

THE SECURITIES ACT) Order No. 5291
)
Section 20(1)) January 31, 2007

BOWSMAN COMMUNITY STORE LTD.

WHEREAS:

1) Bowsman Community Store Ltd. (the "Applicant") has made application to The Manitoba Securities Commission (the "Commission") for an order pursuant to s. 20(1) of *The Securities Act (Manitoba)* (the "Act") exempting the Applicant and its directors from the registration and prospectus requirements of sections 6 and 37 of the Act in connection with the Offering (as herein defined) and Informational Meetings (as herein defined).

2) The Applicant has represented to the Commission that:

a) The Applicant was incorporated under the laws of the Province of Manitoba on October 19, 2006 for the purpose of acquiring and operating a grocery and convenience store in the Village of Bowsman, Manitoba (the "Project");

b) The purpose of the Project is to rescue the only grocery/convenience store in the village of Bowsman from permanent closure thereby retaining a key service in the community for the benefit of all present and future residents;

c) No shares in the corporation have yet been issued;

d) The authorized capital of the Applicant consists of the following:

A	Unlimited number	Common	Voting
B	Unlimited number	Common	Voting
C	Unlimited number	Common	Non-Voting
D	Unlimited number	Common	Non-Voting
E	Unlimited number	Preferred	Non-Voting
F	Unlimited number	Preferred	Non-Voting

e) The Applicant will be offering Class A Common Shares (a "Common Share") at a price of \$200.00 per share. The minimum and maximum subscription for each Eligible Investor will consist of one Common Share. Purchasers of one Common Share may, in addition, purchase any number of Class E Preferred Shares at a price of \$200.00 per share (a "Preferred Share") up to the maximum offering amount. No Preferred Shares can be purchased unless the purchaser also purchases one Common Share. The Offering will be made only to persons who

are ordinarily resident within a 50 kilometer radius of Bowsman and have a substantial connection to Bowsman ("Eligible Investors").

f) The minimum amount of the offering for the purposes of closing will be \$80,000.00 with a maximum of \$100,000.00 (the "Offering"). No other class of shares shall be issued during this Offering. All monies raised in the course of the Offering will be held in trust by Burnside & Ferriss, Barristers and Solicitors, Swan River, Manitoba (the "Trustee"). If the minimum subscription amount is not raised the monies will be returned to purchasers without interest.

g) It is the Applicant's intention to pay a discretionary dividend on the Preferred Shares and to redeem the Preferred Shares on a pro rata basis when sufficient surplus funds become available. The holders of Preferred Shares would be entitled to repayment of capital in priority to the holders of Common Shares;

h) The individuals proposed to act as Agents for the Applicant are or will be Directors of the Applicant and in addition, are either resident, or have a business or are employed, in or near the Village of Bowsman. They are: Barry Stephen, Leanne Hutman, Kathy Wieler, Cecil Ames, Monica Black, Cliff Cook, Don Mullin, Keith Mullin, Dennis Hodgson, Rodney Mullin, Jocelyn Marchuk and Debbie Griffith.

i) The Project will be financed entirely by equity investment. There is no intention at this time to borrow money from any source.

j) If the minimum Offering is achieved, the proceeds will be used as follows:

Cash Float	500.00
Cash in Bank	9,499.00
Prepaid expenses/supplies	1,500.00
Inventory	60,000.00
Fixed (bldg, fixtures, signs)	<u>8,501.00</u>
Total:	\$80,000.00

k) If the maximum Offering is achieved, excess funds would be used to meet future contingencies and/or invested in diversifying the business;

l) The Applicant wishes to hold one or more informational meetings to raise awareness of the Offering with Eligible Investors (the Informational Meetings").

m) All Eligible Investors will be provided with a copy of an Offering Memorandum at or before the time of completing their subscription for shares, which complies with Form 26 of The Securities Regulation.

n) Each Eligible Investor will be required to complete a form of declaration acceptable to Commission staff at the time they subscribe for securities under the Offering confirming receipt of the Offering Memorandum, recommending that they obtain advice on the investment and confirming that they qualify as an Eligible Investor.

