

THE CORPORATIONS ACT) Order No. 6476
)
Section 150(1)) February 8, 2012

MANITOBA TELECOMMUNICATION SERVICES INC.

WHEREAS:

(A) Application has been made on behalf of Manitoba Telecommunication Services Inc. (the "Applicant") to The Manitoba Securities Commission (the "Commission") for an order under subsection 150 (1) of *The Corporations Act*, R.S.M. 1987, c. C225 (as amended) (the "Act") that the Applicant be granted an exemption from the requirement to distribute to each shareholder a comparative interim financial statement as is required under subsection 149(3) of the Act.

(B) It has been represented to the Commission by the Applicant that:

1. The Applicant is a Manitoba based telecommunications corporation with a current market capitalization of approximately \$2 Billion.
2. The Applicant was a crown corporation of the government of Manitoba, incorporated by special statute of the Province of Manitoba on April 28, 1933. It became a publicly traded company January 7, 1997, receiving Articles of continuance April 5, 2000, Restated Articles of Incorporation May 15, 2001, and Restated Article of Incorporation June 28, 2004. The Applicant is a reporting issuer under *The Securities Act* (Manitoba) (the "Securities Act"). The Applicant's Class A Common Shares are offered for sale to the public on a continuous basis by way of a long form prospectus dated December 20, 1996. There are no issued and outstanding Class A Preference Shares or Class B Preference Shares.
3. The Applicant is subject to the reporting requirements of Parts X, XI and XII of the Securities Act.
5. The Applicant is subject to the requirements of the Corporations Act and is required by subsection 149(3) of the Corporations Act and by Section 11 of the Regulation to the Corporations Act (Regulation 385/87) to mail to each of its registered shareholders its interim financial statements within 60 days of the date to which they are made up (the "Corporate Law Requirements").
6. The Applicant files its interim financial statements with the Commission on SEDAR and the interim financial statements are available for viewing on the Applicant's website at www.mtsallstream.ca and on the SEDAR website at www.sedar.com.

7. The Commission passed MSC Rule 2002-2 which adopted National Instrument 54-102 entitled, "Interim Financial Statement and Report Exemption" ("NI 54-102"). NI 54-102 exempts issuers from the requirement to provide interim financial statements to beneficial shareholders provided that the issuer establishes a "supplemental list" of those beneficial shareholders that elect, on an annual basis, to receive the Interim Statements.

8. Although NI 54-102 exempts the Applicant from providing interim financial statements to beneficial shareholders, the Applicant is still subject to the Corporate Law Requirements and is therefore required to send its registered shareholders the interim financial statements.

9. Subsection 150(1) of the Corporations Act allows the Commission, if satisfied that in the circumstances of the particular case there is adequate justification for so doing, to make an order exempting a corporation from the Corporate Law Requirements.

(C) The Commission is of the opinion that there is adequate justification to grant the order requested.

IT IS ORDERED THAT:

1. The Applicant is hereby exempted from the requirements of subsection 149(3) of *The Corporations Act* (Manitoba) and shall not be required to deliver its comparative interim financial statements to its shareholders provided that:

- a. the Applicant is a reporting issuer under *The Securities Act* (Manitoba); and
- b. the Applicant complies with the requirements of NI 54-102 made under *The Securities Act* (Manitoba).

2. The fee for this order shall be \$25.00.

BY ORDER OF THE COMMISSION

Deputy Director - Legal