

2008 BCSECCOM 639

December 18, 2008

Headnote

NP 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
Alberta, British Columbia, Saskatchewan, Manitoba, Ontario,
Québec, New Brunswick, Prince Edward Island, Nova Scotia, 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
180 Connect Inc. and 180 Connect ExchangeCo Inc.
(the Filers)

Decision

Background

The securities regulatory authority or regulator in each of the Jurisdictions (the Decision Maker) has received an application from the Filers for a decision under the securities legislation of the Jurisdictions (the Legislation) that the Filers are

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deemed to have ceased to be reporting issuers, and for the purposes of Québec, that the Autorité des Marchés Financiers has revoked the issuers' status as reporting issuers (the Exemptive Relief Sought).

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

- (a) the Alberta Securities Commission is the principal regulator for this application, and
- (b) the decision is the decision of the principal regulator and evidences the decisions 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 Filers:

1. 180 Connect Inc. was incorporated under the laws of the State of Delaware, U.S.A. on April 7, 2005. 180 Connect Inc. was previously known as "Ad. Ventures Partners Inc." and changed its name to "180 Connect Inc." following completion of an arrangement with, among others, 180 Connect Inc., a *Canadian Business Corporations Act* corporation, pursuant to an arrangement agreement entered into August 13, 2007, and completed August 24, 2007. 180 Connect Inc.'s head office is located in Englewood, Colorado.
2. 180 Connect ExchangeCo Inc. was incorporated under the *Canada Business Corporations Act* on March 6, 2007. Its head office is located in Englewood, Colorado. 180 Connect ExchangeCo Inc. is an indirect wholly-owned subsidiary of 180 Connect Inc.
3. The Filers are reporting issuers in Alberta, British Columbia, Saskatchewan, Manitoba, Ontario, Québec, New Brunswick, Prince Edward Island, Nova Scotia and Newfoundland and Labrador.
4. The Filers are not in default of any of their obligations under the Legislation as reporting issuers, other than the obligation to file interim financial statements, related management's discussion and analysis and certificates in respect of the interim periods ended June 30, 2008 and September 30, 2008.

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5. Immediately prior to the merger, as described below, the authorized share capital of 180 Connect Inc. consisted of (i) 100,000,000 shares of company common stock (the Common Shares) and (ii) 1,000,000 shares of company preferred stock.
6. Immediately prior to the merger, as described below, the authorized share capital of 180 Connect ExchangeCo Inc. consisted of an unlimited number of exchangeable shares, and an unlimited number of common shares.
7. On April 18, 2008, 180 Connect Inc. entered into an agreement and plan of merger (the Merger Agreement) with DIRECTV Enterprises, LLC and DTV HSP Merger Sub, Inc., a wholly-owned subsidiary of DIRECTV Enterprises, LLC. Following the receipt of shareholder approval at a special meeting held on July 8, 2008 and in accordance with the terms of the Merger Agreement, on July 9, 2008 180 Connect Inc. merged with DTV Merger Sub Inc. whereby all Common Shares (other than shares held by 180 Connect Inc. as treasury stock and shares held by dissenting stockholders, if any, who had properly exercised their statutory appraisal rights), were converted into the right to receive US\$1.80 in cash per share, without interest and less any applicable withholding taxes. All exchangeable shares of 180 Connect ExchangeCo Inc. were redeemed for Common Shares immediately prior to the completion of the merger.
8. As a result of the merger, all of the issued and outstanding securities of 180 Connect Inc. and 180 Connect ExchangeCo Inc. are held directly or indirectly by DIRECTV Enterprises, LLC. Further, as of the close of business on July 9, 2008, the Common Shares of 180 Connect Inc. were de-listed from the Over The Counter Bulletin Board System. As a result, no securities of 180 Connect Inc. are traded on a marketplace as defined in National Instrument 21-101 *Marketplace Operation*. As well, 180 Connect Inc. filed a notice of termination of registration under s. 12(g) of the U.S. *Securities Exchange Act* of 1934 (the 1934 Act) effective July 9, 2008 such that securities of 180 Connect Inc. are no longer registered under the 1934 Act. Further information relating to the merger (including a copy of the Merger Agreement) is contained in the proxy circular of 180 Connect Inc. dated June 4, 2008, a copy of which is available through 180 Connect Inc.'s issuer profile on SEDAR.
9. No securities of the Filers are currently traded on a marketplace as defined in National Instrument 21-101 *Marketplace Operation*.

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.

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

Blaine Young
Associate Director, Corporate Finance
Alberta Securities Commission