

TRANSLATION

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

AND

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

AND

IN THE MATTER OF TECSYS INC.

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland (the "Jurisdictions") have received an application from TECSYS Inc. ("TECSYS") for a decision under the securities legislation and securities directions of the Jurisdictions (the "Legislation") that the requirement under National Policy Statement No. 47 and under the applicable securities legislation of Québec (collectively, the "POP Requirements") that the calculation of the aggregate market value of an issuer's outstanding equity securities be based upon the average closing prices during the last calendar month of the issuer's most recently completed financial year and the requirement under the Legislation of Quebec that an issuer to be a reporting issuer for three years (collectively, the "Eligibility Requirements") shall not apply to TECSYS so as to permit TECSYS to participate in the prompt offering qualification system (the "POP System");

AND 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 TECSYS has represented to the Decision Makers that:

1.1 TECSYS was incorporated by Article of Incorporation under the *Canada Business Corporations Act* on April 28, 1983 and its head office is located at 1840 TransCanada Highway, Dorval, Quebec.

1.2 TECSYS is a provider of e-commerce based enterprise-wide supply chain management software for high-volume distribution operations.

1.3 TECSYS has been a reporting issuer under the Legislation of all of the Jurisdictions since July 16, 1998, except in Saskatchewan and Manitoba, where TECSYS has been a reporting

issuer since July 17, 1998 and is not, as at the date hereof to the best of its knowledge, in default of any requirement of such Legislation.

1.4 The authorized share capital of TECSYS consists of an unlimited number of common shares (the "Common Shares") and an unlimited number of Class A preferred shares, issuable in series.

1.5 The Common Shares are listed and posted for trading on The Toronto Stock Exchange (the "TSE").

1.6 The financial year-end of TECSYS is April 30.

1.7 As at April 30, 1999 (being TECSYS' most recent financial year-end), 10,604,284 Common Shares were issued and outstanding and no Class A preferred shares were issued and outstanding.

1.8 As at April 30, 1999, to the best of TECSYS' knowledge, based upon public records, 6,716,916 of its Common Shares were required to be excluded in accordance with the POP Requirements in the calculation of the *public* float (the "April 30 Excluded Shares").

1.9 The arithmetic average of the closing price of the Common Shares on the TSE for each of the trading days during the month of April 1999 was \$4.56.

1.10 The aggregate market value of the Common Shares for the month of April 1999, being the last calendar month of its financial year, was approximately \$17,726,398 (excluding the value of the April 30 Excluded Shares).

1.11 From January 22, 2000 to February 22, 2000, TECSYS had 12,278,379 Common Shares issued and outstanding.

1.12 From January 22, 2000 to February 22, 2000, to the best of TECSYS' knowledge, based upon public records, 5,426,790 of its Common Shares were required to be excluded in accordance with the POP Requirements in the calculation of the *public* float (the "January 14 Excluded Shares").

1.13 The arithmetic average of the closing price of the Common Shares on the TSE for each of the trading days from January 22, 2000 to February 22, 2000 was \$18.47.

1.14 The aggregate market value of the Common Shares from January 22, 2000 to February 22, 2000 (excluding the value of the January 14 Excluded Shares) was approximately \$126,548,849.

1.15 TECSYS currently would fulfill the eligibility requirements under the POP System that would enable it to file an initial annual information form ("Initial AIF") and participate in the POP System but for the fact that the aggregate market value of its common shares for the month of April, 1999 was less than \$75,000,000 and it has not been a reporting issuer for three years as required under the Legislation of Quebec;

1.16 TECSYS would be eligible to participate in the POP System upon the filing and acceptance of its Initial AIF under Proposed National Instrument 44-101 which would replace the current time period for calculating the aggregate market value of an issuer's equity securities under the POP Requirements for its Initial AIF with a calculation as of a date within sixty (60) days of filing the issuer's preliminary short form prospectus; and

1.17 TECSYS intends to file an Initial AIF shortly and may wish to effect an offering prior to the end of its current financial year and is of the view that a short form prospectus would be the most appropriate vehicle for such an offering.

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 under the Legislation is that the Eligibility Requirements shall not apply to TECSYS provided that:

- (i) TECSYS complies in all other respects with the POP Requirements;
- (ii) the aggregate market value of the outstanding common shares of TECSYS, calculated in accordance with the POP Requirements on a date within sixty (60) days before the date of the filing of TECSYS' preliminary short form prospectus is \$75,000,000 or more;
- (iii) the eligibility certificate to be filed in respect of TECSYS' initial AIF shall state that TECSYS satisfies the POP Requirements, and shall make reference to this Decision; and
- (iv) this Decision shall terminate on the earlier of:
 - (a) 140 days after the end of TECSYS' financial year ended April 30, 2000; and
 - (b) the date of filing a renewal AIF by TECSYS in respect of its financial year ended April 30, 2000.

Dated at Montré, on March 22, 2000.

Jacques Labelle,

Directeur général et
Chef de l'exploitation