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Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Relief granted from Canadian GAAP and GAAS reconciliation requirements; short form prospectus disclosure requirements; continuous disclosure requirements; proxy solicitation requirements and insider reporting requirements – to allow wholly-owned Canadian subsidiary to issue approved-rating debt, fully and unconditionally guaranteed by parent company

Applicable British Columbia Provisions

National Instrument 44-101

**IN THE MATTER OF THE SECURITIES LEGISLATION OF ALBERTA,
BRITISH COLUMBIA, MANITOBA, NEW BRUNSWICK,
NEWFOUNDLAND AND LABRADOR, NOVA SCOTIA, ONTARIO,
PRINCE EDWARD ISLAND, QUEBEC AND SASKATCHEWAN**

AND

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

AND

**IN THE MATTER OF COCA-COLA ENTERPRISES INC. AND COCA-
COLA ENTERPRISES (CANADA) BOTTLING FINANCE COMPANY**

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the “Decision Maker”) in each of Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland and Labrador, Nova Scotia, Ontario, Prince Edward Island, Quebec and Saskatchewan (the “Jurisdictions”) has received an application (the “Application”) from Coca-Cola Enterprises Inc. (“CCE”) and Coca-Cola Enterprises (Canada) Bottling Finance Company (the “Issuer” and together with CCE, the “Applicants”) for a decision under the securities legislation of the Jurisdictions (the “Legislation”) that the Applicants be exempted from the following requirements contained in the Legislation:

- (a) the requirement pursuant to National Instrument 44-101 (“NI 44-101”) to reconcile financial statements included in a prospectus and prepared in

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accordance with generally accepted accounting principles (“GAAP”) of a foreign jurisdiction to Canadian GAAP (the “Canadian GAAP Reconciliation Requirement”);

- (b) the requirement to provide, where financial statements are audited in accordance with generally accepted auditing standards (“GAAS”) of a foreign jurisdiction, a statement by the auditor: (a) disclosing any material differences in the form and content of the auditor’s report as compared to a Canadian auditor’s report; and (b) confirming that the auditing standards of the foreign jurisdiction are substantially equivalent to Canadian GAAS (the “Canadian GAAS Reconciliation Requirement” and together with the Canadian GAAP Reconciliation Requirement, the “Reconciliation Requirement”);
- (c) the requirement that the Issuer issue and file news releases with respect to material changes and file material change reports (collectively, the “Material Change Requirements”);
- (d) the requirement that the Issuer satisfy the proxy and proxy solicitation requirements, including filing an information circular or report in lieu thereof annually (the “Proxy Requirements”);
- (e) the requirement that the insiders of the Issuer file insider reports (the “Insider Reporting Requirements”);
- (f) the requirement that the Issuer file with the Decision Makers and send to its security holders audited annual financial statements and an annual report, where applicable, including without limitation management’s discussion and analysis thereon (the “Annual Filing Requirements”);
- (g) the requirement that the Issuer file and send to its security holders unaudited interim financial statements, including without limitation management’s discussion and analysis thereon (the “Interim Financial Statement Requirements”); and
- (h) the requirement that a short form prospectus include the information set forth in items 12.1(1)(1) and 12.1(1)(2), items 12.1(1)(5) to 12.1(1)(8) and items 12.2(1) and 12.2(4) of Form 44-101F3 of NI 44-101 (“Form 44-101F3”) (the “Prospectus Disclosure Requirements”).

AND WHEREAS under the Mutual Reliance Review System for Exemptive Relief Applications (the “System”), the Nova Scotia Securities Commission is the principal regulator for the Application;

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AND WHEREAS the Applicants have represented to the Decision Makers that:

