

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
Qu^{bec}, ONTARIO, ALBERTA, MANITOBA, PRINCE EDWARD ISLAND,
SASKATCHEWAN, NOVA SCOTIA, NEW BRUNSWICK
AND NEWFOUNDLAND

AND

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

IN THE MATTER OF
LA CAISSE CENTRALE DESJARDINS DU QUBEC

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of the provinces of Alberta, Saskatchewan, Manitoba, Ontario, Qu^{bec}, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland (the "Jurisdictions") has received an application from La Caisse centrale Desjardins du Qu^{bec} (the "Caisse") for a decision under the securities legislation of the Jurisdictions (the "Legislation") that the requirement contained in the Legislation to file with the Commission and the Jurisdictions annual financial statements together with an auditor's report, and annual information form as well as, in Qu^{bec}, annual report, within one hundred and forty (140) days from the end of its financial year, shall not apply to *La Caisse centrale Desjardins du Qu^{bec}*;

AND WHEREAS under the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), the *Commission des valeurs mobilières du Qu^{bec}* is the principal regulator for this application;

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

1. The Caisse was established on June 22, 1979 by an act of the Qu^{bec} Legislature, later replaced by *An Act respecting the Mouvement des Caisses Desjardins* (1989, chapter 113, as amended) (the Caisse "*Statute of Incorporation*"). The Caisse is also governed by the *Savings and Credit Unions Act* (Revised Statutes of Qu^{bec}, chapter C-4.1), as amended (the "*Credit Unions Act*").
2. The Caisse's principal place of business is located in Montr^{éal}, Qu^{bec}.
3. The Caisse is a reporting issuer in all the Jurisdictions and is not in default of any requirements under the Legislation.
4. The Caisse is an issuer under the prompt offering qualification system and has, accordingly, filed an annual information form with all Jurisdictions.

5. The Caisse's financial year-end is December 31.
6. The Caisse's activities are subject to the supervision and control of the Inspector General of Financial Institutions of Québec (the "Inspector General").
7. On December 16, 1999, amendments to the *Credit Unions Act* and the *Caisse Statute of Incorporation* came into effect to allow the Inspector General to prescribe accounting standards which may differ from generally accepted accounting principles (the "GAAP"). As of the same date, the Inspector General exercised such power and prescribed specific accounting rules (the "Rules") in connection with the preparation of the annual financial statements of the caisses Desjardins and the Federations under ss. 303 (4) of the *Credit Unions Act*. Pursuant to s. 74 of its *Statute of Incorporation*, the Rules are binding on the Caisse.
8. The Rules specify that when the accounting of general provisions for credit losses leads to an appreciable adjustment, the institution subject to their application has to apply this adjustment to its general reserve.
9. Consequently, the Caisse's financial statements for the year ended December 31, 1999 will be prepared in accordance with GAAP, except for the adjustment to the general provision for credit losses, which will be charged to the general reserve in order to conform with the Rules.
10. This departure from GAAP has to be authorized by the Jurisdictions and the application filed on May 19, 2000 is actually under review (the "Other Application").
11. Given the foregoing, the Caisse will be unable, within the prescribed time limits, to file with the Commission and the Jurisdictions its annual financial statements together with an auditor's report, its annual information form and, in Québec, its annual report.

AND WHEREAS under 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 jurisdictions to make the Decision has been met;

The Decision of the Decision Makers under the Legislation is that the requirement contained in the Legislation to file with the Commission and the Jurisdictions its annual financial statements together with an auditor's report and an annual information form as well as, in Québec, its annual report, within one hundred and forty (140) days from the year ended December 31, 1999 shall be extended to June 30, 2000, provided that the Caisse will issue a press release announcing its financial results for the financial year ended December 31, 1999, and its financial position as of this date, no later than May 29, 2000.

Dated "May 31", 2000.

Le directeur général et chef de l'exploitation,
Jacques Labelle