

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

AND

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

AND

**IN THE MATTER OF i-data international a-s
i-data CANADA INC. AND
EICON TECHNOLOGY CORPORATION**

MRRS DECISION DOCUMENT

WHEREAS i-data international a-s (“i-data”) proposes to make through i-data Canada Inc. (the “Offeror”), its wholly-owned subsidiary, a take-over bid (the “Offer”) to acquire all of the outstanding common shares (the “Common Shares”) of Eicon Technology Corporation (“Eicon”);

AND WHEREAS the local securities regulatory authority or regulator (the “Decision Makers”) in each of the provinces of Quebec, British Columbia, Alberta, Manitoba, Saskatchewan, Ontario, Nova Scotia and Newfoundland (the “Jurisdictions”) has received an application from the Filer for a decision (the “Decision”) under the securities legislation of the Jurisdictions (the “Legislation”):

- (i) that certain agreements, which i-data entered into with certain employees of Eicon, are made for reasons other than to increase the value of the consideration paid to such shareholders for their Common Shares and that such agreements may be entered into despite the requirement contained in the Legislation which prohibits, in the context of a take-over bid, the entering into of any collateral agreement with any holder of the offeree issuer that has the effect of providing to the holder a consideration of greater value than that offered to the other holders of the same class of securities; and
- (ii) that the Common Shares to be tendered to the Offer by certain shareholders of Eicon may be counted as part of the minority in determining whether minority approval for the Subsequent Acquisition Transaction (as hereinafter defined) has been obtained, despite the provision in the Legislation in Quebec and Ontario requiring an issuer that

proposes to effect a going-private transaction to exclude the votes attached to securities tendered to a preceding formal bid.

AND WHEREAS under the Mutual Reliance System for Relief (the "System"), the Commission des valeurs mobilières du Québec ("CVMQ") is the principal regulator for this application;

AND WHEREAS i-data has represented to the Decision Makers that:

1. The applicants are i-data and the Offeror, which was incorporated on October 6, 2000 for purposes of making the Offer. i-data is a corporation constituted pursuant to the laws of Denmark and has its registered office in Bagsvaerd, Denmark. i-data is an international IT company comprised of two business areas. Its shares are listed on the Copenhagen Stock Exchange. Neither the Offeror nor i-data is or intends to become a "reporting issuer" in any province of Canada.
2. Eicon is a corporation constituted under the *Canada Business Corporations Act* (the "CBCA") which has its registered office in Montreal. It does business directly or through subsidiaries in Europe, the United States, Australia, Brazil and Hong Kong. Eicon develops, markets and supports hardware and software products for connecting network-servers and PC to corporate networks and the Internet. Eicon is a "reporting issuer" in the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, Nova Scotia, Prince Edward Island and Newfoundland.
3. Eicon authorized capital consists of an unlimited number of Preferred Shares (none of which are outstanding) and of an unlimited number of Common Shares. As of September 30, 2000, there were 33,932,760 Common Shares and 4,196,442 options to purchase Common Shares outstanding. The Common Shares are listed on the Toronto Stock Exchange (the *ATSE*®) under the symbol EIC. As of today, neither i-data nor any of its affiliates or associates hold Common Shares.
4. On October 12, 2000, i-data and Eicon entered into a support agreement (the "Support Agreement") which provides, among other things, for the Applicant to make the Offer, as described herein, and for the Eicon Board to recommend acceptance of the Offer to its shareholders. The Support Agreement also provides for the payment by Eicon of \$5,700,000 (the "Break-Up Fee") in the event that the Eicon Board withdraws or changes its recommendation to accept the Offer. On October 12, 2000, i-data and Eicon issued a press release announcing the entering into the Lock-Up Agreement and the Support Agreement and the intention of i-data to make the Offer. The Independent Committee engaged National Bank Financial Inc. as its financial advisor, which has concluded, in its fairness opinion, that the Offer is fair from a financial point of view to the shareholders of Eicon.
5. The Offer price of \$5.00 represents a 72.41% premium over the closing price of the Common Shares on the TSE on September 27, 2000, the last trading day

immediately prior to the announcement of the negotiation relating to the Offer, a 21.95% premium over the closing price on the TSE on October 11, the last trading day immediately prior to the announcement of the Offer and a 38.12% premium over the average closing price over the 20 last trading days prior to October 16, 2000.

