

IN THE MATTER of the *Competition Act*, R.S.C. 1985, c. C-34 as amended;

AND IN THE MATTER of an inquiry commenced pursuant to subparagraph 10(1)(b)(ii) of the *Competition Act* into certain deceptive marketing practices of the Respondents under paragraph 74.01(1)(a) of the *Competition Act*;

AND IN THE MATTER of a Consent Agreement pursuant to section 74.12 of the *Competition Act*.

BETWEEN:

THE COMMISSIONER OF COMPETITION

Applicant

-and-

**BELL CANADA, BELL MOBILITY INC. AND
BELL EXPRESSVU LIMITED PARTNERSHIP**

Respondents

CONSENT AGREEMENT

WHEREAS the Commissioner of Competition (the “Commissioner”) is responsible for the administration and enforcement of the *Competition Act* (the “Act”);

AND WHEREAS the Respondents are telecommunications companies that provide services including Home Phone, Internet, Television and Wireless (the “Services”), separately or in bundles, throughout Canada;

AND WHEREAS the Commissioner has concluded that, from December 2007 and continuing until at least June 2011, the Respondents promoted their Services to the public by making representations that were false or misleading in a material respect, contrary to paragraph 74.01(1)(a) of the Act;

AND WHEREAS the Commissioner has concluded that these practices involved the Respondents making false or misleading representations to promote their Services at prices that were advertised for less than what the Respondents in fact charged for such Services;

AND WHEREAS the Commissioner has concluded that the representations created the general impression that consumers need only pay the advertised monthly price plus applicable taxes, fees imposed by government on consumers, and optional fees for the Services, when in fact consumers were not able to purchase the Services at these advertised prices;

AND WHEREAS the Commissioner has concluded that consumers would be required to review disclaimers on the Respondents' website or elsewhere to identify the additional fees for which consumers were liable;

AND WHEREAS the Commissioner has concluded that the disclaimers were in any event insufficient to alter the general impression of the representations to which they related;

AND WHEREAS for the purposes of this Agreement, including execution, registration, enforcement, variation or rescission, the Respondents do not contest the Commissioner's conclusions, but do not accept the Commissioner's allegations and nothing in this Agreement will be taken as an admission or acceptance by the Respondents of any facts, liability, wrongdoing, submissions, legal argument or conclusions for any other purpose;

AND WHEREAS the Parties are satisfied that this matter can be resolved with the registration of this Consent Agreement, which upon registration shall have the same force and effect as an order of the Tribunal;

NOW THEREFORE in order to resolve the Commissioner's concerns, the Parties hereby agree as follows:

I. INTERPRETATION

1. For the purpose of the Agreement, the following definitions shall apply:
 - a. "**Act**" means the *Competition Act*, R.S.C. 1985, c. C-34, as amended;
 - b. "**Agreement**" means this Consent Agreement entered into by the Respondents and the Commissioner pursuant to section 74.12 of the Act;
 - c. "**Bell Canada**" means The Bell Telephone Company of Canada or Bell Canada / La Compagnie de Téléphone Bell du Canada ou Bell Canada, incorporated federally in Canada on January 1, 2007, including any present or future subsidiary corporation of Bell Canada within the meaning of subsection 2(3) of the Act;
 - d. "**Bell ExpressVu Limited Partnership**" means Bell ExpressVu Limited Partnership registered in the Province of Ontario on April 28, 1999, including any present or future subsidiary corporation of Bell ExpressVu Limited Partnership within the meaning of subsection 2(3) of the Act;

- e. **“Bell Mobility Inc.”** means Bell Mobility Inc. / Bell Mobilité Inc. (“Bell Mobility”), incorporated federally in Canada on January 1, 2009, including any present or future subsidiary corporation of Bell Mobility Inc. within the meaning of subsection 2(3) of the Act;
- f. **“Commissioner”** means the Commissioner of Competition appointed pursuant to section 7 of the Act, and her authorized representatives;
- g. **“Parties”** means the Commissioner and the Respondents;
- h. **“Person”** means any individual, corporation, partnership, firm, association, trust, unincorporated organization or other entity;
- i. **“Related Person”** means any Person controlled within the meaning of the Act directly or indirectly by one or more of the Respondents, including any subsidiary corporation;
- j. **“Respondents”** means Bell Canada, Bell Mobility Inc. and Bell ExpressVu Limited Partnership;
- k. **“Respondents’ Personnel”** means all current and future Respondents’ and Related Person’s senior management and all other employees who are materially involved in the formulation and/or implementation of advertising or marketing policies with respect to the Services;
- l. **“Services”** means the Respondents’ Home Phone, Internet, Wireless and Television services, separately or in bundles; and
- m. **“Tribunal”** means the Competition Tribunal.

II. COMPLIANCE WITH THE DECEPTIVE MARKETING PRACTICES PROVISIONS OF THE COMPETITION ACT

- 2. From the date of this Agreement, the Respondents shall not prepare or create any representation with respect to the price of the Services that is false or misleading in a material respect. The Respondents shall begin taking steps immediately and, as soon as is reasonably possible but no later than sixty (60) days from the date of this Agreement and from that date forward, shall not publish, disseminate or communicate any representation with respect to the price of the Services that is false or misleading in a material respect. Without limiting the generality of the foregoing, the Respondents shall make no new price

representation that uses a disclaimer that contradicts the general impression of the representation to which it relates.

