

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

AND

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

AND

IN THE MATTER OF TRIMAC CORPORATION

MRRS DECISION DOCUMENT

1. WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of Alberta, British Columbia, Manitoba, Saskatchewan, Quebec, Newfoundland, and Nova Scotia (the "Jurisdictions") has received an application from Trimac Corporation ("Trimac") for a decision under the securities legislation of the Jurisdictions (the "Legislation") exempting Trimac from the requirements under the Legislation to obtain a valuation of itself and provide certain disclosure of the valuation in an issuer bid circular (the "Valuation Requirements") in connection with an issuer bid by it for a portion of its outstanding common shares,

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 Trimac represented to the Decision Makers that:

3.1 Trimac is a corporation incorporated under the *Business Corporations Act* (Alberta);

3.2 Trimac is a reporting issuer, or the equivalent, in each of the Jurisdictions where such a concept exists;

3.3 Trimac is not in default of any requirement of the Legislation;

3.4 the authorized capital of Trimac includes an unlimited number of common shares ("Common Shares"), of which 33,679,589 are currently issued and outstanding;

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

3.6 Trimac has made an issuer bid ("Issuer Bid") for up to 8,888,888 of its issued and outstanding Common Shares at a price of \$9.00 per Common Share;

3.7 the closing price of the Common Shares on the TSE on June 30, 2000, the last full trading day prior to the announcement of the Issuer Bid, was \$8.10;

3.8 the Legislation requires that Trimac provide a specified form of issuer bid circular ("Circular") to offerees in connection with the Issuer Bid;

3.9 in the absence of the relief granted herein, the Legislation would require Trimac to comply with the Valuation Requirements in conducting the issuer bid and in preparing and providing the Circular;

3.10 in Ontario, Trimac has concluded that it may rely on section 3.4 of Ontario Securities Commission Rule 61-501 ("Rule 61-501") to exempt it from compliance with the equivalent of the Valuation Requirements in Ontario in connection with the Issuer Bid;

3.11 during the twelve month period prior to June 30, 2000, the last full trading day prior to the announcement of the Issuer Bid by Trimac:

3.11.1 the number of issued and outstanding Common Shares was at all times at least 19,952,495, excluding Common Shares beneficially owned, directly or indirectly, or over which control or direction was exercised, by related parties of Trimac, as defined in Rule 61-501, or which were not freely tradeable, as defined in Rule 61-501;

3.11.2 the aggregate trading volume of the Common Shares on the TSE was 8,604,716;

3.11.3 there were 2,599 trades of Common Shares on the TSE; and

3.11.4 the aggregate trading value of the Common Shares based on the price of the trades referred to in paragraph 3.11.3 was \$60,752,470;

3.12 the market value of the Common Shares on the TSE for June, 2000, calculated in accordance with Rule 61-501, was at least \$75,000,000;

3.13 Trimac believes that it is reasonable to conclude that, following completion of the Issuer Bid, there will be a market for the beneficial owners of Common Shares who do not tender to the Issuer Bid that is not materially less liquid than the market that existed at the time of the making of the Issuer Bid;

3.14 to Trimac's knowledge, no person or company other than McCaig Holdings Limited ("MHL") and Trimark Investment Management Inc. ("Trimark") holds more than 10% of the issued and outstanding Common Shares;

3.15 to Trimac's knowledge, MHL beneficially owns or exercises control or direction over 6,103,386 Common Shares, representing approximately 18.12% of the outstanding Common Shares. MHL has advised Trimac that it does not intend to tender any Common Shares under the Issuer Bid;

3.16 to Trimac's knowledge, Trimark beneficially owns or exercises control or direction over 6,111,300 Common Shares, representing approximately 18.15% of the outstanding Common Shares. Trimark has not informed Trimac as to whether it intends to tender any Common Shares under the Issuer Bid;

3.17 no prior valuation of Trimac, as defined in Rule 61-501, has been made in the 24 months before the date of the Issuer Bid, the existence of which is known after reasonable enquiry to Trimac or any of its directors or senior officers;

3.18 no *bona fide* prior offer relating to the Common Shares or otherwise relevant to the Issuer Bid has been received by Trimac in the 24 month period preceding the date that the Issuer Bid was publicly announced;

3.19 there was no materially contrary view or abstention by a director of Trimac from the review and approval process adopted by the board of directors of Trimac for the Issuer Bid;

3.20 the Circular:

3.20.1 describes the background to the Issuer Bid;

3.20.2 describes the review and approval process adopted by the board of directors of Trimac for the Issuer Bid;

3.20.3 includes a statement of the intention to accept or not accept the Issuer Bid, to the extent known to Trimac after reasonable enquiry, of every person or company, other than a *bona fide* lender, that, whether alone or jointly or in concert with others, holds or would reasonably be expected to hold, upon successful completion of the Issuer Bid, securities of Trimac sufficient to affect materially its control; and

3.20.4 includes a description of the effect that Trimac anticipates the Issuer Bid, if successful, will have on the direct or indirect voting interest of every party described in paragraph 3.20.3;

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 Trimac is exempt from the Valuation Requirements in connection with the Issuer Bid.

DATED this 26th day of July, 2000.

"Original signed by"
Ken Parker
Director, Capital Markets

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Relief under subsection 171(2) of the Rules from the requirements imposed on an issuer in connection with an issuer bid to obtain a valuation of itself and provide certain disclosure of the valuation in an issuer bid circular.

Applicable Alberta Provisions

Alberta Securities Commission Rules, as amended - subsection 171(2) and Form 34