

BELL CANADA
Form F-10/A
November 14, 2014
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Registration No. 333- 199993

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

Amendment No. 1 to
FORM F-10
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

Bell Canada

BCE Inc.

(Exact Name of Co-Registrants as Specified in their Charter)

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Canada
(Provinces of Other Jurisdictions of Incorporation or Organization)

1050
(Primary Standard Industrial Classification Code Numbers)

98-0181584
(I.R.S. Employee Identification Nos.)

4813

26-2663280

1, carrefour Alexander-Graham-Bell

Building A, 8th Floor

Verdun, Québec

Canada H3E 3B3

(514) 870-8777

(Address, including postal code, and telephone number, including area code, of Co-Registrants principal executive office)

Puglisi & Associates

850 Library Avenue, Suite 204

Newark, Delaware 19711

(302) 738-6680

(Name, Address (Including Zip Code) and Telephone Number (Including Area Code) of Agent for Service in the United States)

1, carrefour Alexander-Graham-Bell

Building A, 8th Floor

Verdun, Québec

Canada H3E 3B3

(514) 870-8777

Puglisi & Associates

850 Library Avenue, Suite 204

Newark, Delaware 19711

(302) 738-6680

Copies to:

Michel Lalande

Corporate Secretary

BCE Inc. and Bell Canada

1, carrefour Alexander-Graham-Bell

Building A, 7th Floor

Verdun, Québec

Canada H3E 3B3

(514) 786-8424

Mile T. Kurta

Torys LLP

1114 Avenue of the Americas

New York, NY 10036

(212) 880-6363

Approximate date of commencement of proposed sale of the securities to the public:

From time to time after the effective date of this Registration Statement.

Province of Québec, Canada

(Principal jurisdiction regulating this offering)

It is proposed that this filing shall become effective (check appropriate box):

- A. upon filing with the Commission, pursuant to Rule 467(a) (if in connection with an offering being made contemporaneously in the United States and Canada).
- B. at some future date (check the appropriate box below)
1. pursuant to Rule 467(b) on () at () (designate a time not sooner than seven calendar days after filing).
 2. pursuant to Rule 467(b) on () at () (designate a time seven calendar days or sooner after filing) because the securities regulatory authority in the review jurisdiction has issued a receipt or notification of clearance on ().
 3. pursuant to Rule 467(b) as soon as practicable after notification of the Commission by the Registrant or the Canadian securities regulatory authority of the review jurisdiction that a receipt or notification of clearance has been issued with respect hereto.
 4. after the filing of the next amendment to this Form (if preliminary material is being filed).

If any of the securities being registered on this Form F-10 are to be offered on a delayed or continuous basis pursuant to the home jurisdiction's shelf prospectus offering procedures, check the following box:

The Co-Registrants hereby amend this registration statement on such date or dates as may be necessary to delay its effective date until the registration statement shall become effective as provided in Rule 467 under the Securities Act of 1933 (the Securities Act) or on such date as the Commission, acting pursuant to Section 8(a) of the Act, may determine.

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PART I

INFORMATION REQUIRED TO BE DELIVERED

TO OFFEREES OR PURCHASERS

We may not sell these securities until the Registration Statement filed with the U.S. Securities and Exchange Commission is effective. This short form base shelf prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities.

Information has been incorporated by reference in this short form base shelf prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of Bell Canada at 1, Carrefour Alexander-Graham-Bell, Building A, 7th Floor, Verdun (Québec) H3E 3B3, 514-786-8424 and are also available electronically at www.sedar.com.

Short Form Base Shelf Prospectus

New Issue

November 14, 2014

Bell Canada

\$4,000,000,000

Debt Securities

(UNSECURED)

Unconditionally guaranteed as to payment of principal,

interest and other payment obligations by BCE Inc.

