

**IN THE MATTER OF the Securities Legislation of Alberta, Manitoba, Québec, Nova Scotia, prince Edward Island, New Brunswick, NEWFOUNDLAND and Labrador, Yukon territory, NORTHWEST territories and Nunavut**

**AND IN THE MATTER OF the Mutual Reliance Review System for Exemptive Relief Applications**

**AND IN THE MATTER OF  
AT&T Corp. and Comcast Corporation**

**MRRS DECISION DOCUMENT**

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of Alberta, Manitoba, Québec, Nova Scotia, Prince Edward Island, New Brunswick, Newfoundland And Labrador, Yukon Territory, Northwest Territories and Nunavut (collectively the "Jurisdictions") has received an application from AT&T Corp. ("AT&T") and Comcast Corporation ("Comcast") for a decision under the securities legislation of the Jurisdictions (the "Legislation") that the Registration Requirement and Prospectus Requirement (collectively, the "Registration and Prospectus Requirements") shall not apply to any of the AT&T Comcast Transaction Trades (as defined below) subject to certain conditions;

AND WHEREAS pursuant to the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), The Manitoba Securities Commission 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 AT&T and Comcast has represented to the Decision Makers that:

1. AT&T is a multi-national corporation that is incorporated pursuant to the laws of the State of New York. Its principal executive offices are located in Bedminster, New Jersey.
2. Shares of AT&T common stock are listed on the New York Stock Exchange ("NYSE") under the symbol "T" and on stock exchanges in London, Paris, Switzerland and Brussels.
3. AT&T is among the world's communications leaders, providing voice, data and video communications to large and small businesses, consumers and government entities.
4. AT&T currently consists primarily of the AT&T Broadband Group, the AT&T Consumer Services Group and the AT&T Business Services Group. These AT&T groups are not separate companies but, rather, are parts of AT&T.
5. The AT&T Broadband Group is a broadband communications business providing cable television, high speed cable Internet services and communication services over an extensive broadband system.

6. As of October 1, 2002, AT&T had one class of common stock outstanding, of which AT&T is authorized to issue 6,000,000,000 shares (the "AT&T Common Shares"). In addition, AT&T is authorized to issue up to 100,000,000 preferred shares ("AT&T Preferred Shares").

7. As of July 31, 2002, 3,845,513,811 AT&T Common Shares were issued and outstanding. As of October 16, 2002, 759,792 shares of AT&T Subsidiary Preferred Stock were issued and outstanding. AT&T Subsidiary Preferred Stock is held exclusively by AT&T's subsidiaries.

8. AT&T owns 31% of AT&T Canada Corp. ("AT&T Canada") which is a Canadian federally incorporated corporation with its head offices in Toronto, Ontario. AT&T Canada is a reporting issuer in all of the Jurisdictions.

9. The AT&T Common Shares are registered with the United States Securities and Exchange Commission (the "SEC") under the *Securities Exchange Act of 1934* of the United States (the "Securities Exchange Act") and AT&T files with the SEC its annual report on Form 10-K as well as other disclosure materials required under securities legislation of the United States (the "U.S.").

10. As of October 1, 2002, AT&T had approximately 2,797 shareholders of record in Canada.

11. As of October 1, 2002, residents of Canada did not own, directly or indirectly, more than 10% of the outstanding AT&T Common Shares and did not represent in number more than 10% of the total number of owners directly or indirectly of AT&T Common Shares.

12. AT&T is not a reporting issuer or the equivalent in any Jurisdiction and has no present intention of becoming a reporting issuer or the equivalent in any Jurisdiction.

13. Comcast is a multi-national corporation that is incorporated pursuant to the laws of the Commonwealth of Pennsylvania. Its principal executive offices are located in Philadelphia, Pennsylvania.

14. Comcast is involved in the development, management and operation of broadband communications networks.

15. Comcast is authorized to issue 20,000,000 shares of preferred stock ("Comcast Preferred Shares") and 2,750,000,000 shares of common stock (the "Comcast Common Shares"), consisting of 200,000,000 Comcast Class A common stock (the "Comcast Class A Common Shares"), 50,000,000 shares of Comcast Class B common stock ("Comcast Class B Common Shares") and 2,500,000,000 shares of Comcast Class A special common stock ("Comcast Class A Special Common Shares").