6. The Offer, which has been mailed on October 16, 2000, is subject to customary terms and conditions set out, including the deposit of not less than 66 2/3% of the Common Shares (on a fully-diluted basis) to the Offer, and the obtaining of all governmental or regulatory consents, authorizations or approvals that i-data, in its sole discretion, views as necessary or desirable to enable i-data to consummate the Offer on the terms set out in the Offer and to proceed with a subsequent acquisition transaction which will permit it to acquire all of the outstanding Common Shares shall have been received on terms and conditions satisfactory to i-data acting reasonably and expeditiously to obtain such consents or approvals.
7. Pursuant to the Offer and in accordance with the provisions of the statutory right of compulsory acquisition provided by section 206 of the CBCA, if the Offeror acquires not less than 90% of the Common Shares, the Offeror intends to acquire, within 120 days after the completion of the Offer, all remaining Common Shares from shareholders who did not accept the Offer. If less than 90%, but more than 66 2/3% of the Common Shares are tendered to the Offer, the Offeror intends to proceed with a subsequent acquisition transaction to acquire the remaining Common Shares (the "Subsequent Acquisition Transaction"). Such Subsequent Acquisition Transaction may be a "going-private transaction" within the meaning of Q-27.
8. On October 12, 2000, i-data entered into a lock-up agreement (the "Lock-Up Agreement") with 171036 Canada Inc., 171033 Canada Inc., Peter Brojde and Maks Wulkan which companies are holding companies of Peter Brojde and Maks Wulkan, the two founders of Eicon (collectively, the "Vendors"). The shares of 171036 Canada Inc. are owned by Peter Brojde and by the Peter Brojde Trust, the trustees of which are Messrs. Brojde, Wulkan and Michael Blumenstein, who is a director of Eicon. 171036 Canada Inc. owns 8,283,548 Common Shares which represent 24.41% of the Common Shares outstanding (21.72% on a fully-diluted basis). The shares of 171033 Canada Inc. are owned by Maks Wulkan. 171033 Canada Inc. owns 8,221,746 Common Shares which represent 24.23% of the Common Shares outstanding (21.56% on a fully-diluted basis). On October 11, 2000, 1122315 Ontario Inc. and 1122318 Ontario Inc., companies which are controlled by Peter Brojde and Maks Wulkan respectively, agreed to deposit 478,809 Common Shares to the Offer, which represent approximately 1.26% on a fully-diluted basis.
9. Further to the above-mentioned provisions, under the Lock-Up Agreement:

- a) the Vendors, and more particularly the Key Principals, made various important representations and warranties with respect to the business of Eicon;
 - b) the Vendors agreed that 15% of the cash consideration to be paid to them pursuant to the Offer shall be held in escrow as security for their representations and warranties made pursuant to the Lock-Up Agreement, with one-third of such amount being released after three months and the balance after six months from the date of such payment;
 - c) the Vendors have agreed to pay to i-data an amount equal to 50% of the difference between the consideration the Vendors receive under a Superior Proposal, as defined below, and \$5.50 per Common Share net of any amounts paid by Eicon to i-data, as a break-up fee. In the event that i-data exercises its right to match a Superior Proposal, the Vendors shall pay to i-data an amount equal to 50% of the difference between the price offered under such Superior Proposal and \$5.50 per Common Share up to a maximum of \$25,000,000 net of any break-up fee paid by Eicon. Where the consideration received pursuant to a Superior Proposal consists of cash and non-cash consideration, the 50% payment to i-data shall consist of 50% of each kind of consideration. A Superior Proposal means an offer for all of the outstanding Common Shares or all or substantially all of the assets and liabilities of Eicon, which will pay Eicon shareholders upon completion of the transaction an aggregate consideration of more than \$7.00 and which has a cash component of a minimum of \$7.00.
 - d) the Key Principals agreed not to carry on or engage in any business substantially similar to or competitive with the business as carried on by Eicon or i-data, for a period of three years from the signature date of the Lock-Up Agreement;
 - e) the Key Principals agreed not to induce any employee of Eicon or i-data to leave his employment or not to employ or attempt to employ any employee of Eicon or i-data, for a period of three years from the signature date of the Lock-Up Agreement;
 - f) each of Peter Brojde with 171036 Canada Inc, and Maks Wulkan with 171033 Canada Inc., agreed to severally indemnify i-data, against any claims arising from the affairs of Eicon, subject to a maximum amount of \$20,000,000 each for a period of two years, reducing to \$10,000,000 for claims relating to tax and environmental matters for an additional three years and \$10,000,000 for claims relating to environmental matters for an additional period of five years.
10. On October 5, 2000, Shyamtech Inc., which is a party dealing at arm's length with i-data and the holder of 2,268,554 Common Shares on a fully-diluted basis,