Debt securities consisting of debentures, notes and/or other unsecured evidences of indebtedness or other instruments (collectively, the **Debt Securities** and each, individually, a **Debt Security**) of Bell Canada (the **Corporation** or **Bell Canada**) may be offered under this short form base shelf prospectus (the **Prospectus**) from time to time in one or more series or issues in an aggregate amount of up to \$4,000,000,000 (or the equivalent thereof in other currencies based on the applicable exchange rate at the time of the offering) calculated on the basis of the principal amount of the Debt Securities issued by Bell Canada, in the case of interest bearing Debt Securities, or on the basis of the gross proceeds received by Bell Canada, in the case of non-interest bearing Debt Securities, during the 25-month period that this Prospectus, including any amendments to this Prospectus, remains valid. The Debt Securities will either be Debt Securities that will rank *pari passu*, except as to sinking funds, if any, with all other unsecured and unsubordinated indebtedness of Bell Canada or Debt Securities that will be subordinated in right of payment to the prior payment in full of all Senior Debt (as defined in this Prospectus) of Bell Canada. Payment of principal, interest and other payment obligations under the Debt Securities will be fully and unconditionally guaranteed by BCE Inc. (**BCE** or the **Guarantor**). The obligations of the Guarantor under such guarantee will constitute direct unsecured obligations of the Guarantor and will either rank *pari passu* with all other unsecured and unsubordinated obligations of the Guarantor or be subordinated in right of payment to the prior payment in full of all Senior Guaranteed Obligations (as defined in this Prospectus) of the Guarantor.

The Debt Securities may be offered in an amount and on such terms as may be determined from time to time depending on market conditions and other factors. The specific variable terms of any offering of Debt Securities (including, where applicable and without limitation, the specific

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designation, the aggregate principal amount being offered, the currency, the issue and delivery date, the maturity date, the issue price (or the manner of determination thereof if offered on a non-fixed price basis), the interest rate (either fixed or floating and, if floating, the manner of calculation thereof), the interest payment date(s), the redemption, repayments, exchange or conversion provisions (if any), the repayment terms, the method of distribution, the form (either global or definitive), the authorized

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denominations and any other terms in connection with the offering and sale of the Debt Securities) will be set forth in one or more prospectus supplements or pricing supplements (collectively or individually, as the case may be, a **Prospectus Supplement**) which will accompany this Prospectus. A Prospectus Supplement may include specific variable terms pertaining to the Debt Securities that are not within the alternatives and parameters described in this Prospectus.

All shelf information permitted under applicable laws to be omitted from this Prospectus will be contained in one or more Prospectus Supplements that will be delivered to purchasers together with this Prospectus. Each Prospectus Supplement will be incorporated by reference into this Prospectus for the purposes of securities legislation as of the date of the Prospectus Supplement and only for the purposes of the distribution of the Debt Securities to which the Prospectus Supplement pertains.

Bell Canada may sell the Debt Securities to or through underwriters or dealers purchasing as principals and may also sell the Debt Securities to one or more purchasers directly or through agents. The Prospectus Supplement relating to a particular series or issue of Debt Securities will identify each underwriter, dealer or agent engaged by Bell Canada, as the case may be, in connection with the offering and sale of that series or issue, and will set forth the terms of the offering of such series or issue, the method of distribution of such series or issue, including, to the extent applicable, the proceeds to Bell Canada and any fees, discounts or any other compensation payable to underwriters, dealers or agents and any other material terms of the plan of distribution. See **Plan of Distribution** .

Unless otherwise specified in an applicable Prospectus Supplement, the Debt Securities will not be listed on any securities exchange. **There is currently no market through which the Debt Securities may be sold and purchasers may not be able to resell the Debt Securities purchased under this Prospectus. This may affect the pricing of these Debt Securities in the secondary market, the transparency and availability of trading prices, the liquidity of the Debt Securities, and the extent of issuer regulation. See **Risk Factors** .**

Bell Canada's head and registered office is located at 1050, côte du Beaver Hall, Suite 1900, Montréal (Québec) H2Z 1S4 and its principal executive offices are located at 1, Carrefour Alexander-Graham-Bell, Building A, 8th Floor, Verdun (Québec) H3E 3B3.

Unless otherwise specifically stated, all dollar amounts in this Prospectus are expressed in Canadian dollars.

Bell Canada and BCE are permitted, under a multijurisdictional disclosure system adopted by the United States, to prepare this Prospectus in accordance with Canadian disclosure requirements, which are different from those of the United States. BCE prepares its financial statements in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (the IASB), and they may be subject to Canadian auditing and auditor independence standards. They may not be comparable to financial statements of U.S. companies.

Owning the Debt Securities may subject you to tax consequences both in the United States and Canada. This Prospectus or any applicable Prospectus Supplement may not describe these tax consequences fully. You should read the tax discussion in any applicable Prospectus Supplement.

Your ability to enforce civil liabilities under the U.S. federal securities laws may be affected adversely because Bell Canada and BCE are incorporated in Canada, some of their officers and directors and some of the experts named in this Prospectus are Canadian residents, and a substantial portion of Bell Canada's and BCE's assets is located in Canada.

