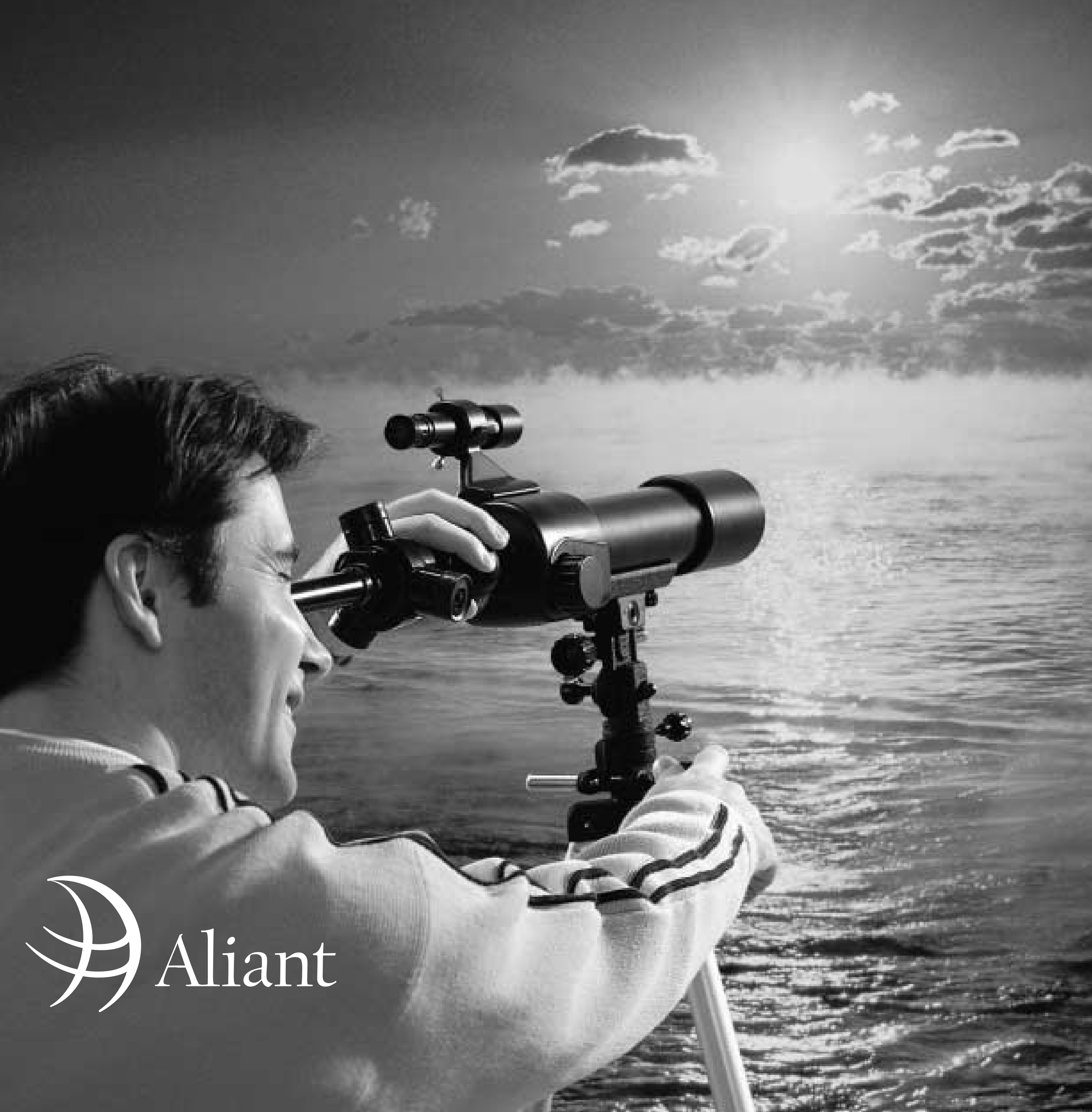
Notice of annual meeting of shareholders and information circular



Aliant

What's inside

Notice of annual meeting of shareholders

Management invites each shareholder to attend the meeting in person. Whether or not you expect to attend, we hope you will complete, sign and return the enclosed proxy in the postage-paid envelope. If you are able to attend the meeting, sending your proxy will not prevent you from voting in person. Please refer to the information circular for details of items of business to be transacted at the meeting.

