

December 21, 2007

**IN THE MATTER OF
THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN, MANITOBA, ONTARIO,
QUÉBEC, NEW BRUNSWICK, NOVA SCOTIA, NEWFOUNDLAND AND LABRADOR
AND PRINCE-EDWARD ISLAND (the Jurisdictions)**

AND

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

AND

**IN THE MATTER OF
FIMAT CANADA INC. (Fimat Canada)**

AND

**CALYON FINANCIAL CANADA INC (Calyon Canada)
(Calyon Canada, together with Fimat Canada, the Filers)**

MRRS DECISION DOCUMENT

Background

The local securities authority or regulator (the **Decision Maker**) in each of the Jurisdictions has received an application from the Filers for a decision under the securities legislation of the Jurisdictions (the **Legislation**) exempting the Filers from the requirements of National Instrument 33-109 *Registration Information (NI 33-109)* so as to permit the Filers to bulk transfer (the **Bulk Transfer**) to a new entity created for the Filers under the National Registration Database (**NRD**), the office locations and registered and non-registered individuals that are associated on NRD with the Filers (the **Affected Locations and Individuals**) following the vertical short form amalgamation of the Filers under the provisions of Section 184 (1) of the *Canada Business Corporations Act* (the **CBCA**) into a new entity on January 2, 2008 (the **Amalgamation**) to pursue each corporation's business activities under the corporate name Newedge Canada Inc. (**Newedge Canada**) (the **Requested Relief**);

Under the MRRS:

- a) the Autorité des marchés financiers 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 herein unless they are defined in this decision.

Representations

This decision is based on the following statements presented by the Filers:

1. Fimat Canada is currently registered (i) in Alberta, as an Investment Dealer (Securities and Exchange Contracts), (ii) in British Columbia, as an Investment Dealer (Securities and Exchange Contracts) (iii) in Manitoba, as an Investment Dealer (Securities)/Dealer (Futures Commission Merchant) Commodities, (iv) in New Brunswick, as an Investment Dealer, (v) in Nova Scotia, as an Investment Dealer, (vi) in Ontario, as an Investment Dealer & Futures Commission Merchant (vii) in Quebec, as a Dealer with unrestricted practice, and (viii) in Saskatchewan, as an Investment Dealer.

2. Calyon Canada is currently registered (i) in Alberta, as an Investment Dealer (Securities and Exchange Contracts), (ii) in British Columbia, as an Investment Dealer (Securities and Exchange Contracts), (iii) in Manitoba, as an Investment Dealer (Securities)/Dealer (Futures Commission Merchant) Commodities, (iv) in New Brunswick, as an Investment Dealer, (v) in Newfoundland and Labrador, as an Investment Dealer, (vi) in Nova Scotia, as an Investment Dealer, (vii) in Ontario, as an Investment Dealer & Futures Commission Merchant, (viii) in Quebec, as a Dealer with unrestricted practice, (ix) in Prince Edward Island, as an Investment Dealer, and (x) in Saskatchewan, as an Investment Dealer.

3. Description of the transactions:

a. First Step – The Changes of Control

On January 2, 2008, (i) the current sole shareholder of Fimat Canada, being Fimat International Banque SA, a subsidiary of Société Générale (**SG France**), will be renamed Newedge Group (**Newedge**) after the amalgamation of Calyon Financial SAS and Fimat SNC/SAS into Fimat International Banque SA, and (ii) Calyon, the investment banking arm of the Crédit Agricole Group and a subsidiary of Crédit Agricole, (**Calyon**) that owns indirectly all the shares of Calyon Canada through Calyon North American Holdings Inc (**CNAH**) and Calyon Financial Inc., will acquire 50% of all the shares of Newedge.

Consequently, on January 2, 2008, (i) the shares of Newedge will be held, by SG France (50%) and by Calyon (50%), and (ii) Newedge will hold, directly, all the shares of Fimat Canada.

b. Second Step – Indirect Transfer of Calyon Canada under Newedge

On the same date, (i) all the shares of CNAH (the current holding company of Calyon Financial Inc., which is the sole shareholder of Calyon Canada) will be transferred to Newedge, and (ii) Newedge will merge CNAH into Fimat USA

LLC, so that CNAH will cease to exist and Calyon Financial Inc. will be a wholly owned subsidiary of Fimat USA LLC.