16. As of June 30, 2002, 21,591,115 Comcast Class A Common Shares, 9,444,375 Comcast Class B Common Shares, 915,707,981 Comcast Class A Special Common Shares and 0 Comcast Preferred Shares were issued and outstanding.

17. The Comcast Common Shares are registered with the SEC under the Securities Exchange Act and Comcast files with the SEC its annual report on Form 10-K as well as other disclosure materials required under securities legislation of the U.S.
18. The Comcast Class A Common Shares and Comcast Class A Special Common Shares are quoted on the Nasdaq Stock Market ("Nasdaq") under the symbols "CMCSA" and "CMCSK," respectively.
19. Comcast has a number of majority owned wholly owned or controlled subsidiaries and limited partnerships in Canada through which it conducts its Canadian operations.
20. As of October 1, 2002, Comcast had approximately 14 shareholders of record in Canada.
21. As of October 1, 2002, residents of Canada did not own, directly or indirectly, more than 10% of the outstanding Comcast Common Shares and did not represent in number more than 10% of the total number of owners directly or indirectly of Comcast Common Shares.
22. Comcast is not a reporting issuer or the equivalent in any Jurisdiction and has no present intention of becoming a reporting issuer or the equivalent in any Jurisdiction.
23. AT&T Comcast is a Pennsylvania corporation which was newly formed by AT&T and Comcast for the purposes of the AT&T Comcast Transaction. AT&T Comcast has not conducted any activities other than those incidental to its formation and other matters contemplated in the Merger Agreement (as defined below). Its principal executive offices are located in Philadelphia, Pennsylvania.
24. Immediately following the completion of the AT&T Comcast Transaction, AT&T Comcast will be principally owned by AT&T shareholders and former Comcast shareholders.
25. The businesses of AT&T Comcast will principally be the combined managed networking services and outsourcing solutions and wholesale transport services of Comcast and AT&T Broadband Corp. and the content assets of Comcast.
26. AT&T Comcast is currently authorized to issue 100 shares of Common Stock, par value \$0.01 per share, of which one share has been issued to Comcast and one share has been issued to AT&T.
27. Upon completion of the AT&T Comcast transaction, AT&T Comcast will be authorized to issue 15,075,000,000 shares of AT&T Comcast common stock ("AT&T Comcast Common Shares") consisting of 7,500,000,000 shares of AT&T Comcast Class A common stock ("AT&T Comcast Class A Common Shares"), 7,500,000,000 shares of AT&T Comcast Class A Special common stock ("AT&T Comcast Class A Special Common Shares") and 75,000,000 shares of AT&T Comcast Class B common stock ("AT&T Comcast Class B Common Shares"). Upon completion of the AT&T Comcast transaction, AT&T Comcast will be authorized to issue 20,000,000 shares of preferred stock ("AT&T Comcast Preferred Shares").

28. As of October 1, 2002, 0 AT&T Comcast Class A Common Shares, 0 AT&T Comcast Class A Special Common Shares, 0 AT&T Comcast Class B Common Shares and 0 AT&T Comcast Preferred Shares were issued and outstanding.

29. Immediately following completion of the AT&T Comcast Transaction, the maximum number of shares that AT&T Comcast will have issued and outstanding are: 1,371,829,422 AT&T Comcast Class A Common Shares, 9,444,375 AT&T Comcast Class A Special Common Shares, 940,027,625 AT&T Comcast Class B Common Shares, and 0 AT&T Comcast Preferred Shares.

30. An application has been made to quote certain classes of the AT&T Comcast Common Shares on Nasdaq under the symbols of "CMCSA" and "CMCSK".

31. The AT&T Comcast Class A common stock and the AT&T Comcast Class A Special Common Stock will be registered with the SEC under the Securities Exchange Act and AT&T Comcast will file with the SEC its annual report on Form 10-K as well as other disclosure materials required under securities legislation of the U.S.

32. As of the completion of the AT&T Comcast Transaction, AT&T Comcast is expected to have shareholders in every Jurisdiction.

33. Immediately following the completion of the AT&T Comcast Transaction, it is expected that residents of Canada will not own, directly or indirectly, more than 10% of the outstanding AT&T Comcast Common Shares and will not represent in number more than 10% of the total number of owners directly or indirectly of AT&T Comcast Common Shares.

34. AT&T Comcast is not a reporting issuer or the equivalent in any Jurisdiction and has no present intention of becoming a reporting issuer or the equivalent in any Jurisdiction.