1. The Issuer is a corporation amalgamated under the *Companies Act* (Nova Scotia) effective January 1, 2000.
2. The head office of the Issuer is in Nova Scotia.
3. The Issuer is wholly-owned by Coca-Cola Enterprises Investments SARL, which is an indirect wholly-owned subsidiary of CCE. The Issuer does not have any subsidiaries.
4. CCE was incorporated under the laws of Delaware on January 25, 1944, and is not a reporting issuer or the equivalent in any of the Jurisdictions.
5. CCE is an independent public company with annual net operating revenues in excess of US\$16 billion. CCE is a Coca-Cola bottling partner, producing, marketing and distributing, in North America and Europe, a variety of soft drinks, mainly consisting of products of The Coca-Cola Company and its subsidiaries.
6. The Issuer's only business is to access the Canadian capital markets to raise funds, which it lends to or otherwise invests in the Canadian subsidiary companies of CCE. The Issuer does not carry on any operating business.
7. CCE has been a reporting company under the United States ("US") Securities Exchange Act of 1934, as amended (the "1934 Act") since November, 1986. CCE has filed with the US Securities and Exchange Commission (the "SEC") annual and quarterly reports under Form 10-K and Form 10-Q since it first became a reporting company, in accordance with the filing obligations set out in the 1934 Act.
8. A predecessor of the Issuer, Coca-Cola Enterprises (Canada) Bottling Finance Ltd., a New Brunswick corporation, ("Coke New Brunswick") became a reporting issuer or the equivalent in the Jurisdictions on March 2, 1999 in connection with the establishment in Canada of a medium-term note program (the "MTN Program") under the provisions of former National Policy No. 47 and former National Policy No. 44. Coke New Brunswick was continued to Nova Scotia, and was amalgamated effective January 1, 2000 under the *Companies Act* (Nova Scotia) with 3037908 Nova Scotia Company, following which it changed its name to "Coca-Cola Enterprises (Canada) Bottling Finance Company." The Issuer currently maintains the MTN Program and the renewal of the MTN Program in 2001 (the "2001 Renewal").

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9. In connection with the establishment of the MTN Program, relief was obtained from the applicable securities law requirements that, in connection with the issuance by the Issuer of the non-convertible medium-term notes under the MTN Program, an issuer guaranteeing debt issued by a subsidiary be a reporting issuer with a 12 month reporting history in a Canadian province or territory. In addition, with respect to the establishment of the MTN Program, relief was obtained from the Annual Filing Requirements, the Interim Financial Statement Requirements, the Material Change Requirements, the Insider Reporting Requirements and the Proxy Requirements (as they existed at that time) in the Jurisdictions, on the condition, among others, that the continuous disclosure materials filed by CCE in the US would be filed in the Jurisdictions.
10. In connection with the 2001 Renewal, relief was obtained from the Annual Filing Requirements, the Interim Financial Statement Requirements, the Material Change Requirements, the Proxy Requirements, the Reconciliation Requirement, the AIF Requirements and the Insider Reporting Requirements (as they existed at that time) in the Jurisdictions, on the condition, among others, that continuous disclosure materials filed by CCE in the US would be filed in the Jurisdictions.
11. The Issuer or its predecessor has complied with this condition of relief and has been filing CCE's continuous disclosure materials in Canada.
12. Pursuant to each of the MTN Program and the 2001 Renewal, the Issuer could issue up to Cdn.\$2 billion (or the equivalent thereof in lawful money of the US) of non-convertible medium-term notes (notes issued under the MTN Program, the "First Series Notes" and notes issued under the 2001 Renewal, the "Second Series Notes"). CCE fully and unconditionally guarantees the payment of principal and interest, together with any other amounts which may become due under the First Series Notes and Second Series Notes. As at April 11, 2003, the Issuer has issued and outstanding a total of Cdn.\$835 million in the principal amount of First Series Notes and Second Series Notes.
13. CCE currently has approximately US\$12 billion in long-term debt outstanding. All of CCE's outstanding long-term debt is rated A by Standard & Poor's, A2 by Moody's Investors Service and A by Dominion Bond Rating Service.
14. The Issuer proposes to "renew" its MTN Program pursuant to NI 44-101 and National Instrument 44-102 (collectively, the "Shelf Requirements") to provide the ability to raise up to Cdn.\$2 billion in Canada (the "Offering")

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through the issuance of additional non-convertible medium-term notes (the “Third Series Notes” and together with the First Series Notes and the Second Series Notes, the “Notes”) from time to time over a 25 month period. The Third Series Notes will be fully and unconditionally guaranteed by CCE as to payment of principal, interest and all other amounts due thereunder. All Third Series Notes will have an approved rating (as defined in the Shelf Requirements) and will be rated by a recognized security evaluation agency in one of the categories determined by the Commission des valeurs mobilières de Québec (an “Approved Rating”).

