

THE SECURITIES ACT ) Order No. 3699  
)  
Section 20 ) March 21, 2002

## INCOME FINANCIAL PLUS TRUST

### WHEREAS:

**(A)** Income Financial Plus Trust (the "Trust") applied to The Manitoba Securities Commission (the "Commission") for an order under subsection 20(1) of The Securities Act, R.S.M. 1988, c. S50 (the "Act"), that the distribution by the Trust of transferable, retractable trust units (the "Units") pursuant to a distribution reinvestment plan (the "Plan") be exempt from subsections 6(1) and 37(1) of the Act;

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

1. The Trust is an investment trust established under the laws of the Province of Ontario on January 29, 2002.
2. In connection with an offering of Units, the Trust filed a final prospectus (the "Prospectus") dated January 29, 2002 with the Commission and with the securities regulatory authority in each of the other provinces of Canada.
3. The Trust intends to provide holders of Units ("Unitholders") with monthly cash distributions in the amount of \$0.2083 per Unit to yield 10% per annum and has approved the implementation of the Plan pursuant to which Unitholders may elect to reinvest distributions received from the Trust in additional Units.
4. Trust distributions to Unitholders who have enrolled in the Plan will be paid through the issuance of whole Units of the Trust from treasury and the Units issued by the Trust under the Plan will be allocated to the Unitholders enrolled in the Plan in proportion to their share of the total distribution with a cash payment to be made in lieu of any fractional Units.
5. Unitholders may terminate their participation in the Plan at any time and, following such termination, they will receive all future distributions in cash.
6. Unitholders that are eligible to participate in the Plan have already received full disclosure of information concerning the Trust in the Prospectus and will receive continuous disclosure of the Trust's activities as a result of obligations arising from the Trust's status as a reporting issuer and the listing of Units on the TSE, thus eliminating the need for prospectus disclosure for Plan distributions.

(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 the distribution by the Trust of Units under the Plan are exempt from section 6 and 37 of the Act provided that in respect of the issuance of additional securities resulting from the automatic reinvestment of distributions:

(i) no sales commission or other charge in respect of such issuance of reinvested Units is payable, and

(ii) each Unitholder who receives reinvested Units has received, not more than 12 months before such issuance, a statement describing (A) the details of any deferred or contingent sales charge or redemption fee that is payable at the time of the redemption of units, (B) any right that the Unitholder has to make an election to receive cash instead of Units on the payment of the net income or net realized capital gains distributed by the Fund, (C) instructions on how the right referred to in subclause (B), if any, can be exercised, and (D) the fact that no prospectus is available for the Units issued under the Plan as Units are offered pursuant to prospectus exemptions only.

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

BY ORDER OF THE COMMISSION

Deputy Director – Legal