

**IN THE MATTER OF THE SECURITIES LEGISLATION OF  
BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN, MANITOBA,  
ONTARIO, NEW BRUNSWICK, NOVA SCOTIA,  
PRINCE EDWARD ISLAND, NEWFOUNDLAND, YUKON TERRITORY,  
NORTHWEST TERRITORIES, AND NUNAVUT**

**AND**

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

**AND**

**IN THE MATTER OF  
AMEC p.l.c., AGRA EXCHANGE CO LIMITED**

**AND**

**3040915 NOVA SCOTIA LIMITED**

**MRRS DECISION DOCUMENT**

**WHEREAS** the Canadian securities regulatory authority or regulator (the "Decision Maker"), in each of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Prince Edward Island, Nova Scotia, Newfoundland, the Yukon Territory, Northwest Territories and Nunavut (collectively, the "Jurisdictions") has received an application from AMEC p.l.c. ("AMEC"), AGRA Exchangeco Limited ("Exchangeco") and 3040915 Nova Scotia Limited ("Callco") (collectively, the "Applicant") for a decision pursuant to the securities legislation, regulations, rules and/or policies of the Jurisdictions (the "Legislation") that:

(i) certain trades and/or distributions of securities in connection with the proposed merger (the "Merger") of AMEC and AGRA Inc. ("AGRA"), to be effected by way of a plan of arrangement (the "Arrangement") under section 192 of the *Canada Business Corporations Act* (the "CBCA") shall be exempt from the requirements contained in the Legislation to be registered to trade in a security (the "Registration Requirements") and to file a preliminary prospectus and a prospectus and receive receipts therefor prior to distributing a security (the "Prospectus Requirements");

(ii) Exchangeco be exempt from the requirements of the Legislation to issue a press release and file a report regarding material changes (the "Material Change Reporting Requirements"), to file and deliver interim and annual financial statements (the "Financial Statement Requirements"), and to file an information circular (the "Proxy Requirements") and, where applicable, to file an annual information form (including management's discussion and analysis of the

financial condition and results of operation of Exchangeco, as defined below) (the "AIF Requirements"); and

(iii) the requirement contained in the Legislation for an insider of a reporting issuer to file reports disclosing the insider's direct or indirect beneficial ownership of, or control or direction over, securities of the reporting issuer (the "Insider Reporting Requirement") shall not apply to each insider of Exchangeco and its successors; and

(iv) the first trades in AMEC ordinary shares and Exchangeable Shares (as defined below) issuable in connection with the Arrangement are not subject to the Prospectus Requirements subject to certain terms and conditions.

**AND WHEREAS** pursuant to the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), the Ontario Securities Commission is the principal regulator for this application;

**AND WHEREAS** the Applicant has represented to the Decision Makers that:

1. AMEC is a public company in the United Kingdom the ordinary shares and preference shares of which are listed on the London Stock Exchange Limited (the "LSE").

2. AMEC is currently subject to the reporting requirements of the LSE and is not a reporting issuer or the equivalent thereof under the Legislation or under the securities legislation of the United States.

3. AMEC's authorized capital consists of 283,542,139 AMEC Ordinary Shares, 50 pence par value, and 216,457,861 AMEC Preferred Shares, 50 pence par value, of which 215,630,777 AMEC Ordinary Shares and 152,231,895 AMEC Preferred Shares were issued and outstanding at January 31, 2000.

4. Callco is an indirect wholly-owned subsidiary of AMEC. It was incorporated under the *Company Act* (Nova Scotia) on February 25, 2000 to hold the various call rights related to the Exchangeable Shares.

5. The authorized capital of Callco consists solely of common shares. Upon completion of the Arrangement, all of the issued and outstanding common shares of Callco will be held directly or indirectly by AMEC.

6. Exchangeco is an indirect wholly-owned subsidiary of AMEC incorporated under the CBCA on March 10, 2000 for the purpose of implementing the Arrangement.

7. The authorized share capital of Exchangeco will consist of an unlimited number of common shares and an unlimited number of Exchangeable Shares. Upon completion of the Arrangement, all of the outstanding common shares will be held by a wholly-owned subsidiary of AMEC and all of the outstanding Exchangeable Shares (if any) will be held by former AGRA Shareholders

who elect to receive Exchangeable Shares in exchange for their AGRA Common Shares under the Arrangement.

