



British Columbia Securities Commission

2010 BCSECCOM 77

Partial Revocation Order

Raymor Industries Inc.

Sections 171 of the *Securities Act*, R.S.B.C. 1996, c. 418

- ¶ 1 On June 16, 2009, the Executive Director made an order (the Cease Trade Order) under section 164(1) of the *Securities Act*, R.S.B.C., 1996, c. 418 (the Act) that all trading in the securities of Raymor Industries Inc. (Raymor) cease until it files the required records and the Executive Director revokes the Cease Trade Order.
- ¶ 2 Raymor has made an application to the Executive Director under section 171 of the Act for a partial revocation of the Cease Trade Order to permit certain trades of securities of Raymor in connection with a Reorganization.
- ¶ 3 Raymor represented to the Commission that:
1. it was incorporated under the *Alberta Business Corporations Act* (the ABCA). Its head office is located in Boisbriand, Québec,
 2. it operates in the fields of nanotechnology and metal powders,
 3. it is a reporting issuer in British Columbia, Alberta, and Québec,
 4. its common shares are listed on the TSX Venture Exchange (the TSX-V) under the symbol RAR,
 5. on January 16, 2009, while experiencing severe cash flow problems, it filed a notice of intention to make a proposal to its creditors under the *Bankruptcy and Insolvency Act* (the BIA),
 6. on February 23, 2009, the TSX-V issued a halt trade order prohibiting transactions in securities of Raymor,
 7. on April 15, 2009, it submitted its proposal under the BIA, which was approved by its creditors during a creditors' meeting held on April 30, 2009 and approved by the Superior Court of Québec (the Court) on May 1, 2009,



8. it issued a press release on April 27, 2009 and filed a material change report on April 30, 2009 to announce a notice of default in accordance with National Policy 12-203 – *Cease Trade Orders for Continuous Disclosure Defaults* stating that it was not in a position to file its annual financial statements, auditor’s report, and management’s discussion and analysis (MD&A) for the year ended December 31, 2008, as well as the certification of filings of the Chief Executive Officer and Chief Financial Officer required under Multilateral Instrument 52-109 – *Certification of Disclosure in Issuers’ Annual and Interim Filings* (the CEO and CFO Certifications) (collectively, the Annual Filings),
9. on June 16, 2009, the Commission issued an order prohibiting trading of the securities of Raymor due to the fact that its annual filings and its interim financial statements, interim MD&A and CEO and CFO Certifications for the financial quarter ending March 31, 2009, had not been filed by Raymor within the time prescribed. No further financial statements or management’s discussion and analysis have been filed since that time,
10. the Alberta Securities Commission (ASC) and the *Autorité des marchés financiers* (AMF) issued similar orders prohibiting trading of the securities of Raymor. It applied for partial revocation of the Cease Trade Orders in each of the provinces of British Columbia, Alberta, and Québec,
11. at the closing of the Transactions (as defined below) to occur on or before February 5, 2010 (the Closing), only the Buyer and the holders of certain debt, having elected to receive new preferred shares will be shareholders of Raymor. Thus, it filed for full revocation of the Cease Trade Orders and filed an application to cease to be a reporting issuer in each of the provinces of Alberta, British Columbia and Québec,
12. the Closing is conditional, amongst other things, upon the (i) reorganization of the share capital of Raymor which provides for: (a) creating an unlimited number of redeemable common shares; (b) creating an unlimited number of new common shares and new preferred shares; (c) automatically converting all the issued and outstanding common shares into redeemable common shares; (d) automatically cancelling all the authorized and unissued common shares and preferred shares; and (e) automatically cancelling all warrants, options, rights to purchase shares, share subscription rights and conversion rights of Raymor and the redemption of the redeemable common shares, the whole for a nominal value (the Reorganization) and (ii) the approval of the Court,



13. an application to delist the common shares of the Filer on the TSX-V will be filed promptly following the Closing,
 14. the transactions under the terms of the Reorganization (collectively, the Transactions) entail trading of securities; therefore, they cannot be concluded without obtaining the Partial Revocation of the Cease Trade Order,
 15. the Transactions will be concluded in compliance with all applicable laws, and
 16. it has always complied with cease trade orders mentioned above and with the applicable securities legislation, regulations and instruments, except for the defaults that lead to the issuance of the cease trade orders and other continuous disclosure defaults since the issuance of such cease trade orders.
- ¶ 4 The Executive Director is satisfied that this order is not prejudicial to the public interest.
- ¶ 5 The Executive Director orders under section 171 of the Act that the Cease Trade Order is partially revoked solely to permit trades in securities of the Applicant in connection with the Transactions.
- ¶ 6 February 5, 2010

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