

(Translation)

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
Québec, MANITOBA, NEW BRUNSWICK
NEWFOUNDLAND AND PRINCE EDWARD ISLAND

AND

IN THE MATTER OF
THE MUTUAL RELIANCE REVIEW SYSTEM FOR EXEMPTIVE RELIEF
APPLICATIONS

AND

IN THE MATTER OF AIR LIQUIDE S.A.
MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of Québec, Manitoba, New Brunswick, Newfoundland and Prince Edward Island (the "Jurisdictions") has received an application from Air Liquide S.A. (the "Applicant") for a decision under the securities legislation of the Jurisdictions (the "Legislation") that:

- (i) the requirement to be registered to trade in a security and to file and obtain a receipt for a preliminary Prospectus and a Prospectus;

shall not apply to the Applicant, or to Air Liquide Canada Inc., its Canadian affiliate, or to Wachovia Bank, a U.S. national banking association, which will act as the plan administrator (through its employee shareholder services group located in Philadelphia, Pennsylvania) ("Wachovia"), in connection with the proposed offering (the "Offering") of options of the Applicant to certain Canadian resident employees of affiliates of the Applicant ("Canadian Employees") subject to certain conditions;

AND WHEREAS under the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), the Québec Securities Commission is the principal regulator for this application;

AND WHEREAS the Filer has represented to the Decision Makers that:

- (1) The Applicant is a widely held company subsisting under the laws of France. Its head office is located at 75 Quai d'Orsay 75321, Cedex 07, Paris, France. It is not a reporting issuer in any of the Jurisdictions or in any other province in Canada, nor does it intend to become a reporting issuer in any of the Jurisdictions or in any other province of Canada;
- (2) Under the Offering, worldwide employees of the Applicant and its affiliates, including the Canadian Employees, will receive either twenty (20) or thirty (30)

(depending on seniority) options to purchase shares of the Applicant. Each option will allow an employee to purchase one share of the Applicant at a price, to be set at the date of the grant of the option (currently scheduled to be on October 21, 2002), that will not be inferior to the average initial price of the Applicant's shares during the twenty (20) trading days preceding the date of grant, rounded down to the nearest Euro.

(3) An information package (the "Information Package") has been prepared in connection with the Offering which contains the necessary disclosure concerning the mechanisms of the Offering and the options of the Applicant to be distributed pursuant to the Offering;

(4) The Corporate Secretary of the Applicant's Canadian affiliate, Air Liquide Canada Inc., will coordinate the providing of the Information Package to Canadian Employees;

(5) Wachovia will act as an administrator of the plan and in that capacity will (i) coordinate the distribution of stock options being granted to the Canadian Employees in connection with the Offering, (ii) assist in the Canadian Employees exercise of such options, and (iii) assist in the Canadian Employees resale of the shares they will receive upon the exercise of their options;

(6) Canadian Employees who exercise their options pursuant to the Offering will be entitled, as of the date of exercise of such options, (i) to keep the underlying shares and enjoy the same rights as other shareholders of the Applicant, (ii) to choose to have the Applicant immediately purchase the underlying shares upon the exercise of the options, in which case, such employees will receive in cash, the difference between the exercise price of the options and the then current trading price of the underlying shares, net of transaction fees, or (iii) a combination of (i) and (ii) above; and

(7) Canadian Employees will participate on a voluntary basis and are not being induced to receive options under the Offering by expectation of employment or continued employment;

AND WHEREAS under the System, this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the "Decision");

AND WHEREAS each of the Decision Makers is satisfied that the rendering of the present decision would not be contrary to the public interest;

AND WHEREAS 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,

A. The requirement to be registered to trade in a security and to file and obtain a receipt for a preliminary prospectus and a prospectus shall not apply to a distribution of the options made by the Applicant to a Canadian Employee pursuant to the Offering and shall not apply to Air Liquide Canada Inc. in its role as administrative manager in connection with the foregoing, provided that:

(a) the Canadian Employee is not induced to receive the options by expectation of employment or continued employment and acquires the options voluntarily;

(b) a copy of the Information Package is provided to the Canadian Employees and filed with the local securities authority in the Jurisdiction of the trade;

B. The first trade in shares (following the exercise of options) acquired pursuant to the Decision or a trade in shares (following the exercise of options) by any person or company referred to in this paragraph in Québec, Manitoba, New Brunswick, Newfoundland or Prince Edward Island shall be deemed to be a distribution or a primary distribution to the public, unless (i) except in Quebec the conditions in subsection 2.14(l) of MI 45-102 Resale of Securities are satisfied; or (ii) in Quebec the alienation (resale) is made between Canadian Employees and their affiliates or outside Quebec,

C. The requirement to be registered to trade in a security shall not apply to Wachovia in connection with the Offering and in connection with Wachovia's role of (i) coordinating the distribution of stock options being granted to the Canadian Employees, (ii) assisting in the Canadian Employees exercise of such options, and (iii) assisting in the Canadian Employees resale of the shares they will receive upon the exercise of their options, the whole provided that:

(a) the Canadian Employee is not induced to receive the options by expectation of employment or continued employment and acquires the options voluntarily; and

(b) a copy of the Information Package is provided to the Canadian Employees and filed with the local securities authority in the Jurisdiction of the trade.

(c) the trade is executed through the facilities of a stock exchange outside of Canada.

DATED November 1, 2002.

Viateur Gagnon

Micheline Brochu