NOTICE IS GIVEN that the annual meeting of shareholders of Aliant Inc. will be held at the Delta Prince Edward Hotel, in the Prince Edward Island Ballroom, Charlottetown, Prince Edward Island, on Tuesday April 25, 2000 at 10:30 a.m. (local time) for the following purposes:

(1) to receive the report of the directors, the consolidated financial statements for the year ended December 31, 1999, and the report of the auditors on the financial statements;
(2) to elect directors for the ensuing year;
(3) to appoint auditors to hold office until the close of the next annual meeting of shareholders and to authorize the directors to fix their remuneration; and,
(4) to transact such other business as may properly be brought before the meeting.

Shareholders registered at the close of business on March 10, 2000 will receive notice of the annual meeting and will be entitled to vote, in person or by proxy, at the meeting.

March 10, 2000
By order of the board of directors
Barrie H. Black
General Counsel and Corporate Secretary

Information circular

This information circular is furnished in connection with the solicitation of proxies by management of Aliant Inc. (the "Corporation" or "Aliant") for use at the annual meeting of shareholders of the Corporation to be held on Tuesday, April 25, 2000 at 10:30 a.m. (local time) and at any and all adjournments thereof (the "meeting").

Proxies

The enclosed proxy is solicited by management of Aliant for use at the meeting. A shareholder has the right to appoint a person to represent him or her, other than the management nominee named in the proxy, by inserting the name of such person in the space indicated on the proxy. The common shares of the Corporation represented by proxy will be voted for or withheld from voting in accordance with the instructions of the shareholder on any ballots that may be called. The proxy will be voted "for" any matter in respect of which no choice is specified and confers discretionary authority with respect to all amendments or variations to matters identified in the notice of annual meeting of shareholders and any other matter, which may properly come before the meeting.

A proxy may be revoked by the shareholder giving such proxy, at any time before it is voted:

(1) by depositing a written instrument of revocation or a proxy of later date executed by the shareholder or the shareholder's attorney authorized in writing: (a) at the registered office of the Corporation at any time up to and including the last business day preceding the day of the meeting, at which the proxy is to be used; or (b) with the chairman on the day of the meeting; or (2) in any other manner permitted by law.

The cost of solicitation of proxies by management will be borne by the Corporation. The solicitation will be primarily by mail, but directors, officers and employees of the Corporation or employees of the Corporation's transfer agent, CIBC Mellon Trust Company, may also solicit proxies by telephone or in person.

Proxies to be used at the meeting must be received by the transfer agent before 10:30 a.m. on April 20, 2000.

Voting shares and principal holder

Common shareholders of record as at the close of business on March 10, 2000, being the record date for the meeting, will be entitled to one vote for each share registered in such shareholder's name, unless such shareholder has transferred any shares after that date and the new holder of such shares produces a certificate in the new holder's name or a properly endorsed share certificate or otherwise establishes ownership of such shares and requests, not later than the close of business ten days prior to the meeting date, that the holder's name be included in the list of shareholders entitled to vote at the meeting. Such request may be sent to the corporate secretary of the Corporation.

As of March 10, 2000, there were 127,839,434 outstanding common shares of the Corporation. To the knowledge of the directors and officers of the Corporation, the only person or corporation beneficially owning, directly or indirectly, or exercising control or direction over common shares carrying more than 10% of the voting rights attached to all common shares of the Corporation is BCE Inc. ("BCE"). Subject to regulatory approval, BCE will become the beneficial owner of 68,342,616 common shares, representing 53.46% of those outstanding. The directors and officers as a group beneficially owned or controlled 215,722 common shares of the Corporation as of March 10, 2000.

Matters to be acted upon by the shareholders at the meeting

The following are the matters to be acted upon at the meeting (as itemized in the notice of meeting).

Item 1 – Annual report and financial statements

The report of the directors to the shareholders, the financial statements of the Corporation for the year ended December 31, 1999 and the report of the auditors on the financial statements will be submitted to the meeting.

Item 2 – Election of directors

Twelve of the current thirteen directors of Aliant have indicated their willingness to stand for election and are being nominated for election as directors. Mr. Wes Scott is resigning effective April 24, 2000. Mr. John W. Sheridan, vice-chair of market groups with Bell Canada, is nominated for the election of directors. The persons nominated in this information circular are, in the opinion of management, qualified to direct the activities of the Corporation until the next annual meeting of shareholders.

