

October 4, 2006

**IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ALBERTA, SASKATCHEWAN, MANITOBA,
ONTARIO, QUEBEC, NEW BRUNSWICK,
NOVA SCOTIA, NEWFOUNDLAND AND LABRADOR**

AND

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

AND

**IN THE MATTER OF
724 SOLUTIONS INC.
(the "Applicant")**

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (Decision Maker) in each of Alberta, Saskatchewan, Manitoba, Ontario, Québec, New Brunswick, Nova Scotia, and Newfoundland and Labrador (the Jurisdictions) has received an application from 724 Solutions Inc. (the Applicant) for a decision under the securities legislation of the Jurisdictions (the Legislation) that the Applicant be deemed to have ceased to be a reporting issuer under the Legislation (the Requested Relief);

Under the Mutual Reliance Review System for Exemptive Relief Applications:

- (a) the Ontario Securities Commission is the principal regulator for this application, and
- (b) the MRRS decision document evidences the decision of each Decision Maker.

Interpretation

Defined terms contained in National Instrument 14-101 -- Definitions have the same meaning in this decision unless they are defined in this decision.

Representations

This decision is based on the following facts represented by the Applicant:

1. The Applicant is a corporation amalgamated under the Canada Business Corporations Act on July 7, 1999 and continued under Business Corporations Act (Ontario) (the OBCA) on August 8, 2006 with its head office and its principal place of business in the Province of Ontario. Ontario was selected as the principal regulator for the initial public offering based on the Applicant's principal place of business.
2. The Applicant's authorized capital stock consists of: (i) an unlimited number of common shares and (ii) an unlimited number of preferred shares, none of which are issued and outstanding.
3. Pursuant to a plan of arrangement 724 Holdings, Inc. acquired all of the issued and outstanding common shares of the Applicant as of August 15, 2006.
4. The Applicant's common shares were delisted from the Toronto Stock Exchange on August 18, 2006 and the Applicant does not have any shares listed on any stock exchange.
5. The Applicant is not in default of any of its obligations as a reporting issuer under the securities legislation of the Jurisdictions, other than its obligation to file its second quarter interim financial statements, interim management discussion and analysis and interim CEO and CFO certificates (the "Filings"), which were due on August 14, 2006. As the plan of arrangement resulted in 724 Holdings, Inc. becoming sole beneficial holder of all of the Applicant's common shares one day after the Filings were due, the Filings were not prepared or filed as required.
6. The outstanding securities of the Applicant, including debt securities, are beneficially owned, directly or indirectly, by less than 15 security holders in each of the Jurisdictions in Canada and less than 51 securityholders in total in Canada.
7. No securities of the Applicant are traded on a marketplace as defined in National Instrument 21-101 Marketplace Operation.
8. Upon the granting of the requested relief herein, the Applicant will not be a reporting issuer or its equivalent in any of the Jurisdictions.
9. The Applicant has no intention to seek public financing by way of an offering of its securities.

Decision

Each of the Decision Makers is satisfied that the tests 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 Requested Relief is granted.

"Robert L. Shirriff"
Commissioner
Ontario Securities Commission

" Susan Wolburgh-Jenah "
Vice-Chair
Ontario Securities Commission