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Headnote

Relief from filing interim financial statements for three month period during which the issuer completed initial public offering under a prospectus but did not carry on any business other than a single acquisition

Exemption Order

Specialty Foods Group Income Fund

Section 91(1)(b) of the *Securities Act*, R.S.B.C. 1996, c. 418

Background

- ¶ 1 The Fund applied for an exemption from the requirement to file:
- (a) interim financial statements for the three month period ended March 31, 2003, and
 - (b) comparative interim financial statements when the Fund files its interim financial statements for the three month period ending March 31, 2004,
- contained in section 144(1) of the *Securities Rules*, B.C. Reg. 194/97 (the financial requirements).

Representations

- ¶ 2 The Fund represents that:
- 1. it is an income fund established under the laws of Ontario under its amended and restated declaration of trust agreement made as of [February 28, 2003](#);
 - 2. it is a reporting issuer under the Act and is not in default of any requirement of the Act or the Rules;
 - 3. its fiscal year end is December 31;
 - 4. it carried out its initial public offering under a prospectus dated February 28, 2003;
 - 5. the Fund has not conducted any business other than its indirect acquisition of a majority of the securities of Specialty Foods Group, Inc. (the acquisition) on March 13, 2003;

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6. the prospectus included an audited balance sheet as at November 5, 2002 as well as an unaudited *pro forma* balance sheet (the pro forma financial statements) that gave effect to the completion of the acquisition and the Fund's initial public offering;
7. there are no material differences between the Fund's financial position as at March 31, 2003 and its financial position described in the pro forma financial statements; and
8. the expense of complying with the financial requirements would not be justified in view of the minimal benefit to be derived by the Fund's unitholders from receiving such financial statements.

Order

¶ 3 Because it is not prejudicial to the public interest, the Executive Director orders under section 91(1)(b) of the Act that the Fund is exempt from the financial requirements, provided that:

1. the Fund's financial information for the three month period ended March 31, 2003 will be included in the Fund's (a) interim financial statements prepared after June 30, 2003, and (b) annual financial statements for the year ending December 31, 2003; and
2. the Fund issues a press release disclosing the details of this order.

¶ 4 May 16, 2003

Derek E. Patterson
Manager