It is the intention of the persons whose names are printed on the enclosed proxy form to vote such proxy for the election of the persons listed in this information circular unless specifically instructed on the proxy form to withhold such vote (see "proxies" above). In case any of the listed nominees should become unavailable prior to the meeting, the persons designated on the proxy form will have the right to use their discretion in voting for a properly qualified substitute. The term of office of each person so elected will be until the next annual meeting of shareholders of the Corporation or until such person's successor is elected or appointed.

Item 3 – Appointment of auditors

A firm of auditors is to be appointed by vote of the shareholders at the meeting to serve as auditors for the Corporation until the next annual meeting. The directors recommend that Ernst & Young LLP, who were appointed by the Corporation on April 22, 1999, be re-appointed. Unless otherwise directed, the proxies received by management will be voted in favour of appointing the firm of Ernst & Young LLP as auditors of the Corporation and authorizing the directors to fix their remuneration.

Item 4 – Other business

The officers will report on recent events of significance to the Corporation and on other matters of interest to the shareholders. The directors and officers of the Corporation are not aware of any matters, other than those indicated above, which may be submitted to the meeting for action. However, if any other matters should properly be brought before the meeting, the enclosed proxy confers discretionary authority to vote on such other matters according to the best judgment of the person holding the proxy at the meeting.

Election of directors (see item 1 on proxy form)

It is proposed that the thirteen (13) persons listed on page 4 be nominated for election as directors at the meeting.

With the exception of the following individuals, all of the directors have been employed in the designated principal occupation for the preceding five years:

Mr. Ayre is currently publisher of The Telegram, St. John's, prior to which he was group publisher and chief executive officer of Thomson Newfoundland, prior to which he was publisher and general manager of The Evening Telegram, prior to which he was chairman, president and chief executive officer of Ayre & Sons Limited.

Mr. Reynolds is president of Bell Canada (Ontario), prior to which he was president and chief executive officer of BCE Mobile Communications Inc., prior to which he held a number of positions within the Bell Mobility family.

Mr. Sheridan is vice-chair, market groups, Bell Canada, prior to which he was president of Bell Canada (Ontario), prior to which he held a variety of senior executive positions in the Bell Canada family.

Mr. Wetmore, prior to his appointment as president and chief executive officer of Aliant on April 22, 1999, was president and chief executive officer of NewTel Enterprises Limited and chief executive officer of NewTel Communications Inc., prior to which he was president of Smart Capital Resources Inc. from 1997, prior to which he was president of Air Atlantic (1994) Ltd. from 1995 to 1997.

The Corporation does not have an executive committee of its board of directors. The Corporation does, however, have an audit committee. The members of such committee are E. Reevey, C. W. M. Scott, R. P. Dexter, M. H. Ayre and L. J. Celeste.

Mr. Sheridan and Mr. Reynolds are nominees of BCE, which will become, subject to regulatory approval, the beneficial owner of 53.46% of the Corporation's issued and outstanding common shares.

Directors

Name and position or office	Principal occupation	Director since	Share units as of December 31, 1999	Common shares[1]
Miller H. Ayre	Publisher The Telegram (Newspapers)	April 22, 1999	1,715.89[2]	1,239
J. Charles Caty	Corporate Director	April 22, 1999	425.13	2,803
Lino J. Celeste *Chairman*	Chairman of the Board of the Corporation	April 22, 1999	1,118.41	65,138
Robert P. Dexter	Chairman and Chief Executive Officer Maritime Marlin Travel (Group) Limited	April 22, 1999	425.13	814
Ivan E. H. Duvar	Corporate Director	April 22, 1999	425.13	12,528
Albert E. P. Hickman	Chairman and President Hickman Motors Ltd.	April 22, 1999	924.69[2]	5,570
Edward Reevey	Chairman and Chief Executive Officer Addee Developments Limited (Private holding corporation)	April 22, 1999	425.13	26,558
Randall J. Reynolds	President Bell Canada (Ontario) (Telecommunications)	April 22, 1999	0	0
Alan K. Scales, Q.C.	Senior Partner Stewart McKelvey Stirling Scales (Law firm)	April 22, 1999	425.13	400
John W. Sheridan	Vice-Chair, Market Groups Bell Canada (Telecommunications)	New nominee	N/A	0
Donald C. R. Sobey	Chairman Empire Corporation Limited (Holding corporation)	April 22, 1999	425.13	40,507
Stephen G. Wetmore *President and Chief Executive Officer*	President and CEO of the Corporation	April 22, 1999	N/A	2,336
Charles W. White, Q.C.	Partner White Ottenheimer and Baker (Law firm)	April 22, 1999	2,103.35[2]	783

