

**IN THE MATTER OF THE SECURITIES LEGISLATION OF BRITISH COLUMBIA,
ALBERTA, MANITOBA AND NEW BRUNSWICK**

AND

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

AND

IN THE MATTER OF BCE INC.

MRRS DECISION DOCUMENT

¶ 1 WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of British Columbia, Alberta, Manitoba and New Brunswick (the "Jurisdictions") has received an application from BCE Inc. ("BCE") for a decision under the securities legislation of the Jurisdictions (the "Legislation") that the registration requirement and prospectus requirement contained in the Legislation will not apply to a distribution by BCE of 65,906,781 common shares (the "Emergis Shares") of BCE Emergis Inc. ("Emergis") held, directly and indirectly, by BCE upon the automatic exchange of 65,906,781 subscription receipts (the "Subscription Receipts") proposed to be issued by BCE;

¶ 2 AND WHEREAS under the Mutual Reliance Review System for exemptive relief applications (the "System"), the British Columbia Securities Commission is the principal regulator for this application;

¶ 3 AND WHEREAS unless otherwise defined, the terms herein have the meanings set out in National Instrument 14-101 - *Definitions*;

¶ 4 AND WHEREAS BCE has represented to the Decision Makers that:

BCE

1. BCE is a corporation existing under the *Canada Business Corporations Act*; the registered and principal office of BCE is located at 1000, rue de La Gauchetière Ouest, bureau 3700, Montréal, Québec H3B 4Y7;

2. BCE is a reporting issuer, or the equivalent, in each of the provinces of Canada; BCE is not on the list of defaulting reporting issuers maintained by the Decision Makers;

3. the BCE common shares are listed on the Toronto Stock Exchange (the "TSX"), the New York Stock Exchange and the Zurich Stock Exchange; BCE's First Preferred Shares are listed on the TSX;

4. BCE, directly and through wholly-owned subsidiaries, holds an aggregate of 65,906,781

Emergis Shares (the "Emergis Block"), representing approximately 63.8% of the issued and outstanding Emergis Shares as at May 6, 2004;

Emergis

5. Emergis is a corporation existing under the *Canada Business Corporations Act*; the registered and principal office of Emergis is located at 1155 boulevard René-Lévesque Ouest, bureau 2200, Montréal, Québec H3B 4T3;

6. the authorized share capital of Emergis consists of an unlimited number of common shares and an unlimited number of preferred shares issuable in series; as at May 6, 2004, 103,302,117 Emergis Shares and no preferred shares were issued and outstanding;

7. Emergis is a reporting issuer, or the equivalent, in each of the provinces of Canada; Emergis is not on the list of defaulting reporting issuers maintained by the Decision Makers;

8. the Emergis Shares are listed on the TSX;

The Offering

9. on May 10, 2004, BCE filed a preliminary short form prospectus with the securities regulatory authority or regulator in each of the provinces of Canada to qualify the Subscription Receipts; BCE filed a final short form prospectus (the "Prospectus") on May 19, 2004;

10. on closing of the offering, an amount equal to the gross proceeds of the offering (the "Escrowed Funds") and the Emergis Block will be deposited into escrow with an escrow agent (the "Escrow Agent") pending satisfaction of the following conditions (the "Release Conditions"): the unconditional declaration of a distribution by way of return of capital on the Emergis Shares in an amount equal to \$1.45 per share (the "Special Distribution"); and the delivery of a notice to that effect to the Escrow Agent;

11. Emergis has agreed to convene a special shareholders' meeting on or before June 16, 2004 (or such later date as may be agreed to by BCE, Emergis and the underwriters) to consider a special resolution approving a reduction in its stated capital by an amount sufficient to allow Emergis to declare the Special Distribution;

12. if the Release Conditions are satisfied by 5:00 p.m. (Eastern time) on June 16, 2004 (or such later date as may be agreed to by BCE, Emergis and the underwriters) (the "Termination Date"), under the terms of a subscription receipt agreement, each Subscription Receipt will be automatically exchanged, without payment of any additional consideration, for one Emergis Share (from the Emergis Block) (the "Automatic Exchange"), and the Escrowed Funds, together with any accrued interest or income, if any, will be released to BCE;

13. if the Release Conditions are not satisfied by the Termination Date, the Escrowed Funds will be returned to holders of Subscription Receipts, together with accrued interest or income, if any, and the Emergis Block will be returned to BCE;

14. the Prospectus contains full, true and plain disclosure in respect of the Subscription Receipts, the Emergis Shares and the Automatic Exchange;

15. as BCE and Emergis have both been reporting issuers in each of the provinces of Canada for at least 12 months, detailed information of the business and affairs of both BCE and Emergis has been available to the public for a period of time sufficient for potential investors to evaluate the merits of an investment in the securities of each issuer;

16. the investment decision to purchase the Emergis Shares by an investor occurs at the time the investor initially acquires the Subscription Receipts and not upon the triggering of an automatic conversion feature under the terms of the Subscription Receipts;

17. no commission or other remuneration will be paid or given to others in respect of the distribution of the Emergis Shares except for ministerial or professional services or for services performed by a registered dealer; and

18. there is no exemption from the registration requirement and the prospectus requirement of the Legislation for the Automatic Exchange.

¶ 5 AND WHEREAS under the System, this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the "Decision");

¶ 6 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;

¶ 7 THE DECISION of the Decision Makers under the Legislation is that the registration requirement and the prospectus requirement shall not apply to the Automatic Exchange, provided that any trade in Emergis Shares acquired under this Decision is deemed to be a distribution or a primary distribution to the public unless the conditions in section 2.10 of Multilateral Instrument 45-102 *Resale of Securities* are satisfied.

¶ 8 May 26, 2004

Brenda Leong
Director