

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ALBERTA, SASKATCHEWAN, ONTARIO AND QUEBEC

AND

IN THE MATTER OF
THE MUTUAL RELIANCE REVIEW SYSTEM FOR
EXEMPTIVE RELIEF APPLICATIONS

AND

IN THE MATTER OF
BRITISH GROUP REALTY CORPORATION

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of Alberta, Saskatchewan, Ontario and Québec (the "Jurisdictions") has received an application from British Group Realty Corporation (the "Filer") for a decision under the securities legislation of the Jurisdictions (the "Legislation") that the Filer be deemed to have ceased to be a reporting issuer under the Legislation;

AND WHEREAS under the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), the Ontario Securities Commission is the principal regulator for this application;

AND WHEREAS the Filer has represented to the Decision Makers that:

- (a) The Filer is a reporting issuer in British Columbia, Alberta, Saskatchewan, Ontario and Québec (the "Jurisdictions") and has its head office in Surrey, British Columbia.
- (b) British Group Realty Corporation, a predecessor company to the Filer ("Old British Group") was incorporated on May 1, 1987 pursuant to the British Columbia Company Act (the "BCCA").
- (c) Old British Group became a reporting issuer in each of the Provinces of British Columbia, Alberta, Saskatchewan and Ontario in or about July 1988 and subsequently became a reporting issuer in the province of Québec.
- (d) On February 1, 2002, Old British Group amalgamated with J. Block

Acquisition Co. Ltd. (the "Amalgamation") under the BCCA and continued as the Filer.

- (e) The authorized share capital of the Filer consists of 10,000,000 Common Shares (the ACommon Shares@) without par value, of which 2,440,912 Common Shares are outstanding, and 10,000,000 Redeemable Preference Shares (the ARedeemable Preference Shares@) without par value, of which no Redeemable Preference Shares are outstanding. All of the issued and outstanding Common Shares are beneficially owned by J. Block Investment Ltd. and Mr. John Block (together the "Principal Shareholders").
- (f) Pursuant to the Amalgamation, shareholders of Old British Group other than the Principal Shareholders received 1 Redeemable Preference Share of the Filer for each common share of Old British Group held. All Redeemable Preference Shares of the Filer were redeemed pursuant to the share rights attached thereto and the Amalgamation Agreement on February 8, 2002 at the price of \$1.80 per share. All outstanding options to acquire Old British Group shares were surrendered and cancelled.
- (g) As a result of the Amalgamation and the subsequent redemption, the Principal Shareholders beneficially own all of the Filer's securities.
- (h) The common shares of Old British Group were delisted from the Canadian Venture Exchange on February 26, 2002 and no securities of the Filer are listed or traded on any exchange or market in Canada or elsewhere.
- (i) Other than the Common Shares, the Filer has no securities, including debt securities, outstanding.
- (j) The Filer does not intend to seek public financing by way of an issue of securities.
- (k) To the best of its knowledge, the Filer is not in default of any requirement of the Legislation other than: (i) its failure to file an annual information form for the year ended September 30, 2001 and interim financial statements for the quarter ended December 31, 2001; and (ii) any defaults waived by the Decision Maker in Quebec under the securities legislation of Quebec.

AND WHEREAS under the System, this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the "Decision");

AND WHEREAS 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;

THE DECISION of the Decision Makers under the Legislation is that the Filer be deemed to have ceased to be a reporting issuer under the Legislation.

DATED on this 18th day of April, 2002.

 AJohn Hughes@
John Hughes
Manager, Continuous Disclosure

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Issuer has two beneficial security holders - issuer deemed to have ceased to be a reporting issuer.

Applicable Ontario Statutory Provisions

Securities Act, R.S.O. 1990, c.S.5, as am. s. 83.