- representing approximately 5.95% of the outstanding Common Shares, entered into an agreement with i-data pursuant to which it agreed to accept the Offer and to tender its Common Shares to the Offer.
11. If the Offer is successful, i-data intends to integrate Eicon's operations with its operations, and for this purpose, i-data believes that it must retain the Key Principals. i-data believes that the Key Principals have been and will continue to be an integral part of the successful development of Eicon's business and have substantial and valuable experience and expertise in the Eicon's business. i-data views the retention of the Key Principals as critical to the making of the Offer, as the Key Principals have contributed to the development of Eicon's business and have performed significant work on Eicon's current products and services. i-data has therefore decided to enter into new employment agreements (the "Employment Agreements") with the Key Principals.
 12. If the Offer is successful, the position and responsibilities of Peter Brojde and Maks Wulkan in the new Eicon will be enhanced because of the integration of Eicon within i-data and its subsidiaries. It is expected that both Peter Brojde and Maks Wulkan will play an important role in the integration and combination of Eicon's business within i-data, and more particularly in the LASAT Network division of i-data, which is expected to be merged with Eicon.
 13. Peter Brojde has been the President and Chief Executive Officer of Eicon since 1984, the year of its foundation. For the current fiscal year, Peter Brojde's compensation is comprised of a base salary of \$340,000, a sum of \$25,000 covering all expenses relating to his car, a sum of \$13,500 for contribution to his Registered Retirement Saving Plan ("RRSP"), a sum of \$10,000 for health expenses not covered by Eicon's group plan and a sum of \$15,000 for tax and financial counselling. Peter Brojde has also been entitled to receive additional variable compensation, as a bonus, based on several financial indicators, including the gross revenue and gross margin of Eicon. For fiscal years 1999 and 1998, Peter Brojde received bonuses in the amount of \$387,680 and \$147,342 respectively. No bonuses were granted to Peter Brojde for the current fiscal year.
 14. Maks Wulkan has been the Executive Vice President of Eicon since 1984. For the current fiscal year, Maks Wulkan's compensation is comprised of a base salary of \$330,000, a sum of \$25,000 covering all expenses relating to its car, a sum of \$13,500 for contribution to his RRSP, a sum of \$10,000 for health expenses not covered by Eicon's group plan and a sum of \$15,000 for tax and financial counselling. Maks Wulkan has also been entitled to receive an additional variable compensation, as a bonus, based on general financial indicators, including the gross revenue and gross margin of Eicon. For fiscal years 1999 and 1998, Maks Wulkan received bonuses in the amount of \$387,680 and \$147,342 respectively. No bonuses were granted to him for the current fiscal year.