1. *Common shares of the Corporation beneficially owned or over which control or direction was exercised as of March 10, 2000.*
2. *Total of share units granted under both the NewTel and Aliant share unit plans for non-employee directors. A description of the Aliant share unit plan is contained in the remuneration of directors section of this information circular.*

Report on executive compensation

The human resources and compensation committee (the "committee") of the board of directors administers Aliant's executive compensation program. The committee was formed on September 20, 1999 to establish: (1) a plan of continuity for executives and other key employees of the Corporation and its subsidiaries; (2) a broad plan of executive compensation that is competitive and motivating in order to attract, hold and incent executive management and other key employees; and (3) a process for the annual review of the performance of each member of executive management to allow recommendations for compensation. The committee consists of the following five directors, none of whom are employed by the Corporation: I. E. H. Duvar, A. E. P. Hickman, J. C. Caty, C. W. M. Scott and L. J. Celeste. The committee met three times in 1999.

Compensation for the executive officers will be comprised primarily of three main components:
(1) annual base salary; (2) short-term incentive compensation; and (3) long-term incentive compensation. The use of short-term and long-term incentive compensation places a significant portion of the executive officers' total compensation at risk.

Annual base salary

In 1999, the committee, with the support of outside consultants, reviewed the compensation levels of relevant Canadian telecommunications and technologies corporations. The base salary for the executive officers is determined with reference to salary ranges for similar executive positions for these comparable Canadian corporations.

Salaries for the executive officers are determined by evaluating the responsibilities of each executive's position as well as the experience and knowledge of the individual. Annual base salaries for the executive officers are within the median range of the corporations studied by the committee. Adjustments will be made annually to maintain salary levels that are consistent with the foregoing.

Short-term incentive compensation

The annual short-term incentive plan provides an opportunity for executive officers to receive competitive cash reward for the achievement of financial and non-financial targets for the year. In 1999, annual short-term incentive compensation was awarded based on (1) achieving corporate financial targets and strategic business objectives, and (2) individual performance measured against a detailed list of specific objectives.

The short-term incentive program has been designed to provide rewards for meeting goals and reaching performance above target levels. Performance targets for each executive officer will reflect the individual's area of responsibility and ability to influence the results of the overall Corporation.

Stock-based compensation

Each of Bruncor Inc. ("Bruncor"), Island Telecom Inc. ("Island Tel"), Maritime Telegraph and Telephone Company, Limited ("MTT") and NewTel Enterprises Limited ("NewTel") (collectively the "Combining Corporations") provided their own stock option plan for their executive officers and key employees. All of these plans sought to align the employees' performance with the long-term growth in shareholder value. Share options were granted by the respective boards of directors based upon overall corporate performance and performance of the individual.

Upon the combination of the Combining Corporations (the "Combination"), holders of options to purchase shares of these Combining Corporations were granted options to purchase Aliant common shares to replace their existing options. The number of replacement options was determined on the basis of the exchange ratio applicable to the Combining Corporations for the purpose of the Combination. The exercise price of the replacement option was determined by dividing the existing option exercise price by the exchange ratio applicable to each of the Combining Corporations.

These options will still be administered pursuant to the plans in place at the time of the grant. However, in the future, stock options will be granted under Aliant's stock option plan ("ASOP") for selected officers and senior managers of Aliant and its subsidiaries. Under the ASOP, the board of the Corporation will designate the key individuals to whom options for the purchase of common shares of Aliant will be granted and the number of options to be granted to each individual in order to align the employees' performance with long-term growth in shareholder value.

The option price will be the closing market price of the shares on the day preceding the grant of the option. Once granted, the options progressively become exercisable in years two through four of their ten-year life. The ultimate value of the options will be determined by the amount, if any, by which the share price at the date of exercise exceeds the price as at the date of grant. (For more information, refer to the "Stock option plan" section.)

Report presented by J. C. Caty, L. J. Celecte, I. E. H. Duvar, A. E. P. Hickman and C. W. M. Scott.

Share performance

The cumulative total return chart below was prepared using the sum of the market capitalization of the Combined Corporations (minority portion of Island Tel only) as at December 31 for the years indicated and dividing by the number of shares outstanding after using the share exchange ratios established for the Combination.

