

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

AND

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

AND

IN THE MATTER OF
OPEN TEXT CORPORATION

MRRS DECISION DOCUMENT

WHEREAS the Canadian securities regulatory authority or regulator (the "Decision Maker") in each of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, Nova Scotia and Newfoundland (the "Jurisdictions") has received an application from Open Text Corporation ("Open Text") for a decision pursuant to the securities legislation (the "Legislation") that, in connection with Open Text's offer to acquire a portion of its outstanding common shares (the "Common Shares") pursuant to an issuer bid (the "Offer"), Open Text be exempt from the requirements in the Legislation to: (i) take up and pay for securities proportionately according to the number of securities deposited by each securityholder (the "Proportionate Take-up and Payment Requirement"); (ii) provide disclosure in the issuer bid circular (the "Circular") of such proportionate take-up and payment (the "Associated Disclosure Requirement"); and (iii) obtain a valuation of the Common Shares and provide disclosure in the Circular of such valuation, or a summary thereof; and of prior valuations (the "Valuation Requirement").

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

AND WHEREAS Open Text has represented to the Decision Makers as follows:

1. Open Text is a reporting issuer or the equivalent in each of the Jurisdictions and is not in default of the Legislation in the Jurisdictions.
2. Open Text is authorized to issue an unlimited number of First Preference Shares (the "Preferred Shares") and an unlimited number of Common Shares. As of November 9, 1999, Open Text had outstanding no Preferred Shares, 23,605,470 Common Shares and options to purchase an aggregate of 4,325,743 Common Shares exercisable at prices ranging from U.S.\$0.0006 to U.S.\$34.125 per Common Share.

3. The Common Shares are listed and posted for trading on The Toronto Stock Exchange (the "TSE") and the Nasdaq National Market ("Nasdaq"). On November 9, 1999, the trading day immediately prior to the announcement of the Offer, the closing price of the Common Shares on the TSE and Nasdaq was Cdn\$19.00 and U.S.\$12.50, respectively.

4. Pursuant to the Offer, Open Text proposes to purchase 4,000,000 Common Shares at a price of U.S.\$14.00 per Common Share in accordance with the following procedure, as disclosed in the Circular sent by Open Text to each holder of Common Shares (a "Shareholder"):

(a) the Circular specifies that the maximum aggregate number of Common Shares (the "Specified Number") that Open Text intends to purchase under the Offer is 4,000,000 Common Shares and the purchase price per Common Share is U.S.\$14.00;

(b) any Shareholder wishing to tender to the Offer will have the right either to: (i) elect to retain his, her or its proportionate interest in Open Text following the completion of the Offer (a "Proportionate Tender Election"); or (ii) tender a specified number of Common Shares, representing all or a portion of the Shareholder's Common Shares at the Shareholder's discretion (a "Specified Tender Election");

(c) all Common Shares tendered by Shareholders who fail to specify whether they are making a Proportionate Tender Election or Specified Tender Election will be considered to have been tendered pursuant to a Specified Tender Election;

(d) on the expiry date of the Offer, each Shareholder who makes a Proportionate Tender Election (collectively, the "Proportionate Tender Group") will be deemed to have tendered that percentage of his, her or its Common Shares equal to that percentage of the outstanding Common Shares, excluding Common Shares owned by the Proportionate Tender Group, tendered to the Offer by the Shareholders who made a Specified Tender Election (collectively, the "Specified Tender Group");

(e) any Shareholder who owns fewer than 100 Common Shares and tenders all of his, her or its Common Shares pursuant to a Specified Tender Election will be considered to have made an "Odd-Lot Tender";

(f) to the extent that the aggregate number of Common Shares tendered by the Specified Tender Group and deemed to have been tendered by the Proportionate Tender Group exceeds the Specified Number, Open Text will take up and pay for tendered Common Shares proportionately, disregarding fractions, according to the number of Common Shares tendered by each member of the Specified Tender Group and deemed to have been tendered by each member of the Proportionate Tender Group, except that Common Shares tendered pursuant to Odd-Lot Tenders shall not be subject to proration; and

(g) to the extent that Proportionate Tender Elections are submitted in respect of all of the outstanding Common Shares, then each of the Shareholders shall be deemed to have tendered all of his, her or its Common Shares and Open Text shall take up and pay for the Common Shares so deemed to have been tendered proportionately, disregarding fractions, according to the number of Common Shares owned by each Shareholder.

5. To the knowledge of management of Open Text, the only person or company who owns, directly or indirectly, or exercises control or direction over, more than 10% of the outstanding Common Shares as at November 9, 1999 is Helix Investments (Canada) Inc. ("Helix"). The Circular discloses that Helix owns approximately 3,397,271 Common Shares representing approximately 14.4% of the outstanding Common Shares and that, to the knowledge of Open Text, after reasonable inquiry, Helix does not intend to deposit any Common Shares to the Offer.

6. Since the Offer is for fewer than all the Common Shares, if the number of Common Shares tendered to the Offer exceeds the Specified Number, the Legislation would require Open Text to take up and pay for deposited Common Shares proportionately, according to the number of Common Shares deposited by each Shareholder. In addition, the Legislation would require disclosure in the Circular that, if the Common Shares tendered to the Offer exceeded the number of Common Shares that can be purchased under the Offer, Open Text would take up such Common Shares proportionately, according to the number of Common Shares tendered by each Shareholder.

7. Since Shareholders making Proportionate Tender Elections will, in effect, tender an unspecified number of Common Shares but be required to deposit all of their Common Shares under the Offer, Open Text will not be able to comply with the Proportionate Take-up and Payment Requirement or the Associated Disclosure Requirement in the Legislation.

8. Open Text has received an opinion dated November 10, 1999 (the "Liquidity Opinion") from Merrill Lynch Canada Inc., an independent registered dealer, that there is a liquid market in the Common Shares for minority Shareholders before the making of the Offer and, following the Offer, minority Shareholders who decline the Offer will have available a market that is not materially less liquid than the market that existed prior to the making of the Offer.

9. In a letter dated November 24, 1999, the TSE, which is the principal Canadian stock exchange on which the Common Shares are listed and traded, states that it concurs with the Liquidity Opinion.

10 The Circular:

(a) discloses the mechanics for the take-up and payment for, or the return of, Common Shares as described in paragraph 4 above;

(b) discloses that Helix does not intend to any deposit any Common Shares pursuant to the Offer; and

(c) includes the Liquidity Opinion.

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 has been met;

THE DECISION of the Decision Makers in the Jurisdictions pursuant to the Legislation is that, in connection with the Offer, Open Text is exempt from the Proportionate Take-up and Payment Requirement, the Associated Disclosure Requirement and the Valuation Requirement, provided that Common Shares tendered to the Offer are taken up and paid for, or returned to the Shareholders, in the manner and circumstances described in paragraph 4 above.

Dated on "December 7", 1999