35. The proposed spin-off of AT&T Broadband Corp. to holders of AT&T Common Shares pursuant to a separation and distribution agreement dated December 19, 2001, as amended, and the subsequent mergers of AT&T Broadband Corp. and Comcast with separate, wholly-owned subsidiaries of AT&T Comcast pursuant to a merger agreement (the "Merger Agreement") dated as of December 19, 2001, as amended, among AT&T, Comcast, AT&T Comcast, AT&T Broadband Corp., AT&T Broadband Acquisition Corp., a Delaware corporation ("AT&T Broadband Merger Sub") and Comcast Acquisition Corp., a Pennsylvania corporation ("Comcast Acquisition Merger Sub") is herein referred to as the "AT&T Comcast Transaction".

36. AT&T and Comcast mailed a Joint Proxy Statement/Prospectus to their respective shareholders on May 14, 2002 (the "Joint Proxy Circular"). The Joint Proxy Circular sought among other things approval by AT&T shareholders and Comcast shareholders of the AT&T Comcast Transaction at the annual meeting of AT&T shareholders and a special meeting of Comcast shareholders each held on July 10, 2002.

37. The AT&T Comcast Transaction was approved on July 10, 2002 by both AT&T shareholders and Comcast shareholders.

38. Subject to the satisfaction or waiver of all closing conditions, including obtaining all required regulatory approvals, it is currently anticipated that the AT&T Comcast Transaction will be completed on November 8, 2002.

39. AT&T and Comcast intend to use the services of agents/brokers in connection with the AT&T Comcast Transaction (each an "Agent"). Agent(s) have been appointed as Agent(s). Agent(s) are not registered to conduct retail trades in securities in any of the Jurisdictions. Agent(s) are registered to conduct retail trades under applicable US securities or banking legislation.

40. The role of the Agents with respect to Canadian residents will be primarily administrative and custodial and include the following: (a) facilitating the dissemination of information and materials to Canadian resident shareholders in connection with the AT&T Comcast Transaction through agents / brokers registered in the Jurisdictions; (b) assisting with the administration of and general record keeping for the AT&T Comcast Transaction; and (c) holding securities issued in connection with the AT&T Comcast Transaction as trustee. The Agents will conduct limited trading in connection with the AT&T Comcast Transaction which trading will be restricted to the sale of fractional shares on NASDAQ in round lots in accordance with the terms of the Merger Agreement (as defined below).

41. AT&T will transfer the assets and liabilities of AT&T broadband business to AT&T Broadband Corp., a company formed for the purpose of effecting the AT&T Comcast Transaction.

42. First, AT&T will declare to holders of AT&T Common Shares a dividend of one share of AT&T Broadband Corp. common stock ("AT&T Broadband Common Shares") for each AT&T Common Share held immediately prior to the distribution. Certificates representing the AT&T Broadband Common Shares will not be delivered to the holders of AT&T Common Shares on the record for the dividend. Instead, as soon as reasonably practicable after the completion of the Mergers, the exchange agent will deliver to holders entitled to the dividend of AT&T Broadband Common Shares the appropriate merger consideration in the form of AT&T Comcast Common Shares payable to those holders in respect of the AT&T Broadband Common Shares to which they were entitled as a result of the dividend. Those holders will not be required to deliver to the exchange agent certificates representing AT&T Common Shares or AT&T Broadband Common Shares prior to the receipt of the AT&T Comcast Common Shares into which their AT&T Broadband Common Shares will be converted in the AT&T Broadband Merger (as defined and described below). Holders of the AT&T Common Shares will continue to hold their certificates or uncertificated shares which after completion of the AT&T Broadband Corp. spin-off will represent an interest in AT&T's communications services business.

43. AT&T Broadband Merger Sub will merge with and into AT&T Broadband Corp., with AT&T Broadband Corp. continuing as the surviving corporation and becoming a wholly owned subsidiary of AT&T Comcast (the "AT&T Broadband Merger").

44. Comcast Acquisition Merger Sub will merge with and into Comcast, with Comcast continuing as the surviving corporation and becoming a wholly owned subsidiary of AT&T Comcast (the "Comcast Acquisition Merger").

45. After the completion of the AT&T Broadband Merger and the Comcast Acquisition Merger (collectively, the "Mergers"), the shareholders of Comcast and AT&T Broadband Corp. will be shareholders of AT&T Comcast.