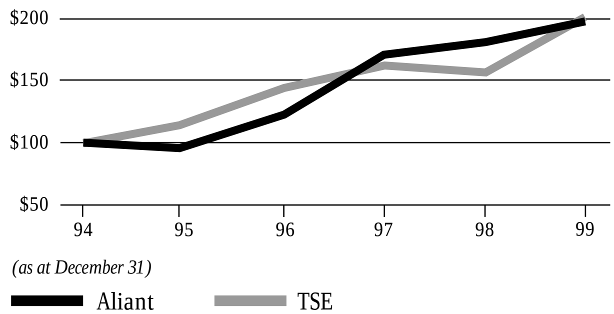
Cumulative total return

	1994	1995	1996	1997	1998	1999	Return*
Aliant	100	94	120	167	178	199	14.75%
TSE 300	100	112	141	159	154	200	14.87%

**Compounded annually*

The performance graph below is based upon an initial investment of $100 invested on December 31, 1994. For comparison purposes, we have also shown the corresponding information in respect of the TSE 300 Index.

Performance graph



Compensation of officers

The summary compensation table below sets forth the total compensation paid by the Corporation or its subsidiaries to the named executive officers for 1999. Where appropriate, the amounts indicated reflect annual compensation for all of 1999 including compensation received in 1999 prior to the Combination.

Summary compensation table

		Annual compensation				
Name and principal position		Salary[1] ($)	Short-term incentive compensation[2] ($)	Other annual compensation[3] ($)	Common shares under options granted[4]	All other compensation ($)
S. G. Wetmore President and chief executive officer	1999	427,019	117,000	0	39,175	0
R. H. Benson Executive vice president and chief financial officer	1999	289,192	81,000	0	19,588	0
C. Latham Executive vice president and president Telecom	1999	304,200	152,000	0	31,507	0
G. L. Pond Executive vice president and president IT and Emerging Business	1999	307,900	135,000	0	18,198[5]	0
I. A. Elkhazin President and chief executive officer MITI Information Technology Inc.	1999	250,000	50,000	0	N/A[6]	0

1. All of the named executive officers, except I. A. Elkhazin, were appointed to their current office with Aliant on April 22, 1999.
2. Short-term incentive compensation shown is in respect of the results for the preceding fiscal year for the applicable Combining Corporation.
3. Other benefits not disclosed do not exceed the lesser of $50,000 or 10% of the total of the annual salary and short-term incentive compensation for any of the named executive officers for the reporting period.
4. Figures have been adjusted based on the exchange ratios for the applicable Combining Corporations pursuant to the Combination: 1.567 for NewTel applicable to Mr. Wetmore and Mr. Benson; 1.011 for Bruncor applicable to Mr. Pond; and 1.667 for MTT applicable to Mr. Latham.
5. Options granted under the Bruncor stock option plan for key employees. The holder of options will receive, upon exercise, a special compensation payment to cover the income tax resulting from the taxable benefit created by the exercise.
6. See “Employment contracts”.

Stock option plan

Aliant provides a stock option plan for selected officers and senior managers of the Corporation (the"plan"). Under this plan, key individuals may receive options for the purchase of common shares of the Corporation. The human resources and compensation committee (the "committee") of the board administers the plan. Based on the recommendations of the committee, the board designates the key individuals to whom options are granted and the number of options to be granted to each individual.

The option price is, unless otherwise determined by the Corporation, the closing price of a trade of at least a board lot of the shares on the TSE on the trading day preceding the date of the grant. Each option granted is for a period of 10 years and may not be exercised during the first 12 months following the date of grant. Unless specified otherwise by the Corporation, the right to exercise options occurs in the following manner, with the time reference being calculated from the date of grant: (1) one third of the options on the first day following 12 months, (2) two thirds of the options on the first day following 24 months, and (3) three thirds on the first day following 36 months.

If the number of outstanding shares of the Corporation is increased or decreased as a result of a stock split, consolidation or recapitalization, Aliant may make appropriate adjustments to the designated amount of any option which has previously been granted under the plan, the maximum number of shares which the participant may thereafter purchase under such option, the option price in respect of such option and the maximum number of shares which may be issued under the plan.

The number of shares which may be issued under options issued and outstanding pursuant to this plan is limited to 6,500,000. However, the number of shares to be issued pursuant to this plan combined with the options outstanding under any other employee-related plan of the Corporation or granted by the Corporation to any one person shall not exceed 5% of the issued and outstanding shares.

Indebtedness of directors and senior officers

As of the end of the financial year 1999, neither the Corporation nor its subsidiaries have provided a guarantee, support agreement, letter of credit, or other similar arrangement or understanding with respect to the indebtedness of a director, executive officer, senior officer, proposed nominee for election as a director, or any associate of any such director, officer or proposed nominee.

