

THE SECURITIES ACT

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Order No. 2667

)

Section 20(1)

)

October 29th, 1999

AT&T

AND

AT&T WORLD PERSONNEL SERVICES INC.  
AT&T GLOBAL NETWORK SERVICES CANADA CO.  
AT&T CANADA ENTERPRISES COMPANY  
AT&T PREPAID CARD COMPANY AND  
FIRST CHICAGO TRUST COMPANY OF NEW YORK

WHEREAS:

(A) AT&T Corp. ("AT&T") has applied to the Manitoba Securities Commission for an order pursuant to subsection 20(1) of *The Securities Act*, R.S.M. 1988, c. S50 (the "Act") that certain trades in shares of the common stock of AT&T ("Shares") pursuant to AT&T's 1996 Employee Stock Purchase Plan (the "Plan") made by AT&T, affiliates of AT&T ("AT&T Companies"), the agent appointed by AT&T under the Plan (the "Agent"), currently First Chicago Trust Company of New York ("First Chicago"), with, to, or on behalf of, employees ("Employees") of AT&T or the AT&T Companies resident in Manitoba who elect to participate in the Plan (the "Manitoba Employees") shall be exempt from sections 6 and 37 of the Act;

(B) AT&T has represented to the Commission that:

1. AT&T is incorporated under the laws of the State of New York in the United States of America. The Shares offered under the Plan are listed on the New York Stock Exchange ("NYSE");
2. AT&T Canada Enterprises Company, AT&T Prepaid Card Company, AT&T Global Network Services Canada Co., and AT&T World Personnel Services Inc. was each incorporated under the laws of Canada, the Province of Nova Scotia, the Province of Nova Scotia and the State of Delaware in the United States of America, respectively, and is each a wholly-owned subsidiary of AT&T;
3. none of AT&T or the AT&T Companies, is, or has a present intention of becoming subject to the continuous disclosure requirements of the Act;
4. the Shares offered under the Plan are registered with the Securities and Exchange Commission (the "SEC") under the U.S. *Securities Act* of 1933, as amended and AT&T files with the SEC its annual report on Form 10-K as well as other continuous disclosure materials required under U.S. securities legislation;

5. the Shares are listed on the New York Stock Exchange (the "NYSE");
6. AT&T uses the services of an Agent in connection with the Plan;
7. the current Agent is, and any subsequent Agent will be, registered under applicable securities legislation in the United States and is not, and is not expected to be, registered under the Act;
8. the Plan was established for the benefit of Employees including Employees resident in Manitoba. As of September 30, 1999, there were approximately 3 Manitoba Employees eligible to participate in the Plan;
9. under the Plan, Manitoba Employees may purchase Shares at a discount to the market price of a Share by way of payroll deductions;
10. participation in the Plan is voluntary and Manitoba Employees will not be induced to participate in the Plan or to purchase Shares under the Plan by expectation of employment or continued employment;
11. Manitoba Employees may sell Shares acquired pursuant to the Plan through the Agent;
12. residents of Manitoba of record hold not more than 10% of the Shares, and the number of Manitoba residents of record holding Shares is not more than 10% of the total number of holders of Shares;
13. AT&T cannot rely on the registration exemption contained in clause 19(1)(l) or the prospectus exemption contained in clause 58(1)(b) (together, the "Employee Exemption") in connection with trades and distributions of Shares under the Plan to the Agent on behalf of Manitoba Employees;
14. AT&T Companies cannot rely on the Employee Exemption in connection with their activities under the Plan because the Shares are not "securities of their own issue";
15. the Agent cannot rely on the Employee Exemption in connection with its activities under the Plan because the Shares are not "securities of its own issue";
16. there is no exemption from the Act's registration requirements available in connection with first trades in Shares acquired under the Plan by Manitoba Employees effected through the Agent.

(C) 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 subsection 20(1) of the Act, trades in Shares pursuant to the Plan, to or by AT&T, the AT&T Companies and the Agent with, to, or on behalf of, the Manitoba Employees are exempt from sections 6 and 37 of the Act.

**2. THAT** the fee for this order shall be \$650.00.

**BY THE ORDER OF THE COMMISSION**

**Director – Legal**