

IN THE MATTER OF
THE SECURITIES LEGISLATION OF BRITISH COLUMBIA, ALBERTA,
SASKATCHEWAN, MANITOBA, ONTARIO, QUEBEC, NOVA SCOTIA,
NEWFOUNDLAND,
NEW BRUNSWICK AND PRINCE EDWARD ISLAND

AND

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

AND

IN THE MATTER OF
GREAT LAKES POWER INC.

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, Nova Scotia, Newfoundland, New Brunswick and Prince Edward Island (the "Jurisdictions") has received an application from Great Lakes Power Inc. (the "Company") for a decision that the Company is able to rely on subsection 2.4 of National Instrument 44-101 (the "Rule") in connection with a proposed offering of exchangeable preferred shares as if subsection 2.4 was not restricted to non-convertible securities;

AND WHEREAS under 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 Company has represented to the Decision Makers that:

1. The Company was amalgamated under the laws of the Province of Ontario on March 2, 2001, through the amalgamation (the "Amalgamation") of Great Lakes Power Inc. ("GLPI") and 1458103 Ontario Limited, a wholly-owned subsidiary of Brascan Corporation ("Brascan").
2. The Company is, and GLPI was, engaged in the business of developing and managing electricity generating facilities in Canada and the United States.
3. The Company proposes to make a public offering of Cumulative Redeemable First Preferred Shares (the "Preferred Shares") in each of the Jurisdictions.
4. The Preferred Shares are non-voting and rank senior to the common shares of the Company. Holders of the Preferred Shares will be entitled to receive fixed, cumulative quarterly dividends. The Preferred Shares will be redeemable by the Company at the end of a specified period, currently expected to be five years, at a premium and after six years, at par.

5. The Preferred Shares will have attached to them exchange rights issued by Brascan pursuant to an exchange agreement (the "Exchange Agreement") providing that the Preferred Shares may be exchanged for Class A Limited Voting Shares of Brascan (the "Brascan Shares") at the option of the Company after a specified period, currently expected to be seven years, at an exchange ratio determined by dividing the par value of the Preferred Shares plus all accrued and unpaid dividends by the greater of \$2.00 and 95% of the then current market price of the Brascan Shares, determined as provided in the share conditions. The Preferred Shares are also exchangeable at the option of the holders, after a specified period, currently expected to be approximately eight years, based on the same exchange ratio. If a holder elects to exchange any shares, the Company has the right to elect to redeem them instead for cash or arrange for the sale of those shares to substitute purchasers.

6. The Company is a reporting issuer in each of the Jurisdictions and GLPI was a reporting issuer in each of the Jurisdictions for more than 12 calendar months prior to the Amalgamation.

7. The Company has a current AIF which was filed in each of the Jurisdictions on May 22, 2001.

8. GLPI has filed in each of the Jurisdictions audited financial statements for the year ended December 31, 2000.

9. The Preferred Shares will receive an approved rating, as that term is defined in the Rule.

10. Brascan is a reporting issuer in each of the Jurisdictions and is eligible to file a short form prospectus in each of the Jurisdictions pursuant to the requirements of subsection 2.2 of the Rule.

11. The short form prospectus to be filed in connection with the offering of Preferred Shares will incorporate by reference the required continuous disclosure documents of both the Company and Brascan.

12. The Company meets all of the alternative eligibility requirements set forth in subsection 2.4 of the Rule, but is not able to rely on that subsection because that subsection is limited to offerings of "non-convertible securities" as defined in the Rule and the exchange rights attaching to the Preferred Shares would make the Preferred Shares "convertible" as defined in the Rule.

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 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 in each of the Jurisdictions pursuant to the Legislation is that the Company is able to rely on subsection 2.4 of the Rule in connection with its proposed offering of Preferred Shares exchangeable into Brascan Shares as if subsection 2.4 was not restricted to non-convertible securities provided that:

(i) the Company is a reporting issuer in each of the Jurisdictions and GLPI was a reporting issuer in each of the Jurisdictions for more than 12 calendar months prior to the Amalgamation;

(ii) the Company has a current AIF;

(iii) the Preferred Shares:

(A) have received an approved rating on a provisional basis;

(B) are not the subject of an announcement by an approved rating organization of which the Company is or ought reasonably to be aware that the approved rating given by the organization may be down-graded to a rating category that would not be an approved rating; and

(C) have not received a provisional or final rating lower than an approved rating from any approved rating organization; and

(iv) if the Company is filing a preliminary short form prospectus more than 90 days after the end of its most recently completed financial year, the Company has filed audited financial statements for that year.

"Margo Paul"

DATED November 23rd, 2001

Headnote

Section 2.4 of National Instrument 44-101 - relief from the limitation that the eligibility requirements in the relevant provision only apply to non-convertible preferred shares. Relief granted provided that the terms of the order are met. The Company proposed to rely on the provision in connection with a proposed offering of exchangeable preferred shares.

Statutes Cited

Securities Act, R.S.O. 1990, c.S.5. as amended

Rules Cited

National Instrument 44-101 Prompt Offering Qualification System - Short Form Prospectus Distributions 23 O.S.C.B. (Supp) 867.