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

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

Item 1. <u>Reporting Issuer</u>

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

Item 2. <u>Date of Material Change</u>

July 5, 2000

Item 3. <u>Press Release</u>

On July 5, 2000, a news release in respect of the material change was released by telecopier through the facilities of Canada Newswire.

Item 4. <u>Summary of Material Change</u>

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. <u>Full Description of Material Change</u>

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

Item 6. <u>Reliance on Section 75(3) of the Act</u>

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 10th day of July, 2000.

STAR DATA SYSTEMS INC.

Per: **Mark Longo**
Mark J. Longo
General Counsel and Corporate Secretary

SCHEDULE “ A”

PRESS RELEASE

FOR IMMEDIATE RELEASE

Fidelity Deal Puts Star Data’s e-settlement at Forefront of World Straight-Through-Processing Technology

- Fidelity Canada enters into $7.5 million long-term licensing agreement; potential opportunities in global markets
- Cap Gemini Ernst & Young to provide project-management expertise

Toronto, Ont., July 5 , 2000 - Star Data (STY:TSE) today announced a $7.5 million licensing agreement with Fidelity Investments Canada Limited for Star Data’s leading edge e-settlement straight-through-processing (STP) system. The e-settlement system will be further developed to incorporate functionality to support Fidelity’s new Internet-based account management and back office administration service for Canadian investment intermediaries.

Star Data is a world leader in delivering real-time technology that permits investment dealers and mutual fund companies to instantly retrieve market data and to process real-time transactions with their customers much the same way that banks now transact cash and bill payments. Currently, the securities industry takes three to five days to settle such transactions. STP technology is expected to save the investment industry billions of dollars through lower administration costs and risk mitigation.

The Fidelity agreement will accelerate the development of Star Data’s leading edge technology. In addition to the $7.5 million licensing fee, Fidelity Investments will provide local and international development expertise to the Star Data initiative. As Star Data’s first e-settlement system customer with international operations, Fidelity will enjoy an option in the agreement for potential licensing of the system by Fidelity’s business units outside of Canada. This agreement also provides for Fidelity to share in future royalty streams from global sales of e-settlement licenses.

“ The Fidelity alliance is a major step in achieving our domestic and international marketing goals,” stated Ross Marsden, Star Data’s Executive Vice President and the architect of the Fidelity strategic alliance. “ As well as the opportunity for additional revenue from license sales and support agreements to Fidelity’s international entities, there is the very promising upside potential for the sale of services and licenses to other investment entities in the global markets.”

“ Our alliance with Star Data will help us to provide what will be the most robust and flexible service platform for Canadian intermediary organizations,” said David Denison, President of Fidelity Investments Canada Limited. “ With this leading edge Canadian technology, we will offer them a solution that takes time and risk out of their operations.”

“ Fidelity is the ideal first customer,” stated Alan Hutton, President, CEO of Star Data. “ Their team of experts completed a critical review of our e-settlement technology. They will continue to work closely with us to complete product development and to implement the system in their new intermediary service company. International consulting and development experts, Cap Gemini Ernst & Young, will also work with Star Data as project manager providing development methodology and process expertise.”

Fidelity Investments is Canada’s fourth largest mutual fund company and part of the Fidelity Investments organization of Boston, the world’s largest mutual fund company. In Canada, Fidelity manages more than $32 billion in assets and offers Canadian investors a full range of domestic and foreign content mutual funds.

Cap Gemini Ernst & Young is one of the largest management and IT consulting firms in the world and is publicly traded on the Paris Bourse. The company offers full service consulting to help traditional businesses and "dot companies" continue to explore growth strategies in the new economy. The organization employs more than 57,000 people worldwide and reports global revenues of $10 billion (Cdn) for 1999.

Star Data provides real-time information services and wealth management services and solutions to the Canadian financial services industry. Star Data is based in Toronto, with offices in Vancouver, Calgary, Winnipeg, London, Markham, Montreal, Halifax and London, UK. The company employs more than 400 people and is listed on the Toronto Stock Exchange under the symbol STY. For more information on the company's products, services and investor relation's activities, visit www.stardata.com

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For further information contact:

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