Neither the U.S. Securities and Exchange Commission (the SEC) nor any state securities regulator has approved or disapproved the Debt Securities, or determined if this Prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

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WHERE YOU CAN FIND MORE INFORMATION

In addition to its continuous disclosure obligations under the securities laws of the provinces of Canada, BCE is subject to the information requirements of the U.S. Securities Exchange Act of 1934, as amended, and in accordance therewith files reports and other information with the SEC. Under the multijurisdictional disclosure system adopted by the United States, such reports and other information may be prepared in accordance with the disclosure requirements of Canada, which requirements are different from those of the United States. Such reports and other information, when filed by BCE in accordance with such requirements, can be inspected and copied at the Public Reference Room maintained by the SEC at 100 F Street, N.E., Washington, D.C. 20549. The public may obtain information on the operations of the Public Reference Room by calling the SEC at 1-800-SEC-0330. The SEC maintains an Internet site that contains reports and other information regarding issuers that file electronically with the SEC. The address of that site is <http://www.sec.gov>.

Bell Canada and BCE have filed with the SEC a Registration Statement on Form F-10 (the **Registration Statement**) under the U.S. Securities Act of 1933, as amended, with respect to the Debt Securities and of which this Prospectus is a part. This Prospectus does not contain all of the information set forth in the Registration Statement, certain parts of which are omitted in accordance with the rules and regulations of the SEC. Reference is made to the Registration Statement and the exhibits thereto for further information with respect to Bell Canada and BCE and the Debt Securities.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference into this Prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of the Corporation at the address set forth on the cover page of this Prospectus, and are also available electronically at www.sedar.com (**SEDAR**).

The following documents, filed by Bell Canada or BCE, as the case may be, with securities commissions or similar authorities in each of the provinces of Canada, as amended from time to time, are specifically incorporated by reference into, and form an integral part of, this Prospectus:

- (a) Bell Canada's unaudited Selected Summary Financial Information for the periods ended December 31, 2013 and 2012, filed on SEDAR under the document type Other on March 12, 2014;
- (b) BCE's audited Consolidated Financial Statements for the year ended December 31, 2013, and the Report of Independent Registered Public Accounting Firm thereon and the Report of Independent Registered Public Accounting Firm on BCE's internal control over financial reporting as of December 31, 2013;
- (c) BCE's Management's Discussion and Analysis for the year ended December 31, 2013 (the **BCE 2013 Annual MD&A**);
- (d) BCE's Annual Information Form dated March 6, 2014 for the year ended December 31, 2013;
- (e) BCE's Management Proxy Circular dated March 6, 2014 in connection with the annual general meeting of the shareholders of BCE held on May 6, 2014;
- (f) Bell Canada's unaudited Selected Summary Financial Information for the three-month periods ended March 31, 2014 and 2013, filed on SEDAR under the document type Other on May 6, 2014;
- (g) BCE's unaudited interim consolidated financial statements for the three-month periods ended March 31, 2014 and 2013;

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- (h) BCE's Management's Discussion and Analysis for the three-month periods ended March 31, 2014 and 2013 (the **BCE 2014 First Quarter MD&A**);
- (i) Bell Canada's unaudited Selected Summary Financial Information for the three and six-month periods ended June 30, 2014 and 2013, filed on SEDAR under the document type "Other" on August 7, 2014;
- (j) BCE's unaudited interim consolidated financial statements for the three and six-month periods ended June 30, 2014 and 2013;
- (k) BCE's Management's Discussion and Analysis for the three and six-month periods ended June 30, 2014 and 2013 (the **BCE 2014 Second Quarter MD&A**);
- (l) Bell Canada's unaudited Selected Summary Financial Information for the three and nine-month periods ended September 30, 2014 and 2013, filed on SEDAR under the document type "Other" on November 6, 2014;
- (m) BCE's unaudited interim consolidated financial statements for the three and nine-month periods ended September 30, 2014 and 2013;
- (n) BCE's Management's Discussion and Analysis for the three and nine-month periods ended September 30, 2014 and 2013 (the **BCE 2014 Third Quarter MD&A**);
- (o) any and all Prospectus Supplements in respect of this Prospectus as of the date of each such Prospectus Supplement; and
- (p) to the extent permitted by applicable securities laws, any other documents which Bell Canada elects to incorporate by reference into this Prospectus.

