

**IN THE MATTER OF THE SECURITIES LEGISLATION
OF ALBERTA, MANITOBA, NEW BRUNSWICK,
NEWFOUNDLAND AND LABRADOR,
NOVA SCOTIA, QUÉBEC AND SASKATCHEWAN**

AND

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

AND

**IN THE MATTER OF
SUEZ**

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (collectively, the **ADecision Makers@**) in each of Alberta, Manitoba, New Brunswick, Newfoundland and Labrador, Nova Scotia, Québec and Saskatchewan (collectively, the **AJurisdictions@**) has received an application from Suez for a decision pursuant to the securities legislation of the Jurisdictions (collectively, the **ALegislation@**) that the requirements contained in the Legislation to be registered to trade in a security (the **ARegistration Requirement@**) and to file and obtain a receipt for a preliminary prospectus and a prospectus in respect of such security (the **AProspectus Requirement@**) shall not apply to trades and distributions of shares in the common stock of Suez (the **ACommon Shares@**) under the Suez Employee Stock Purchase Plan (the **APlan@**);

AND WHEREAS pursuant to the Mutual Reliance Review System for Exemptive Relief Applications (the **ASystem@**), the Nova Scotia Securities Commission is the principal regulator for this application;

AND WHEREAS Suez has represented to the Decision Makers that:

1. Suez is a company incorporated under the laws of France and registered with the Registre du Commerce et des Sociétés (companies register) of Paris.
2. Suez is not, and has no present intention of becoming, a reporting issuer or the equivalent under the securities legislation of any jurisdiction in Canada.
3. Suez is a reporting company with the relevant regulatory authorities and/or securities commissions in France, the U.S., Belgium, Luxembourg and Switzerland. Suez is current with its reporting obligations under the relevant securities legislation of these jurisdictions.

4. As of December 31, 2001, the share capital of Suez was approximately 1,026,280,965 Common Shares, of which approximately 42,274,810 Common Shares were outstanding.
5. Under the Plan, eligible employees and employee executives of Suez and its Canadian affiliates (collectively, the **Participants**) are offered the opportunity to purchase Common Shares at a specified discount (currently 20%) from the market price of the Common Shares (currently defined as the average of the opening price of a Common Share on the Paris stock exchange during the last 20 trading days preceding the date on which the board of directors of Suez decides on the increase of the Suez share capital (which is expected to be on or about July 10, 2002)).
6. The Participants may invest in Common Shares through one single payment made during the reservation period (as defined in the Plan), in which case, such investment (together with all other investments by the Participant in Suez employee share plans in 2002) cannot exceed a specific percentage of the Participant's annual salary or a specific euro amount for the year 2002 (currently 2.5% and 800 euros, respectively). Alternatively, if the Participants invest in Common Shares through one single payment during the subscription period (defined as a later period than the reservation period in the Plan), such investment (together with all other investments by the Participant in Suez employee share plans in 2002) also cannot exceed a specific percentage of the Participant's annual salary or a specific euro amount for the year 2002 (currently 0.25% and 80 euros, respectively).
7. The Participants will be entitled to dividends (if declared and payable) on their Common Shares and will be entitled to vote at the annual Suez shareholders' meeting.
8. Subject to certain specific cases as provided in the Plan, the Participants will be prohibited from disposing of their Common Shares before the end of a 5-year period from the date the Common Shares are purchased under the Plan.
9. The number of Common Shares subscribed for by Participants may be reduced in the event of over subscription (i.e. the number of Common Shares approved for issuance under the Plan is exceeded by the number of Common Shares subscribed for by Participants).
10. The Common Shares distributed to Participants pursuant to the Plan will be newly issued shares of Suez.
11. As of March 25, 2002, Suez and its Canadian affiliates have in total approximately 1,314 Participants resident in Canada. Approximately 926 reside in Québec, 51 reside in Alberta, 23 reside in British Columbia, 2 reside in Manitoba, 8 reside in New Brunswick, 3 reside in Newfoundland and Labrador, 4 reside in Nova Scotia, 291 reside in Ontario and 6 reside in Saskatchewan.
12. Participation in the Plan is voluntary and Participants are not induced to participate in the Plan by expectation of employment or continued employment.
13. Suez will use the services of a custodian (the **Custodian**) to hold Common Shares acquired under the Plan on behalf of the Participants. Suez may also rely on the Custodian to carry out certain administrative functions in respect of the Plan. For example, Suez may rely on the Custodian to set up accounts for the Participants, allocate Common Shares to the accounts, maintain the accounts

and provide record keeping services, all in accordance with the Plan. The Custodian that has currently been selected by Suez is Crédit Agricole Indosuez.

14. The Custodian is a registered dealer (or the equivalent) under the applicable securities legislation in France but is not registered under the Legislation.
15. The resale of Common Shares by the Participants in connection with Plan will be effected through the Custodian or other dealer registered or licensed pursuant to the relevant laws of the jurisdiction in which the trades take place and executed through the facilities of the relevant exchange or market outside of Canada. As such, these trades will be subject to the regulations and requirements of both the exchange and the applicable securities legislation.
16. The Custodian will not offer any advice to the Participants regarding the decision to acquire, hold or sell the Common Shares under the Plan.
17. Participants resident in the Jurisdictions will be provided with the same level of disclosure in respect of the Plan as is provided to all other Participants and, upon become a shareholder of Suez, Participants resident in the Jurisdictions will be provided with the disclosure material relating to Suez that is provided to all other holders of Common Shares.
18. Participants residing in Québec will be provided with an offering notice in the French and English language that contains all the information required by sections 107 and 109 of the Regulation respecting securities (Québec).
19. As of March 25, 2002, residents of Canada held less than 10% of the issued and outstanding Common Shares, and residents of Canada represented in number less than 10% of the total number of holders of the issued and outstanding Common Shares.
20. Neither the Common Shares nor any other securities of Suez are listed or posted for trading on any stock exchange or over-the-counter market in Canada. The Common Shares are listed and posted for trading on the Paris, Brussels, Zürich, Luxembourg and New York stock exchanges. Suez is current in all applicable filings and reporting obligations as required by these exchanges.
21. There is no present or anticipated future market in Canada for the Common Shares.
22. The Legislation of certain of the Jurisdictions does not contain exemptions from the Prospectus Requirement and/or Registration Requirement for certain trades in Common Shares to or by the Participants, and to or by the Participants carried out through the Custodian.

AND WHEREAS pursuant to the System, this MRRS Decision Document evidences the decision of each of the Decision Makers (collectively, the **ADecision@**);

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 pursuant to the Legislation is that:

- (a) the Registration Requirement and Prospectus Requirement shall not apply to any trade or distribution of Common Shares made in connection with the Plan, including trades and distributions involving Suez and its Canadian affiliates, the Custodian and the Participants, provided that: (i) except in Québec, the first trade in Common Shares acquired through the Plan pursuant to this Decision will be deemed a distribution or primary distribution to the public under the Legislation unless the conditions in subsection 2.14(1) of Multilateral Instrument 45-102 *Resale of Securities* are satisfied; and (ii) in Québec, the first trade in Common Shares acquired through the Plan pursuant to this Decision will be deemed a distribution unless the alienation (resale) is made outside of Québec; and
- (b) the Registration Requirement shall not apply to the first trade in Common Shares acquired by a Participant under the Plan made through the Custodian provided that the first trade is executed through a stock exchange or market outside of Canada.

Dated this 10th day of April, 2002.

A H. Leslie O'Brien@

H. Leslie O'Brien