



Headnote

Mutual Reliance System for Exemptive Relief Applications – Issuer deemed to have ceased to be a reporting issuer following an amalgamation leaving only a small number of security holders.

Applicable British Columbia Provisions

Securities Act, R.S.B.C. 1996, c. 418, ss. 1(1), 88

IN THE MATTER OF THE SECURITIES LEGISLATION OF BRITISH COLUMBIA, ALBERTA,
SASKATCHEWAN, ONTARIO, QUÉBEC, NOVA SCOTIA AND NEWFOUNDLAND
AND

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

AND

IN THE MATTER OF NORTHWEST SPORTS ENTERPRISES LTD.

MRRS DECISION DOCUMENT

[para 1]

WHEREAS the local securities regulatory authority or regulator (the “Decision Maker”) in each of the Provinces of British Columbia, Alberta, Saskatchewan, Ontario, Québec, Nova Scotia and Newfoundland (the “Jurisdictions”) has received an application from Northwest Sports Enterprises Ltd. (“Northwest”) for a decision pursuant to the securities legislation of each of the Jurisdictions (the “Legislation”) that Northwest be deemed to have ceased to be a reporting issuer under the Legislation;

[para 2]

AND WHEREAS pursuant to the Mutual Reliance Review System for Exemptive Relief Applications (the “System”), the British Columbia Securities Commission is the principal regulator for this application;

[para 3]

AND WHEREAS Northwest has represented to the Decision Makers that:

1. Northwest is a corporation amalgamated under the laws of the Province of British Columbia, and is a reporting issuer in each of the Jurisdictions;

2. Northwest's head office is located in Vancouver, British Columbia;

3. as of November 6, 2000 the authorized capital of Northwest consisted of 10,439,966 shares divided into:

- (a) 10,000,000 Common Shares without par value;
- (b) 200,000 Class A Preferred Shares without par value;
- (c) 39,966 Class B Preferred Shares with a par value of \$0.000000001; and
- (d) 200,000 Class C Preferred Shares with a par value of \$1,000 of which:

- (i) 33,000 are designated Class C Preferred Shares, Series 1;
- (ii) 35,000 are designated Class C Preferred Shares, Series 2;
- (iii) 30,000 are designated Class C Preferred Shares; Series 3; and
- (iv) 30,000 are designated Class C Preferred Shares, Series 4,

of which the following shares are issued and outstanding:

- (a) 1,007,070 Common Shares;
- (b) 39,966 Class B Preferred Shares;
- (c) 33,000 Class C Preferred Shares, Series 1;
- (d) 35,000 Class C Preferred Shares, Series 2;
- (e) 30,000 Class C Preferred Shares, Series 3; and
- (f) 20,000 Class C Preferred Shares, Series 4;

4. all of the issued and outstanding securities of Northwest have been held by four securityholders since November 13, 2000;

5. Northwest resulted from the amalgamation (the "Amalgamation") of Northwest Sports Enterprises Ltd. ("Original Northwest"), 457774 B.C. Ltd., a wholly-owned subsidiary of Original Northwest, and Orca Bay Hockey Holdings Inc. ("Orca Bay") effective November 6, 2000. Original Northwest was a reporting issuer under the Legislation of each Jurisdiction and, pursuant to the Legislation, Northwest became a reporting issuer in each Jurisdiction;

6. under the terms of the Amalgamation, common shareholders of Original Northwest, other than Orca Bay and Primex Investments Ltd., received Class A Preferred Shares of Northwest in exchange for their shares. All of the outstanding Class A Preferred Shares were redeemed or deemed to be redeemed as of November 14, 2000;

7. Northwest is not in default of any of its obligations as a reporting issuer under the Legislation with the exception of its obligation to file its quarterly financial statements for period ended September 30, 2000; the amalgamation was completed before the obligation of Northwest to file the financial statements arose;

8. the Common Shares of Northwest are delisted from the Canadian Venture Exchange and no securities of Northwest are listed or quoted on any exchange or market;

9. Northwest has no other securities, including debt securities, outstanding; and

10. Northwest does not intend to seek public financing by way of an offering of its securities;

[para 4]



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

[para 5]

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;

[para 6]

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

[para 7]

DATED: December 14, 2000.

Brenda Leong
Director