims applies exclusively to forward-looking statements and not to characterizations that communicate present or historical fact.[7]

The Petitioner will argue after the Division re-reads the OIP submitted last February 2014, all inclusive of two hundred fifty (250) numbered pages. The emails in the OIP were intentionally marked and highlighted by Doxey due to knowing that the Division never read or considered the original unmarked or highlighted emails (approximately 110 pieces) sent by Doxey years prior to the OIP. These original unmarked emails were requested by Finston and Farney via written instruction as evidence of fact, regarding all the sited issues described above.

The petitioner requests the Commission to advise as to the day that Doxey may go over item by item as promised by Cameron Elliott, ALJ to show where the Division went wrong.

While the Petitioner is acting Pro Se, Doxey requests from the Commission some latitude in connection with conducting cross examinations of witnesses and the need for affidavits. Additional time in regard to assessing legal matters as to the Six "Patel" factors vs. Steadman factors. The one point to be considered is the defendant's economic role stake in the violation. The important fact that is not considered here or anywhere in Division's analyst is the fact that none of the Directors or Officers of the Corporation had ever filed an SEC 144 package to sell any of their shares since September 11, 2001. The argument that their was an economic benefit is just not true. The PRHB stock price never exceeded $.0001 during the 2008-2009 time frames. In the event that there was a market for the stock the Director sand Officers would not have loaned their personal hard earned money to the Corporation to continue to go forward. The arguments to all the items listed above are many. The Company has reasonable and logical arguments as to the day to day affairs of the Company as to the items presented above.. These arguments need to be heard. This brief was prepared by Doxey and Doxey alone for the first time today July 17, 2014. This brief shall be submitted via email tomorrow July 18, 2014 to the fax transmission number described at the top of the Brief.

The Petitioner requests from the Commission more time to correct in more detail all the above sited items, its errors of fact until the Petitioner is finished and satisfied with its writings, arguments and conclusions. This brief is unfinished.

Sincerely,

Joseph P. Doxey, President and Founder 7-18-2014
Pure H_20 Bio-Technologies, Inc.

Dated July 18, 2014