

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

AND

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

AND

IN THE MATTER OF PULSE DATA INC.

AND

IN THE MATTER OF REQUEST INCOME TRUST

MRRS DECISION DOCUMENT

1. WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, Nova Scotia, New Brunswick and Newfoundland (the "Jurisdictions") has received an application from Pulse Data Inc. ("Pulse") for a decision under the securities legislation of the Jurisdictions (the "Legislation") that, in connection with Pulse's offer (the "Offer") to acquire all of the issued and outstanding units (the "Units") of ReQuest Income Trust ("ReQuest"):

1.1 the requirement contained in the Legislation to offer all holders of the same class of securities identical consideration (the "Identical Consideration Requirement") shall not apply to U.S. Unitholders (as defined below) who receive the cash Proceeds from the sale of ReQuest Units in accordance with the procedure in paragraph 3.19 below; and

1.2 the requirement to include audited statements of income, retained earnings and cash flows for each of the three most recently completed financial years of Pulse (the "Issuer Financial Statement Requirement") in the take-over bid circular of Pulse shall not apply to the Offer; and

1.3 the requirement to include financial statements required pursuant to Parts 4 and 6 of Ontario Rule 41-501 ("NI41-501") (the "Acquired Business Financial Statement Requirement") in the take-over bid circular for a business acquired by Pulse shall not apply to the Offer,

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 the Applicant has represented to the Decision Makers that:

3.1 Pulse is a corporation organized under the Canada Business Corporations Act (the "CBCA") specializing in the development, marketing, acquisition and subsequent licensing of non-exclusive seismic data in western Canada to the oil and gas industry. Its head office is in Calgary, Alberta;

3.2 Pulse was originally incorporated pursuant to the CBCA as 144020 Canada Ltd. on August 26, 1985. Prior to October 1, 1998, Pulse was involved in the business of exploration and development of mining claims;

3.3 pursuant to a Plan of Arrangement effective October 1, 1998 (the "Augusta Plan of Arrangement"), the then existing liabilities, assets and mineral properties held by the Pulse, then known as Augusta Gold Corporation, were transferred to and assumed by another corporation;

3.4 on October 13, 1999, Pulse acquired a 50% undivided interest in certain 2D seismic data (the "Pulse Seismic Data Purchase"). In addition, as part of the Pulse Seismic Data Purchase, the Pulse purchased certain intellectual property and other seismic related assets. In conjunction with this acquisition, all of the officers and most of the directors of Pulse were replaced;

3.5 subsequent to the completion of the Augusta Plan of Arrangement and prior to the completion of the purchase of seismic data pursuant to the Pulse Seismic Data Purchase, Pulse did not carry on active business and did not own any material assets other than cash;

3.6 the authorized share capital of Pulse consists of an unlimited number of common shares (the "Common Shares") and an unlimited number of preferred shares, issuable in series, of which, as of December 5, 2001, 17,297,686 Common Shares and no preferred shares were issued and outstanding;

3.7 the Common Shares of Pulse are listed and posted for trading on The Toronto Stock Exchange (the "TSE");

3.8 Pulse is a reporting issuer or the equivalent in the provinces of Alberta, British Columbia, Saskatchewan, Manitoba, Ontario and Quebec and is not in default of any requirement of the Legislation;

3.9 ReQuest is an open-ended mutual fund trust governed by the laws of the Province of Alberta. ReQuest was created on February 5, 2001 pursuant to a

Declaration of Trust (the "Declaration of Trust"). Its head office is in Calgary, Alberta;

3.10 the authorized capital of ReQuest consists of classes of Units and "special voting units" of which, as of December 5, 2001, 10,984,846 Units and no "special voting units" were issued and outstanding;

3.11 the Units are listed and posted for trading on the TSE under the symbol "RSH.UN";

3.12 ReQuest is a reporting issuer, or the equivalent, in each province of Canada;

3.13 effective November 25, 2001, Pulse, ReQuest, Request Seismic Surveys Ltd., a wholly owned subsidiary of ReQuest, and ReQuest Management Inc. (the manager of ReQuest) entered into a pre-acquisition agreement pursuant to which Pulse will make the Offer on or about December 24, 2001 by way of formal take-over bid under the Legislation;

3.14 under the proposed terms of the Offer, the holders of ReQuest Units will be entitled to 2.1 Common Shares of Pulse for each Unit;

3.15 the Common Shares will not be registered or otherwise qualified for distribution in the United States. Accordingly, without further action by Pulse, the delivery of Pulse Common Shares would constitute a violation of the laws of the United States;

3.16 to the knowledge of senior management of Pulse, as of December 5, 2001, there were ten beneficial holders resident in the United States holding an aggregate of 1,101,750 of the outstanding ReQuest Units;

3.17 9.75% of the outstanding ReQuest Units are held by Chaney & Partners IV L.P., ("Chaney") a limited partnership resident in the United States, Pulse has been advised that Chaney is an accredited investor under the securities laws of the United States. As such, the issuance of Pulse Common Shares to Chaney under the Offer will be exempt from the registration requirements of the securities laws of the United States.