8. Upon the completion of the Arrangement and in the event that Exchangeable Shares are issued pursuant to the Arrangement, the Exchangeable Shares will be listed on The Toronto Stock Exchange ("the TSE") and Exchangeco will, where applicable, become a reporting issuer or the equivalent thereof under the Legislation.

9. AGRA is a reporting issuer or the equivalent thereof, where applicable, in all of the provinces of Canada and its shares are listed on the TSE.

10. AGRA's authorized capital consists of an unlimited number of common shares (the "AGRA Common Shares"). As at February 15, 2000, 30,548,908 AGRA Common Shares were issued and outstanding, options to acquire (the "AGRA Options") 1,613,148 AGRA Common Shares were granted and outstanding under the AGRA Stock Option Plans, and rights to acquire 63,420 AGRA Common Shares under the AGRA Employee Stock Purchase Plan were granted and outstanding.

11. On February 15, 2000, AMEC and AGRA entered into a merger agreement (the "Merger Agreement"). The Merger will be effected by way of the Arrangement, pursuant to which AMEC, through Exchangeco, will own all of the issued and outstanding AGRA Common Shares.

12. Subject to the terms of an interim order (the "Interim Order") issued on March 15, 2000 by the Superior Court of Justice (Ontario) (the "Court"), the required approval of the holders of the AGRA Common Shares ("AGRA Shareholders") and holders of AGRA Options ("AGRA Optionholders") (AGRA Shareholders and AGRA Optionholders collectively referred to as the "AGRA Securityholders") to the Arrangement will be 66 2/3% of the votes cast at a meeting (the "Meeting"); each AGRA Shareholder will be entitled to one vote for each AGRA Common Share held and each AGRA Optionholder will be entitled to one vote for each AGRA Common Share such holder would have received on a valid exercise of such holder's AGRA Options.

13. In connection with the Arrangement, AGRA has sent to the AGRA Securityholders a management proxy circular (the "Circular"). The Circular contains prospectus-level disclosure of the business and affairs of each of AMEC and AGRA and of the particulars of the Arrangement.

14. Under the Arrangement, each AGRA Shareholder (other than AMEC and its affiliates and an AGRA Shareholder who dissents) will be entitled to elect to receive, at its option, 3.053 Exchangeable Shares (provided that at least 12,750,000 Exchangeable Shares are issuable pursuant to valid elections by AGRA Securityholders), 3.053 AMEC Ordinary Shares or Cdn.\$16 cash for each AGRA Common Share held. Those AGRA Shareholders who do not make a valid election by the time specified in the Circular will be deemed to have elected cash. AGRA Shareholders will receive cash in lieu of any fractional shares they would otherwise be entitled to receive.

15. Under the Arrangement, each AGRA Optionholder who exercises AGRA Options will be entitled to elect to receive, at its option, 3.053 Exchangeable Shares (provided that at least 12,750,000 Exchangeable Shares are issuable pursuant to valid elections by AGRA Securityholders), 3.053 AMEC Ordinary Shares or Cdn.\$16 cash for each AGRA Common Share held. Cash will be received in lieu of any fractional shares they would otherwise be entitled to receive.

16. Unexercised, outstanding AGRA Options held by directors, officers and employees of AGRA and its affiliates, to the extent permitted under U.K. law and by the LSE, will be exchanged in the Arrangement for economically equivalent options to purchase that number of AMEC Ordinary Shares equal to the number of AGRA Common Shares subject to such AGRA Options multiplied by 3.053 (the "Replacement Options").

17. The Exchangeable Shares, together with the Voting and Exchange Trust Agreement (the "Voting and Exchange Trust Agreement") to be entered into by AMEC, Exchangeco and Montreal Trust Company of Canada (the "Trustee") contemporaneously with the closing of the Arrangement, the Support Agreement and the Exchangeable Share Provisions (each as defined below) will provide the holders thereof with a security of a Canadian issuer having economic and voting rights which are, in all material respects, equivalent (without taking into account tax effects) to those of an AMEC Ordinary Share. Subject to adjustments, each Exchangeable Share will be exchangeable by the holder at any time for one AMEC Ordinary Share and will be required to be exchanged on the occurrence of certain events.

18. The provisions attaching to the Exchangeable Shares (the "Exchangeable Share Provisions") will provide that each Exchangeable Share will entitle the holder to dividends from Exchangeco payable at the same time as, and equivalent to, each dividend paid by AMEC on an AMEC Ordinary Share.