o) The purchaser will not be able to sell their security for one year subject to the Director consenting to a transfer of security where it is not prejudicial to the public interest.

p) There will be no sales commissions paid directly or indirectly with respect to the trades except for the reasonable and actual costs incurred by individuals permitted to trade securities pursuant to the Order.

q) All advertisements used to promote the Offering will be filed with Commission staff at least five days before publication along with a list of locations where the advertisement will be placed.

r) Commission staff will be notified a minimum of five days before any informational meeting advising as to the time, date and place of the meeting.

s) The Offering shall be completed within 180 days of the date of any Commission Order authorizing the Offering. Fourteen days from the earlier of the Offering maximum being subscribed for or 180 days of the date of the Order, the Applicant shall file a report with the Commission substantially in Form 27 of The Securities Regulation along with the Declarations completed by the Eligible Investors.

t) The trades of shares pursuant to the Offering is a primary distribution to the public subject to the prospectus and registration requirements of the Act.

3) The Commission is of the opinion that it would not be prejudicial to the public interest to grant the order requested.

IT IS ORDERED:

1) **THAT**, pursuant to section 20(1) of the Act, trades made by the Applicant in connection with the Offering and acts in furtherance of trades in connection with the Informational Meetings are exempt from sections 6 and 37 of the Act provided that:

a) The Applicant's securities being sold pursuant to the Offering shall only be made available to Eligible Investors.

b) The minimum and maximum amount that an Eligible Investor may subscribe for shall be One (1) Common Share for a total acquisition cost of \$200.00.

Holders of one Common Share may, in addition, subscribe for any number of Preferred Shares at a price of \$200.00 per share to the maximum offering amount.

c) The Applicant shall prepare and file with the Commission at least 10 days before its use the Offering Memorandum.

d) The Applicant shall prepare a declaration in a form acceptable to the Commission staff (the "Declaration") which is to be completed by all Eligible Investors at the time they subscribe for securities pursuant to the Offering which states:

i) Type and amount of securities purchased;

ii) The purchaser is an Eligible Investor;

iii) The purchaser has received all documents they are required to receive pursuant to this Order;

iv) The purchaser has received independent expert advice or has declined to receive independent expert advice concerning the Offering;

v) The purchase has been made for investment purposes and not for resale;

vi) The purchaser is aware that the effect of this Order is that the purchaser will not have all rights and remedies established by the Act, which the purchaser may otherwise have;

vii) The purchaser is aware that securities purchased pursuant to the Offering may not be sold for a period of 12 months from the date of purchase without the prior written approval of the director of the Commission.

e) The Offering Memorandum shall contain a statement to the effect that the Offering is being conducted pursuant to this Order and as such the protections normally available under the Act are not available in this instance.

f) Prior to any sale of shares, a potential purchaser shall be provided with the Offering Memorandum.

g) No sales commissions are paid directly or indirectly with respect to trades in securities of the issuer except for reasonable and actual costs incurred by individuals permitted to trade securities pursuant to this Order.

h) Any and all forms of advertisements to be used to promote the Offering shall be filed with the Commission a minimum of five (5) days before publication along with a list of locations where the advertisement will be placed.

- i) Commission staff shall be notified a minimum of five (5) days before any Informational Meeting advising as to the time, date and place of the meeting.
- j) Any resale of the securities purchased in the Offering within 12 months of purchase will not be permitted without prior written consent of the Director of the Commission.
- k) The proceeds from the Offering will be held by the Trustee or such other trustee as may be acceptable to Commission staff until all conditions precedent to closing, including the minimum offering to be met, are satisfied. In the event that the closing requirements are not met, the proceeds are to be returned to the purchasers.
- l) The Offering shall be completed within 180 days from the date of this order.
- m) Within 14 days of the earlier of the Offering maximum being subscribed or 180 days of this Order, the Applicant shall file a report of the details of the Offering with the Commission containing the information described in Form 27 to the Securities Regulation along with the originally signed Declarations for each investor.

BY ORDER OF THE COMMISSION

Deputy Director - Legal