



August 23, 2022

CBIA Statement on Rogers Communications Inc. Consent Solicitation

This note is in response to the current bond holder Consent Solicitation being conducted by Rogers Communications Inc. The solicitation is with respect to revising the terms of the Special Mandatory Redemption (SMR) provisions in certain bond indentures related to the financing of its proposed acquisition of Shaw Communications.

The CBIA has published and advocated certain standards be met by issuers when conducting a consent solicitation that will impact all bond holders. The objective of these standards is to promote fair dealings with all bond holders.

We advocate that consent fees be paid to all bond holders that participate in the solicitation regardless of whether they consent to the changes.

It is our reading of the Rogers consent solicitation that the consent fees will only be paid to bond holders that provide a positive consent. This is despite the need for only 50% +1 votes in favour of the amendment that will change the terms of the SMR for ALL bond holders.

The CBIA also advocates sufficient time be granted to bond holders to receive, review and respond to a consent (typically 30 days). In this case bond holders have been given only eight business days to respond. While the analysis of this particular solicitation may be straightforward, this may be insufficient for some investors to receive and responsibly respond.

This note is not a comment on the merits of the proposed changes to the SMR. Rather, we believe bond holders should be concerned with how this consent solicitation has been presented.

We would encourage CBIA members who agree with the CBIA principles on Consent fees to raise these issues with their respective solicitation agents or the issuer directly.

https://bondinvestors.ca/document/584/CBIA_Model_Covenant_September_21_2017.pdf