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Headnote

Relief granted from the requirement to deliver an offering memorandum in the required form under 4.2 of MI 45-103 *Capital Raising Exemptions*, for an offering of syndicated mortgage securities. Instead of the prescribed form, BC Form 45-901F, the issuer will deliver form 45-103F1 and incorporate the parts of BC Form 45-901F that are applicable

Exemption Order

Glacier Lake Investment Corp.

And

Bighorn Meadows Resort Ltd.

Section 9.1 of Multilateral Instrument 45-103 *Capital Raising Exemptions*

Background

- ¶ 1 Glacier Lake Investment Corp. and its wholly-owned subsidiary, Bighorn Meadows Resort Ltd. (collectively, the "Corporations") applied for an exemption from the requirement in section 4.2 of Multilateral Instrument 45-103 *Capital Raising Exemptions* (MI 45-103) to use the required form of offering memorandum.

Representations

- ¶ 2 The Corporations represent that:
1. Glacier Lake Investment Corp. was incorporated in Alberta on January 20, 2003 and it is not a reporting issuer under the *Securities Act* (British Columbia) (the Act) or any similar legislation in Canada;
 2. Bighorn Meadows Resort Ltd. was incorporated in British Columbia on June 26, 1998 and it is not a reporting issuer under the Act or any similar legislation in Canada;
 3. Glacier Lake Investment Corp.'s authorized capital consists of: an unlimited number of Class A Common Shares of which 9,500 are currently issued and outstanding; an unlimited number of Class B Common Shares of which 500 are currently issued and outstanding; an unlimited number of Class C Shares of which none are currently issued and outstanding; 2000 Class C Preferred Shares of which 2,000 are currently issued and outstanding; and 3,000 Class D Preferred Shares of which none are currently issued and outstanding;

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4. Bighorn Meadows Resort Ltd.'s authorized capital consists of: 50,000 Class A Common Shares of which 100 Class A Common Shares are currently issued and outstanding; 50,000 Class B Common Shares of which none are currently issued and outstanding; 450,000 Class C Preferred Shares of which none are currently issued and outstanding; and 450,000 Class D Preferred Shares of which none are currently issued and outstanding;
5. Glacier Lake Investment Corp. was formed to acquire the assets and shares of Bighorn Meadows Resort Ltd. and to develop and construct an approximately 181 strata unit development the Springs at Radium Golf Course in Radium, British Columbia (the lands);
6. the Corporations intend to offer prospective purchasers an undivided interest in a first mortgage (the syndicated mortgage interests) registered against the lands as instrument number KV30337, in a principal amount of \$6,000,000 (the mortgage);
7. the syndicated mortgage interests will be issued in \$25,000 multiples and priced at 100% of face value;
8. the Corporations have entered into a trust agreement with HTJ Ventures Inc. (the trustee) for the trustee to be the registered holder of the mortgage in trust for purchasers of syndicated mortgage interests;
9. the offering of the syndicated mortgage interests (the offering) will be made under the offering memorandum exemption in MI 45-103;
10. the required form of offering memorandum for syndicated mortgage interests under this exemption in British Columbia is BC Form 45-901F;
11. it cannot use BC Form 45-901F for the offering because items 1, 6, 12, 14, 16, 23 and 25 (the mortgage broker disclosure requirements) pertain to a mortgage broker involved in a syndicated mortgage offering, and there is no mortgage broker involved in the promotion of the offering;
12. there is a requirement imposed by a third party trust company (the third party) that each investor proposing to acquire syndicated mortgage interests in an RRSP account (the RRSP investors) administered by the third party must meet with a mortgage broker to review the investment and have the mortgage broker sign a letter of indemnity;

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13. the Corporations have made an arrangement with a mortgage broker located in Invermere, British Columbia, to be available to meet with the RRSP investors, and the Corporations have agreed to pay the mortgage broker a small fee for this service;
14. no RRSP investor is required to meet with this particular mortgage broker, and a mortgage broker is not otherwise involved with the Corporations or in the offering;
15. the Corporations have no other intention of engaging the services of a mortgage broker with respect to the offering or the syndicated mortgage interests generally;
16. there is no requirement in the Act or any other legislation to use a mortgage broker for an offering of syndicated mortgage interests;

Order

¶ 3 Because it is not prejudicial to the public interest, the Executive Director orders, under Section 9.1 of MI 45-103, that the requirement in 4.2 of MI 45-103 that the offering memorandum must be in the required form does not apply to the Corporations for the offering, provided that:

- (a) the Corporations deliver an offering memorandum in the form 45-103F1; and
- (b) the offering memorandum contains the disclosure required by BC Form 45-901F, except for the mortgage broker disclosure requirements.

¶ 4 July 13, 2004

Brenda Leong
Director