

IN THE MATTER OF
THE SECURITIES LEGISLATION
OF ALBERTA, SASKATCHEWAN,
MANITOBA, ONTARIO, Québec, NEWFOUNDLAND,
PRINCE EDWARD ISLAND, NEW BRUNSWICK, NOVA SCOTIA

AND

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

AND

IN THE MATTER OF FINOVA (CANADA) FINANCE INC.

MRRS DECISION DOCUMENT

1. WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of Alberta, Saskatchewan, Manitoba, Ontario, Québec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland (the "Jurisdictions") has received an application from FINOVA (Canada) Finance Inc. ("FINOVA") for a decision under the securities legislation of the Jurisdictions (the "Legislation") that FINOVA be deemed to have ceased to be a reporting issuer or the equivalent under the Legislation;
2. AND WHEREAS pursuant to the Mutual Reliance Review System for Exemptive Relief Applications (the "System") the Alberta Securities Commission is the principal regulator for this application;
3. AND WHEREAS Finova has represented to the Decision Makers that:
 - 3.1 FINOVA is a corporation incorporated under the *Companies Act* (Nova Scotia);
 - 3.2 FINOVA's registered office is in Halifax, Nova Scotia;
 - 3.3 FINOVA Capital Corporation ("FINOVA CAPITAL") is a corporation governed by the laws of Delaware;
 - 3.4 FINOVA is an indirect wholly-owned subsidiary of FINOVA CAPITAL;
 - 3.5 the authorized capital of FINOVA consists of common shares ("Common Shares") of which 100,000 Common Shares are issued and outstanding;
 - 3.6 FINOVA is a reporting issuer or the equivalent in each of the Jurisdictions;

3.7 in 1999, FINOVA obtained waivers from the Jurisdictions pursuant to section 4.5 of *National Policy Statement No. 47*, now rescinded, which permitted FINOVA to issue debt securities (the "Notes") under the Prompt Offering Qualification System and orders which relieved FINOVA from the filing of certain continuous disclosure documents provided that:

3.7.1 FINOVA CAPITAL unconditionally guarantee the Notes as to the payment of principal, premium, if any, and interest;

3.7.2 FINOVA CAPITAL file certain continuous disclosure documents with the Jurisdictions; and

3.7.3 the Notes maintain an Approved Rating;

3.8 on February 25, 2000, FINOVA obtained a final receipt for a short form prospectus from the Jurisdictions respecting the offering of \$300,000,000 Medium Term Notes (the "Offering");

3.9 on March 7, 2001, FINOVA CAPITAL voluntarily filed under Chapter 11 of the *U.S. Bankruptcy Code*;

3.10 FINOVA has not issued, nor does it intend to issue, any securities under the Offering;

3.11 all of the Common Shares are held by The FINOVA Group (Canada) Inc., a wholly-owned subsidiary of FINOVA CAPITAL;

3.12 no securities of FINOVA are listed or quoted on any exchange or market;

3.13 FINOVA has no securities, including debt securities, outstanding other than the Common Shares; and

3.14 FINOVA does not intend to seek public financing by way of an offering of securities;

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

5. 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;

6. THE DECISION of the Decision Makers under the Legislation is that FINOVA is deemed to have ceased to be a reporting issuer or the equivalent under the Legislation.

DATED this 20th day of August, 2001.

"original signed by"
Patricia M. Johnston
Director, Legal Services and Policy Development