Newedge will then hold, indirectly, all the shares of Calyon Canada, through Fimat USA that will then hold itself all the shares of Calyon Financial Inc., the sole shareholder of Calyon Canada at the time of such Second Step.

All transactions mentioned in First Step and Second Step are hereinafter referred to as the **Foreign Transactions**.

c. Third Step – The Acquisition

Also, on the same date, (i) Fimat Canada will acquire all the shares of Calyon Canada currently held by Calyon Financial Inc. (the **Acquisition**), and (ii) Fimat Canada will change its name to Newedge Canada.

d. Fourth Step – The Amalgamation

Immediately further to the Acquisition, Calyon Canada will be amalgamated into Newedge Canada by way of a vertical short-form amalgamation pursuant to the provisions of the *Canada Business Corporations Act* (the **Amalgamation**).

4. The amalgamated corporation will carry on its activities under the name “Newedge Canada Inc.” (the **Amalgamated Corporation**). The registered office of the Amalgamated Corporation will be located at 1501, McGill College Avenue, Suite 1930, Montreal, Quebec H3A 3M8.

5. Upon the Amalgamation, all the issued and outstanding shares in the capital of Calyon Canada, the entirety of which will be held by Fimat Canada, will be cancelled without reimbursement of capital. Furthermore, the articles of amalgamation will be identical to Fimat’s articles. Moreover, Newedge Canada, the corporation resulting from the Amalgamation, will not make any changes to its senior executives, and will not issue any shares at the time of the Amalgamation.

6. At the date appearing on the certificate of amalgamation, the amalgamating corporations will continue their existence as one and the same corporation. This corporation will possess all the rights of the amalgamating corporations and shall assume their obligations as well.

7. For the purpose of the NRD, the successor registrant to Fimat Canada and Calyon Canada shall be Newedge Canada.

8. Fimat Canada and Calyon Canada are organizing the bulk transfer on NRD of all Affected Locations and Individuals to Newedge Canada (the **Bulk Transfer**).

9. It would be onerous and time-consuming to individually transfer all the Affected Locations and Individuals to Newedge Canada as per the requirement set out in NI 33-109, having regard to the fact that there should be no change to the individuals’ employment or responsibilities and that each individual to be transferred from Fimat Canada and Calyon Canada will be transferred

under the same category. Moreover, it is imperative that the transfer of the Affected Locations and Individuals occur on the same date, in order to ensure that there is no break in registration.

10. The Filers have informed their representatives that, following the amalgamation, the representatives will be employed in the same capacity by Newedge Canada.

11. The Amalgamation will not be contrary to the public interest and will have no negative consequences on the ability of Newedge Canada to comply with all applicable regulatory requirements or the ability to satisfy any obligations to clients of Newedge Canada.

12. Fimat Canada and Calyon Canada, to the best of their knowledge, are not in default of any of the requirements of the Legislation of any of the Jurisdictions.

Decision

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.

The decision of the Decision Makers pursuant to the Legislation is that the Requested Relief is granted and the following requirements of the Legislation shall not apply to the Filers in respect of the Affected Locations and Individuals that will be bulk transferred from Fimat Canada and Calyon Canada to Newedge Canada:

a. the requirement to submit a notice regarding the termination of each employment, partner, or agency relationship under section 4.3 of NI 33-109;

b. the requirement to submit a notice regarding each individual who ceases to be a permitted individual under section 5.2 of NI 33-109;

c. the requirement to submit a Form 33-109F4 for each individual applying to become a registered individual under section 2.2 of NI 33-109;

d. the requirement to submit a Form 33-109F4 for each permitted individual under section 3.3 of NI 33-109; and

e. the requirement under section 3.2 of NI 33-109 to notify the regulator of a change to the business location information in Form 33-109F3,

provided that the Filers make acceptable arrangements with CDS INC. for the payment of the costs associated with the Bulk Transfer, and make such arrangement in advance of the Bulk Transfer.

« Mario Albert »
Superintendant Distribution
Autorit頤es march鱒 financiers