



British Columbia Securities Commission

Cease Trade Order

AFM Hospitality Corporation

Section 164 of the *Securities Act*, R.S.B.C. 1996, c. 418

AFM Hospitality Corporation is a reporting issuer and has not filed:

1. a comparative financial statement for its financial year ended December 31, 2003, as required under section 145 of the *Securities Rules*, B.C. Reg. 194/97 (the Rules),
2. an interim financial statement for the financial period ended March 31, 2004, as required under Part 4 of National Instrument (NI) 51-102,
3. a Form 51-102F1 *Management's Discussion and Analysis* for the period ended March 31, 2004, as required under Part 5 of NI 51-102,

(the required records).

Under section 164(1) of the Act, the Executive Director orders that all trading in the securities of AFM cease until:

1. it files the required records, completed in accordance with the Act and rules, and
2. the Executive Director makes an order under section 164 of the Act revoking this order.

Despite this order, a beneficial shareholder of AFM who is not, and was not at the date of this order, an insider or control person of AFM, may sell securities of AFM acquired before the date of this order, if:

1. the sale is made through a market outside Canada,
2. the sale is made through an investment dealer registered in British Columbia, and
3. the investment dealer maintains a record of the details of the sales made under this provision.

August 3, 2004

Andrew S. Richardson, CA
Deputy Director
Corporate Finance