

THE SECURITIES ACT

)

Order No. 3286

)

SECTION 20

)

March 21, 2001

BRIDGES GOLF CLUB LIMITED PARTNERSHIP

WHEREAS:

(A) Bridges Golf Club Limited Partnership ("Bridges") has applied to The Manitoba Securities Commission (the "Commission") for an order pursuant to subsection 20(1) of the *Securities Act*, R.S.M. 1988, c. S50 (the "Act") for an order exempting trades to be made in connection with an offering of limited partnership units in Bridges;

(B) It has been represented to the Commission by Bridges that:

1. Bridges is a limited partnership established under the laws of the Province of Manitoba. There are currently 39 limited partners holding a total of 70 units.
2. The general partner is Bridges Golf Club Limited, the directors and officers of which are Robert Charles Morse and Mark Allen Morse both of Starbuck, Manitoba.
3. Bridges was established for the purposes of developing and operating a public access 18 hole golf course located around Starbuck, Manitoba.
4. Bridges had previously conducted an offering relying on section 91 of the Securities Regulation which was not completed in a timely basis and for which they obtained orders from the commission extending the offering period and the time to file closing out reports by Commission Order Numbers 2400 and 2528.
5. Bridges now intends to raise money for the purposes of completing construction of a clubhouse for the golf course.
6. Pursuant to the proposed offering (the "Offering") not less than 8 and no more than 16 limited partnership units are being offered at a price of \$30,000.00 per unit for a minimum proceeds of \$240,000.00 and maximum proceeds of \$480,000.00. It is proposed that the Offering would comply at the requirements of clause 91(b) of the *Securities Regulation* of the Act with the exception that the proceeds would be held in trust by the solicitors for the partnership as opposed to being held by a trust company. In the event that the minimum subscription amount is not met the full subscription price will be refunded to subscribers.
7. It has come to staff's attention that prior to filing a Form 23 as required for commencing a Section 91 Offering that Robert Morse on behalf of Bridges placed

various advertisements in the Winnipeg Free Press between November 25, 2000 and February 14, 2001 soliciting interest to invest in Bridges. The advertising was stopped when it was drawn to their attention by staff that such advertising was not permitted by the Act and that in staff's view it constituted trading without registration.

8. As the advertising constituted trading it was no longer possible for Bridges to rely on Section 91 of the Regulation as the Form 23 and the prescribed fees must be paid prior to commencing trading in connection with the Offering.

9. Staff has been provided with a list of 40 names of individuals who contacted Mr. Morse in connection with the advertisement.

10. Bridges would like to still make an offering in a manner following the requirements of Section 91(b) of the Securities Regulation which would permit sales to any number of related purchasers and up to 50 sophisticated purchasers. An offering memorandum will also be used a copy of which has been provided to staff. All purchasers will complete a Form 25 as would be required for a Section 91(b) offering which will be filed with the Commission in addition with the Form 27 Report within 15 days of the earlier of the closing of the Offering or 180 days from the date of the order.

11. The offering memorandum to be used is consistent with a Form 26 to the Securities Regulation however it will provide that the monies can be held in trust by Myers, Weinberg, solicitors for Bridges as opposed to a trust company.

(C) In the opinion of the Commission it would not be prejudicial to the public interest to grant the Order requested.

IT IS ORDERED:

**1. THAT**, pursuant to subsection 20(1) of the Act, that trades in Units pursuant to the Offering be exempted from the requirements of sections 6 and 37 of the Act provided that:

(a) Bridges distributes the Units in compliance with all the requirements contained in subsection 91(b) of the *Securities Regulation* as modified by this order;

(b) Bridges shall file with the Commission the offering memorandum it proposes to use in connection with the Offering at least 10 days prior to its use. Staff shall have 10 days from the receipt of the offering memorandum to object to its use;

(c) all trades made in accordance with this order must be completed either on or before August 15, 2001;

(d) Bridges shall file with the Commission a report prepared and executed in accordance with Form 27 of the *Securities Regulation* along with a copy of the offering memorandum used in connection with the Offering either 15 days following the termination of trading or 15 days from August 15, 2001, whichever is earlier;

(e) the offering memorandum shall specify that the Offering is being conducted pursuant to this order and a copy of the order shall be attached to the offering memorandum;

(f) any security acquired under this order shall not be traded without the prior consent in writing of the Director, which consent shall be given if the Director is of the opinion that it would not be prejudicial to the public interest to do so, unless

(i) the security has been held for a period of at least 12 months;

(ii) the issuer of the security has filed a prospectus with the commission with respect to the security and has obtained a receipt therefor;

(iii) the proposed purchaser of the security is one of the original purchasers of a security of the same class as the security previously acquired under an exemption provided by clause 91(a) or (b) or under this order; or

(iv) the proposed trade in a security is to a corporation all of the equity shares of which are owned by original purchasers of a security of the same class as the security proposed to be traded.

**2. THAT** the fee for this order is \$1,000.00.

**BY ORDER OF THE COMMISSION**

**Director - Legal**