

(UNOFFICIAL TRANSLATION)

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
BRITISH COLOMBIA, ALBERTA, SASKATCHEWAN,
MANITOBA, ONTARIO, Québec AND NOVA SCOTIA

AND

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

AND

IN THE MATTER OF
LAFARGE CANADA INC.
AND LAFARGE CORPORATION

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of Nova Scotia, Québec, Ontario, Manitoba, Saskatchewan, Alberta and British Columbia (the "Jurisdictions") has received an application from Lafarge Canada Inc. ("Lafarge Canada") for a decision under the securities legislation of the Jurisdictions (the "Legislation") that Lafarge Canada be exempt from the requirements of the Legislation to prepare for issuance of press releases and for filing with the Jurisdictions a report upon the occurrence of a material change; to file with the Jurisdictions the "annual filings" in lieu of the information circular, where this requirement is applicable; to file with the Jurisdictions and to send to the registered holders of securities interim and annual financial statements, annual information form and annual report including management's discussion and analysis of financial condition and results of operations, where these requirements are applicable;

WHEREAS pursuant to the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), the Commission des valeurs mobilières du Québec is the principal regulator for this application;

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

1. Lafarge Canada is a corporation governed by the Canada Business Corporations Act. Its head office is located at 606 Cathcart Street, Montreal, Quebec.
2. Lafarge Canada is a wholly-owned subsidiary of U.S. based Lafarge Corporation.

3. Lafarge Canada is the largest supplier of cement and construction material in Canada and is the only producer serving principal markets from coast to coast.
4. The authorized capital of Lafarge Canada consists of an unlimited number of common shares (the "Common Shares") and of 15,698,252 exchangeable preferred shares (the "Exchangeable Shares"). As of January 31, 2000, there were 16,384,202 Common Shares issued and outstanding, all of which were held by Lafarge Corporation and 4,479,579 Exchangeable Shares issued and outstanding.
5. Except for the Common Shares, all of which are presently held by Lafarge Corporation, and except for the Exchangeable Shares, there are no other securities of Lafarge Canada that are issued and outstanding.
6. Lafarge Canada does not contemplate issuing to the public any securities other than possibly Exchangeable Shares. If Lafarge Canada should issue any securities that are not Exchangeable Shares, with a view to ensuring that the holders, from time to time, of these securities are not prejudiced by the exemptions from continuous disclosure requirements provided for in this Decision, Lafarge Canada will ensure that:
 - (i) the securities are issued by Lafarge Canada in accordance with exemptions from prospectus requirements under applicable Legislation; and
 - (ii) there are attached to these securities restrictions on transfer which will be enforced by Lafarge Canada and require that any trade by the holder, from time to time, that is made in a Jurisdiction, must be made in accordance with the terms of an exemption from the prospectus requirements applicable to distributions as if the trade were a distribution in the Jurisdiction (whether or not the trade is a distribution as defined in the Legislation of that Jurisdiction) and the purchaser in any such trade receives a copy of this Decision, together with a statement to the effect that Lafarge Canada is exempt from financial statement reporting and other continuous disclosure requirements pursuant to this Decision.
7. The Exchangeable Shares of Lafarge Canada are listed on the Toronto Stock Exchange. Prior to December 4, 1999, the Exchangeable Shares of the Corporation were also listed on The Montreal Exchange.
8. Lafarge Canada is a reporting issuer in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec and Nova Scotia and is not on the list of defaulting reporting issuers maintained pursuant to the securities legislation in these Jurisdictions.
9. Lafarge Corporation was incorporated under the laws of the State of Maryland in 1977. Its principal executive offices are located at 11,130 Sunrise Valley Drive, Reston, Virginia.
10. Lafarge Corporation is engaged in the production and sale of cement and various construction material in the United States and Canada. Canadian operations are conducted by Lafarge Canada, the Canadian subsidiary of Lafarge Corporation.

11. A majority of Lafarge Corporation's outstanding voting securities are owned by Lafarge S.A., a French corporation.

12. The authorized capital of Lafarge Corporation consists of up to 150,000,000 shares of common stock, par value \$1.00 per share (the "Common Stock") and 30,000,000 shares of voting stock, par value \$0.0001 per share (the "Voting Stock"). As of January 31, 2000, there were 68,685,420 Common Stock and 4,471,950 Voting Stock issued and outstanding.

13. The Common Stock of Lafarge Corporation are listed on the New York Stock Exchange and on The Toronto Stock Exchange. Prior to December 4, 1999, the Common Stock of Lafarge Corporation were also listed on The Montreal Exchange.

14. Lafarge Corporation is subject to the *United States Securities Exchange Act of 1934*, as amended (the "Exchange Act"). Lafarge Corporation is a reporting issuer in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, Nova Scotia and Newfoundland and is not on the list of defaulting reporting issuers maintained pursuant to the securities legislation in British Columbia, Alberta, Saskatchewan, Ontario and Nova Scotia. Lafarge Corporation is a POP issuer.

15. As part of the corporate reorganization pursuant to which Lafarge Corporation was established as the parent company of Lafarge Canada in 1983, Common Shares of Lafarge Canada were converted into Exchangeable Shares.

16. Lafarge Corporation has deposited shares of Voting Stock in trust under an arrangement that entitles each holder of Lafarge Canada Exchangeable Shares (other than Lafarge Canada and Lafarge Corporation) to vote at meetings of shareholders of Lafarge Corporation on the basis of one vote in Lafarge Corporation for each Common Stock for which the Lafarge Canada Exchangeable Shares held by such holder are then exchangeable. Each holder of record of Lafarge Corporation Common Stock or Lafarge Canada Exchangeable Shares is entitled to vote for each such share so held, with all stockholders voting together as a single class.

