

2004 BCSECCOM 200

Headnote

Relief from the requirement to prepare 3, 6 and 9 month interim financial statements for a partnership with a mid-month year-end.

Exemption Order

Forest & Marine Limited Partnership

Section 91 of the *Securities Act*, R.S.B.C. 1996, c. 418 and Section 13.1 of National Instrument 51-102 *Continuous Disclosure Obligations*

Background

- ¶ 1 Forest & Marine Financial Limited Partnership (the Partnership) applied under section 91 of the Act and section 13.1 of NI 51-102 for an exemption from the requirement of section 144(1) of the *Securities Rules*, B.C. Reg. 194/97 and Section 4.3(1) of NI 51-102 to file interim financial statements for the periods ending 3, 6 and 9 months after its financial year end and comparative financial statements to the end of each of the corresponding periods in the immediately preceding financial year (the interim financial statement requirements).

Representations

- ¶ 2 The Partnership represents that:
1. it is a limited partnership established under the laws of British Columbia and is a reporting issuer under the Act;
 2. the Partnership, Forest & Marine Investments Ltd. (the Corporation) and Forest & Marine Investment Trust (the Trust) are interrelated and the Partnership, as the operating entity of the group, is in the business of providing variable rate term loan financing to companies engaged primarily in the forest products and marine industries in British Columbia;
 3. under a consolidated prospectus of the Partnership, the Corporation and the Trust (the Issuers) dated November 25, 2003, the Issuers distribute investment receipts of the Partnership, common shares of the Corporation and units of the Trust, among other things, in British Columbia on a continuing basis;
 4. the common shares of the Corporation were listed and posted for trading on the TSX Venture Exchange in 1998;

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5. in connection with the listing of the common shares of the Corporation on the Exchange, the Corporation and the Partnership agreed that the Partnership would include its interim financial statements with the interim financial statements of the Corporation that the Corporation filed and sent to its shareholders;
6. the financial year end of the Partnership is July 14;
7. the financial year end of the Corporation is May 31;
8. the disclosure provided to the Corporation's shareholders would be more meaningful if the interim financial statements of the Partnership were made up as of a date that is near to the date that the Corporation's interim financial statements are made up as of; and
9. 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, under section 91 of Act and section 13.1 of NI 51-102, that the Partnership be exempt from the interim financial statement requirements, provided that:

1. for financial years beginning before January 1, 2004, the Partnership
 - (a) 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 (September 30), 5 months 17 days (December 31) and 8 months 17 days (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; and
 - (b) mails its interim financial statements to the same shareholders that the Corporation sends its interim financial statements to, within the time the Partnership must send its statements to its securityholders in accordance with section 149 of the Rules;
2. for financial years beginning on or after January 1, 2004, the Partnership

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- (a) files, on or before the 60th day after the date to which they are made up, if the Partnership is a *venture issuer* as defined in NI 51-102, or on or before the 45th day after the date to which they are made up, if the Partnership is not a *venture issuer*, its interim financial statements for the periods commencing at the end of its last completed financial year and ending 2 months 16 days (September 30), 5 months 17 days (December 31) and 8 months 17 days (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; and
- (b) mails its interim financial statements to the Corporation's shareholders who have requested a copy of the Corporation's interim financial statements within the time the Partnership must send its statements to its securityholders in accordance with NI 51-102.

¶ 4 March 30, 2004

Brenda Leong
Director