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Headnote

Relief from interim financial reporting requirements where disclosure of one issuer of a group of issuers is more meaningful and there is a mid-month year-end

Exemption Order

Forest & Marine Financial Limited Partnership

Section 91 of the Securities Act, R.S.B.C. 1996, c.418

Background

- ¶ 1 The Partnership was granted relief under the Act on July 14, 2000 from the requirements under section 144(1) of the *Securities Rules*, B.C. Reg. 194/97 to file interim financial statements (the Financial Requirements). The Partnership wishes to renew the relief under the previous order.

Representations

- ¶ 2 The Partnership represents that:
1. it is a limited partnership established under the laws of British Columbia;
 2. it is a reporting issuer under the Act, and is not in default of any of its filings under the Act or the Rules;
 3. it is interrelated with Forest & Marine Investments Ltd. (the Corporation) and Forest & Marine Investment Trust (the Trust) (together the Issuers);
 4. it is the operating entity of the Issuers, which provide variable rate term loan financing to companies engaged primarily in the forest products and marine industries in British Columbia;
 5. the Issuers distribute investment receipts of the Partnership, common shares of the Corporation and units of the Trust, on a continuing basis, under a consolidated prospectus dated January 28, 2002;
 6. the common shares of the Corporation are listed and posted for trading on the TSX Venture Exchange;
 7. the Partnership includes its interim financial statements with the interim financial statements of the Corporation filed and sent to the shareholders of the Corporation under sections 144 and 149 of the Rules;

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8. the financial year end of the Partnership is July 14;
9. the financial year end of the Corporation is May 31;
10. the disclosure provided to the shareholders of the Corporation is more meaningful if the interim financial statements of the Partnership are made up as of a date that is near to the date that the interim financial statements of the Corporation are made up as of; and
11. given the complex corporate structure of the Issuers and other factors, the preparation of mid-month interim financial statements of the Partnership is difficult.

Order

¶ 3 Because it is not prejudicial to the public interest, the Commission orders, effective July 14, 2002, under section 91 of the Act that the Partnership be exempt from the Financial Requirements, provided that:

1. the Partnership files, on or before the 60th day after the date to which they are made up, its interim financial statements for the periods commencing at the end of its last completed financial year and ending 2 months 16 days (being September 30), 5 months 17 days (being December 31) and 8 months 17 days (being March 31) after that financial year end and comparative financial statements to the end of each of the corresponding periods in the immediately preceding financial year;
2. the Partnership mails its interim financial statements to the shareholders of the Corporation within the time the Partnership must send its statements to its securityholders in accordance with section 149 of the Rules; and
3. this order expires on the coming into force of securities legislation that revises the time periods related to filing interim financial statements under section 144 of the Rules.

¶ 4 June 26, 2002

Brenda Leong
Director Legal and Market Initiatives