17. Holders of Lafarge Canada Exchangeable Shares have voting, dividend and liquidation rights that parallel those of holders of Common Stock of Lafarge Corporation. In addition, holders of Lafarge Canada Exchangeable Shares are entitled to exchange such shares for Common Stock of Lafarge Corporation on a one-for-one basis, subject to adjustment from time to time to take into account certain dilutive events.

18. Dividends on the Exchangeable Shares are cumulative and payable at the same time as any dividends declared on the Common Stock of Lafarge Corporation. Lafarge Corporation has agreed not to declare and pay any cash dividends on the Common Stock unless it also causes Lafarge Canada to declare and pay a corresponding cash dividend on the Lafarge Canada Exchangeable Shares, payable at the same time and in the same manner as the dividends declared on the Common Stock.

19. The Lafarge Canada Exchangeable Shares are non-redeemable and, except under circumstances involving the non-payment of dividends, are not entitled to vote on matters put before shareholders of Lafarge Canada.

20. As a result of the economic and voting equivalency between the Exchangeable Shares of Lafarge Canada and the Common Stock of Lafarge Corporation, holders of Exchangeable Shares have a participating interest determined by reference to Lafarge Corporation, rather than Lafarge Canada. Accordingly, it is the information relating to Lafarge Corporation that is relevant to holders of Lafarge Canada's Exchangeable Shares. Certain information required to be provided in respect of Lafarge Canada as a reporting issuer pursuant to the securities legislation of the Decision Makers is not relevant to the holders of Lafarge Canada Exchangeable Shares.

21. The rights attached to the Lafarge Canada Exchangeable Shares indicate that the economic interest of their holders is determinable by reference to the consolidated financial statements of Lafarge Corporation and holders of Exchangeable Shares are already encouraged to direct their attention to the annual report issued by Lafarge Corporation (this statement is made in the annual report issued by Lafarge Canada).

22. The annual report issued by Lafarge Corporation, its annual and interim financial statements, its proxy solicitation material and other disclosure documents are already filed with the Decision Makers since Lafarge Corporation is a reporting issuer. As a U.S. issuer registered with the Securities and Exchange Commission, a permission to comply with U.S. requirements relating to disclosure documents has been granted to Lafarge Corporation by the Decision Makers pursuant to the Multijurisdictional Disclosure System.

28. In 1983, certain of the Decision Makers granted an order exempting Lafarge Canada from sending its interim financial statements to holders of Exchangeable Shares provided, among other things, that Lafarge Canada arrange for the sending to such holders of the interim financial statements of its parent company Lafarge Corporation.

24. In addition, in 1990, the Commission rendered a decision exempting Lafarge Canada from complying with the former Policy Q-24 (being the Canadian Annual Information Form requirements and which has since been abolished and replaced by Sections 159 to 170.1 and Schedules IX and IX.1 of the Regulation under the Act) and of the MD&A requirements, on the condition that it file the Form 10-K of Lafarge Corporation in lieu of its Annual Information Form and the information furnished by Lafarge Corporation pursuant to Section 303 of Regulation S-K under the *Securities Exchange Act of 1934*.

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 that the requirements contained in the Legislation:

1. to file with the Jurisdictions and to send to the registered holders of securities annual report and annual information form, including management's discussion and analysis of financial condition and results of operations, where these requirements are applicable, and interim and annual financial statements;
2. to file with the Jurisdictions the "annual filing" in lieu of the information circular, where this requirement is applicable;
3. to prepare press releases for issue and reports with the Decision Makers upon the occurrence of a material change;

shall not apply to Lafarge Canada provided that, at the time that any such requirement would otherwise apply:

- Lafarge Corporation sends to all holders of Lafarge Canada Exchangeable Shares resident in Canada all disclosure material furnished to holders of Common Stock of Lafarge Corporation resident in the United States and in Canada, including, without limitation, copies of its annual reports, annual financial statements and all proxy solicitation material;
- Lafarge Corporation continues to file with the Decision Makers copies of all documents required to be filed by it with the United States Securities and Exchange Commission under the *United States Securities Exchange Act of 1934*, as amended, including, without limitation, copies of any Form 10-K, Form 10-Q, Form 8-K and proxy statements prepared in connection with Lafarge Corporation's stockholders' meetings;
- Lafarge Canada complies with the requirements of the Legislation in respect of making public disclosure of material information on a timely basis in respect of material changes in the affairs of Lafarge Canada that are not material changes in the affairs of Lafarge Corporation;
- Lafarge Corporation will include in its next mailing of annual report or next communication to holders of Lafarge Canada Exchangeable Shares a clear and concise statement explaining the reason for the future mailed material being solely in relation to Lafarge Corporation and not in relation to Lafarge Canada, such statement to include a reference to the economic equivalency between the Lafarge Canada Exchangeable Shares and the Lafarge Corporation Common Stock;
- Lafarge Corporation will remain a reporting issuer, or will be treated as a reporting issuer, in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, Nova Scotia and Newfoundland and will not be on the list of defaulting reporting issuers maintained pursuant to the securities legislation in these Jurisdictions;

- Lafarge Corporation will continue to control and remain the direct or indirect beneficial owner of all the issued and outstanding Common Shares of Lafarge Canada; and
- Lafarge Canada is in compliance with the representation referred to in paragraph 6. above.

DATED May 30, 2000.

Guy Lemoine Viateur Gagnon