19. The Exchangeable Shares will be non-voting (except as required by the Exchangeable Share Provisions or by applicable law) and will be retractable at the option of the holder at any time. Subject to the overriding Retraction Call Right of Callco referred to below, upon retraction, the holder will be entitled to receive from Exchangeco for each Exchangeable Share retracted an amount equal to the then current market price for an AMEC Ordinary Share, to be satisfied by the delivery of one AMEC Ordinary Share, plus an amount equal to all declared and unpaid dividends on each such Exchangeable Share held by such holder on any dividend record date which occurred prior to the retraction date (such aggregate amount, the "Retraction Price"). Upon being notified by Exchangeco of a proposed retraction of Exchangeable Shares, Callco will have an overriding call right (the "Retraction Call Right") to purchase from the holder all of the Exchangeable Shares that are the subject of the retraction notice for a price per share equal to the Retraction Price.

20. The Exchangeable Shares may be redeemed for AMEC Ordinary Shares on a one-for-one basis at Exchangeco's option after December 31, 2007 or earlier in certain circumstances, including when fewer than 4,250,000 Exchangeable Shares are held by non-AMEC entities.

21. Subject to the overriding Redemption Call Right of Callco referred to below in this paragraph, Exchangeco will be entitled to redeem all the Exchangeable Shares then outstanding, commencing on December 31, 2007 (the "Redemption Date"). The board of directors may accelerate the Redemption Date in certain circumstances, as described in the Circular, including if there are fewer than 4,250,000 Exchangeable Shares outstanding (other than Exchangeable Shares held by AMEC and its affiliates, and as such number of shares may be adjusted as deemed appropriate by the board of directors to give effect to anti-dilution adjustments). Upon such redemption, a holder will be entitled to receive from Exchangeco, for each Exchangeable Share redeemed, an amount equal to the then current market price of an AMEC Ordinary Share, to be satisfied by the delivery of one AMEC Ordinary Share, plus an amount equal to all declared and unpaid dividends on each such Exchangeable Share held by such holder on any dividend record date which occurred prior to the redemption date (such aggregate amount, the "Redemption Price"). Upon being notified by Exchangeco of a proposed redemption of Exchangeable Shares, Callco will have an overriding call right (the "Redemption Call Right") to purchase from the holders all of the outstanding Exchangeable Shares (other than AMEC or its affiliates) for a price per share equal to the Redemption Price.

22. Subject to the overriding Liquidation Call Right of Callco referred to below, on the liquidation, dissolution or winding-up of Exchangeco, a holder of Exchangeable Shares will be entitled to receive from Exchangeco for each Exchangeable Share held an amount equal to the current market price of an AMEC Ordinary Share on the last business day prior to the liquidation date, to be satisfied by the delivery of one AMEC Ordinary Share, plus an amount equal to all declared and unpaid dividends on each such Exchangeable Share held by such holder on any dividend record date which occurred prior to the liquidation date (such aggregate amount, the "Liquidation Price"). Upon a proposed liquidation, dissolution or winding-up of Exchangeco, Callco will have an overriding call right (the "Liquidation Call Right") to purchase all of the outstanding Exchangeable Shares from the holders thereof (other than AMEC or its affiliates) for a price per share equal to the Liquidation Price.

23. The AMEC Special Voting Share will be issued to and held by the Trustee for the benefit of the holders of Exchangeable Shares outstanding from time to time (other than AMEC and its affiliates) pursuant to the Voting and Exchange Trust Agreement. The Special Voting Share will carry a number of voting rights, exercisable at any meeting of the holders of AMEC Ordinary Shares. Each voting right attached to the AMEC Special Voting Share must be voted by the Trustee pursuant to the instructions received from the holders of the Exchangeable Shares. In the absence of any such instructions from a holder, the Trustee will not be entitled to exercise the related voting rights. Upon the exchange of an Exchangeable Share for an AMEC Ordinary Share, the holder of the Exchangeable Share becomes a holder of an AMEC Ordinary Share and the right of such holder to exercise votes attached to the AMEC Special Voting Share (as well as the votes themselves relating to that holder) terminates.