No director, executive officer or senior officer of the Corporation or proposed nominee for election as a director of the Corporation or its subsidiaries or any person associated or affiliated with such directors, officers or proposed nominees for election as a director is indebted to the Corporation or its subsidiaries.

Employment contracts and change of control arrangements

On February 9, 1998, NewTel entered into a contract of employment with Mr. Wetmore that provided for his compensation in the capacity of president and chief executive officer. This contract was assigned to Aliant in December 1999 and then amended. Mr. Wetmore's base salary is to be reviewed annually by the board. Aliant's board has established an annual short-term incentive rate target of 60% of base salary, subject to the attainment of agreed upon objectives. A maximum award of 150% of the target may be paid for achieving performance above target levels. Pursuant to this agreement, Mr. Wetmore has 78,350 stock options (adjusted based on the exchange ratio of 1.567 for NewTel shares pursuant to the Combination), with an exercise price of $21.966. The options have a term of ten years and can be exercised as follows:

(i) 39,175 options on February 9, 2003;
(ii) 31,340 options on February 9, 2004; and
(iii) 7,835 options on February 9, 2005.

If the closing price of the Aliant common shares on the TSE on February 8, 2003 is at least twice the closing share price of NewTel's common shares (adjusted based on exchange ratio of 1.567 for NewTel shares) on February 8, 1998, Mr. Wetmore will be entitled to receive a retirement allowance equal to his base salary for the year 2002 payable to him at his discretion. In the event of termination at the sole discretion of Aliant, except for just cause, Mr. Wetmore is entitled to a payment equal to two years base salary.

NewTel, MTT and Bruncor also had special compensation arrangements with their executive officers that provided for certain severance benefits if a change of control occurred. These provisions have been assigned to Aliant. The benefits are payable to Mr. Wetmore, Mr. Benson, Mr. Latham and Mr. Pond if Aliant terminates their employment, other than for just cause, within three years of the change of control.

Option grants during the most recently completed financial year

Name	Securities under options granted	% of total options granted to employees in fiscal year	Exercise base price ($/security)	Market value of securities underlying options on the date of grant ($/security)	Expiration date of grant
S. G. Wetmore	39,175 (1)	7.42	21.768	21.768	February 18, 2009
R. H. Benson	19,588 (1)	3.71	21.768	21.768	February 18, 2009
C. Latham	31,507 (2)	5.96	23.845	23.845	February 23, 2009
G. L. Pond	18,198 (3)	3.45	22.107	22.107	February 11, 2009

1. *Adjusted based on exchange ratio of 1.567 for NewTel shares pursuant to the Combination.*
2. *Adjusted based on exchange ratio of 1.667 for MTT shares pursuant to the Combination.*
3. *Adjusted based on exchange ratio of 1.011 for Bruncor shares pursuant to the Combination. Mr. Pond will receive, upon exercise, a special compensation payment to cover the income tax resulting from the taxable benefit created by the exercise.*

Aggregated option exercises during the most recently completed financial year and financial year-end option values

Name	Securities acquired on exercise (#)	Aggregated value realized ($)	Unexercised options Exercisable/Unexercisable (#)	Value of unexercised in-the-money options at year-end Exercisable/Unexercisable ($)
S. G. Wetmore	0	0	9,793/107,732	31,651/332,677
R. H. Benson	0	0	23,277/20,799	171,208/66,352
C. Latham	0	0	146,587/83,227	1,672,835/464,729
G. L. Pond	0	0	41,804/50,400	483,525/334,757

Based on $25.00 per common share, the closing price on the Toronto Stock Exchange on December 31, 1999.

These benefits also accrue to Mr. Benson if he elects to terminate his employment prior to the second anniversary of the change of control. These executive officers would receive a lump sum severance payment equal to the annual compensation that would have been earned through the end of a 30-month severance period, except for Mr. Wetmore and Mr. Benson for whom payment would be calculated using the compensation that would have been earned through the end of a 24-month severance period. Mr. Wetmore and Mr. Benson are also entitled to certain benefits which may include payments which would normally be payable in the event of retirement under NewTel's pension plan together with the continuation of certain insurance plan benefits for the duration of the severance period.

