

# 2002 BCSECCOM 404

**Headnote:**

Mutual Reliance Review System for Exemptive Relief Applications – issuer deemed to have ceased to be a reporting issuer where Canadian security holders hold less than 0.01% of the total issued and outstanding Shares and ADSs and issuer is subject to securities legislation of the United States

**Applicable British Columbia Provisions**

*Securities Act*, R.S.B.C. 1996, c. 418, s. 88

**IN THE MATTER OF THE SECURITIES LEGISLATION OF BRITISH  
COLUMBIA, ALBERTA AND ONTARIO**

**AND**

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

**AND**

**IN THE MATTER OF CORUS GROUP PLC**

**MRRS DECISION DOCUMENT**

WHEREAS the local securities regulatory authority or regulator (the “Decision Maker”) in each of British Columbia, Alberta and Ontario (the “Jurisdictions”) has received an application from Corus Group plc (“Corus”) for a decision pursuant to the securities legislation of the Jurisdictions (the “Legislation”) that Corus be deemed to have ceased to be a reporting issuer under the Legislation;

AND WHEREAS pursuant to the Mutual Reliance Review System for exemptive relief applications (the “System”) the Ontario Securities Commission is the principal regulator for this application;

AND WHEREAS Corus has represented to the Decision Makers that:

1. Corus is a corporation incorporated under the laws of the United Kingdom and is a reporting issuer in the provinces of British Columbia, Alberta and Ontario. Corus is not a reporting issuer in any other jurisdiction in Canada.

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2. In December 1988, British Steel plc, later known as Corus UK Limited (a name change was filed on April 17, 2000), became a reporting issuer in the Jurisdictions having completed a public offering in Canada of American Depositary Shares (“ADSs”) representing ordinary shares. The ADSs were the result of a combined global offering to investors in the United Kingdom and elsewhere, including the United States and Canada. The ADSs were evidenced by American Depositary Receipts (“ADRs”).
3. Both before and after December 1988, residents of Canada acquired other ordinary shares of British Steel plc, presumably in regular market transactions.
4. On October 6, 1999, British Steel plc merged with Koninklijke Hoogovens N.V. to form Corus. The merger was structured such that shareholders of British Steel plc received one ordinary share in Corus in exchange for each ordinary share held and either 35 pence in cash or 35 pence in Corus Floating Rate Unsecured Loan Notes due in 2006. Following its name change (referred to in paragraph 2 above), Corus UK Limited re-registered as a private limited company and became a wholly-owned subsidiary of Corus.
5. As at January 31, 2002, the total number of Corus ordinary shares (the “Shares”) issued and outstanding was 3,127,192,301. This amount includes 348,027,730 ADSs evidenced by 34,802,773 ADRs (one ADR = 10 Shares).
6. Corus has 210 beneficial security holders resident in Canada, holding 142,730 ADSs and 49,451 Shares, or less than 0.01% of the total issued and outstanding Shares and ADSs. Of these, 27 holders of 3,700 ADSs and 3 holders of 5,213 Shares resident in Quebec, 43 beneficial holders of 42,480 ADSs and 33 beneficial holders of 21,481 Shares are resident in Ontario, 34 beneficial holders of 48,570 ADSs and 3 beneficial holders of 1,348 Shares are resident in Alberta, 49 beneficial holders of 47,980 ADSs and 18 beneficial holders of 21,409 Shares are resident in British Columbia. No beneficial holders of Corus Floating Rate Unsecured Loan Notes due in 2006 are resident in Canada.
7. The Shares and the ADSs are listed on the New York Stock Exchange (the “NYSE”). Canadian beneficial holders of Shares and ADSs will be able to trade through the facilities of the NYSE without any resale restrictions under the Act or under the U.S. Laws (as defined below).
8. None of the Shares, the ADSs or any other securities, including debt securities, of Corus are listed or quoted on any exchange or market in Canada.

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9. Other than the Shares and ADSs, there are no other outstanding securities of Corus, including debt securities, beneficially held by residents of Canada.
10. Corus is subject to, and in compliance with, the requirements, policies and rules of the NYSE and of the securities legislation of the United States (collectively, the "U.S. Laws"), including the reporting obligations pursuant thereto which are substantially similar to those imposed on reporting issuers under the Legislation.
11. Pursuant to the U.S. Laws, Corus is required to file a number of reports with the United States Securities and Exchange Commission (the "SEC") and the NYSE that are substantially similar to those reports required to be filed by reporting issuers under the Legislation, including annual reports, semi-annual reports and current reports. Copies of all documents filed with the SEC are available directly from the SEC. Copies of all documents filed with the NYSE are available directly from the NYSE.
12. Pursuant to the U.S. Laws, Corus is required to deliver to its security holders, including beneficial Canadian security holders, a number of reports that are substantially similar to those reports required to be delivered by reporting issuers under the Legislation.
13. Corus will continue to comply with the requirements of the U.S. Laws.
14. The Quebec Securities Commission has granted similar relief to Corus and as of April 12, 2002 Corus ceased to be a reporting issuer in the Province of Quebec.
15. Corus does not have any present intention to seek public financing by way of an offering of its securities in Canada.
16. Corus is not in default of any of the requirements of the Legislation or of the U.S. Laws other than its failure to file, with the Decision Maker in British Columbia, interim financial statements for the periods ended March 31, 2000, March 31, 2001 and September 30, 2001.

AND WHEREAS pursuant to the System, this MRRS decision document evidences the decision of each Decision Maker (collectively, the "Decision");

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

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THE DECISION of the Decision Makers in the Jurisdictions pursuant to the Legislation is that Corus be deemed to have ceased to be a reporting issuer under the Legislation.

DATED at Toronto this 10<sup>th</sup> day of May, 2002.

Thresea McLeod

Robert L Shirriff