FORM 27
***Securities Act* (Ontario)**

MATERIAL CHANGE REPORT UNDER SECTION 75(2) OF THE ACT

Item 1. **Reporting Issuer**

Star Data Systems Inc., Commerce Court South, 30 Wellington Street West, Suite 300, Toronto, Ontario, M5L 1G1.

Item 2. **Date of Material Change**

February 25, 1999.

Item 3. **Press Release**

On February 25, 1999, a news release in respect of the material change was released by telecopier through the facilities of Canada Newswire.

Item 4. **Summary of Material Change**

The material change is fully described in the Company's press release attached hereto as Schedule "A", which press release is incorporated herein.

Item 5. **Full Description of Material Change**

A full description of the material change is contained under Item 4.

Item 6. **Reliance on Section 75(3) of the Act**

The report is not being filed on a confidential basis.

Item 7. **Omitted Information**

No information has been omitted.

Item 8. **Senior Officer**

Mr. Mark J. Longo, Corporate Secretary at (416) 304-7392.

Item 9. **Statement of Senior Officer**

The foregoing accurately discloses the material change referred to herein.

DATED at Toronto, this 25th day of February, 1999.

STAR DATA SYSTEMS INC.

Per: "***MARK LONGO***"
Mark J. Longo
Corporate Secretary

SCHEDULE "A"

PRESS RELEASE

FOR IMMEDIATE RELEASE

TORONTO, February 25, 1999: Star Data Systems Inc. (TSE: STY) announced today that its Board of Directors has determined, based on the advice of the Special Committee of the Board, to terminate its previously disclosed initiative to explore opportunities for business combinations with interested third parties. The Board of Directors has determined that it would be in the best interest of the Company to focus on the continuing development of the Company's businesses and other developing opportunities, including strategic alliances.

Peter de Auer, Chairman of the Special Committee, stated, "The primary focus of the Board on maximizing value for the Company's shareholders has not changed. The mandate of the Special Committee to advise the Board on shareholder value maximization issues as they arise will continue."

The Board of Directors also announced that it intends to file a notice with The Toronto Stock Exchange of its intention to make a normal course issuer bid for its common shares as appropriate opportunities arise from time to time. The Company's normal course issuer bid will be made in accordance with the by-laws and policies of The Toronto Stock Exchange. Subject to the approval of The Toronto Stock Exchange, Star Data may begin to purchase common shares for cancellation on or about March 4, 1999 (depending upon when regulatory approval is received). Pursuant to the notice, Star Data intends to acquire up to 844,257 common shares (representing 5% of the number of shares outstanding) over the next twelve months. Purchases will be made at market prices through the facilities of the exchange. The Board of Directors of Star Data believes that, on occasion, common shares may become available at prices which will make their purchase an attractive investment and an appropriate use of the Company's funds.

Star Data is the leading supplier of on line, real-time financial information and transaction processing services to Canada's investment community. Information services include stock market quotations across North America, analytic support and corporate and financial news. Transaction processing services include shareholder and portfolio management, and real-time brokerage accounting systems.

Additionally, the Company provides customized system development services for transaction processing clients, and computer processing outsourcing services within, and outside, the financial services industry.

Star Data is based in Toronto, has offices in Vancouver, Calgary, Winnipeg, London, Markham, Montreal, Halifax and London U.K., and employs more than 350 people. Star Data is listed on

The Toronto Stock Exchange under the symbol STY. For more information on the Company's products and services, visit www.stardata.com.

For further information contact:

Peter de Auer
Chairman of the Special Committee of the Board of Directors
Telephone: (416) 922-4700

Phillip H. Doherty
Chairman of the Board
Telephone: (416) 362-0582