46. Upon completion of the AT&T Comcast Transaction, former AT&T Broadband shareholders will be entitled to receive with respect to each of their AT&T Broadband Common Shares, a number of AT&T Comcast Class A Common Shares determined by a prescribed formula (the "AT&T Broadband Exchange Ratio").

47. Upon completion of the AT&T Comcast Transaction, former Comcast shareholders will be entitled to receive, for each Comcast Class A Common Share, Comcast Class B Common Share and Comcast Class A Special Common Share that is outstanding immediately prior to the completion of the Mergers, one AT&T Comcast Class A Common Share, AT&T Comcast Class B Common Share or AT&T Comcast Class A Special Common Share, respectively.

48. If the AT&T Broadband Exchange Ratio were calculated as of the date of the Joint Proxy Circular, each AT&T Broadband Corp. shareholder would receive with respect to each of their AT&T Broadband Common Shares approximately 0.35 of an AT&T Comcast Class A Common Share.

49. AT&T Comcast may be required to issue AT&T Comcast Common Shares, in addition to those determined in accordance with the AT&T Broadband Exchange Ratio, to former holders of AT&T Broadband Common Shares on the occurrence of certain events including, subject to certain exceptions, if: (a) Standard & Poor's has not committed the class of the AT&T Comcast Common Shares to be issued in the AT&T Broadband Merger to be included in the Standard & Poor's 500 Index immediately after completion of the Mergers; and (b) during 10 trading days randomly selected during a post-closing pricing period the average trading price for such class of AT&T Comcast Common Shares is less than that of the AT&T Comcast Class A Special Common Shares.

50. The following trades and transfers may or will take place in connection with the AT&T Comcast Transaction which will affect Canadian residents (collectively, the "AT&T Comcast Transaction Trades"):

(a) the issuance of a dividend by AT&T of one AT&T Broadband Common Share for each AT&T Common Share ("AT&T Broadband Dividend");

(b) the receipt by former AT&T Broadband shareholders for each share of AT&T Broadband common stock, a certain number of AT&T Comcast Class A Common Shares ("AT&T Broadband Conversion");

(c) the receipt by former Comcast shareholders for each Comcast Class A Common Share, Comcast Class B Common Share and Comcast Class A Special Common Share, one AT&T Comcast Class A Common Share, AT&T Comcast Class B Common Share or AT&T Comcast Class A Special Common Share, respectively ("Comcast Conversion") (the AT&T Broadband Conversion and Comcast Conversion are, together, the "Share Conversions");

(d) the possible issuance by AT&T Comcast of additional AT&T Comcast Common Shares to former holders of AT&T Broadband Common Shares on the occurrence of certain events ("AT&T Comcast Additional Share Issuances"); and

(e) sales of AT&T Comcast Common Shares obtained in connection with the AT&T Comcast Transaction over an exchange or market outside of Canada or to a person or company outside of Canada ("First Trades").

51. The AT&T Comcast Transaction is being made in compliance with U.S. federal securities legislation.

52. AT&T Comcast will provide the same disclosure to its shareholders resident in Canada as it does to its shareholders resident in the United States.

53. Comcast will provide the same disclosure to its shareholders resident in Canada as it does to its shareholders resident in the United States.

54. The AT&T Comcast Common Shares to be distributed pursuant to the AT&T Comcast Transaction have been registered under the Securities Exchange Act pursuant to a registration statement filed with the SEC.

55. There is no market for the AT&T Comcast Common Shares in Canada and none is expected to develop. It is expected that all sales of the AT&T Comcast Common Shares will occur on an exchange or market outside of Canada or with a person outside of Canada.

56. AT&T and Comcast wish to include their Canadian shareholders in the AT&T Comcast Transaction on the same terms and conditions as those extended to their shareholders in the U.S.

57. An exemption from the Registration and Prospectus Requirements is not available in all of the Jurisdictions for all of the trades made in connection with the AT&T Comcast Transaction.

**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 under the Legislation is that:

a) the Registration and Prospectus Requirements shall not apply to the AT&T Comcast Transaction Trades provided that the First Trade in any AT&T Comcast Common Shares acquired pursuant to this Decision in a Jurisdiction shall be deemed to be a distribution or a primary distribution to the public under the Legislation of such Jurisdiction unless the conditions in subsection 2.14 (1) of Multilateral Instrument 45-102 "Resale of Securities" are satisfied.

DATED at "Winnipeg" this "8<sup>th</sup>" day of November, 2002.

"Chris Besko"  
Deputy Director - Legal