

**IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ONTARIO, ALBERTA, MANITOBA, NEWFOUNDLAND AND LABRADOR, NOVA
SCOTIA, QUEBEC AND SASKATCHEWAN**

AND

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

AND

**IN THE MATTER OF
ASTRAL MEDIA INC.**

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of Ontario, Alberta, Manitoba, Newfoundland and Labrador, Nova Scotia, Québec and Saskatchewan (collectively the "**Jurisdictions**") has received an application from Astral Media Inc. ("**Astral**") for a decision pursuant to the securities legislation of the Jurisdictions (the "**Legislation**") that the requirement contained in the Legislation to file insider reports shall not apply to certain individuals who are insiders of Astral by reason of having the title "Vice-President" (the "**Exempted VPs**");

AND WHEREAS under the Mutual Reliance Review System for Exemptive Relief Applications (the "**System**"), the Ontario Securities Commission is the principal regulator for this application;

AND WHEREAS Astral has represented to the Decision Makers that:

1. Astral is a corporation organized under the *Canada Business Corporations Act* with its registered office located at 181 Bay Street, Toronto, Ontario M5J 2T3.
2. Astral is one of Canada's leading media companies. Its business activities consist primarily of pay, pay-per-view and specialty television, radio and outdoor advertising.
3. Astral is a reporting issuer in each province of Canada and its Class A non-voting shares and Class B subordinate voting shares are listed on the Toronto Stock Exchange.
4. As of the date hereof, Astral has 13 directors (three of whom are executive officers of the Corporation), eight executive officers, and forty-seven (47) other individuals who hold management positions in Astral or its subsidiaries, for a total of sixty-five (65) individuals who are insiders of Astral (the "**Insiders**").
5. None of the Insiders is currently exempt from the insider reporting requirements contained in the Act by reason of an existing exemption such as National Instrument 55-101 - *Exemption from*

Certain Insider Reporting Requirements ("**National Instrument 55-101**"), or a previous decision or order.

6. Astral has developed a corporate disclosure policy (the "**Disclosure Policy**"), which contains policies and procedures governing insider trading that apply to all of the Insiders. The Disclosure Policy also applies to other employees of Astral with knowledge of confidential or material information. Astral has also established a disclosure policy committee (the "**Committee**") to oversee administration of the Disclosure Policy.

7. Pursuant to the Disclosure Policy, the Insiders and other employees with knowledge of confidential or material information about Astral or counter-parties in negotiations of material potential transactions are prohibited from trading in shares of Astral until the information has been fully disclosed or a reasonable period of time has passed for the information to be widely disseminated. In addition, quarterly blackout periods will apply to Insiders or employees with access to undisclosed material information during periods when quarterly or annual financial statements are being prepared but results have not yet been publicly disclosed. Additional blackout periods may be prescribed from time to time by the Committee as a result of special circumstances relating to Astral pursuant to which Insiders and employees with knowledge of such special circumstances would be precluded from trading in the securities of Astral. The Insiders must contact the Vice-President, Legal Affairs and Secretary or the Vice-President, Finance and Chief Financial Officer before trading in the securities of Astral.

8. The job requirements and principal functions of the Insiders were reviewed by the Vice-President, Finance and Chief Financial Officer, the Vice-President, Legal Affairs and Secretary, the Vice-President, Human Resources, and the President of the subsidiary in which each Insider is employed to determine which of them meet the definition of "nominal vice-president" contained in the Staff Notice. In their opinion, seven (7) of the Insiders having the title of Vice-President (the "Exempted VPs") meet the criteria set out in the Staff Notice.

9. The Vice-President, Finance and Chief Financial Officer, the Vice-President, Legal Affairs and Secretary, the Vice-President, Human Resources, and the President of the subsidiary in which each Insider is employed will assess the job requirements and principal functions of any future employee of Astral or its subsidiaries who has the title of Vice-President on the same basis as set out above to determine if such employee should receive the benefit of the exemption sought in this application.

10. Each of the Exempted VPs meets the following criteria (the "**Exempt VP Criteria**"):

(a) the individual is a vice-president of Astral or its subsidiaries;

(b) the individual is not in charge of a principal business unit, division or function of Astral or a "major subsidiary" of Astral (as such term is defined in National Instrument 55-101);

(c) the individual does not in the ordinary course receive or have access to information as to material facts or material changes concerning Astral before the material facts or material changes are generally disclosed; and

(d) the individual is not an insider of Astral in any other capacity.

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 the requirement contained in the Legislation to file insider reports shall not apply to present and future insiders of Astral who satisfy the Exempt VP Criteria for so long as such insiders satisfy the Exempt VP Criteria provided that:

(a) Astral prepares and maintains a list of all individuals who propose to rely on the exemption granted, submits the list on an annual basis to its Board of Directors for approval, and files the list with the securities regulatory authority of each Jurisdiction;

(b) Astral files with the securities regulatory authority of each Jurisdiction a copy of its internal policies and procedures relating to monitoring and restricting the trading activities of its insiders and other persons whose trading activities are restricted by Astral; and

(c) the relief granted under this Decision will cease to be effective on the date that National Instrument 55-101 is amended.

Dated June 13, 2003.

"Paul M. Moore"

"Harold P. Hands"

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - relief granted to certain vice presidents of a reporting issuer from the insider reporting requirements subject to certain conditions as outlined in CSA Staff Notice 55-306 - *Applications for Relief from the Insider Reporting Requirements by Certain Vice Presidents*.

Statutes Cited

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 1(1), 107, 108, 121(2)(a)(ii)

Regulations Cited

Regulation made under the Securities Act, R.R.O. 1990, Reg. 1015, as am., Part VIII

Rules Cited

National Instrument 55-101 - *Exemption From Certain Insider Reporting Requirements.*