

2007 BCSECCOM 230

April 19, 2007

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Securities Act s. 88 - Cease to be a reporting issuer in BC - The issuer's securities are traded only on a market or exchange outside of Canada - Canadian residents own less than 2% of the issuer's securities and represent less than 2% of the issuer's total number of security holders; the issuer does not intend to do a public offering of its securities to Canadian residents; will not be a reporting issuer in a Canadian jurisdiction; is subject to the reporting requirements of US securities laws; and all shareholders receive the same disclosure

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, Québec and Ontario
(the Jurisdictions)

and

In the Matter of
the Mutual Reliance Review System for Exemptive Relief Applications

and

In the Matter of
Sony Corporation
(the Filer)

MRRS Decision Document

Background

The local securities regulatory authority or regulator (the Decision Maker) in each of the Jurisdictions has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the Legislation) that the Filer is not a reporting issuer (the Requested Relief).

Under the Mutual Reliance Review System for Exemptive Relief Applications:

- (a) the Ontario Securities Commission is the principal regulator for this application, and

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(b) this MRRS decision document evidences the decision of each Decision Maker.

Interpretation

Defined terms contained in National Instrument 14-401 - *Definitions* have the same meaning in this decision unless they are defined in this decision.

Representations

This decision is based on the following facts as represented by the Filer:

1. The Filer is a Japanese joint stock company (*Kabushiki Kaisha*), and is a reporting issuer in Ontario, Québec, and British Columbia.
2. The registered office of the Filer is located at 1-7-1 Konan, Minatu-ku, Tokyo, Japan.
3. The Filer's authorized share capital is 3.6 billion shares of common stock. As of September 30, 2006, there were 1,002,100,164 shares of common stock issued.
4. As of December 6, 2006, there were 161,364,741 American Depositary Receipts (ADRs) outstanding, representing an equal number of shares of common stock of the Filer. Each of the Filer's ADRs represents one American Depositary Share (ADS). In turn, each ADS represents one outstanding share of common stock of the Filer held by a depositary.
5. The shares of common stock of the Filer are currently listed on the Tokyo, Osaka, and London exchanges, and the ADRs of the Filer are currently listed on the New York Stock Exchange (the NYSE) and the Filer is not in default of any listing requirement of these exchanges.
6. The ADRs of the Filer were previously listed in 1974 on the Toronto Stock Exchange (the TSX), but were de-listed from TSX at the Filer's request, as of the close of trading on November 22, 2005.
7. The ADRs of the Filer were previously also listed on the Montreal and Vancouver stock exchanges, but were de-listed from those exchanges at the Filer's request in 1993.
8. As a result of its prior listings on the TSX, Montreal and Vancouver stock exchanges, the Filer became, and continues to be, a reporting issuer in Ontario, Québec and British Columbia. The Filer is not a "reporting issuer" or its

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equivalent under the securities legislation of any other province or territory of Canada.

9. None of the Filer's securities are traded on a marketplace in Canada as defined in National Instrument 21-101 – *Marketplace Operation*.
10. The Filer is currently subject to reporting requirements of the United States Securities Exchange Act of 1934, as amended (the 1934 Act) and is not in default of any of the periodic reporting requirements under the 1934 Act.
11. Under National Instrument 71-102 *Continuous Disclosure and Other Exemptions relating to Foreign Issuers*, the Filer is classified as a "SEC foreign issuer."
12. Under National Instrument 13-101 *System for Electronic Document Analysis and Retrieval (SEDAR)* (NI 13-101), the Filer is a "foreign issuer (SEDAR)". As a result, the Filer is not required to comply with NI 13-101.
13. The Filer is not in default of any of the requirements of the Legislation of each Jurisdiction.
14. With respect to registered holders of the Filer's ADRs and shares of common stock:
 - (a) as of September 30, 2006, there were 14 registered holders of the Filer's shares of common stock with addresses in Canada, holding 4,793,496 shares of common stock;
 - (b) as of December 6, 2006, there were 177 registered holders of ADRs with addresses in Canada, holding 5,869 ADRs; and
 - (c) registered holders of the Filer's shares of common stock and ADRs represent less than 1% (0.0268%) of holders of the Filer's outstanding shares of common stock and ADRs worldwide, and less than 1% (0.4789%) of the Filer's outstanding shares of common stock and ADRs worldwide.
15. With respect to beneficial holders of the Filer's ADRs and shares of common stock:
 - (a) as of December 6, 2006, there were 13,126 holders of ADRs with addresses in Canada, holding 2,405,199 ADRs, representing less than 1%

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(0.2400%) of the Filer's outstanding ADRs and shares of common stock;
and

- (b) the Filer does not have information regarding the number of beneficial holders of its shares of common stock in Canada, but believes the number is insignificant.

16. Based upon the foregoing, residents of Canada:

- (a) do not beneficially own directly or indirectly more than 2% of a class or series of the outstanding securities of the Filer; and
- (b) do not represent in number more than 2% of the total number of owners directly or indirectly of a class or series of securities of the Filer.

17. Between January 1, 1999, and November 22, 2005, the TSX accounted, on average, for 0.012% of the trading volume of ADRs and 0.013% of the number of trades of ADRs. In 2005, there were only 236 trades of ADRs on the TSX.

18. The Filer has no plans to seek public financing by offering its securities in Canada.

19. The Filer does not intend to have its securities posted for trading on the TSX or any Canadian Exchange.

20. The Filer has undertaken in favour of the securities regulatory authorities of the Jurisdictions that it will continue to deliver all disclosure material required by U.S. federal securities law to be delivered to holders of its securities in the United States to holders of its securities resident in every jurisdiction in Canada, in the manner and at the time required by the U.S. federal securities law and the requirements of any exchange registered as a "national securities exchange" under the 1934 Act on which its securities are traded.

21. On March 29, 2007, the Filer issued and filed a news release announcing that the Filer has submitted an application to the Decision Makers to cease to be a reporting issuer in the Jurisdictions.

Decision

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.

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

Wendell S. Wigle, Q.C.
Commissioner
Ontario Securities Commission

Kevin J. Kelly
Commissioner
Ontario Securities Commission