

2009 BCSECCOM 553

September 28, 2009

Headnote

Multilateral Instrument 11-102 *Passport System* and National Policy 11-203
Process for Exemptive Relief Applications in Multiple Jurisdictions

National Instrument 51-102, s.13.1 *Continuous Disclosure* - National Instrument 52-109, s.4.5 *Certification of Disclosure in Issuer's Annual and Interim Filings* - National Instrument 52-110, s.8.1 *Audit Committees* - National Instrument 58-101, s.3.1 *Disclosure of Corporate Governance Practices* - General - An issuer seeks relief from the requirement in s.1.1 definition of "venture issuer", that a reporting issuer not have any of its securities listed or quoted on a marketplace outside of Canada and the United States of America other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc - A venture issuer with common shares listed on the TSXV wants to list on an exchange that does not meet the requirements of the definition of a venture issuer; the relevant exchange is a junior market that has similar requirements as the TSXV; the exchange requires the issuer to comply with TSXV requirements in order to acquire and maintain listing on that exchange; to remain a venture issuer, the issuer must continue to have its common shares listed on the TSXV and the exchange must remain a junior market

Applicable British Columbia Provisions

National Instrument 51-102, ss. 1.1 and 13.1

National Instrument 52-109, ss. 1.1 and 4.5

National Instrument 52-110, ss. 1.1 and 8.1

National Instrument 58-101, ss. 1.1 and 3.1

In the Matter of
the Securities Legislation of
British Columbia
(the Jurisdiction)

and

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

and

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In the Matter of
Transeuro Energy Corp.
(the Filer)

Decision

Background

- ¶ 1 The principal regulator in the Jurisdiction has received an application from the Filer for a decision under the securities legislation of the Jurisdiction of the principal regulator (the Legislation) for relief from the requirement in the definition of “venture issuer” in section 1.1 of each of National Instrument 51-102 *Continuous Disclosure Obligations*, National Instrument 52-109 *Certification of Disclosure in Issuers’ Annual and Interim Filings*, National Instrument 52-110 *Audit Committees* and National Instrument 58-101 *Disclosure of Corporate Governance Practices*, that a reporting issuer not, at the relevant time, have any of its securities listed or quoted on any of the Toronto Stock Exchange, a U.S. marketplace or a marketplace outside of Canada or the United States other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operating by PLUS Markets Group plc (the Exemption Sought);

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

- (a) British Columbia is the principal regulator for this application; and
- (b) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 Passport System (MI 11-102) is intended to be relied upon in Alberta.

Interpretation

- ¶ 2 Terms defined in National Instrument 14-101 *Definitions* and MI 11-102 have the same meaning if used in this decision, unless otherwise defined.

Representations

- ¶ 3 This decision is based on the following facts represented by the Filer:
1. the Filer is incorporated under the *Business Corporations Act* (British Columbia) and its head office is located in Vancouver;
 2. the Filer is a reporting issuer in British Columbia and Alberta; based on a review of the reporting issuer lists maintained on the web sites of the securities regulatory authorities in British Columbia and Alberta, the Filer is not in

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default of any of the requirements of the applicable securities legislation in these jurisdictions;

3. the Filer is authorized to issue an unlimited number of common shares without par value; as of the date hereof, the Filer has 383,846,590 common shares issued and outstanding;
4. the common shares of the Filer are listed on the TSX Venture Exchange (the TSX-V).
5. effective August 1, 2007, the Filer obtained a listing on the Oslo Axess, the junior board of the Oslo Børs Stock Exchange; the Filer sought a listing on the Oslo Axess in order to access new sources of capital from Norwegian and other European investors;
6. since obtaining its listing on the Oslo Axess the Filer has filed its continuous disclosure documents in British Columbia and Alberta in accordance with the requirements for a non-venture issuer;
7. the Filer is applying for the Exemption Sought in order to reduce its costs of complying with the on-venture issuer filing requirements;
8. the Oslo Axess is a junior market;
9. the Oslo Axess is similar to the TSXV in terms of its ongoing filing requirements;
10. the Oslo Axess requires the Filer to comply with TSXV requirements in order to maintain its secondary listing on the Oslo Axess; and
11. the information the Filers provided about the Oslo Axess (and its status as a junior market) for the purposes of review by capital markets staff of the British Columbia Securities Commission is accurate as at the date of this decision.

Decision

- ¶ 4 The principal regulator is satisfied that the decision meets the test set out in the Legislation for the principal regulator to make the decision.

The decision of the principal regulator under the Legislation is that the Exemption Sought is granted provided that:

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- (a) the Oslo Axess is not restructured in a manner that makes it unreasonable to conclude that it is still a junior market;
- (b) the representations in sections 8 through 11 above continue to be true;
- (c) the Filer continues to have its common shares listed on the TSX-V;
- (d) The Filer does not have any of its securities listed or quoted on any of the Toronto Stock Exchange, a U.S. marketplace, or a marketplace outside of Canada and the United States of America other than the Oslo Axess, the Alternative Investment Market of the London Stock Exchange or the PLUS markets operating by PLUS Markets Group plc.

Martin Eady, CA
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British Columbia Securities Commission