

2010 BCSECCOM 368

June 14, 2010

Headnote

National Policy 11-203 *Process for Exemptive Relief Applications in Multiple Jurisdictions – Securities Act*, R.S.B.C. 1996, c. 418, 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
Québec, British Columbia, Alberta, Saskatchewan, Manitoba, Ontario,
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
9222-9129 Québec Inc.
(formerly, MethylGene Inc.)
(the “Issuer”)

Decision

Background

The securities regulatory authority or regulator in each of the Jurisdictions (the “Decision Makers”) has received an application from 1819400 Ontario Inc. and 1815303 Ontario Limited (the “Investors”) and the Issuer for a decision under the securities legislation of the Jurisdictions (the “Legislation”) that the Issuer is not a reporting issuer (the “Exemptive Relief Sought”).

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

- (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 Issuer:

1. The Issuer was incorporated under Part IA of the *Companies Act* (Québec) on December 13, 1995. Its head office is located in Montréal, Québec.
2. The Issuer is a reporting issuer in all Jurisdictions.
3. On May 19, 2010, the Investors became the sole shareholders of the Issuer on the closing of an arrangement under the provisions of sections 49 and 123.107 to 123.110 of the *Companies Act* (Québec) between the Issuer, the Investors, 7503466 Canada Inc. (“Newco”) and 7503547 Canada Inc. (“Subco”) (the “Arrangement”).
4. The Arrangement was approved by the shareholders of the Issuer, present in person or represented by proxy at an annual and special meeting of shareholders of the Issuer held on May 14, 2010 (the “Meeting”), holding approximately 99.97% of the votes cast at the Meeting.
5. The Arrangement was sanctioned by a judge of the Superior Court of Québec pursuant to a Final Order issued on May 17, 2010.
6. Pursuant to the Arrangement:
 - (a) The Issuer transferred substantially all of its assets and liabilities to Subco.
 - (b) Shareholders of the Issuer transferred all their common shares to Newco in exchange for Newco common shares on a one-for-one basis.

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- (c) The Investors and/or their affiliates subscribed to a new class of shares of the Issuer, designated as the voting shares (not listed on any marketplace) and consequently became the sole shareholders of the Issuer.
 - (d) The common shares of the Issuer that were listed on the Toronto Stock Exchange prior to the Arrangement have been delisted effective on May 21, 2010.
 - (e) The Issuer relinquished its corporate name and reverted to a numerical corporate name.
 - (f) Newco and Subco amalgamated to form “NewMethylGene” which now carries on the same business as the Issuer prior to the Arrangement, under the name “MethylGene Inc.”
 - (g) As a result, the common shares of NewMethylGene are listed since May 21, 2010 on the Toronto Stock Exchange under the symbol “MYG” in substitution to the common shares of the Issuer, and NewMethylGene is a reporting issuer in each of the provinces of Canada.
- 7. The Issuer is not in default of any of its obligations under the Legislation as a reporting issuer.
 - 8. As indicated above, the outstanding securities of the Issuer, including debt securities, are now 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.
 - 9. No securities of the Issuer are traded on a marketplace as defined in National Instrument 21-101 *Marketplace Operation*.
 - 10. The Issuer has no current intention to proceed with an offering of its securities in a jurisdiction of Canada by way of private placement or public offering.
 - 11. The Issuer did not surrender its status as a reporting issuer in British Columbia pursuant to BC Instrument 11-502 – *Voluntary Surrender of Reporting Issuer Status* (the “BC Instrument”) in order to avoid the 10-day waiting period under the BC Instrument.
 - 12. As the Issuer is a reporting issuer in British Columbia, the Issuer is not eligible to use the simplified procedure under CSA Staff Notice 12-307 *Application for a Decision that an Issuer is not a Reporting Issuer* in order to apply for the decision sought.

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13. The Issuer, upon the grant of the Exemptive Relief Sought, will no longer be a reporting issuer in any jurisdiction in Canada.

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
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