

IN THE MATTER OF
THE SECURITIES LEGISLATION OF BRITISH
COLUMBIA, ALBERTA, SASKATCHEWAN, MANITOBA, ONTARIO,
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 ALIANT INC.,
BRUNCOR INC., ISLAND TELECOM INC., MARITIME TELEGRAPH AND
TELEPHONE COMPANY LIMITED AND NEWTEL ENTERPRISES LIMITED

MRRS DECISION DOCUMENT

WHEREAS the Canadian securities regulatory authority or regulator (the "Decision Makers") in each of the Provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland "Jurisdictions") has received an application from Aliant Inc. ("Aliant") (the "Filer") for a decision pursuant to the securities legislation of each of the Jurisdictions (the "Legislation") for a waiver from section 4.1(3)(a) of National Policy No. 47 ("NP 47") to permit Aliant to adopt as its own Annual Information Form ("AIF") the disclosure contained in a joint management information circular dated April 12, 1999 (the "Information Circular") distributed to shareholders in connection with a recently completed business combination involving Aliant, Bruncor Inc. ("Bruncor"), Island Telecom Inc. ("Island Tel"), Maritime Telegraph and Telephone Company, Limited ("MT&T") and NewTel Enterprises Limited ("NewTel") and on that basis participate in and make distributions under the Prompt Offering Qualification System (the "POP System").

AND WHEREAS pursuant to the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), the Nova Scotia Securities Commission is the principal regulator for this application;

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

1. Aliant was incorporated under the *Canada Business Corporations Act* ("CBCA") on March 9, 1999 for the purpose of participating in a multi-step transaction pursuant to which the share ownership of the four principal telephone companies operating in Atlantic Canada, Bruncor, Island Tel, MT&T and NewTel (collectively referred to as the "Combining Companies") was combined with the result that shareholders of those four companies became shareholders of Aliant (the "Combination").

2. The Information Circular of the Combining Companies was distributed to the shareholders of the Combining Companies in connection with the meetings of shareholders called to approve the Combination and filed with the Securities Regulatory Authorities in each Jurisdiction.
3. The Combination became effective on May 31, 1999 (the "Effective Date").
4. Aliant's common shares were listed and posted for trading on The Toronto Stock Exchange on June 1, 1999.
5. As a result of the Combination, as of the Effective Date, Aliant became the sole shareholder of each of the Combining Companies.
6. Upon completion of the Combination, Aliant became a reporting issuer, or the equivalent thereof, under the applicable securities legislation in each Jurisdiction.
7. Aliant has a market capitalization of approximately \$3 billion.
8. Aliant is a "Successor Issuer" under NP 47 and unless the waiver as sought is granted it would have to file an Annual Information Form as prescribed by NP 47 before it can make distributions under the Prompt Offering Qualification System prescribed by NP 47.
9. Prior to the Effective Date, each of Brunco, MT&T and NewTel were POP eligible issuers pursuant to Section 4.1 of NP 47 and have a current AIF on file with The Securities Regulators in each Jurisdiction.
10. The Information Circular prepared in connection with the Combination contains prospectus level disclosure on each of the Combining Companies and will be incorporated by reference in any prospectus of Aliant filed under NP 47.

AND WHEREAS pursuant to the System, this MRSS Decision Document evidences the decision of each Decision Maker;

AND UPON the Decision Makers being satisfied that to do so would be appropriate in the circumstances;

NOW THEREFORE, pursuant to section 4.5 of NP 47, the Decision Makers, pursuant to the Legislation, hereby waives the requirements of clause 4.1(3)(a) as read in conjunction with subsection 4.4(3) of NP 47 so that Aliant may participate in and make distributions under the POP System without first having to file a new AIF as a result of the Combination and may rely on the Information Circular of the Combining Companies, provided that this waiver terminates on the earlier of:

- (a) 140 days after the end of Aliant's 1999 financial year; and

(b) the date of filing a renewal AIF by Aliant in respect of its 1999 financial year-end.

Dated at Halifax, this 21st day of October, 1999.

William Slattery, C.A.
Deputy Director, Corporate Finance