

2002 BCSECCOM 841

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - National Instrument 54-101 - exemption granted from requirement of section 2.1(b) to set record date at least 30 days prior to shareholders meeting - record date set 28 days before meeting - notice of record date published in the financial press prior to 30 days before the meeting

Applicable British Columbia Provisions

National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*, sections 2.1(b) and 9.2

IN THE MATTER OF NATIONAL INSTRUMENT 54-101

AND

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

AND

IN THE MATTER OF CENTRINITY INC.

MRRS DECISION DOCUMENT

WHEREAS an application (the “Application”) has been received by the securities regulatory authority or regulator (the “Decision Makers”) in each of British Columbia, Alberta, and Ontario from Open Text Corporation (“Open Text”), Centrinity Inc. (“Centrinity”), and 3801853 Canada Inc., a direct wholly-owned subsidiary of Open Text (“Subco”), for a decision pursuant to National Instrument 54-101 (“NI 54-101”) that, in connection with the proposed amalgamation (the “Amalgamation”) of Centrinity and Subco pursuant to which Open Text would become the sole owner of all of the outstanding shares of the amalgamated corporation, Centrinity be exempt from the requirement to establish a record date for the special meeting of shareholders of Centrinity to vote upon the Amalgamation (the “Special Meeting”) not less than 30 days before the date of the Special Meeting in accordance with Section 2.1(b) of NI 54-101 (the “Record Date Requirement”);

AND WHEREAS, pursuant to the Mutual Reliance Review System for Exemptive Relief Applications (the “System”), the Director of the Ontario Securities Commission is the principal regulator for the Application;

2002 BCSECCOM 841

AND WHEREAS Open Text, Centrinity, and Subco have represented to the Decision Makers that:

1. Open Text is a corporation amalgamated under the *Business Corporations Act* (Ontario). The common shares in the capital of Open Text are listed and posted for trading on the Toronto Stock Exchange (the "TSX") and the Nasdaq National Market. Open Text is a reporting issuer in each province of Canada.
2. Centrinity is a corporation continued under the *Canada Business Corporations Act* (the "CBCA"). The Class A common shares in the capital of Centrinity (the "Centrinity Shares") are listed and posted for trading on the TSX. Centrinity is a reporting issuer in British Columbia, Alberta and Ontario.
3. Subco is a corporation incorporated under the CBCA and is a direct wholly-owned subsidiary of Open Text. Subco is not a reporting issuer in any province of Canada. Subco will be used for the sole purpose of effecting the Amalgamation.
4. Pursuant to a merger agreement dated as of September 19, 2002 (the "Merger Agreement") between Open Text, Subco, and Centrinity, Open Text intends to acquire all of the issued and outstanding Centrinity Shares, including Centrinity Shares issuable upon the exercise of outstanding stock options, pursuant to the Amalgamation.
5. On September 19, 2002, Open Text and Centrinity issued a joint press release announcing the entering into of the Merger Agreement and the proposed Amalgamation, which included reference to the Amalgamation being conditional on approval of Centrinity Shareholders.
6. The Amalgamation will result in each holder of Centrinity Shares (a "Centrinity Shareholder") receiving one redeemable preferred share in the capital of the corporation ("Amalco") to be formed by the Amalgamation (the "Preferred Shares") for each Centrinity Share. Pursuant to the Amalgamation, Open Text will receive common shares in the capital Amalco in exchange for its shares of Subco. On the second business day following completion of the Amalgamation, each Preferred Share will be redeemed for Cdn. \$1.26 in cash (the "Redemption"). Upon completion of the Redemption, Open Text will own all of the shares of Amalco.
7. The Special Meeting will be held on November 1, 2002 (the "Meeting Date") in accordance with the terms of the Merger Agreement.

2002 BCSECCOM 841

8. In connection with the Special Meeting and in accordance with Section 134(1)(c) of the CBCA and Section 43(2) of the Regulations made under the CBCA, the board of directors of Centrinity have set October 4, 2002 as the record date for entitlement to receive notice of and to vote at the Special Meeting (the "Record Date").
9. Pursuant to Section 134(3) of the CBCA and Section 43(3) of the Regulations made under the CBCA, Centrinity provided notice of the Record Date by publishing advertisements in the *National Post* on September 26, 2002 and September 27, 2002. Centrinity also provided written notice to the TSX on September 26, 2002.
10. In accordance with Section 2.20 of NI 54-101, Centrinity will deliver the Circular in bulk to mailing agents and mail to each Centrinity Shareholder on October 7, 2002 (i) a notice of the Special Meeting; (ii) a form of proxy; and (iii) a management proxy circular.
11. Centrinity and Open Text wish to expedite the Amalgamation by holding the Special Meeting on November 1, 2002 in order to meet their respective business objectives and because it is considered to be in the best interests of their respective shareholders to do so.

AND WHEREAS, pursuant to the System, this MRRS Decision Document evidences the decision of each of the Decision Makers (the "Decision");

AND WHEREAS each of the Decision Makers is satisfied that the test contained in NI 54-101 that provides the Decision Maker with the jurisdiction to make the Decision has been met;

THE DECISION of the Decision Makers under NI 54-101 is that, in connection with the Special Meeting, Centrinity shall be exempt from the Record Date Requirement provided that:

- (i) the Record Date is established at a date 28 days before the Meeting Date; and
- (ii) Centrinity complies with all other provisions of NI 54-101 applicable to the Special Meeting.

DATED this 2nd day of October, 2002.

Margo Paul