24. Under the Voting and Exchange Trust Agreement, upon the liquidation, dissolution or winding-up of Exchangeco, AMEC will be required to purchase each outstanding Exchangeable Share and each holder will be required to sell all of its Exchangeable Shares (such purchase and sale obligations are hereafter referred to as the "Automatic Exchange Right"). The purchase price for each Exchangeable Share purchased by AMEC will be an amount equal to the then current

market price of an AMEC Ordinary Share, to be satisfied by the delivery to the Trustee, on behalf of the holder, of one AMEC Ordinary Share, together with, on the designated payment date therefor and to the extent not already paid by Exchangeco, all declared and unpaid dividends on each such Exchangeable Share.

25. Under the Voting and Exchange Trust Agreement, upon the liquidation, dissolution or winding-up of AMEC, AMEC will be required to purchase each outstanding Exchangeable Share and each holder will be required to sell all of its Exchangeable Shares (such purchase and sale obligations are hereafter referred to as the "Automatic Exchange Rights on Liquidation"), for a purchase price per share equal to the then current market price of an "MEC Ordinary Share, to be satisfied by the delivery to the Trustee, on behalf of the holder, of one AMEC Ordinary Share, together with, on the designated payment date therefor and to the extent not already paid by Exchangeco, all declared and unpaid dividends on each such Exchangeable Share.

26. Contemporaneously with the closing of the Arrangement, AMEC, Exchangeco and Callco will enter into a support agreement (the "Support Agreement") which will restrict AMEC from declaring or paying dividends on the AMEC Ordinary Shares unless equivalent dividends are declared and paid on the Exchangeable Shares. In addition, pursuant to the Support Agreement, AMEC may not make any changes to the AMEC Ordinary Shares (e.g., subdivision, consolidation or reclassification) unless the same or economically equivalent changes are simultaneously made to, or in the rights of the holders of, the Exchangeable Shares are made.

27. The steps under the Arrangement and the attributes of the Exchangeable Shares, including the issuance of the Exchangeable Shares and the AMEC Ordinary Shares issuable under the Arrangement, and the issuance of AMEC Ordinary Shares upon the exchange of the Exchangeable Shares and upon exercise of the Replacement Options, involve or may involve a number of trades or possible trades (the "Trades").

28. The fundamental investment decision to be made by an AGRA Shareholder is made at the time of the Arrangement, when such holder votes in respect of the Arrangement. As a result of this decision, a holder (other than a holder who exercises its right of dissent) receives Exchangeable Shares (if the minimum number of Exchangeable Shares are to be issued pursuant to valid elections), AMEC Ordinary Shares or cash in exchange for its AGRA Common Shares. As the Exchangeable Shares will provide certain Canadian tax benefits to certain Canadian holders but will otherwise be the economic and voting equivalent in all material respects of the AMEC Ordinary Shares, all subsequent exchanges of Exchangeable Shares are in furtherance of the holder's initial investment decision to acquire AMEC Ordinary Shares on the Arrangement. As mentioned above, that investment decision will be made on the basis of the Circular, which will contain prospectus-level disclosure of the business and affairs of each of AMEC and AGRA and of the particulars of the Arrangement.

29. As a result of the economic and voting equivalency in all material respects between the Exchangeable Shares and the AMEC Ordinary Shares, holders of Exchangeable Shares will, in effect, have an equity interest in AMEC, rather than Exchangeco, as dividend and dissolution entitlements will be determined by reference to the financial performance and condition of

AMEC, not Exchangeco. Accordingly, it is the information relating to AMEC not Exchangeco, that will be relevant to holders of both the AMEC Ordinary Shares and the Exchangeable Shares.

30. AMEC will send concurrently to all holders of Exchangeable Shares and AMEC Ordinary Shares resident in Canada all disclosure material furnished to holders of AMEC Ordinary Shares resident in the United Kingdom, including, without limitation, copies of its annual financial statements, semi-annual financial statements and all proxy solicitation materials.

AND WHEREAS pursuant to 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 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 pursuant to the Legislation is:

1. the Prospectus Requirements and the Registration Requirements shall not apply to any of the Trades made in connection with or pursuant to the Arrangement, the Voting and Exchange Trust Agreement and the Support Agreement;

2. the first trade in Exchangeable Shares acquired under the Arrangement shall be a distribution under the Legislation of the Jurisdiction in which the trade takes place (the "Applicable Legislation"), other than a trade that is otherwise exempt under the Applicable Legislation, provided such Applicable Legislation contains resale restrictions, from the Registration Requirements and Prospectus Requirements, unless such first trade is made in the following circumstances:

