

IN THE MATTER OF THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN, MANITOBA,
ONTARIO, QUEBEC, NEWFOUNDLAND AND NOVA SCOTIA

AND

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

AND

IN THE MATTER OF ROYAL LASER TECH CORPORATION

AND

IN THE MATTER OF OSF INC.

WHEREAS the Canadian securities regulatory authority or regulator (the "Decision Maker") in each of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, Newfoundland and Nova Scotia (the "Jurisdictions") has received an application from Royal Laser Tech Corporation ("Royal Laser") for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") that, in connection with Royal Laser's offer (the "Offer") to purchase all of the issued and outstanding common shares (the "OSF Shares") of OSF Inc. ("OSF"), Royal Laser be exempt from the requirement in the Legislation to offer all holders of the same class of securities identical consideration (the "Identical Consideration Requirement"), insofar as certain holders of OSF Shares who accept the Offer will receive the cash proceeds from the sale of common shares of Royal Laser (the "Royal Laser Shares") in accordance with the procedure described in paragraph 11 below, instead of receiving Royal Laser Shares;

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 Royal Laser has represented to the Decision Makers as follows:

1. Royal Laser is a corporation governed by the Business Corporations Act (Ontario) (the "OBCA").
2. Royal Laser is a reporting issuer in Ontario and is not in default of the Legislation in Ontario. The Royal Laser Shares are listed and posted for trading on The Toronto Stock Exchange (the "TSE").
3. OSF is governed by the OBCA.

4. OSF is a reporting issuer or the equivalent in each of the Jurisdictions. The OSF Shares are listed and posted for trading on the TSE.
5. According to a shareholder list dated November 18, 1999 provided by OSF to Royal Laser, there are twelve registered holders of OSF Shares with addresses outside of Canada holding in the aggregate 1,878,578 OSF Shares representing approximately 10.64% of the issued and outstanding OSF Shares. In addition, it appears that persons outside Canada may hold beneficially in the aggregate approximately 1.3 million OSF Shares representing approximately 6.9% of the issued and outstanding OSF Shares.
6. Pursuant to the Offer, Royal Laser has offered to acquire all of the issued and outstanding OSF Shares (including OSF Shares that may become outstanding as a result of the exercise of options, warrants and other rights), other than those currently owned by Royal Laser and its affiliates, on the basis of one Royal Laser Share for each OSF Share.
7. The Offer is being made in compliance with the Legislation of the Jurisdictions, except to the extent that exemptive relief is granted in respect of the Identical Consideration Requirement.
8. Royal Laser has extended the Offer to holders of OSF Shares (collectively, "OSF Shareholders") in any jurisdiction outside of Canada in which the making and acceptance of the Offer would not be illegal.
9. Royal Laser does not meet the applicable eligibility requirements under the multi-jurisdictional disclosure system (the "MJDS") to permit it to issue Royal Laser Shares under the Offer to OSF Shareholders who either are "U.S. Persons", as that term is defined in Regulations under the Securities Act of 1933 (United States), or resident in the United States or any territory or possession thereof ("U.S. Residents" and, collectively with U.S. Persons, "U.S. Holders"), without registering such Royal Laser Shares in the United States.
10. The Royal Laser Shares that may be issued under the Offer have not been and will not be registered or otherwise qualified for distribution pursuant to the securities legislation in the United States or any other jurisdiction outside Canada. Accordingly, the delivery of Royal Laser Shares to U.S. Holders or the citizens or residents of any other jurisdiction outside of Canada where the Royal Laser Shares may not be delivered without further action by Royal Laser (collectively with "U.S. Holders", "Non-Canadian Holders") may constitute a violation of the laws of such jurisdictions.
11. Royal Laser proposes to deliver Royal Laser Shares to Montreal Trust Company of Canada (the "Depository"), instead of to Non-Canadian Holders who accept the Offer, for sale of such Royal Laser Shares by the Depository on behalf of such Non-Canadian Holders. All Royal Laser Shares that the Depository is required to sell will be pooled and sold by private sale or on the TSE in a manner that is intended to minimize any adverse effect such a sale could have on the market price of Royal Laser Shares as soon as practicable and, in any event, no later than five business days after the date Royal Laser first takes up any of the OSF Shares tendered by such Non-Canadian Holders and the Depository will hold the aggregate net proceeds after expenses of such sale in trust for such Non-Canadian Holders. As soon as reasonably possible after such sale,

and in any event no later than two business days following the completion of such sale of Royal Laser Shares, the Depositary will deliver to each Non-Canadian Holder whose Royal Laser Shares have been sold by the Depositary an amount equal to such Non-Canadian Holder's *pro rata* share of the aggregate net proceeds of the Depositary's sale of the Royal Laser Shares;

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 in the Jurisdictions pursuant to the Legislation is that, in connection with the Offer, Royal Laser is exempt from the Identical Consideration Requirement, insofar as Non-Canadian Holders who accept the Offer will receive the cash proceeds from the Depositary's sale of the Royal Laser Shares in accordance with the procedure set out in paragraph 11 above, instead of receiving such Royal Laser Shares.

Dated this "15th" day of "December", 1999.