Bruncor Inc. was a party to an employment contract with Izzeldin A. Elkhazin, president and chief executive officer of MITI Information Technology Inc. ("MITI"), made as of April 30, 1998 for a duration of three years, with a salary of $250,000 per year. This agreement has been assigned to Aliant. Salary and bonus is to be reviewed annually by the board. Mr. Elkhazin was also granted three options which entitled him to acquire from MITI common shares representing, in the aggregate, up to 2.0% of MITI's issued and outstanding common shares for an aggregate price of $3,000. The options were to become exercisable once MITI's cumulative net income earned from January 1, 1998 onwards reached certain levels. The options were to expire on June 30, 2002. Mr. Elkhazin acquired the fully vested 1.548% of MITI's issued and outstanding common shares in February 2000 and upon such exercise the remaining options under the contract became null and void.

Retirement plans

Named executive officers participate in the non-contributory defined benefit pension plans of the corporations that were merged to form Aliant. The following table illustrates the estimated annual pension benefits payable to a named executive officer at retirement based on specified compensation levels and credited years of service:

NewTel Communications Inc. ("NewTel Com")

Mr. Benson participates in NewTel Com's pension plan and the supplementary executive retirement plan. Collectively,

Pension plan table *(in dollars)*

	Credited years of service			
Remuneration	10	20	30	40
200,000	38,130	76,260	114,390	150,000
300,000	58,130	116,260	174,390	225,000
400,000	78,130	156,260	234,390	300,000
500,000	98,130	196,260	294,390	375,000
600,000	118,130	236,260	354,390	450,000
700,000	138,130	276,260	414,390	525,000
800,000	158,130	316,260	474,390	600,000
900,000	178,130	356,260	534,390	675,000

the plans provide an annual pension per credited year of service of 1.5% times the best average 36 consecutive months of pensionable earnings (to a maximum of 70% of such earnings). Pensionable earnings include salary, bonuses and other benefits received by the named executive officer. At age 65, the pension benefit is reduced to reflect benefits payable from the Canada Pension Plan.

Credited service for Mr. Benson includes an additional half-year for each year of service as a senior officer. As of December 31, 1999, Mr. Benson had 36.3 credited years of service.

The plans provide a survivor pension benefit equal to 66.67% of the named executive officer's pension benefit. At retirement, the supplemental plan provides for a lump-sum payment equal to one year's cash compensation.

Maritime Tel & Tel Limited ("Maritime Tel")

Mr. Latham participates in the Maritime Tel pension plan and the supplementary executive retirement plan. Collectively, the plans provide an annual pension per credited year of service of 2% times the best average 36 consecutive months of pensionable earnings (to a maximum of 75% of such earnings). Pensionable earnings include salary, bonuses and other benefits received by the named executive officer. At age 65, the pension benefit is reduced to reflect benefits payable from the Canada Pension Plan. As of December 31, 1999, Mr. Latham had 29.7 credited years of service.

The pension benefits described above include any benefits payable as a result of Mr. Latham's participation in the defined contribution portion of Maritime Tel's pension plan, to which Mr. Latham is required to contribute 2% of pensionable earnings.

The plans provide a survivor pension benefit equal to 66.67% of the named executive officer's pension benefit. At retirement, Mr. Latham will receive twelve months of paid retirement leave.

NBTel Inc. ("NBTel")

Mr. Pond participates in the NBTel pension plan, as supplemented by a contractual agreement. The annual pension for each credited year of service as an officer is 2% times the best average 36 consecutive months of pensionable earnings. Pensionable earnings include salary and short-term incentive compensation. The annual pension for each credited year of service prior to becoming an officer is 1.4% times the best average 60 consecutive months of pensionable earnings. At age 65, the pension benefit is reduced to reflect benefits payable from the Canada Pension Plan. As of December 31, 1999, Mr. Pond had 33.7 credited years of service, including 10.9 years as an officer.

The plan provides a survivor pension benefit equal to 60% of the named executive officer's pension benefit. At retirement, Mr. Pond will receive twelve months of paid retirement leave.

Remuneration of directors

The directors who are not employed by Aliant are compensated on the basis of an annual retainer and meeting fees. The annual retainer is $25,000 for each director, of which a minimum of $13,000 is deferred to the Aliant share unit plan for non-employee directors (the "plan"). The meeting fee for board and committee meetings is $1,000. Committee chairs receive an additional annual retainer of $2,000. The chairman of the board is compensated on the basis of an annual retainer of $100,000 with a minimum of $34,200 to be deferred to the plan and converted to share units.

