

2008 BCSECCOM 307

May 14, 2008

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - *Securities Act*, s. 88 - Cease to be a reporting issuer in BC - The securities of the issuer are beneficially owned by not more than 50 persons and are not traded through any exchange or market - The issuer falls within the definition of “closely held reporting issuer” contained in BC Instrument 11-502 Voluntary Surrender of Reporting Issuer Status as the securities of the issuer are beneficially owned by not more than 50 persons and are not traded through any exchange or market

Applicable British Columbia Provisions

Securities Act, R.S.B.C. 1996, c. 418, s. 88

In the Matter of
the Securities Legislation of
British Columbia, Alberta, Saskatchewan,
Manitoba, Ontario, Québec, New Brunswick,
Nova Scotia, Prince Edward Island,
Newfoundland and Labrador
(the Jurisdictions)

and

In the Matter of
the Process for Exemptive Relief Applications in Multiple Jurisdictions

and

In the Matter of
Spectra Energy Income Fund
(the Filer)

Decision

Background

The securities regulatory authority or regulator in each of the Jurisdictions (Decision Maker) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the Legislation) that the Filer is not a reporting issuer in each of the Jurisdictions (the Exemptive Relief Sought).

Under the Process for Exemptive Relief Applications in Multiple Jurisdictions (for a coordinated review application):

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- (a) the Alberta Securities Commission is the principal regulator for this application, and
- (b) the decision is the decision of the principal regulator and evidences the decision of each other Decision Maker.

Interpretation

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

Representations

This decision is based on the following facts represented by the Filer:

1. The Filer is an unincorporated, open ended, limited purpose trust established under the laws of the Province of Alberta and has a head office in Calgary, Alberta.
2. On March 4, 2008, the Filer entered into an agreement with Spectra Energy Midstream Holdco Management Partnership (the Purchaser) by which the Purchaser agreed to acquire all of the outstanding units (the Spectra Units) of the Filer (the Purchase) with the aim of consummating a going private transaction.
3. A management information circular with respect to the Purchase, dated March 19, 2008 and filed on SEDAR on March 26, 2008 was mailed to all unit holders of the Filer (the Unit Holders) on March 25, 2008. Approval of the Purchase was conditional upon the obtaining of at least 66 2/3% majority approval, as well as majority of the minority approval. At a special meeting of the Unit Holders held on April 24, 2008, requisite approval of the Purchase was obtained from the Unit Holders. Pursuant to the Purchase, among other things, each Unit Holder will receive, or will be entitled to receive, cash consideration of \$11.25 for each Spectra Unit held by the Unit Holders.
4. The closing of the Purchase occurred on May 1, 2008, following which the Purchaser became the beneficial holder of all the issued and outstanding Spectra Units.
5. The outstanding securities of the Filer, including debt securities, are beneficially owned, directly or indirectly, by less than 15 security holders in each of the jurisdictions in Canada and less than 51 security holders in total in Canada.

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6. The Filer is not in default of any requirements of the Legislation.
7. The Spectra Units have been de-listed from the Toronto Stock Exchange and no securities of the Filer are currently trading on a marketplace as defined in National Instrument 21-101 *Marketplace Operation*.
8. The Filer has no current intention to seek public financing by way of an offering of securities.
9. Upon the grant of the relief requested, the Filer will not be a reporting issuer or the equivalent in any jurisdiction of Canada.
10. The Filer seeks an order deeming the Filer to have ceased to be a reporting issuer in the Jurisdictions.

Decision

Each of the Decision Makers is satisfied that the decision meets the test set out in the Legislation for the Decision Maker to make the decision.

The decision of the Decision Makers under the Legislation is that the Exemptive Relief Sought is granted.

Blaine Young
Associate Director, Corporate Finance
Alberta Securities Commission

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National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions - *Securities Act*, s. 88 - Cease to be a reporting issuer in BC - The securities of the issuer are beneficially owned by not more than 50 persons and are not traded through any exchange or market - The issuer falls within the definition of “closely held reporting issuer” contained in BC Instrument 11-502 Voluntary Surrender of Reporting Issuer Status as the securities of the issuer are beneficially owned by not more than 50 persons and are not traded through any exchange or market

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