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April 4, 2006

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - National Instrument 81-106, s.17.1 - Continuous Disclosure Requirements for Investment Funds - A special purpose passive investment vehicle requires relief from various requirements in NI 81-106 - The issuer does not invest in portfolio securities and is a closed-end issuer; certain disclosure required under NI 81-106 is inapplicable to it; the issuer will provide alternative disclosure that has been tailored to its structure; the alternative disclosure will provide more relevant information to investors that would be provided under NI 81-106; the issuer is not listed or quoted on an exchange; the issuer's operations are passive and are not expected to change

Applicable British Columbia Provisions

National Instrument 81-106, ss. 2.1(1)(c) and (e), 2.3(c) and (e), 4.2, 6.2, 9.2, 10.2, 10.3, 10.4, and 17.1

Securities Act, R.S.B.C. 1996, c. 418, ss. 91 and 187

Securities Rules, B.C. Reg. 194/97, ss. 144 and 145

In the Matter of
the Securities Legislation

of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Newfoundland and Labrador, the Northwest Territories, Nunavut and Yukon (the Jurisdictions)

and

In the Matter of
the Mutual Reliance Review System for Exemptive Relief Applications

and

In the Matter of
Advantage-Value Limited Partnership 1994
Advantage Value Limited Partnership 1996
Clarington Limited Partnership 1997
Fidelity Partnership 1993
Fidelity Partnership 1994
Fidelity Partnership 1995
Fidelity Partnerships 1996
Infinity 1997 Limited Partnership

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Mackenzie Master Limited Partnership
Navigator Partners Limited Partnership No. 1
Navigators Partners Limited Partnership No. 2
O'Donnell 1996 Limited Partnership
O'Donnell 1997 Limited Partnership
Templeton Limited Partnership 1993
Templeton Limited Partnership 1994
Templeton Limited Partnership 1995
Templeton Limited Partnership 1996 and
Templeton Limited Partnership 1997
(each a Limited Partnership and collectively, the Limited Partnerships)

and

Infinity Income Trust
Multi-Fund Income Trust
(each a Income Trust and collectively, the Income Trusts)
(the Limited Partnerships and the Income Trusts are collectively, the Filers)

MRRS Decision Document

Background

The local securities regulatory authority or regulator (the Decision Maker) in each of the Jurisdictions has received an application from the Filers for a decision under the securities legislation of the Jurisdiction (the Legislation) and pursuant to section 17.1 of National Instrument 81-106 (NI 81-106):

1. exempting each Limited Partnership and each Income Trust from the requirements contained in sections 2.1(1)(c) and (e) and 2.3(c) and (e) of NI 81-106 to include in the annual and interim financial statements prepared for the Limited Partnership and the Income Trusts a statement of changes in its net assets and a statement of its investment portfolio (the Financial Statements Requirement).
2. exempting each Limited Partnership and each Income Trust from the requirement contained in section 4.2 of NI 81-106 to file and send to each limited partner of such Limited Partnership (each a Limited Partner and collectively, the Limited Partners) and to each unitholder of the Income Trusts (each a Unitholder and collectively, the Unitholders) an annual management report of fund performance (MRFP) for each financial year and an interim MRFP for each interim period at the same time that it files its annual financial statements or its interim financial statements for that financial year (the MRFP Requirement).

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3. exempting each Limited Partnership and each Income Trust from the requirements contained in section 6.2 of NI 81-106 to prepare, post to a website (if it has one), or send to any Limited Partner and Unitholder that makes such a request, a quarterly portfolio disclosure (the Quarterly Disclosure Requirement).
4. exempting each Limited Partnership and each Income Trust from the requirement contained in section 9.2 of NI 81-106 to file an annual information form (the AIF Requirement).
5. exempting each Limited Partnership and each Income Trust from the requirements mentioned in sections 10.2, 10.3 and 10.4 of NI 81-106 (the Proxy Requirement) to:
 - (a) establish policies and procedures that it will follow to determine whether, and how, to vote or any matter for which the Limited Partnership or Income Trust receives proxy materials for a meeting of securityholders of an issuer or, where it has not prepared an AIF, to prepare a summary of such policies and procedures;
 - (b) maintain a proxy voting record; and
 - (c) prepare, post to a website (if it has one) or send to any Limited Partner and Unitholder that makes such a request, a copy of the Limited Partnership's, or Income Trust's most recent proxy voting policies and procedures and proxy voting record.

The foregoing requested exemptions are collectively referred to as the Requested Relief.

Interpretation

Defined terms contained in National Instrument 14-101 Definitions have the same meaning in this decision unless they are defined in this decision.

Representations

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

1. Each Limited Partnership was formed under the *Limited Partnerships Act* (Ontario) and is a reporting issuer in one or more of the Jurisdictions.