15. CCE satisfies the criteria set forth in paragraph 3.1(a) of National Instrument 71-101 (“NI 71-101”) and is eligible to use the multi-jurisdictional disclosure system (“MJDS”) (as set out in NI 71-101) for the purpose of distributing approved rating non-convertible debt in Canada based on compliance with US prospectus requirements with certain additional Canadian disclosure.
16. Except for the fact that the Issuer is not incorporated under US law, the Offering would comply with the alternative eligibility criteria of non-convertible debt having an approved rating under the MJDS as set forth in paragraphs 3.1 and 3.2 of NI 71-101.
17. In connection with the Offering:
 - (a) a short form base shelf prospectus and a prospectus supplement or supplements (the “Prospectus”) will be prepared pursuant to the Shelf Requirements, with the disclosure required by Items 12 and 13 of Form 44-101F3 being addressed by incorporating by reference CCE’s public disclosure documents as well as the Issuer’s AIF for the year 2002, and the disclosure required by Item 7 of Form 44-101F3 being addressed by fixed charge coverage ratio disclosure with respect to CCE in accordance with US requirements;
 - (b) the Prospectus will incorporate by reference CCE’s most recent Form 10-K, plus Exhibit 12, as necessary, (as filed under the 1934 Act) together with all Form 10-Qs and Form 8-Ks and interim financial information filed subsequently under the 1934 Act and will state that purchasers of the Third Series Notes will not receive separate continuous disclosure information regarding the Issuer;
 - (c) the Prospectus will include all material disclosure concerning the Issuer and CCE;

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- (d) the consolidated annual and interim financial statements of CCE that will be included in or incorporated by reference into the Prospectus are prepared in accordance with GAAP in the US that the SEC has identified as having substantive authoritative support, as supplemented by Regulation S-X and Regulation S-B under the 1934 Act (“US GAAP”) and in the case of audited annual financial statements, such financial statements are audited in accordance with GAAS in the US, as supplemented by the SEC’s rules on auditor’s independence (“US GAAS”);
- (e) CCE will fully and unconditionally guarantee payment of the principal and interest on the Third Series Notes, together with any other amounts that may be due under any provisions of the trust indenture relating to the Third Series Notes;
- (f) the Third Series Notes will have an Approved Rating;
- (g) CCE will sign the Prospectus as credit supporter; and
- (h) CCE will undertake to file with the Decision Makers in electronic format through SEDAR (as defined in National Instrument 13-101) under the Issuer’s SEDAR profile all documents that it files under sections 13 and 15(d) of the 1934 Act until such time as the Notes are no longer outstanding.

AND WHEREAS under the System this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the “Decision”);

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

THE DECISION of the Decision Makers under the Legislation is that:

- (A) the Applicants be exempted from the Reconciliation Requirement in connection with the Offering provided that:
 - (i) each of CCE and the Issuer complies with paragraph 17 above;
 - (ii) the Issuer complies with all of the filing requirements and procedures set out in NI 44-101 except as varied by the Decision or as permitted by National Instrument 44-102;

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- (iii) CCE financial statements that are included or incorporated by reference in the Prospectus are prepared in accordance with US GAAP and, in the case of the audited annual financial statements, such financial statements are audited in accordance with US GAAS;
 - (iv) CCE, or any successor thereto, maintains direct or indirect 100% ownership of the voting shares of the Issuer; and
 - (v) CCE continues to satisfy the eligibility criteria set forth in paragraph 3.1 of NI 71-101 (or any applicable successor provision) for using MJDS (or any successor instrument) for the purpose of distributing approved rating non-convertible debt in Canada based on compliance with US prospectus requirements with certain additional Canadian disclosure; and
- (B) the Prospectus Disclosure Requirements shall not apply to the Prospectus provided that each of the Issuer and CCE complies with paragraph 17 above.

DATED this 30th day of April, 2003.