3.18 to the knowledge of senior management of Pulse, as of December 5, 2001, the maximum percentage of the outstanding ReQuest Units held by residents of the United States other than Chaney (the "U.S. Unitholders"), was not more than 1% of the outstanding ReQuest Units;

3.19 Pulse proposes to deal with any Common Shares issuable to U.S. Unitholders under the Offer in the following manner:

3.19.1 the total number of Common Shares issuable to U.S. Shareholders for which appropriate exemptions from the registration requirements of the U.S.

Securities Act are not available to the Applicant shall be delivered to the depository of Pulse under the Offer (the "Depository");

3.19.2 the Depository will then pool and sell such Common Shares on the TSE on behalf of the U.S. Unitholders in a manner that is intended to minimize any adverse effect on the market price of Pulse Common Shares;

3.19.3 as soon as possible following completion of such sale, the Depository will provide the U.S. Unitholders with their respective share of the proceeds of the sale, less any commissions and withholding taxes;

3.20 the Legislation requires that Pulse include in its take-over bid circular

3.20.1 audited statements of income,, retained earnings and cash flows of Pulse for each of the three most recently completed financial years of Pulse (the "Issuer Financial Statement Requirement"), being the years ended December 31, 2000, 1999 and 1998; and

3.20.2 certain financial statements pertaining to the business acquired by the Applicant pursuant to the Pulse Seismic Data Purchase (the "Acquired Business Financial Statement Requirement")

3.21 the audited financial statements of Pulse for the financial year ended December 31, 1998 was a period in which Pulse was not operating its current seismic data business and therefore such financial statements are misleading and immaterial to any potential investors in Pulse's Common Shares;

3.22 Pulse will include in the Circular

3.22.1 the audited financial statements of Pulse for each of the two most recently completed financial years of the Applicant, being the years ended December 31, 2000 and 1999, and

3.22.2 consolidated unaudited financial statements of Pulse for the nine month periods ended September 30, 2001 and September 30, 2000;

3.23 Pulse acquired the assets under the Pulse Seismic Data Purchase from six vendors. Because of the manner in which the revenues and costs from the assets acquired in the Pulse Seismic Data Purchase was accounted for by each vendor, financial statements cannot be prepared, Further, four of the six vendors are no longer involved in the operation of such seismic data, have no requirement to disclose their records for analysis and have refused to disclose such records.

3.24 the financial statements required to be included in the Circular under the Acquired Business Financial Statement Requirement are not available for inclusion in the Circular;

in connection with a long-form prospectus of the Applicant for which a receipt was issued on November 2, 2000 (the "Prospectus");

3.26 in the Prospectus, Pulse included disclosure in a section titled "Selected Revenue Information" which included unaudited financial information with respect to certain license revenue for Pulse for the six months ended June 30, 2000 and for the years ended December 31, 1999, 1998 and 1997 as an alternative to the Acquired Business Financial Statement Requirement;

3.27 except to the extent that relief is granted to Pulse in the MRRS Decision Document) the Offer is being made in compliance with the requirements under the Legislation concerning take-over bids;

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. AND WHEREAS the Decision of the Decision Makers under the Legislation is that, in connection with the Offer;

6.1 Pulse is exempt from the Identical Consideration Requirement insofar as U.S. Unitholders who accept the Offer will receive cash proceeds from the Depository's sale of Pulse Common Shares in accordance with the procedure setout in paragraph 3.19 instead of Pulse Common Shares;

6.2 Pulse is exempt from the Issuer Financial Statement Requirement provided that that the Pulse includes in the Circular to be sent to ReQuest Unitholders the audited financial statements of Pulse referred to in paragraph 3.22, and

6.3 Pulse is exempt from the Acquired Business Financial Statement Requirement for the Pulse Seismic Data Purchase provided that Pulse includes in the Circular to be sent to the ReQuest Unitholders, disclosure substantially similar to that included in the Prospectus referred to in paragraph 3.26.

DATED this "21<sup>st</sup>" day of December, 2001.

Glenda A. Campbell, Vice-Chair

John W. Cranston, Member

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - relief from requirement to provide identical consideration to permit offeror under securities exchange take-over bid to sell shares that would otherwise go to U.S. residents on their behalf and remit cash proceeds to them  
- relief from requirement to provide three years of audited financial statements of offeror in take-over bid circular - relief from requirement to provide financial statements of acquired business intake-over bid circular.

Applicable Alberta Statutory Provisions

Securities Act, S.A., 1991, c.S-6.1, as amended, s. 136(l), s. 144(2)(c).  
Alberta Securities Commission Rules (General), s. 177 and Form 31.