

February 12, 2013

**Headnote**

Multilateral Instrument 11-102 *Passport System* and National Policy 11-203 *Process for Exemptive Relief Applications in Multiple Jurisdictions* – National Instrument 51-102, s. 13.1 - *Continuous Disclosure Obligations* - An issuer wants relief from the requirements to file and/or deliver financial statements for a particular period – A compulsory acquisition procedure pursuant to corporate legislation has been undertaken, prior to the filing deadline, in relation to the issuer and its shareholders pursuant to which all of the issuer’s securities will be acquired by the offeror by a fixed date

National Instrument 52-109, s. 8.6 - *Certification of Disclosure in Issuers’ Annual and Interim Filings* – An issuer wants relief from the requirements in Part 5 of NI 52-109 to file interim certificates – The issuer has applied for and received an exemption from filing interim financial statements

**Applicable Legislative Provisions**

National Instrument 51-102, s. 13.1

National Instrument 52-109, s. 8.6

In the Matter of  
the Securities Legislation of  
British Columbia and Ontario  
(the Jurisdictions)

and

In the Matter of  
the Process for Exemptive Relief Applications in Multiple Jurisdictions

and

In the Matter of  
Peer 1 Network Enterprises, Inc.  
(the Filer)

Decision

**Background**

- ¶ 1 The securities regulatory authority or regulator in each of the Jurisdictions (the Decision Maker) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the Legislation) that the Filer be exempt from the requirements:

- (a) under National Instrument 51-102 - *Continuous Disclosure Obligations* (NI 51-102) to prepare, file and, where required, deliver to shareholders interim financial statements and related management's discussion and analysis as at and for the interim period ended December 31, 2012 (the Interim Statements); and
- (b) National Instrument 52-109 - *Certification of Disclosure in Issuer's Annual and Interim Filings* (NI 52-109) to file the prescribed interim Chief Executive Officer and Chief Financial Officer certificates (the Interim Certificates) in connection with the filing of the Interim Statements, (the Exemptive Relief Sought).

Under the Process for Exemptive Relief Applications in Multiple Jurisdictions (for a dual application):

- (a) the British Columbia Securities Commission is the principal regulator for this application; and
- (b) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 - *Passport System* (MI 11-102) is intended to be relied upon in Alberta; and
- (c) the decision is the decision of the principal regulator and evidences the decision of the securities regulatory authority or regulator in Ontario.

### **Interpretation**

- ¶ 2 Terms defined in National Instrument 14-101 – *Definitions* and MI 11-102 have the same meaning if used in this decision, unless otherwise defined.

### **Representations**

- ¶ 3 This decision is based on the following facts represented by the Filer:
  1. the Filer was amalgamated under the laws of British Columbia on December 31, 2006 and is a reporting issuer in British Columbia, Alberta and Ontario and is not in default of the securities legislation in any of those jurisdictions; the Filer's head office is located at Suite 1800, 1111 West Georgia Street, Vancouver, British Columbia;
  2. the Filer's authorized capital consists of an unlimited number of common shares and an unlimited number of preferred shares, of which only common shares are currently outstanding; the Filer has no other outstanding securities, including debt securities; the Filer's common shares are listed on the Toronto Stock Exchange under the trading symbol "PIX";
  3. Cogeco Cable Inc. (Cogeco Cable), through 0957926 B.C. Ltd. (the Offeror), a corporation indirectly wholly-owned by Cogeco Cable, made an offer (the Offer), pursuant to an offer and take-over bid circular dated December 24, 2012 (the Circular), to purchase all of the issued and outstanding common shares of the Filer (other than common shares of the Filer owned by the Offeror or any of its affiliates), and any common shares of the Filer that

became issued and outstanding after the date of the Offer upon the exercise of options under the Filer's stock option plan, at a price of \$3.85 per common share;

