

2005 BCSECCOM 582

August 19, 2005

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 - Issuer became a reporting issuer by filing a prospectus, but the offering under the prospectus did not close; the issuer does not intend to do a public offering of its securities; the issuer's securities do not trade on any marketplace; the issuer's securityholders are aware of the issuer's intention to cease to be a reporting issuer

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 and Ontario (the Jurisdictions)

and

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

and

In the Matter of
VX Technologies Inc. (the Filer)

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 Filer for a decision under the securities legislation of the Jurisdictions (the Legislation) that the Filer is deemed to have ceased to be a reporting issuer (the Requested Relief).
2. Under the Mutual Reliance Review System for Exemptive Relief Applications (the MRRS):
 - 2.1 the Alberta Securities Commission is the principal regulator for this application, and

2005 BCSECCOM 582

- 2.2 this MRRS decision document evidences the decision of each Decision Maker.

Interpretation

3. Defined terms contained in National Instrument 14-101 *Definitions* have the same meaning in this decision unless they are defined in this decision.

Representations

4. This decision is based on the following facts represented by the Filer:
- 4.1 The Filer was formed on January 1, 2004 through the amalgamation of VX Technologies Inc., VX Optronics Corp. and 1074889 Alberta Ltd., pursuant to the *Business Corporations Act* (Alberta).
- 4.2 The Filer's head office is located in Calgary, Alberta.
- 4.3 The Filer has been a reporting issuer in the Jurisdictions since April 26, 2005, the date on which the Filer received receipts from each of the Decision Makers for a final prospectus (the Prospectus) in connection with an initial public offering (the IPO) of the Filer's securities.
- 4.4 The Filer did not close the IPO and no securities have been, or will be, issued under the Prospectus.
- 4.5 The issued and outstanding securities of the Filer, including debt securities, are beneficially owned, directly or indirectly, by 59 security holders (the Security Holders) of which 33 have addresses in Alberta, 6 have addresses in British Columbia and 9 have addresses in Ontario.
- 4.6 No securities of the Filer are traded on a marketplace as defined in National Instrument 21-101 *Marketplace Operation*.
- 4.7 The Filer is applying for the Requested Relief in all of the jurisdictions of Canada in which it is currently a reporting issuer.
- 4.8 The Filer is not in default of any of its obligations as a reporting issuer under the Legislation.
- 4.9 Security Holders representing 86.3% of the Filer's issued and outstanding voting securities have consented to the Filer making

2005 BCSECCOM 582

application to each of the Decision Makers for the Requested Relief and have acknowledged that they are aware that as a consequence of each of the Decision Makers granting the Requested Relief the Filer will not be required to provide the Security Holders with continuous disclosure documents as prescribed under the Legislation.

Decision

5. 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.
6. The decision of the Decision Makers under the Legislation is that the Requested Relief is granted.

Blaine Young
Director, Legal Services & Policy Development
Alberta Securities Commission