(i) Exchangeco is a reporting issuer or the equivalent under the Applicable Legislation or where the Applicable Legislation does not recognize the status of a reporting issuer, the requirements described in paragraph 4 below are met;

(ii) if the seller is in a "special relationship" with or is an "insider" of Exchangeco (each as defined in the Applicable Legislation) the seller has reasonable grounds to believe that Exchangeco is not in default of any requirement of the Applicable Legislation;

(iii) no unusual effort is made to prepare the market or to create a demand for the Exchangeable Shares, and no extraordinary commission or consideration is paid in respect of such first trade;

(iv) disclosure of the exempt trade is made to the Decision Maker(s) (the Decision Makers hereby confirming that the filing of the Circular with the Decision Makers at the time of mailing the Circular to holders of AGRA Common Shares constitutes disclosure to the Decision Makers of the exempt trade);

(v) such first trade is not made from the holdings of any person, company or combination of persons or companies holding a sufficient number of any securities of AMEC to affect materially the control of AMEC (any holding of any person, company or combination of persons or companies holding more than 20% of the outstanding voting securities of Exchangeco or AMEC shall, in the absence of evidence to the contrary, be deemed to affect materially the control of AMEC) unless such first trade is made in the following circumstances:

(A) Exchangeco is a reporting issuer or the equivalent under the Applicable Legislation or where the Applicable Legislation does not recognize the status of reporting issuer the requirements described in paragraph 4 below are met and is not in default of any requirement of the Applicable Legislation;

(B) the seller files with the applicable Decision Maker(s) and any other stock exchange recognized by such Decision Maker(s) for this purpose on which the Exchangeable Shares are listed at least seven days and not more than fourteen days prior to such first trade;

(I) a notice of intention to sell in the form prescribed by the Applicable Legislation for control block distributions (the "Control Block Rules") disclosing particulars of the control position known to the seller, the number of Exchangeable Shares to be sold and the method of distribution; and

(II) a declaration signed by the seller as at a date not more than twenty-four hours prior to its filing and prepared and executed in accordance with the Control Block Rules and certified as follows:

"the seller for whose account the securities to which this certificate relates are to be sold hereby represents that the seller has no knowledge of any material change which has occurred in the affairs of the issuer of the securities which has not been generally disclosed and reported to the [name of securities regulatory authority in the Jurisdiction where the trade takes place], nor has the seller any knowledge of any other material adverse information in regard to the current and prospective operations of the issuer which have not been generally disclosed";



provided that the notice required to be filed under section 2(v)(B)(I) and the declaration required to be filed under the section 2(v)(B)(II) shall be renewed and filed at the end of sixty days after the original date of filing and thereafter at the end of each twenty-eight day period so long as any of the Exchangeable Shares specified under the original notice have not been sold or until notice has been filed that the Exchangeable Shares so specified or any part thereof are no longer for sale:

(C) the seller files with the applicable Decision Maker(s) within three days after the completion of any such first trade, a report of the trade in the form prescribed by the Applicable Legislation;

(D) no unusual effort is made to prepare the market or to create a demand for the Exchangeable Shares and no extraordinary commission or other consideration is paid in respect of such first trade; and

(E) the seller (or affiliated entity) has held the Exchangeable Shares and/or the AGRA Common Shares, in the aggregate, for a period of at least one year provided that if:

(i) the Applicable Legislation provides that, upon a seller to whom the Control Block Rules apply, acquiring additional securities of a class pursuant to certain prescribed exemptions from prospectus requirements under such legislation, all securities of such class are subject to a hold period commencing the date the last security of the class was acquired under such prescribed exemptions; and

(ii) the seller acquires Exchangeable Shares pursuant to any such prescribed exemptions;

all Exchangeable Shares held by the seller will be subject to a one year hold commencing on the date any such subsequent Exchangeable Shares are acquired;

3. the first trade in AMEC Ordinary Shares acquired under the Arrangement (including upon the exchange of exchangeable shares or upon the exercise of options to acquire AMEC Ordinary Shares) shall be a distribution under the Legislation unless such trade is executed through the facilities of a stock exchange or market outside of Canada;

4. that the Material Change Reporting Requirements, Financial Reporting Requirements and Proxy Requirements shall not apply to Exchangeco and the Insider Reporting Requirements shall not apply to Exchangeco or any insider of Exchangeco who is not otherwise an insider of AMEC, provided that;

