

IN THE MATTER OF
THE SECURITIES LEGISLATION
OF ALBERTA AND MANITOBA

AND

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

AND

IN THE MATTER OF JDA SOFTWARE GROUP INC.

MRRS DECISION DOCUMENT

1. WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of Alberta and Manitoba (the "Jurisdictions") has received an application from the JDA Software Group, Inc. ("JDA") for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") that:

1.1 trades to, by, with or on behalf of employees (the "Employees") of JDA or its affiliates (collectively, the "JDA Companies") resident in the Jurisdictions (the "Canadian Employees") in shares of common stock of JDA (the "Common Shares") in connection with the JDA 1999 Employee Stock Purchase Plan (the "ESPP"); and

1.2 trades to, by, with or on behalf of Canadian Employees and consultants ("Consultants") in options on Common Shares ("Options") and Common Shares in connection with the JDA 1996 Stock Option Plan (the "SOP") (the ESPP and SOP, collectively, the "Plans");

shall not be subject to the requirements contained in the Legislation to be registered to trade in a security (the "Registration Requirements") and to file and obtain a receipt for a preliminary prospectus and a prospectus (the "Prospectus Requirements") (collectively, the "Registration and Prospectus Requirements");

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

3. AND WHEREAS JDA has represented to the Decision Makers that:

3.1 JDA is a corporation incorporated under the laws of the state of Arizona, is not a reporting issuer or its equivalent under the Legislation and has no present intention of becoming a reporting issuer or its equivalent under the Legislation;

3.2 JDA currently has one subsidiary in Canada. This subsidiary is not a reporting issuer or its equivalent in any of the Jurisdictions nor has any present intention of becoming a reporting issuer or its equivalent therein;

3.3 the authorized share capital of JDA consists of 50 million Common Shares, par value US\$0.001 per share, and 2 million shares of preferred stock ("Preferred Shares") par value US\$0.001 per share. As of August 31, 2000, there were 24,551 Common Shares and no Preferred Shares issued and outstanding;

3.4 JDA is subject to the requirements of the Securities Exchange Act of 1934, as amended, of the United States of America, and the Common Shares are quoted for trading on The Nasdaq Stock Market;

3.5 Common Shares offered under the Plans are registered with the Securities and Exchange Commission (the "SEC") under the Securities Act of 1933;

3.6 JDA proposes to use the services of an agent (the "Agent") in connection with the Plans. The current Agent under the Plans is U.S. Bancorp Piper Jaffrey, Inc. ("U.S. Bancorp"). The current Agent is, and, if replaced, will be, a corporation registered under applicable U.S. securities or banking legislation and has been or will be authorized by JDA to provide services under the Plans. U.S. Bancorp is not a registrant in any of the Jurisdictions and, if replaced, the Agent is not expected to be a registrant in any of the Jurisdictions;

3.7 the Agent's role in the Plans may include:

3.7.1 assisting Employees and Consultants with the exercise of Options, including cashless exercises;

3.7.2 holding, on behalf of Canadian Employees and Consultants, Common Shares issued by JDA upon the exercise of Options or otherwise; and

3.7.3 facilitating the resale of Shares acquired by Employees and Consultants outside of Canada;

3.8 as of December 5, 2000, there were approximately 45 Employees in Alberta eligible to participate in the Plans. There is currently one Employee in Manitoba eligible to participate in the Plans. As of December 5, 2000, no Consultants in Canada were eligible to participate in the Plans;

3.9 the purpose of the ESPP is to provide employees of the JDA Companies with an opportunity to purchase Common Shares at a discount through accumulated payroll deductions;

3.10 participation in the ESPP by eligible Employees (the "ESPP Eligible Employees") is voluntary and such employees are not induced to participate in the ESPP by expectation of employment or continued employment with the JDA Companies;

3.11 ESPP Eligible Employees may purchase through accumulated payroll deductions Common Shares at a discount to the market price, to a maximum of 10% of their Compensation, as defined in the ESPP. Subject to the discretion granted under the ESPP to the Board of Directors of JDA, Common Shares will be issued by JDA to the Agent on a semi-annual basis, based on the level of accumulated payroll deductions of each participating ESPP Eligible Employee;

3.12 the purpose of the SOP is to advance the interests of JDA and its stockholders by providing an incentive to attract, retain and motivate persons performing services for the JDA Companies. In Canada, the SOP is generally made available to Employees and Consultants of the JDA Companies (collectively, "Service Providers");