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2. Each Income Trust is an unincorporated trust established under the laws of the Province of Ontario and is a reporting issuer in one or more of the Jurisdictions.
3. Each Limited Partnership and each Income Trust is a “non-redeemable investment fund” as that term is defined in NI 81-106.
4. Each Limited Partnership and each Income Trust is a passive, single purpose vehicle, formed (or in the case of Mackenzie Master Limited Partnership, whose predecessors were formed) for the purpose of arranging for, and paying the selling commission related to, the distribution to investors of units or shares (collectively, Securities) of mutual funds managed by a fund manager (collectively, the Funds) which are acquired by investors on a deferred sales charge basis.
5. In return for their services, each Limited Partnership and each Income Trust receives from the fund manager a monthly distribution fee and any deferred sales charges payable by an investor on the redemption of distributed securities (Distributed Securities). Distributed Securities are securities for which a Limited Partnership or Income Trust paid the selling commission, securities issued on subsequent transfers, and deferred charge securities issued on the reinvestment of distributions or dividends on, or proceeds of redemptions of, such securities. The redemption fee schedules in respect of which investors were required to pay deferred sales charges if they redeemed their investments only applied for a certain number of years and these periods have all since expired.
6. Each Limited Partnership and Income Trust has ceased to finance additional selling commissions related to the distribution of mutual fund securities.
7. The entitlement to the distribution fees and deferred sales charges continue for each Limited Partnership and each Income Trust, as the case may be, until the earlier of:
 - (a) such time as there are no longer any Distributed Securities outstanding;
 - (b) the Limited Partnership is dissolved pursuant to the terms of its Partnership Agreement; and
 - (c) the Income Trust is terminated by special resolution of the Unitholders.
8. During each year, and in the case of Advantage-Value Limited Partnership 1994 and Advantage-Value Limited Partnership 1996, Clarington Limited

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Partnership 1997, Infinity 1997 Limited Partnership, Navigator Partners Limited Partnership No. 1, Navigator Limited Partners Limited Partnership No. 2 and Infinity Income Trust, during each quarter, each Limited Partnership and Income Trust distributes to its Limited Partners and Unitholders, as the case may be, an amount equal to the amount by which distribution fees, deferred sales charges and investment income earned by the Limited Partnership or income trust during the year and the amount of any reserves retained at the end of the previous year, exceeds the expenses.

9. As noted above, the Limited Partnerships and the Income Trusts only receive the monthly distribution fees in respect of Distributed Securities which have not been redeemed. As a number of years have elapsed since the Limited Partnerships and the Income Trusts were first created, the securities which were funded by the Limited Partnerships and the Income Trusts and still remain outstanding have declined and will continue to decline with a corresponding reduction in the distribution fee revenue. As the income of each Limited Partnership and each Income Trust declines, any expenses of the Limited Partnership and the Income Trust increase as a percentage of that income.
10. The performance of each Limited Partnership and each Income Trust is largely out of the control of its General Partners and Manager, as the case may be. It is controlled by decisions of investors in the relevant Funds to retain or redeem their securities, by market conditions, and the investment performance of the Funds. As a result, commentary on the historical performance of a Limited Partnership or Income Trust is of little value to investors since it does not predict future results or distribution levels. Factual information regarding the distribution of fees earned and expenses are contained in the financial statements of each Limited Partnership and each Income Trust.
11. The Limited Partners of each Limited Partnership and the Unitholders of each Income Trust currently receive, and, subject to delivery requirements in NI 81-106, will continue to receive, semi-annual financial statements and audited annual financial statements of the Limited Partnership or Income Trust, as the case may be.
12. The units of Fidelity Partnership 1996, the Multi-fund Income Trust and Mackenzie Master Limited Partnership are currently listed on the Toronto Stock Exchange (TSX). The units of Fidelity Partnership 1993, Fidelity Partnership 1994, Fidelity Partnership 1995 and the Infinity Income Trust were previously listed on the TSX. However, their listings were removed when their assets were reduced to a level where they no longer complied with the TSX's listing requirements. Fidelity Partnership 1993 is scheduled to

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terminate on March 31, 2006 under the provisions of its Partnership Agreement.

Decision

Each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Makers with the jurisdiction to make the Decision has been met.

The decision of the Decision Makers under the Legislation is that the Requested Relief is granted to exempt the Filers from:

- (i) the Financial Statements Requirement;
- (ii) the MRFP Requirement provided that the following information is either included in, or accompanies the relevant Filer's financial statements:
 - 1. a management discussion of the following items:
 - a) business overview,
 - b) overall performance,
 - c) Distributed Securities including their redemption experience and the market value of Distributed Securities that remain outstanding,
 - d) results of operations, and
 - e) liquidity; and
 - 2. a summary of financial highlights for the past three annual financial years and for the interim periods (as that term is defined in NI 81-106) completed in the most recent twenty four months, which includes, at a minimum, the following information:
 - a) total revenue,
 - b) net income (on an entity and per unit basis),
 - c) total assets, and
 - d) market value of Distributed Securities outstanding;
- (iii) the Quarterly Disclosure Requirement;
- (iv) the AIF Requirement provided that the relevant Filer is not listed or quoted on any stock exchange; and
- (v) the Proxy Requirement.

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This Decision terminates, with respect to any Limited Partnership or Income Trust 30 days after the occurrence of a material change in its affairs unless it satisfies the Decision Makers that the exemption should continue.

Leslie Byberg
Manager, Investment Funds
Ontario Securities Commission