

IN THE MATTER OF THE SECURITIES LEGISLATION OF ALBERTA,
SASKATCHEWAN, MANITOBA, ONTARIO, Québec, NOVA SCOTIA AND
NEWFOUNDLAND

AND

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

AND

IN THE MATTER OF
COGECO INC.

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of Alberta, Saskatchewan, Manitoba, Ontario, Québec, Nova Scotia and Newfoundland (the "Jurisdictions") has received an application from Cogeco Inc. ("Cogeco") 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 nominal vice-presidents of Cogeco as defined in CSA Staff Notice 55-306;

AND WHEREAS pursuant to the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), the *Commission des valeurs mobilières du Québec* is the principal regulator for this application;

AND WHEREAS unless otherwise defined, the terms herein have the meaning set out in National Instrument 14-101 Definitions or in Québec Commission Notice 14-101;

AND WHEREAS Cogeco has represented to the Decision Makers that:

1. Cogeco was incorporated under Part I of the *Companies Act* (Québec) in 1957; its head office is located in Montreal, Québec.
2. Cogeco is a reporting issuer in each of the Jurisdictions where such concept exists; its common shares are listed on the Toronto Stock Exchange.
3. Cogeco is not in default of any requirements under the Legislation.
4. There are 17 persons who are insiders of Cogeco by reason of being an officer or director of Cogeco. Further, there are 12 additional persons who are insiders of Cogeco by reason of being an officer or director of a subsidiary of Cogeco.

5. None of the insiders of Cogeco are currently exempted from the insider reporting requirements by reason of an existing exemption, being National Instrument 55-101 *Exemption from Certain Insider Reporting Requirements* ("NI 55-101").

6. Cogeco has developed an administrative policy concerning transactions by senior executives of the Cogeco Group on securities of Cogeco or Cogeco Cable Inc. (the "Policy"). The Policy is a simple standard rule which applies to Senior Executives of the COGECO Group (as defined in the Policy) and to all services of the COGECO Group. The Policy sets regular defined periods whereby Senior Executives of the COGECO Group must refrain from making transactions on the securities of Cogeco or Cogeco Cable Inc. (hereinafter, "Cogeco Cable"). It defines what a securities transaction consists of and provides an overview of the rules governing insider trading.

7. Cogeco has ensured that communications to the different stakeholders about Cogeco are timely, factual and accurate, and broadly disseminated in accordance with all applicable legal and regulatory requirements.

8. Under the Policy, Senior Executives of the COGECO Group with knowledge of material undisclosed information may not trade in securities of Cogeco or Cogeco Cable. They may not trade during the exclusion periods (hereinafter, the "Exclusion Period"), being between the day following immediately the closing date of any accounting periods for which such companies prepare financial statements (hereinafter, a "Reference Period") and the day on which Cogeco discloses its consolidated financial results for such Reference Period, these two days being included in the exclusion period. There are in principle four regular exclusion periods per year, of a duration of approximately a month and a half each.

9. As a policy, Cogeco regularly reminds its insiders of the insider reporting requirements applicable to them in relation with trading in Cogeco and of the upcoming Exclusion Periods.

10. Cogeco's Legal Department examined the titles and functions of each of the Vice-Presidents of Cogeco to determine which of them met the criteria set forth in CSA Staff Notice 55-306 *Applications for Relief from the Insider Reporting Requirements by Certain Vice-Presidents* (the "Notice"), and has compiled a list of those insiders who, according to this review, met the definition of "nominal vice-president" set forth in the Notice (the "Nominal Vice-Presidents").

11. Cogeco represents that each of the Nominal Vice-Presidents:

(a) is a vice-president of Cogeco;

(b) is not in charge of a principal business unit, division or function of Cogeco or a "major subsidiary" of Cogeco (as such term is defined in NI 55-101);

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

(d) is not an insider of Cogeco in any other capacity.

12. Going forward, Cogeco's Legal Department intends to examine the titles and functions of each of the exempted Vice-Presidents of Cogeco on an annual basis to determine which of them meet the definition of "nominal vice-president" set forth in the Notice and will assess the functions of any new Vice-President of Cogeco to determine whether such individuals meet the applicable criteria. Following each such review or assessment, the Legal Department intends to compile a list of those insiders who meet the required criteria, submits such list to the Board of Directors of Cogeco or one of its committees for approval and then files the list with the applicable securities regulatory authorities.

13. Should any exempted Vice-President cease to meet the applicable criteria, Cogeco's Assistant-Secretary will ensure that the individual in question is promptly informed of his or her renewed obligation to file insider reports as and when necessary.

14. In connection with this application, Cogeco has filed with the Decision Makers the list of the Nominal Vice-Presidents and a copy of the Policy.

AND WHEREAS pursuant to 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 pursuant to the Legislation is that the requirement contained in the Legislation to file insider reports shall not apply to the Nominal Vice-Presidents or any other employee of Cogeco who hereafter is given the title Vice-President provided that:

- (a) they satisfy the definition of "nominal vice-president" contained in the Notice;
- (b) Cogeco prepares and maintains a list of all individuals who propose to rely on the exemption granted, submits the list on an annual basis to the board of directors or one of its committees for approval, and files the list with the Decision Makers;
- (c) Cogeco files with the Decision Makers 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 Cogeco; and
- (d) the relief granted will cease to be effective on the date when NI 55-101 is amended.

Dated at Montreal, on October 21, 2003

Josée Deslauriers
Director of Capital Markets