4. the Offer expired at 5:00 p.m. (Vancouver time) on January 29, 2013;
5. shareholders of the Filer holding approximately 96.57% of the issued and outstanding common shares of the Filer (on a fully-diluted basis and other than common shares held by the Offeror or any of its affiliates) accepted the Offer;
6. on January 29, 2013, the Offeror took up all the common shares of the Filer validly deposited under the Offer and the Offeror paid for such common shares on January 31, 2013;
7. in the Circular, the Offeror disclosed that if the Offer was accepted by shareholders of the Filer who, in the aggregate, held at least 90% of the issued and outstanding common shares of Filer (on a fully-diluted basis and other than common shares held by the Offeror or any of its affiliates), the Offeror intended, to the extent possible, to acquire the common shares not tendered to the Offer pursuant to the provisions of section 300 of *the Business Corporations Act* (British Columbia) (the BCBCA);
8. on or about January 31, 2013, pursuant to section 300 of the BCBCA, the Offeror sent to those shareholders of the Filer who have not accepted the Offer (the Remaining Shareholders) notice (the Acquisition Notice) that the Offeror will acquire the shares of the Filer held by the Remaining Shareholders;
9. section 300 of the BCBCA provides that once the Acquisition Notice has been sent, the Offeror is entitled and bound to acquire all of the common shares of the Filer held by the Remaining Shareholders for the same price and on the same terms contained in the Offer;
10. a Remaining Shareholder is entitled to make an application to the court and the court may by order set the price and terms for payment of the Filer's common shares, make consequential orders and give such directions as the court considers appropriate; as of the date of the application, none of the Filer, Cogeco Cable, or the Offeror has received notice of any such application by a Remaining Shareholder;
11. provided the court has not ordered otherwise, under the provisions of section 300 of the BCBCA, the Offeror intends to deliver to the Filer on or about April 3, 2013 (the Acquisition Date) a copy of the Acquisition Notice and payment for the common shares of the Filer held by the Remaining Shareholders;
12. section 300 of the BCBCA provides that such delivery and payment by the Offeror may not be made for a period of at least two months after the date the Acquisition Notice is sent to the Remaining Shareholders;
13. section 300 of the BCBCA also provides that, upon receipt of the Acquisition Notice and the payment to which the Remaining Shareholders are entitled, the Filer must register the Offeror as the shareholder with respect to the common shares of the Filer held by the Remaining

Shareholders; the Remaining Shareholders will continue as shareholders of the Filer until the Acquisition Date;

14. immediately after the Acquisition Date, the Filer intends to file with the British Columbia Securities Commission a notice to surrender its status as a reporting issuer in the Province of British Columbia and to make an application for a decision that it is not a reporting issuer in Alberta and Ontario; the Filer also intends to apply to the Toronto Stock Exchange to have its common shares de-listed and anticipates that the de-listing will occur on or about March 28, 2013;
15. in a news release dated January 29, 2013, Cogeco Cable and the Filer jointly announced that Cogeco Cable will cause the Filer to cease to be a reporting issuer under applicable securities laws as soon as possible, and in a news release dated February 1, 2013, the Filer announced that the Offeror has mailed the Acquisition Notice and the Filer has applied to securities regulatory authorities in the Jurisdictions to request exemptive relief from the requirement to prepare, file and send the Interim Statements and related materials to the Filer's shareholders, pending the completion of the compulsory acquisition;
16. absent the Exemptive Relief being granted, the Filer is required to:
  - (a) prepare and file the Interim Statements on or before February 14, 2013 with the securities regulatory authorities of the Jurisdictions; and
  - (b) file the Interim Certificates concurrently with the filing of the Interim Statements; and
17. the Offeror has advised the Filer that it has no need to obtain, in the form of the Interim Statements and Interim Certificates, the information to be set out in the Interim Statements and Interim Certificates.

**Decision**

- ¶ 4 Each of the Decision Makers is satisfied that the Decision meets the test set out in the Legislation for the Decision Maker to make the Decision.

The decision of the Decision Makers under the Legislation is that the Exemptive Relief Sought is granted.

Peter Brady  
Director, Corporate Finance  
British Columbia Securities Commission