III. PAYMENTS

ADMINISTRATIVE MONETARY PENALTY

3. The Respondents shall pay an administrative monetary penalty in the amount of ten million dollars (\$10,000,000).

COSTS

4. The Respondents shall pay the Competition Bureau for costs and disbursements incurred during the course of its investigation into this matter in the amount of one hundred thousand dollars (\$100,000).

FORM OF PAYMENT

5. The payments referred to in paragraphs 3 and 4 above shall be made as soon as possible and no later than ten (10) days after the date of registration of this Agreement, by certified cheque or by wire transfer payable to the Receiver General for Canada.

IV. COMPLIANCE REPORTING AND MONITORING

6. The Respondents shall provide to the Commissioner, within thirty (30) days following receipt of a written request from the Commissioner, such information in such form as the Commissioner requests for the purposes of monitoring compliance with this Agreement. In the event that the Respondents are unable to comply within 30 days and the parties are unable to agree on an alternative schedule, or the Respondents believe that the Commissioner's request is unreasonable, the Respondents may apply to the Tribunal for an order or directions.
7. For the purpose of determining or securing compliance with this Agreement, the Commissioner agrees to provide the Respondents with two (2) weeks notice prior to seeking further orders with respect to this Agreement from the Tribunal or a court of competent jurisdiction, to provide the Respondents an opportunity to satisfy the Commissioner that it is unnecessary for her to seek such further order.

V. GENERAL

8. The Respondents shall provide a copy of this Agreement to all Respondents' Personnel within fourteen (14) days after the date of this Agreement, and all future Respondents' Personnel within fourteen (14) days after his or her appointment. Within fourteen (14) days after being provided with a copy of this Agreement, the Respondents shall secure from each such person a signed and dated statement acknowledging that he or she read and understood this Agreement and paragraph 74.01(1)(a) of the Act.
9. Notices, reports and other communications required or permitted pursuant to any of the terms of this Agreement, shall be in writing and shall be considered to be given if dispatched by personal delivery, registered mail or facsimile transmission to the Parties at the following addresses:

(a) The Commissioner

Commissioner of Competition
Competition Bureau
Place du Portage, Phase 1
50 Victoria Street, 21st Floor
Gatineau, QC K1A 0C9

Attention: Deputy Commissioner of Competition (Fair Business Practices)

Telephone: 819-997-1231
Facsimile: 819-953-4792

With a copy to:

Executive Director, Competition Bureau Legal Services
Department of Justice
Place du Portage, Phase 1
50 Victoria Street, 22nd Floor
Gatineau, QC K1A 0C9

Telephone: 819-953-3884
Facsimile: 819-953-9267

(b) The Respondents

Bell Canada

Bell ExpressVu Limited Partnership

Bell Mobility Inc.

1 Carrefour Alexander-Graham-Bell
Building A, 7th floor
Montréal, QC H3E 3B3

Attention: Corporate Secretary

Telephone: 514-786-3891

Facsimile: 514-786-3801

10. This Agreement may be executed in two or more counterparts, each of which shall be an original instrument, and all of which taken together shall constitute one and the same instrument. In the event of any discrepancy between the English and French versions of this Agreement, the English version shall prevail.
11. The computation of time periods contemplated by this Agreement shall be in accordance with the *Interpretation Act*, R.S.C. 1985, c. I-21. For the purpose of this Agreement, the definition of “holiday” in the *Interpretation Act* shall include Saturday. For purposes of determining time periods, the date of this Agreement is the last date on which it is executed by a Party.
12. The Parties consent to the registration of this Agreement by the Tribunal.
13. Unless otherwise specified, this Agreement shall be binding upon the Respondent and all Related Persons as defined herein for a period of ten (10) years following the date of registration of this Agreement.

[Remainder of page intentionally left blank]

14. In the event of a dispute as to the interpretation or application of this Agreement, any of the Parties shall be at liberty to apply to the Tribunal for an order or directions. The Parties agree that the Tribunal has jurisdiction to make such order as is required to give effect to this Agreement.

DATED at Montreal, in the Province of Quebec this 21st day of June, 2011.

for: [Original signed by Alain Dussault]
Bell Canada
Alain Dussault, Corporate Secretary
I have authority to bind the corporation.

for: [Original signed by Alain Dussault]
Bell Mobility Inc.
Alain Dussault, Corporate Secretary
I have authority to bind the corporation.

for: [Original signed by Alain Dussault]
Bell ExpressVu Limited Partnership
Alain Dussault, Corporate Secretary
I have authority to bind the partnership.

DATED at Gatineau, in the Province of Quebec, this 28th day of June, 2011.

[Original signed by Melanie L. Aitken]

Commissioner of Competition

Per: Melanie L. Aitken

Commissioner of Competition