

IN THE MATTER OF
THE SECURITIES LEGISLATION OF BRITISH COLUMBIA, ALBERTA,
SASKATCHEWAN, MANITOBA,
NOVA SCOTIA AND NEWFOUNDLAND

AND

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

AND

IN THE MATTER OF
MANITOBA TELECOM SERVICES INC.

MRRS DECISION DOCUMENT

WHEREAS the Canadian securities regulatory authority or regulator (the "Decision Makers") in each of British Columbia, Alberta, Saskatchewan, Manitoba, Nova Scotia and Newfoundland (the "Jurisdictions") has received an application from Manitoba Telecom Services Inc. (the "Filer") for a decision under the securities legislation of the Jurisdictions (the "Legislation") that the requirement contained in the Legislation for the Filer to send to its shareholders its comparative annual financial statements and auditors' report thereon for its financial year ended December 31, 1999 (the "1999 Financial Statements") concurrently with the filing of the 1999 Financial Statements as required by the Legislation shall not apply to the Filer on the basis described below;

AND WHEREAS pursuant to the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), The Manitoba Securities Commission is the Principal Regulator for this application;

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

1. The Filer is a corporation incorporated in 1933 by special act of the Legislature of Manitoba and continued on April 5, 2000 under *The Corporations Act* (Manitoba). The Filer's registered and head office is located in Winnipeg, Manitoba.
2. The Filer is a reporting issuer or the equivalent under the Legislation and is not, to its knowledge, in default of any applicable requirement under the Legislation.
3. The common shares of the Filer are listed on The Toronto Stock Exchange and The Winnipeg Stock Exchange.
4. As at April 5, 2000, the authorized capital of the Filer consists of:

- (a) an unlimited number of voting common shares of a single class; and
- (b) an unlimited number of preference shares of two classes, issuable in one or more series, for which the directors of the Filer may fix the number of shares and determine the designation, rights, restrictions and conditions.

5. As at April 5, 2000, the issued and outstanding shares of the Filer consist:

- (a) 56,768,444 common shares; and
- (b) 7,779,556 Class A preference shares, the holders of which are entitled to receive notice of, and attend and vote at, meetings of shareholders, except that the holders of the Class A preference shares are not entitled to receive notice of, or attend or vote at, meetings of shareholders on resolutions electing directors.

6. The Filer's 1999 Financial Statements have been completed and, therefore, are available for dissemination to shareholders prior to the time that the Filer's Notice of Meeting and Management Proxy Circular in respect of its 2000 Annual and Special Meeting of Shareholders scheduled for June 23, 2000 will be sent to shareholders in accordance with the applicable provisions of *The Corporations Act* (Manitoba) and National Policy Statement 41 ("NP 41").

7. The Filer proposes to file its 1999 Financial Statements in the Jurisdictions under the Legislation and to issue a news release that will be posted on the Filer's website and will include: (i) the approximate date on which the 1999 Financial Statements will be mailed to the Filer's shareholders, and (ii) a statement that any the Filer shareholder entitled to receive the 1999 Financial Statements may obtain a copy of the 1999 Financial Statements in advance upon request to the Filer.

8. The Filer proposes to deliver its 1999 Financial Statements to shareholders concurrently with the Notice of Meeting and Management Proxy Circular for the Annual and Special Meeting of Shareholders of the Filer scheduled for June 23, 2000, and, in any event, not later than the last date upon which they could have been filed with the Principal Regulator and Non-Principal Regulators in compliance with the Legislation.

AND WHEREAS pursuant to 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 jurisdiction to make the Decision is met;

IT IS HEREBY DECIDED by the Decision Makers under the Legislation that the Filer is exempt from the requirement to concurrently send to the shareholders of the Filer the 1999 Financial Statements filed with the Principal Regulator and the Non-Principal Regulators pursuant to the Legislation provided that:

(a) the Filer will issue, substantially concurrently with the filing of its 1999 Financial Statements with the Principal Regulator and the Non-Principal Regulators, a news release that will be posted on the Filer's website and will include: (i) the approximate date on which the 1999 Financial Statements will be mailed to the Filer's shareholders; and (ii) a statement that any shareholder of the Filer entitled to receive the 1999 Financial Statements may obtain a copy of the 1999 Financial Statements in advance upon request to the Filer; and

(b) the Filer will send the 1999 Financial Statements to the shareholders of the Filer entitled to receive them in accordance with the procedures outlined in NP 41 and, in any event, not later than the last date upon which they could have been filed with the Principal Regulator and the Non-Principal Regulators in compliance with the Legislation.

DATED at Winnipeg, Manitoba, this 28th day of April, 2000.

"Douglas R. Brown"
Director Legal