

2005 BCSECCOM 747

November 25, 2005

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Securities Act s. 91 Financial Statements & Report - Exemption from the filing and delivery requirements for interim financial statements Interim financial statements - An issuer wants relief from the requirements to file and deliver interim financial statements for all first and third quarters - The issuer's securities will not be publicly traded; the issuer is an investment fund; the purchasers do not expect to receive first and third quarter financial statements; relief is for a limited time

Applicable British Columbia Provisions

Securities Act, R.S.B.C. 1996, c. 418, s. 91

Securities Rules, B.C. Regulation 194/97, ss. 144 and 149

In the Matter of
the Securities Legislation
of British Columbia, Saskatchewan, Ontario, New Brunswick,
Nova Scotia, and Newfoundland and Labrador

and

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

and

In the Matter of
MSP 2005 Resource Limited Partnership

MRRS Decision Document

Background

The securities regulatory authority or regulator (the "Decision Maker") in each of the Provinces of British Columbia, Alberta, Saskatchewan, Ontario, New Brunswick, Nova Scotia and Newfoundland and Labrador (the "Jurisdictions") has received the application of MSP 2005 Resource Limited Partnership (the "Filer") for a decision pursuant to the securities legislation (the "Legislation") of the Jurisdictions exempting the Filer from the requirements of the Legislation to file with the Decision Makers and send to its securityholders (the "Limited Partners") its third quarter interim financial statements for September 30, 2005 (the "Requested Relief").

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Under the Mutual Reliance Review System for Exemptive Relief Applications:

- (a) the Ontario Securities Commission is the principal regulator for this application; and
- (b) this MRRS decision document evidences the decision of each Decision Maker.

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 Filer:

1. The Filer is a limited partnership formed pursuant to the provisions of the *Limited Partnerships Act* (Ontario) on January 26, 2005.
2. The Filer's financial year-end is December 31.
3. The Filer was granted decision documents dated February 25, 2005 and February 28, 2005 by the OSC in its capacity as principal regulator under National Policy 43-201 on behalf of the securities regulatory authority or regulator in all of the provinces of Canada, which decision documents evidence the issue of final receipts for the Filer's prospectus (the "Prospectus") dated February 24, 2005 relating to an offering of up to 1,600,000 limited partnership units ("Units").
4. The Units have not been and will not be listed or quoted for trading on any stock exchange or market.
5. The Filer was formed for the purpose of investing the proceeds from the issue and sale of Units primarily in flow-through shares of issuers whose principal business is oil and gas or mining exploration and development or other energy production and who represent that they intend to incur Canadian Exploration Expense (as such term is defined in the Income Tax Act (Canada)) ("Resource Issuers").
6. Since its formation, the Filer's activities have primarily included: (i) collecting subscriptions from Limited partners; (ii) investing the proceeds from the issue and sale of Units primarily in flow-through shares of Resource Issuers; and (iii) incurring operating expenses to maintain the Filer.
7. It is the current intention of the Filer that, prior to June 30, 2007, the Filer will exchange substantially all of the assets of the Filer for shares ("Mutual Fund

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Shares”) of an open-end mutual fund corporation managed by Mackenzie Financial Corporation. Following this exchange, the Filer will be dissolved and the Limited Partners will receive their pro rata share of the assets of the Filer, then consisting of the Mutual Fund Shares.

8. Unless a material change takes place in the business and affairs of the Filer, the Limited Partners will obtain adequate financial information concerning the Filer from the quarterly portfolio disclosure, the annual information form, the interim and annual management reports of fund performance, the semi-annual financial statements, and the annual report containing audited financial statements of the Filer together with the auditors’ report thereon distributed to the Limited Partners (collectively, the “Continuous Disclosure Documents”). The Prospectus and the Continuous Disclosure Documents provide sufficient background materials and the explanations necessary for a Limited Partner to understand the Filer’s business, its financial position, and its future plans including dissolution prior to June 30, 2007.
9. Given the limited range of business activities conducted by the Filer and the nature of the investment of the Limited Partners in the Filer, the provision by the Filer of interim financial statements in respect of the period ended September 30, 2005 will not be of significant benefit to the Limited Partners and may impose a material financial burden on the Filer.
10. Each of the Limited Partners has, by subscribing for the Units offered by the Filer in accordance with the Prospectus, agreed to the irrevocable power of attorney contained in Article 18 of the limited partnership agreement scheduled to the Prospectus and has thereby consented to the making of this application for the exemption requested herein.

Decision

Each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker 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 provided that this exemption shall terminate upon the occurrence of a material change in the affairs of the Filer prior to November 29, 2005 unless the Filer satisfies the Decision Makers that the exemption should continue, which satisfaction shall be evidenced in writing.

Paul Moore
Vice Chair
Ontario Securities Commission

Robert Davis
Commissioner
Ontario Securities Commission