(a) AMEC sends to all holders of Exchangeable Shares resident in Canada, contemporaneously, all disclosure material furnished to holders of AMEC Ordinary Shares resident in the United Kingdom, including without limitation, copies of its annual financial statements, semi-annual financial statements and all proxy solicitation materials;

(b) AMEC files with each Decision Maker copies of all documents required to be filed by it with the LSE;

(c) AMEC provides, with any financial statements sent to holders of Exchangeable Shares, a reconciliation to U.S. GAAP, such reconciliation to be audited with respect to annual financial statements, and a narrative reconciliation of significant issues to Canadian GAAP;

(d) AMEC complies with the requirements of the LSE in respect of making public disclosure of material information on a timely basis and forthwith issues in Canada and files with the Decision Makers any press release that discloses a material change in AMEC's affairs; provided that Exchangeco complies with the Material Change Reporting Requirements in respect of material changes in the affairs of Exchangeco that would be material to holders of Exchangeable Shares but would not be material to holders of AMEC Ordinary Shares;

(e) AMEC includes in all future mailings of proxy solicitation materials to holders of Exchangeable Shares a clear and concise statement explaining the reason for the mailed material being solely in relation to AMEC and not in relation to Exchangeco, such statement to include a reference to the economic equivalency between the Exchangeable Shares and the AMEC Ordinary Shares and the right to direct voting at AMEC's Shareholders' meetings pursuant to the Voting and Exchange Trust Agreement;

(f) AMEC remains the direct or indirect beneficial owner of all the issued and outstanding common shares of Exchangeco; and

(g) except for securities issued to AMEC or to wholly-owned Subsidiaries of AMEC, Exchangeco does not issue any securities to the public other than the Exchangeable Shares;

provided that, the proviso contained in subparagraph 4(c) above shall be deleted and replaced with subparagraph 4(h) below as of January 1, 2003 in the event that AMEC has not become subject to the reporting requirements of the *Securities Exchange Act of 1934* (United States) by December 31, 2002:

(h) AMEC provides, with any financial statements sent to holders of Exchangeable Shares, a reconciliation to Canadian GAAP, such reconciliation to be audited with respect to annual financial statements; and

5. that the requirements to file or deliver to holders of Exchangeable Shares quarterly (interim) financial statements shall not apply to Exchangeco or AMEC.

DATED at Toronto this 18th day of April, 2000.

"Howard I. Wetston" "Robert W. Korthals"

THE FURTHER DECISION of the Decision Makers in Ontario and Saskatchewan is that:

Provided that the conditions set out in paragraph 4 of this Decision have been complied with, staff of the Decision Makers in Ontario and Saskatchewan will not initiate any regulatory action by reason of Exchangeco not complying with the AIF Requirements.

DATED at Toronto this 18<sup>th</sup> day of April, 2000.

"Iva Vranic"  
Iva Vranic

#### Headnote

Mutual Reliance Review System for Exemptive Relief Applications - relief from the registration and prospectus requirements in respect of certain trades made in connection with a merger involving a Canadian reporting issuer and a U.K. company where exemptions not available for technical reasons - reporting issuer history of Canadian issuer considered in calculating restrictions on resale - time period control block held shares of Canadian issuer pre-merger considered in calculating 12 month hold period for resale from control block - first trade in shares of U.K. issuer shall be a distribution unless executed on a stock exchange outside of Canada.

Continuous Disclosure - reporting issuer exempted from continuous disclosure in respect of exchangeable shares subject to certain conditions. Issuer not required to reconcile to Canadian GAAP provided issuer becomes subject to reporting requirements of *Securities Act of 1934* (United States).

Insider Reporting - reporting issuer exempted from insider reporting requirements subject to certain conditions.

AIF and MD&A - waiver granted to Canadian reporting issuer from requirement to deliver AIF and MD&A.

Applicable Ontario Statutory Provisions

Securities Act, R.S.O. 1990, c.S.5, as am., 25, 53, 72(5), 74(1), 75, 77, 78, 79, 80(b)(iii), 81, 85, 86, 88(2), 107, 108, 109 and 121(2).

Regulations Cited

Regulation made under the Securities Act, R.R.O. 1990, Reg. 1015, as am.,

Applicable Ontario Rules

Rule 45-501 - Exempt Distributions.

Applicable Ontario Policy

Policy 5.10 - Annual Information Form and Management's Discussion and Analysis of Financial Condition and Results of Operations.