Any statement contained in this Prospectus or in a document incorporated or deemed to be incorporated by reference in this Prospectus will be deemed to be modified or superseded for purposes of this Prospectus to the extent that a statement contained in this Prospectus or in any other subsequently filed document which also is, or is deemed to be, incorporated by reference into this Prospectus modifies or supersedes that statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute part of this Prospectus.

Any document of the type required by National Instrument 44-101 *Short Form Prospectus Distributions* to be incorporated by reference into a short form prospectus, including any annual information forms, material change reports (except confidential material change reports), business acquisition reports, interim financial statements, annual financial statements (in each case, including exhibits containing updated earnings coverage information) and the independent auditor's report thereon, management's discussion and analysis and information circulars of BCE filed by BCE with securities commissions or similar authorities in Canada after the date of this Prospectus and prior to the completion or withdrawal of any offering under this Prospectus shall be deemed to be incorporated by reference into this Prospectus.

Any material change report (excluding any confidential material change report), Prospectus Supplement in respect of this Prospectus and selected summary financial information filed by Bell Canada with the various securities commissions or similar securities regulatory authorities in Canada after the date of this Prospectus and prior to the completion or withdrawal of any offering under this Prospectus shall be deemed to be incorporated by reference into this Prospectus.

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Pursuant to the exemption provided under Section 13.4 of National Instrument 51-102 *Continuous Disclosure Obligations*, Bell Canada does not file with the securities commissions and similar securities regulatory authorities in Canada separate continuous disclosure information regarding Bell Canada except for: (a) the selected summary financial information referred to above, and (b) a material change report for a material change in respect of the affairs of Bell Canada that is not also a material change in the affairs of BCE.

Upon a new annual information form and the related annual audited consolidated financial statements together with the independent auditors report thereon and management's discussion and analysis related thereto being filed by BCE, and upon new selected summary financial information being filed by Bell Canada, with the applicable securities regulatory authorities during the currency of this Prospectus, the previous annual information form, the previous annual audited consolidated financial statements and all interim financial statements, annual and quarterly management's discussions and analyses, material change reports and selected summary financial information filed by BCE or Bell Canada, as the case may be, prior to the commencement of BCE's financial year in which the new annual information form was filed, no longer shall be deemed to be incorporated by reference in this Prospectus for the purpose of future offers and sales of Debt Securities hereunder.

A Prospectus Supplement containing the specific terms of an offering of Debt Securities, updated disclosure of earnings coverage ratio, if applicable, and other information in relation to the Debt Securities will be delivered to purchasers of such Debt Securities together with this Prospectus and shall be deemed to be incorporated by reference into this Prospectus as of the date of such Prospectus Supplement solely for the purposes of the offering of the Debt Securities covered by that Prospectus Supplement.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Prospectus and the documents incorporated herein by reference contain forward-looking statements about Bell Canada's and BCE's business outlook, objectives, strategies, plans, strategic priorities and results of operations as well as other statements that are not historical facts. A statement we make is forward-looking when it uses what we know and expect today to make a statement about the future. Forward-looking statements are typically identified by the words *assumption, goal, guidance, objective, outlook, project, strategy, target* and other similar expressions or future or conditional verbs such as *aim, anticipate, believe, could, expect, intend, may, plan, seek, should, strive* and *will*. All such forward-looking statements are made pursuant to the "safe harbour" provisions of applicable Canadian securities laws and of the United States Private Securities Litigation Reform Act of 1995.

Unless otherwise indicated by us, forward-looking statements contained in this Prospectus describe Bell Canada's and BCE's expectations, as applicable, as at the date of this Prospectus and forward-looking statements contained in the documents incorporated herein by reference describe Bell Canada's and BCE's expectations, as applicable, as of the date of such documents, unless otherwise indicated in such documents. Except as may be required by Canadian securities laws, we do not undertake any obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Forward-looking statements, by their very nature, are subject to inherent risks and uncertainties and are based on several assumptions, both general and specific, which give rise to the possibility that actual results or events could differ materially from our expectations expressed in or implied by such forward-looking statements and that Bell Canada's and BCE's business outlook, objectives, strategies, plans, strategic priorities, results of operations and other statements that are not historical facts may not be achieved. As a result, we cannot guarantee that any forward-looking statement will materialize and we caution prospective investors against relying on any of these forward-looking statements. Forward-looking statements are provided in this Prospectus and in the documents incorporated by reference for the purpose of assisting investors and others in understanding our business outlook, objectives, strategies, plans and strategic priorities as well as our anticipated operating environment. Readers are cautioned, however, that such information may not be appropriate for other purposes.