The plan is intended to enhance the Corporation's ability to attract and retain high-quality individuals to serve as members of the board and to promote a greater alignment of interests between non-employee members of the board and the shareholders of the Corporation. Outside directors may elect to defer to the plan any portion of fees for serving as a director over and above the minimum deferred amounts of $13,000 and $34,200 for directors and the chairman, respectively. Fees thus deferred are converted to share units at the market price on the last day of each quarter. Dividends on the share units are credited to each director's account in the form of additional share units. Upon termination of board service, the directors receive the cash equivalent value of the number of share units then recorded in the director's account.

Directors' and officers' liability insurance

The directors and officers of Aliant and its subsidiaries, benefited from a group liability insurance in the amount of $215 million (U.S.) coverage purchased through the BCE group insurance program for the protection of all directors and officers of BCE and subsidiary companies against liability incurred by them in their capacity as directors and officers.

Sub-limits specified are $41 million (U.S.) for pollution liability defense claims and $50 million (U.S.) securities transaction claims. In 1999, the amount of premiums paid by the Aliant group for participatory coverage in respect of directors and officers, was $33,000 (U.S.). In any case in which the Corporation is not permitted by law to reimburse the insured, there is no deductible amount. Where the Corporation is permitted to reimburse the insured, the deductible is $1 million (U.S.) for the Corporation.

Interest of insiders in material transactions

NBTel, Island Tel, Maritime Tel and NewTel Com (the "telcos") have purchasing and licensing agreements with Northern Telecom Canada Limited ("Nortel"), Mississauga, Ontario, to cover the purchase or licensing of products and services. The amount paid to Nortel in respect of purchases or licenses under these agreements during 1999 was $108.7 million.

In 1997, NBTel signed a joint marketing agreement with Nortel, which was to provide the Corporation with $18 million in intellectual property revenues over the three-year contract period. NBTel received quarterly payments totaling $3 million in 1997 and $6 million in 1998. This agreement was assigned to Aliant for which it received $6 million in 1999. These payments are in exchange for Nortel's access to NBTel's *LivingLAB*™ innovations environment, employees, facilities and knowledge to use in its marketing efforts to worldwide customers. Prior to the assignment in 1999, NBTel and Nortel agreed to extend the term of the contract to June 2002.

MITI Information Technology Inc. and **xwave solutions inc.** ("**xwave**") offer a wide range of information technology services to the Corporation and its subsidiaries. During the year ended December 31, 1999, the Corporation or its subsidiaries paid $24.3 million to MITI and $46 million to **xwave** for information technology services.

Prior to combining its business with Island Tel, MTT and NewTel in the spring of 1999, Bruncor, along with its wholly owned subsidiary NBTel Global Inc. ("NBTel Global"), signed a memorandum of understanding with Nortel for the further development and sale of Bruncor's prepaid wireless software. This agreement which has now been assigned to Aliant is valued at $9.5 million over two years and includes the sale of prepaid wireless intellectual property and contracting of NBTel Global's professional services to develop and support the next generation of this software.

The Tele-Direct Atlantic partnership produces telephone directories for the telcos. The partnership is managed by Bell ActiMedia Inc. of Montreal, Quebec, an indirect wholly owned subsidiary of BCE. The Corporation has an 87% interest in the partnership with the balance owned by Bell ActiMedia Inc. In 1999, the telcos paid $45 million to Tele-Direct Atlantic.

Aliant Telecom Inc. and its subsidiaries, Aliant Advanced Communications Inc., Island Tel, Maritime Tel, NBTel and NewTel Com, have entered into a number of agreements with BCE's subsidiaries, principally Bell Canada and BCE Nexxia Inc., with respect to the provision and distribution of telecommunications services. These include agreements under which the Aliant corporations provide the infrastructure for the network of BCE Nexxia Inc. and distribute Nexxia services and other services based on Nexxia technology in the Atlantic Provinces. During the year ended December 31, 1999, the Corporation received payment of approximately $15 million pursuant to these agreements.

MT & T Mobility Incorporated (MTT Mobility) purchases various cellular communications services from Maritime Tel, namely marketing and Internet services as well as facilities, all for resale to its clients. In 1999, MTT Mobility paid a total of $25.3 million to Maritime Tel for such services.

We, the undersigned, president and chief executive officer, and general counsel and corporate secretary of the Corporation, do certify that the contents of this information circular and the sending of it to each shareholder entitled to receive notice of the meeting, to each director, to the auditors of the Corporation and to the appropriate governmental agencies were approved by the board of directors of the Corporation on February 10, 2000.

Stephen G. Wetmore	Barrie H. Black
President and	*General Counsel and*
Chief Executive Officer	*Corporate Secretary*

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