15. In addition to the compensation packages described above, discussions were concluded between the Compensation Committee of Eicon and the Key Principals pursuant to which the Compensation Committee has decided to recommend to the Eicon Board the granting of 600,000 options to each of the Key Principals, exercisable at various premiums to the closing price of August 15, 2000 over a ten-year period. However, considering the negotiations initiated by i-data with the Key Principals in connection with the Offer and in connection with the Employment Agreements, the Eicon Board decided to postpone the ratification of the recommendation of the Compensation Committee pending the outcome of the Offer.
16. The principal terms and conditions of the Employment Agreements, which would become effective upon the successful completion of the Offer, will be substantially similar to their existing employment terms with Eicon, except the following:
 - a) the Employment Agreements shall have a term of two years;
 - b) each of the Key Principals shall be entitled to an annual performance bonus equal to 0.75% of the combined net sales (sales minus credit notes and accepted returns) of Eicon and the LASAT division of i-data (the "Performance Bonus"). In no case shall such Performance Bonus exceed three times the Key Principals' base salary in respect of each full year of the term. The Performance Bonus will be paid within four weeks after the termination of each year of the Term. Should either of the Key Principals resign or be dismissed for cause, his Performance Bonus will not be payable;
 - c) options to purchase 93,000 Common Shares of i-data (the "Options") shall be granted to each of Peter Brojde and Maks Wulkan respectively, exercisable at the closing price of such shares on the Copenhagen Stock Exchange on the day prior to the announcement of the Offer. 50% of such options shall vest one year from the date of the grant and 50% two years from such date. Unvested options will respectively be cancelled if a Key Principal resigns or is dismissed for cause. In the event of a change of control of i-data, or the dismissal of either of the Key Principals without cause, such Key Principals' options shall automatically and fully vest; and
 - d) further to the non-competition and non-solicitation provisions contained in the Lock-Up Agreement, Peter Brojde and Maks Wulkan have respectively agreed, as employees of Eicon, during the term of the Employment Agreements, not to compete with Eicon and not to solicit any employee of Eicon to leave his employment.
17. The Employment Agreements were negotiated with the Key Principals at arm's length and are on terms and conditions that are commercially reasonable. The Key Principals positions will be enhanced and their responsibilities increased with

- respect to the combined business of i-data and Eicon. The retention of the Key Principals is necessary to ensure the continuity of the management of Eicon following the Offer. It is common business practice for high-tech companies to grant substantial Performance bonuses and options to their key employees.
18. The Options were “out of the money” as of the date of the Offer in they will be exercisable at DKK942 per i-data share and the closing price of the i-data shares on the Copenhagen Stock Exchange on October 12, 2000 was DKK860. In addition, i-data has agreed to make available an additional 40,000 i-data options to employees other than the Key Principals to assist in retaining said employees. The Eicon employees will also be eligible for i-data’s option plan for employees of i-data and its subsidiary.
 19. The benefits entitlement of the Key Principals, i.e. the Performance Bonus and the contemplated Option grants, is reasonable and provides for a reasonable level of incentives for each of the Key Principals in light of the following:
 - a) the highly competitive nature of the business of Eicon and i-data;
 - b) the importance of ensuring management continuity and, in particular, the importance of each of the Key Principals continuing role in the management, integration and development of Eicon, as part of i-data;
 - c) the level of services to be rendered by each of the Key Principals to Eicon and i-data following the completion of the Offer;
 - d) the termination of the Performance Bonus and Options provisions if the Key Principals resign or are terminated for cause; and
 - e) the undertaking of the Key Principals, in their capacity of employees of Eicon and of Shareholders of Eicon separately, not to compete with i-data and Eicon and not to solicit any of their employees for a period of two years.
 20. As described herein, the Employment Agreements have been entered into for valid business reasons, which are unrelated to Key Principals holding of Common Shares and not for the purpose of providing an economic or collateral benefit to them that the other shareholders of Eicon do not enjoy.
 21. Each of the Vendors, Shyamtech Inc., 1122315 Ontario Inc., and 1122318 Ontario Inc. have been negotiating the lock-up agreements with i-data at arm’s length.
 22. The independent financial advisor of the Eicon Board, NBF, has concluded to the fairness of the Offer from a financial point of view to the shareholders of Eicon.

23. As described herein, the Employment Agreements are in accordance with industry standard.

AND WHEREAS under the system, the MRRS Decision Document evidences the Decision of each Decision Maker;

AND WHEREAS each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Makers with the jurisdiction to make the Decision has been met;

THE DECISION of the Decision Makers under the Legislation is that the Employment Agreements which have been entered into with the Key Principals are made for reasons other than to increase the value of the consideration paid to them in respect of their Common Shares, and that the Employment Agreements may therefore be entered into.

DATED November 6, 2000.

Guy Lemoine

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