Forward-looking statements made in this Prospectus and in the documents incorporated herein by reference are based on a number of assumptions that BCE or Bell Canada, as applicable, believed were reasonable on the day they made the forward-looking statements. Refer, in particular, to the BCE 2013 Annual MD&A under the heading "Business Outlook and Assumptions" and the sub-sections entitled "Business Outlook and Assumptions" set out in section 5 "Business Segment Analysis", on pages 41, 42, 57, 63, 64, 69, 74 and 75 of the BCE 2013 Annual Report, as updated in the BCE 2014 First Quarter MD&A, the BCE 2014 Second Quarter MD&A and the BCE 2014 Third Quarter MD&A under their respective heading "Assumptions" as well as the various assumptions referred to under their respective sub-sections entitled "Assumptions" set out in section 3 "Business Segment Analysis" of each such quarterly MD&A for a discussion of certain key economic, market and operational assumptions that BCE or Bell Canada have made in preparing forward-looking statements. If our assumptions turn out to be inaccurate, our actual results could be materially different from what we expect.

Important factors that could cause actual results or events to differ materially from those expressed in or implied by the forward-looking statements contained in this Prospectus or the documents incorporated by reference are disclosed in the BCE 2013 Annual MD&A included in the BCE 2013 Annual Report on pages 92 to 98 under the heading "Business Risks" as well as in all other sections of the BCE 2013 Annual MD&A referred to therein, as updated in the BCE 2014 First Quarter MD&A under the headings "Regulatory Environment" and "Business Risks" on page 30 and pages 31 and 32, respectively, of the BCE 2014 First Quarter Shareholder Report, in the BCE 2014 Second Quarter MD&A under the headings "Regulatory Environment" and "Business Risks" on page 34 and pages 35 and 36, respectively, of the BCE 2014 Second Quarter Shareholder Report, and in the BCE 2014 Third Quarter MD&A under the headings "Regulatory Environment" and "Business Risks" on page 36 and pages 37 and 38, respectively, of the BCE 2014 Third Quarter Shareholder Report.

Readers are cautioned that the risks referred to above are not the only ones that could affect BCE and Bell Canada. Additional risks and uncertainties not currently known to BCE or Bell Canada or that BCE or Bell Canada currently deem to be immaterial may also have a material adverse effect on BCE's or Bell Canada's financial position, financial performance, cash flows, business or reputation.

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Except as otherwise indicated by us, forward-looking statements do not reflect the potential impact of any special items or of any dispositions, monetizations, mergers, acquisitions, other business combinations or other transactions that may be announced or that may occur after the date hereof. The financial impact of these transactions and special items can be complex and depends on the facts particular to each of them. We therefore cannot describe the expected impact in a meaningful way or in the same way we present known risks affecting our business.

INTERCORPORATE RELATIONSHIPS

Bell Canada was incorporated by special act of the Parliament of Canada in 1880 and continued under the *Canada Business Corporations Act* (the **CBCA**) effective April 21, 1982. Bell Canada is also legally designated The Bell Telephone Company of Canada or La Compagnie de Téléphone Bell du Canada and its head and registered office is located at 1050, côte du Beaver Hall, Suite 1900, Montréal (Québec) H2Z 1S4 and its principal executive offices are located at 1, Carrefour Alexander-Graham-Bell, Building A, 8th Floor, Verdun (Québec) H3E 3B3.

BCE was incorporated in 1970 and was continued under the CBCA in 1979. It is governed by a certificate and articles of amalgamation dated August 1, 2004, as amended by (a) a certificate and articles of arrangement dated July 10, 2006 to implement a plan of arrangement providing for the distribution of units by BCE to its shareholders in the Bell Aliant Regional Communications Income Fund and for a consolidation in the number of outstanding BCE common shares, (b) a certificate and articles of amendment dated January 25, 2007 to implement a plan of arrangement providing for the exchange of Bell Canada preferred shares for BCE preferred shares, (c) a certificate and articles of amendment dated June 29, 2011 to create two additional series of BCE First Preferred Shares, and (d) a certificate and articles of amendment dated September 22, 2014 to create six additional series of BCE First Preferred Shares. BCE's head and registered offices are located at 1, Carrefour Alexander-Graham-Bell, Building A, 8th Floor, Verdun (Québec) H3E 3B3.

