

2006 BCSECCOM 613

September 22, 2006

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Securities Act s. 88 - Cease to be a reporting issuer in BC - The securities of the issuer are beneficially owned by more than 50 persons and are not traded through any exchange or market - As a result of a takeover bid, slightly more than 50 members of the public hold securities of the issuer; the issuer has no operations; it does not intend to do a public offering of its securities; it will not be a reporting issuer in any other jurisdiction; the issuer is required to provide annual financial statements to its shareholders under corporate legislation

Applicable British Columbia Provisions

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

In the Matter of
the Securities Legislation of
Alberta and British Columbia
(the Jurisdictions)

and

In the Matter of
the Mutual Reliance Review System for Exemptive Relief Applications

and

In the Matter of
Greystone Research Corp.
(the Applicant)

MRRS Decision Document

Background

1. The local securities regulatory authority or regulator (the Decision Maker) in each of the Jurisdictions has received an application from the Applicant for a decision under the securities legislation of the Jurisdictions (the Legislation) that it be deemed to have ceased to be a reporting issuer under the Legislation (the Requested Relief).
2. Under the Mutual Reliance Review System for Exemptive Relief Applications (MRRS):

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- 2.1. The Alberta Securities Commission is the principal regulator for this application; and
- 2.2. This MRRS decision document evidences the decision of each Decision Maker.

Representations

3. This decision is based on the following facts represented by the Applicant:

- 3.1. The Applicant's head office is located in Calgary, Alberta.
- 3.2. The Applicant is a reporting issuer in each of the Jurisdictions.
- 3.3. The Applicant was incorporated pursuant to the provisions of the *Canada Business Corporations Act* on March 14, 2000 and was listed on the TSX Venture Exchange (TSX-V) as a capital pool company in December 2001. In June 2004, the Applicant's shares were de-listed from the TSX-V for failure to complete its qualifying transaction.
- 3.4. On June 17, 2005, the Applicant received an offer (the Offer) to acquire all of the issued and outstanding common shares of the Applicant (Applicant Shares) on the basis of 0.285 of a common share of the offeror for each one Applicant Share. An aggregate of 3,775,650 Applicant Shares, representing 91.70% of the issued and outstanding Applicant Shares, were tendered to the Offer. A total of 56 shareholders did not accept the offer, 41 of whom reside in Alberta, 7 in British Columbia, 1 in Manitoba, 4 in Ontario, 1 in Quebec, 1 in the United States of America, and 1 outside of North America.
- 3.5. The Applicant does not intend to seek public financing by way of an offering of its securities in Canada or to re-list its securities on any stock exchange or market in Canada, nor does it plan to carry on an active business.
- 3.6. The security holders of the Applicant will not be adversely affected by an order that the Applicant cease to be a reporting issuer in Alberta and British Columbia as the shareholders will receive the annual financial statements of the Corporation at the Applicant's annual general meeting, the content of which will be substantially the same as if the Applicant were to remain a reporting issuer.
- 3.7. No securities of the Applicant are traded on a marketplace as defined in National Instrument 21-101 – *Marketplace Operation*.

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- 3.8. The Applicant is not in default of any of its obligations under the Legislation as a reporting issuer.

Decision

4. Each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the decision has been met.
5. The decision of the Decision Makers under the Legislation is that the Requested Relief is granted.

Blaine Young
Associate Director, Corporate Finance
Alberta Securities Commission