

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - relief from the prospectus requirements to permit an issuer and a selling shareholder to use the PREP Procedures under National Policy Statement No. 44 in connection with an initial public offering of securities of the issuer, as neither the issuer or its securities meet the eligibility criteria set out in National Policy Statement No. 44

Applicable British Columbia Provisions

Securities Act, R.S.B.C. 1996, c. 418, s. 61, 76

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

AND

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

AND

IN THE MATTER OF WORLDWIDE FIBER INC.

MRRS DECISION DOCUMENT

WHEREAS the Canadian securities regulatory authority or regulator (the "Decision Maker") in each of the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland (the "Jurisdictions") has received an application from Worldwide Fiber Inc. ("Worldwide") for a decision under the securities legislation of the Jurisdictions (the "Legislation") exempting Worldwide and a certain shareholder of Worldwide (the "Selling Shareholder") from the requirement to file and obtain a receipt for a preliminary prospectus and prospectus (the "Prospectus Requirement") in order to permit the use by Worldwide and the Selling Shareholder of the PREP Procedures, as defined in National Policy Statement No. 44 ("NP 44"), and similar procedures (the "Quebec Procedures") under the legislation of Quebec (the "Quebec Regulation"), in connection with Worldwide's proposed initial public offering of Class A Non-Voting Shares;

AND WHEREAS under the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), the Executive Director of the British Columbia Securities Commission is the principal regulator for this application;

AND WHEREAS Worldwide has represented to the Decision Makers that:

1. Worldwide was incorporated on February 5, 1998 under the *Business Corporations Act* (Alberta) and was continued under the *Canada Business Corporations Act* on August 17, 1999;
2. the principal office of Worldwide in Canada is located in British Columbia;
3. Worldwide is not a reporting issuer, or equivalent, under the Legislation;
4. Worldwide is proposing to undertake an initial public offering of Class A Non-Voting Shares in the Jurisdictions, the United States and Europe (the "Offering");
5. the Offering may include an offering of Class A Non-Voting Shares by the Selling Shareholder to the public in the Jurisdictions, the United States and Europe;
6. there is currently no market for the Class A Non-Voting Shares; however, Worldwide has applied to have the Class A Non-Voting Shares listed on The Toronto Stock Exchange and quoted on the Nasdaq National Market;
7. in connection with the Offering, Worldwide filed with the United States Securities and Exchange Commission on January 28, 2000 a registration statement on Form F-1 (the "Registration Statement");
8. in connection with the Offering, Worldwide filed on February 3, 2000 a preliminary long-form prospectus dated January 28, 2000 (the "Preliminary Prospectus") with each of the Decision Makers;
9. in connection with the offering of Class A Non-Voting Shares in the United States, Worldwide intends to use the procedures permitted by Rule 430A under the *Securities Act of 1933*, under which Worldwide will be permitted to omit from the Registration Statement certain offering price-related information and file a form of prospectus containing the previously omitted pricing information to price the Offering after the Registration Statement has been declared effective;
10. the size of the Offering is expected to be approximately C\$1.25 billion, of which C\$1.15 billion will be issued from Worldwide's treasury;
11. use of the PREP Procedures and the Quebec Procedures would permit Worldwide and the underwriters to better coordinate the pricing, prospectus delivery, confirmation of purchase and closing and settlement procedures in Canada with those expected to be used in connection with the portion of the Offering being made in the United States; and
12. neither Worldwide nor the Class A Non-Voting Shares meet the eligibility criteria which otherwise would permit Worldwide to use the PREP Procedures and the Quebec Procedures;

AND WHEREAS under the System, this MRRS Decision Document evidences the decision of each of the Decision Makers (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 under the Legislation is that Worldwide and the Selling Shareholder are exempted from the Prospectus Requirements of the Legislation with respect to any distribution of Class A Non-Voting Shares under the Offering effected in compliance with the PREP Procedures and the Quebec Procedures, insofar as such requirements concern:

- 1.the form and content of a preliminary prospectus or prospectus, including the form of prospectus certificates, filed under the Legislation; and
- 2.the filing of an amendment or supplement to a preliminary prospectus or prospectus filed under the Legislation;

provided that:

- 3.the Preliminary Prospectus is supplemented and amended pursuant to and in accordance with the requirements and procedures set forth in NP 44 and the Quebec Regulation, including the filing of amendments complying with the requirements of the Legislation;

- 4.a prospectus complying with NP 44 and the Quebec Regulation is filed under the Legislation pursuant to and in accordance with the requirements and procedures set forth in NP 44 and the Quebec Regulation, as if Worldwide and the Selling Shareholder were eligible to use the PREP Procedures and the Quebec Procedures; and

- 5.such prospectus is supplemented and amended pursuant to and in accordance with the requirements and procedures set forth in NP 44 and the Quebec Regulation, including the filing of amendments complying with the requirements of the Legislation.

DATED on March 17, 2000

Margaret Sheehy
Director