

2010 BCSECCOM 166

February 10, 2010

Headnote

National Policy 11-203 *Process for Exemptive Relief Applications in Multiple Jurisdictions* – Securities Act s. 88 – *Cease to be a reporting issuer in BC* - The securities of the issuer are beneficially owned by not more than 50 persons and are not traded through any exchange or market - The issuer falls within the definition of “closely held reporting issuer” contained in BC Instrument 11-502 *Voluntary Surrender of Reporting Issuer Status* as the securities of the issuer are beneficially owned by not more than 50 persons and are not traded through any exchange or market

Applicable British Columbia Provisions

Securities Act, R.S.B.C. 1996, c. 418, s. 88

In the Matter of
the Securities Legislation of
British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, New
Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador
(the “Jurisdictions”)

and

In the Matter of
the Process for Exemptive Relief Applications in Multiple Jurisdictions

and

In the Matter of 9200-7574 Québec Inc.
(the “Filer”)

Decision

Background

The securities regulatory authority or regulators in each of the Jurisdictions (the “Decision Makers”) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the “Legislation”) that the Filer is not a reporting issuer in the Jurisdictions (the “Exemptive Relief Sought”).

Under the Process for Exemptive Relief Applications in Multiple Jurisdictions (for a coordinated review application):

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- (a) the Autorité des marchés financiers is the principal regulator for this application; and
- (b) the decision is the decision of the principal regulator and evidences the decision of each other Decision Maker.

Interpretation

Terms defined in National Instrument 14-101 *Definitions* have the same meaning if used in this decision, unless otherwise defined.

Representations

This decision is based on the following facts represented by the Filer:

1. The Filer results from an amalgamation that took effect on December 23, 2009 between Cossette Inc. and 9209-6841 Québec Inc. (“Newco”), a newly incorporated company (the “First Amalgamation”), followed by an amalgamation on December 24, 2009 between the company that resulted from the First Amalgamation, Cossette Inc. (“Cossette”) and 9200-7574 Québec Inc. (“Parentco”) to form the Filer (the “Second Amalgamation”, collectively with the First Amalgamation, the “Amalgamations”). The Amalgamations were carried out under Part IA of the *Companies Act* (Québec) (the “QCA”).
2. The Filer has its head office at 801 Grande Allée West, Suite 200, Québec City, Québec.
3. On December 18, 2009, the First Amalgamation was approved by a majority of the shareholders of Cossette Inc. Pursuant to the First Amalgamation that occurred on December 23, 2009, the security holders of Cossette Inc., with the exception of Newco and Parentco, received redeemable shares from Cossette Inc. in exchange for their shares. The redeemable shares were all redeemed by Cossette Inc., after the First Amalgamation, at the price of \$8.10 per share, payable in cash. After the First Amalgamation, Cossette Inc. became an indirect wholly-owned subsidiary of Mill Road Capital, L.P. (“Mill Road”).
4. On December 24, 2009, Cossette amalgamated with Parentco under Part IA of the QCA. The Filer is the company that resulted from the Second Amalgamation and is an indirect wholly-owned subsidiary of Mill Road.
5. Prior to the Amalgamations, Cossette Inc. was a reporting issuer in each of the Jurisdictions. After the Amalgamations, the Filer, as the successor entity to Cossette Inc., became a reporting issuer in each of the Jurisdictions.

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6. At the close of the markets on December 29, 2009, the common shares of Cossette were delisted from the Toronto Stock Exchange.
7. The outstanding securities of the Filer, including debt securities, are beneficially owned, directly or indirectly, by fewer than 15 security holders in each of the Jurisdictions and fewer than 51 security holders in total in Canada.
8. No outstanding securities of the Filer are traded on a market place as defined in National Instrument 21-101 *Marketplace Operation*.
9. The Filer has currently no intention to make an offering of its securities to the public.
10. The Filer is applying for a decision that it is not a reporting issuer in the Jurisdictions in which it is currently a reporting issuer.
11. The Filer is not in default of any of its obligations under the Legislation as a reporting issuer, except that it has not filed, on or prior to December 29, 2009, its annual information form for the year ended September 30, 2009 as required under National Instrument 51-102 *Continuous Disclosure Obligations*.
12. The Filer is unable to use the simplified procedure under *CSA Staff Notice 12-307 – Applications for a Decision that an Issuer is not a Reporting Issuer* because it does not meet all of the simplified procedure criteria.
13. Upon the grant of the Exemptive Relief Sought, the Filer will not be a reporting issuer in any Jurisdiction.

Decision

Each of the Decision Makers is satisfied that the decision meets the test set out in the Legislation for the Decision Maker to make the decision.

The decision of the Decision Makers under the Legislation is that the Exemptive Relief Sought is granted.

Alida Gualtieri
Manager, Continuous Disclosure
Autorité des marchés financiers