

# ALBERTA SECURITIES COMMISSION

## ORDER

Citation: Re Winzen Properties Inc., 2018 ABASC 163

Date: 20181019

### Winzen Properties Inc.

#### Background

1. Winzen Properties Inc. (the **Filer**) has applied to the Alberta Securities Commission (the **Decision Maker**) for a decision under section 153 of the *Securities Act* (Alberta) (the **Act**) that the Filer is not a reporting issuer in Alberta (the **Relief Sought**).

#### Interpretation

2. Terms defined in National Instrument 14-101 *Definitions* have the same meaning if used in this decision, unless otherwise defined herein.

#### Representations

3. This decision is based on the following facts represented by the Filer:
  - (a) The Filer is a corporation incorporated under the *Canada Business Corporations Act* with the majority of its business interests in Ontario.
  - (b) The Filer's head office is located in Toronto, Ontario.
  - (c) The Filer is a reporting issuer in Alberta. The Filer voluntarily ceased to be a reporting issuer in British Columbia on August 14, 2013. The Filer is not a reporting issuer in any other jurisdiction of Canada.
  - (d) The Filer is authorized to issue 20,000,000 common shares, 10,000,000 Class A shares and 10,000,000 Class B shares. There are presently 9,644,100 common shares of the Filer (**Common Shares**) issued and outstanding as at March 20, 2018. The Filer has no other securities outstanding.
  - (e) Vera Zenkovich, Veraz Entreprises Inc., a Zenkovich family holding company, Raymond Zenkovich, Brian Zenkovich and 2381791 Ontario Inc., a corporation controlled by Raymond Zenkovich (the **Zenkovich Group**) collectively own 9,569,100 Common Shares, or 98.66% of the issued and outstanding Common Shares.
  - (f) The remaining Common Shares are held by approximately 31 shareholders. Of the 31 shareholders, 10 are resident in British Columbia, 9 are resident in Ontario, 3 are resident in Quebec and 9 are resident in the United States.
  - (g) The Filer became a reporting issuer in 1986 through a reverse-takeover of York Petroleum Inc., an issuer that was listed on the Vancouver Stock Exchange.

- (h) The Filer was listed on the NEX board of the TSX Venture Exchange until July 26, 2013, at which time it was voluntarily delisted.
- (i) The Filer initiated the application for the Relief Sought on July 9, 2013 (the **Application**).
- (j) During the period from July 26, 2013 to November 4, 2013, 2381791 Ontario Inc., a member of the Zenkovich Group, purchased Common Shares from certain shareholders of the Filer (the **Former Shareholders**) at a price of \$1.00 per share (the **Initial Transaction**).
- (k) As a result of deficiencies in the disclosure provided to shareholders in connection with the Initial Transaction, the Application was suspended to allow the Filer and the Zenkovich Group to resolve such deficiencies.
- (l) The Filer subsequently undertook and completed a second transaction pursuant to which the Filer provided the Former Shareholders with a remedy for the deficiencies in the disclosure provided in connection with the Initial Transaction (the **Subsequent Transaction**).
- (m) The Filer is not an OTC reporting issuer under Multilateral Instrument 51-105 *Issuers Quoted in the U.S. Over-the-Counter Markets*.
- (n) The outstanding securities of the Filer, including debt securities, are beneficially owned, directly or indirectly, by fewer than 15 securityholders in each of the jurisdictions of Canada and fewer than 51 securityholders in total worldwide. No securityholders of the Filer reside in Alberta.
- (o) No securities of the Filer, including debt securities, are traded in Canada or another country on a marketplace as defined in National Instrument 21-101 *Marketplace Operation* or any other facility for bringing together buyers and sellers of securities where trading data is publicly reported.
- (p) The Filer has not filed any continuous disclosure since the date of the Application, other than the meeting materials in connection with the Subsequent Transaction. As such, the Filer is unable to rely on the simplified procedure set out in National Policy 11-206 *Process for Cease to be a Reporting Issuer Applications* because the Filer is in default of securities legislation in Alberta.
- (q) The Filer has no current intention to conduct a distribution of securities in Canada.

**Decision**

4. The Decision Maker is satisfied that the test set out in the Act for the Decision Maker to make the decision has been met.
5. The decision of the Decision Maker under the Act is that the Relief Sought is granted and the Filer is deemed to have ceased to be a reporting issuer.

*“original signed by”*

Timothy Robson  
Manager, Legal  
Corporate Finance