J. W. Slattery

AND THE FURTHER DECISION of the Decision Makers under the Legislation is that:

- (A) the Material Change Requirements shall not apply to the Issuer, provided that:
- (i) CCE files with the Decision Makers, in electronic format through SEDAR under the Issuer's SEDAR profile, the current reports on Form 8-K of CCE which are filed by it with the SEC promptly after they are filed with the SEC;
 - (ii) CCE promptly issues in each Jurisdiction and the Issuer files with the Decision Makers, in electronic format through SEDAR under the Issuer's SEDAR profile, any news release that discloses material information and which is required to be issued in connection with the Form 8-K requirements applicable to CCE; and

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- (iii) if there is a material change in respect of the business, operations or capital of the Issuer that is not a material change in respect of CCE, the Issuer will comply with the requirements of the Legislation to issue a press release and file a material change report notwithstanding that the change may not be a material change in respect of CCE;
- (B) the Proxy Requirements shall not apply to the Issuer, provided that:
 - (i) CCE complies with the requirements of the 1934 Act and the rules and regulations made thereunder relating to proxy statements, proxies and proxy solicitations in connection with any meeting of the holders of its notes;
 - (ii) CCE files with the Decision Makers, in electronic format through SEDAR under the Issuer's SEDAR profile, materials relating to any such meeting filed by CCE with the SEC promptly after they are filed with the SEC; and
 - (iii) such documents are provided to holders of Notes whose last address as shown on the books of the Issuer is in Canada, in the manner, at the time and if required by applicable US law to be sent to CCE debt holders resident in the US;
- (C) The Insider Reporting Requirements shall not apply to insiders of the Issuer, provided that such insiders file with the SEC on a timely basis the reports, if any, required to be filed with the SEC pursuant to section 16(a) of the 1934 Act and the rules and regulations thereunder;
- (D) The Annual Filing Requirements shall not apply to the Issuer, provided that:
 - (i) CCE files with the Decision Makers, in electronic format through SEDAR under the Issuer's SEDAR profile, the annual reports on Form 10-K filed by it with the SEC within 24 hours after they are filed with the SEC; and
 - (ii) such documents are provided to security holders whose last address as shown on the books of the Issuer is in Canada, in the manner, at the time and, if required, by applicable US law to be sent to CCE debt holders; and

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- (E) The Interim Financial Statement Requirements shall not apply to the Issuer, provided that:
- (i) CCE files with the Decision Makers quarterly reports on Form 10-Q in electronic format through SEDAR under the Issuer's SEDAR profile, filed by it with the SEC within 24 hours after they are filed with the SEC; and
 - (ii) such documents are provided to security holders whose last address as shown on the books of the Issuer is in Canada, in the manner, at the time and, if required, by applicable US law to be sent to CCE debt holders;

further provided that (for A through E):

- (a) the Issuer does not issue additional securities to the public other than securities fully guaranteed by CCE;
- (b) each of the Issuer and CCE comply with paragraph 17 above;
- (c) the Notes maintain an Approved Rating;
- (d) CCE, or any successor thereto, maintains direct or indirect 100% ownership of the voting shares of the Issuer;
- (e) CCE maintains a class of securities registered pursuant to section 12 of the 1934 Act or is required to file reports under section 15(d) of the 1934 Act;
- (f) CCE continues to satisfy the eligibility criteria set forth in paragraph 3.1 of NI 71-101 (or any applicable successor provision) for using MJDS (or any successor instrument) for the purpose of distributing approved rating non-convertible debt in Canada based on compliance with US prospectus requirements with certain additional Canadian disclosure;
- (g) the Issuer carries on no other business other than that set out in paragraph 6 above;
- (h) CCE continues to fully and unconditionally guarantee payment of the principal and interest on the Notes, together with any other amounts that may be due under any provisions of the trust indenture relating to the Notes; and

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- (i) all filing fees that would otherwise be payable by the Issuer in connection with the Material Change Requirements, the Proxy Requirements, the Insider Reporting Requirements, the Annual Filing Requirements and the Interim Financial Statement Requirements are paid.

DATED this 30th day of April, 2003.

H. Leslie O'Brien