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## Headnote

Registration and prospectus relief granted to permit the issuance of shares to a wholly-owned subsidiary to settle a debt owed by the issuer to the subsidiary

## Exemption Order

### Rogers Communications Inc.

### Sections 48 and 76 of the *Securities Act*, R.S.B.C. 1996, c. 418

## Background

- ¶ 1 Rogers applied for an exemption from the requirements to be registered to trade and to file and obtain receipts for a preliminary prospectus and prospectus in sections 34(1)(a) and 61 of the Act (the Registration and Prospectus Requirements).

## Representations

- ¶ 2 Rogers represents that:
1. it amalgamated under the *Company Act*, R.S.B.C. 1996, c. 62, is a reporting issuer under the Act and is not in default of any requirements of the Act or the *Securities Rules*, B.C. Reg. 194/97;
  2. its authorized capital consists of an aggregate 2,000,000,000 shares divided into various classes;
  3. its Class A Voting shares are listed and posted for trading on The Toronto Stock Exchange and its Class B Non-Voting shares are listed and posted for trading on the TSE and New York Stock Exchange;
  4. it incorporated 610829 British Columbia Inc. (610829) under the Company Act as a wholly-owned subsidiary to be operated as a financing vehicle for Rogers;
  5. 610829 is not a reporting issuer in any jurisdiction;
  6. as of March 28, 2002, it will be indebted to 610829 in the net amount of \$1,042,049,949.99 (the Indebtedness), comprised of \$937,500,291.00 outstanding principal, \$121,338,925.70 in accrued interest up to March 27, 2002, inclusive, and an applicable prepayment fee of \$8,835,000, under a promissory note dated August 10, 2000 made by Rogers in favour of 610829,

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less \$25,624,266.71 which will be owed by 610829 to Rogers on March 28, 2002 in connection with the termination of an interest rate swap transaction entered into on August 10, 2000;

7. it proposes to settle the Indebtedness by issuing 1,042,049 Series XXXIII Preferred Shares (the Shares) in its capital to 610829;
8. the Shares will not be listed or posted for trading on any exchange;
9. the Shares will be redeemable and retractable at \$1,000 per share; at Rogers' option, the redemption/retraction price may be satisfied in cash, by promissory note, property, or by the issuance of Class B Non-Voting shares of Rogers at a value based on the average closing price on the TSE of the Class B Non-Voting shares during the 20 consecutive trading days ending on the trading day immediately prior to the date of redemption/retraction; the Shares will bear cumulative dividends at the rate of 7.7% payable annually; and
10. the directors of 610829 are all associated with Rogers by virtue of being officers or directors of, and/or service providers to, Rogers and its affiliates.

### Order

¶ 3 Because it is not prejudicial to the public interest, the Executive Director orders:

1. under sections 48 and 76 of the Act, trades in the Shares by Rogers to 610829 are exempt from the Registration and Prospectus Requirements provided that Rogers files a Form 45-902F not later than 10 days after the distribution of the Shares to 610829;
2. under section 76 of the Act, any trade by 610829 in the Shares acquired under this order is deemed to be a distribution unless the conditions in subsections (2) or (3) of section 2.5 of Multilateral Instrument 45-102 *Resale of Securities* are satisfied.

March 26, 2002

Derek E. Patterson  
Manager