3.13 it is anticipated that Canadian Consultants who will be granted Options under the SOP will:

3.13.1 provide technical, business, management or other services to the JDA Companies (other than services relating to the sale of securities or promotional/investor relations services);

3.13.2 provide consulting services to the JDA Companies under a written contract; and

3.13.3 will spend a significant amount of time and attention on the affairs and business of the JDA Companies and will be familiar with the JDA Companies' business operations;

3.14 participation in the SOP by Service Providers is voluntary and Service Providers are not induced to participate in the SOP or to exercise their Options by expectation of employment, appointment or engagement or continued employment or engagement, as the case may be, with the JDA Companies. Unless otherwise determined by the Board of Directors of JDA (the "Board"), Options are not transferable otherwise than by will or the laws of descent and distribution;

3.15 the consideration to be paid for Common Shares issued upon the exercise of Options granted under the SOP may consist of:

3.15.1 cash;

3.15.2 promissory notes;

3.15.3 other Common Shares; and/or

3.15.4 consideration received by JDA under a cashless exercise program implemented by JDA in connection with the SOP.

3.16 Common Shares issued under the SOP may be subject to a right of first refusal or repurchase option granted in favour of JDA;

3.17 subject to the discretion of the Board, the current vesting schedule permits Service Providers to exercise Options granted under the SOP to the extent of 25% of the total number of Common Shares subject to the Option twelve months after the date of the grant, with the remainder of the total number of Common Shares subject to the Option vesting ratably in equal monthly installments over the following three years;

3.18 all disclosure material that JDA is required to file with the SEC will be provided or made available upon request to all ESPP Eligible Employees and to all Service Providers who are granted Options, at the same time and in the same manner as such materials are provided or made available upon request to employees who are resident in the United States of America;

3.19 an exemption from the Prospectus and Registration Requirements is not available in all of the Jurisdictions for trades in Options and Common Shares with Canadian Employees and Consultants (collectively, "Participants") under the Plans through the Agent; further, exemptions from the Registration and Properties Requirements are not available in all of the Jurisdictions for first trades in Common Shares acquired under the Plans made through the Agent on a market or exchange outside of Canada;

3.20 at the time of the acquisition of Options under the SOP or Common Shares under the ESPP, as the case may be, persons or companies whose last address as shown on the books of JDA in Canada will not hold more than 10% of the outstanding Common Shares and will not represent in number more than 10% of the total number of holders of Common Shares;

3.21 because there is no market for the Common Shares in Canada and none is expected to develop, any resale of the Common Shares acquired under the Plans will be effected through the facilities of, and in accordance with the rules and laws applicable to, a stock exchange or organized market outside of Canada on which the Common Shares may be listed or quoted for trading;

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

5. 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;

6. THE DECISION of the Decision Makers under the Legislation is that the Registration and Prospectus Requirements shall not apply to trades in Common Shares and Options with, to, by, or on behalf of the Participants made in connection with the Plans;

7. THE FURTHER DECISION of the Decision Makers is that the first trades made through the Agent by or on behalf of the Participants in Common Shares acquired pursuant to the Plans (including Common Shares acquired upon the exercise of Options) shall be deemed to be a distribution or a primary distribution to the public unless:

7.1 the first trade is executed through and in accordance with the laws and rules of The Nasdaq Stock Market or such other exchange or market outside Canada on which the Common Shares are listed or quoted for trading.

8. THE FURTHER DECISION of the Decision Makers is that the first trades made through the Agent by or on behalf of the Participants in Common Shares acquired pursuant to the Plans (including Common Shares acquired upon the exercise of Options) shall not be subject to the Registration Requirements where such trade is executed through and in accordance with the laws and rules of The Nasdaq Stock Market or such other exchange or market outside Canada on which the Common Shares are listed or quoted for trading.

DATED at Calgary, Alberta this 7th day of March, 2001.

"original signed by"
Stephen P. Sibold, Q.C., Chair

"original signed by"
Walter B. O'Donoghue, Q.C., Member

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Relief from the registration and prospectus requirements with respect to trades in stock options and common shares pursuant to an employee stock purchase plan and a stock option plan.

Applicable Alberta Statutory Provisions

Securities Act, S.A., 1981, c.S-6.1, as amended, ss. 116, 54 and 81