The table below shows BCE's main subsidiaries, where they are incorporated or registered, and the percentage of voting securities that BCE beneficially owns or directly or indirectly exercises control or direction over. BCE has other subsidiaries, but they have not been included in the table because each represents 10% or less of its total consolidated assets and 10% or less of its total consolidated operating revenues. These other subsidiaries together represented 20% or less of its total consolidated assets and 20% or less of its total consolidated operating revenues at September 30, 2014.

SUBSIDIARY	WHERE IT IS INCORPORATED OR REGISTERED	PERCENTAGE OF VOTING SECURITIES THAT BCE INC. HELD AT OCTOBER 31, 2014 ⁽¹⁾
Bell Canada	Canada	100%
Bell Mobility Inc.	Canada	100%
Bell Media Inc.	Canada	100%
Bell Aliant Inc.	Canada	100%

- (1) BCE beneficially owns all the voting securities of Bell Mobility Inc., Bell Media Inc. and Bell Aliant Inc. through Bell Canada, which directly or indirectly owns all the voting securities of each such subsidiary.

BUSINESS OF THE CORPORATION AND OF THE GUARANTOR

BCE owns 100% of the voting shares of the Corporation, which encompasses BCE's core operations. BCE is Canada's largest communications company, providing residential, business and wholesale customers with a wide range of solutions to all their communications needs, including the following: wireless, high-speed Internet, Internet protocol television (IPTV) and satellite TV, local and long distance, business Internet protocol (IP)-broadband and information and communications technology (ICT) services. BCE reports the results of its operations in four segments: Bell Wireline, Bell Wireless, Bell Media and Bell Aliant. Bell Media is a diversified Canadian multimedia company that holds assets in TV, radio, digital media and out-of-home advertising.

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Additional information about BCE's and Bell Canada's business is included in the documents incorporated by reference into this Prospectus.

CONSOLIDATED CAPITALIZATION

The following table sets forth the consolidated capitalization of BCE based on its unaudited consolidated financial statements as at September 30, 2014 (i) on an actual basis and (ii) as adjusted to take into account (a) the acquisition by BCE of all the outstanding common shares of Bell Aliant Inc. other than common shares already held by BCE and its affiliates as a result of the acquisition on October 7, 2014 of shares of Bell Aliant Inc. and of the compulsory acquisition on October 31, 2014 of the remaining shares of Bell Aliant Inc., (b) the acquisition by BCE on November 1, 2014 of all the outstanding preferred shares of Bell Aliant Preferred Equity Inc., other than preferred shares already held by BCE, in exchange for preferred shares of BCE and (c) the redemption, prior to maturity, on October 30, 2014, of all of Bell Aliant Regional Communications, Limited Partnership's \$350,000,000 principal amount of 6.29% medium term notes, due February 17, 2015.

	As at September 30, 2014 Actual (\$ millions) (unaudited)	As at September 30, 2014 As Adjusted (\$ millions) (unaudited)
Debt due within one year	\$ 3,194	\$ 2,844
Long-term debt	\$ 17,388	\$ 17,388
Total debt	\$ 20,582	\$ 20,232
Equity		
Preferred shares	\$ 3,836	\$ 4,004
Common shares	\$ 16,125	\$ 16,683
Contributed surplus	\$ 1,408	\$ 1,129
Accumulated other comprehensive income	\$ 83	\$ 83
Deficit	\$ (6,962)	\$ (7,335)
Non-controlling interest	\$ 541	\$ 283

As at September 30, 2014, the total consolidated debt of Bell Canada was \$32,849 million. Included in this amount is debt of \$12,308 million due to a related party, BCE, at September 30, 2014. There has been no material change in the share and loan capital of Bell Canada since September 30, 2014, except in connection with the transactions referred to in clauses (a), (b) and (c) above.

USE OF PROCEEDS

The use of proceeds from the sale of any Debt Securities will be described in a Prospectus Supplement relating to the specific issuance of Debt Securities. Bell Canada may use proceeds from the sale of Debt Securities hereunder for repayment of indebtedness, to fund capital expenditures or acquisitions and for other general corporate purposes.

DESCRIPTION OF THE DEBT SECURITIES**General**

The terms and conditions set forth in this Description of the Debt Securities section will apply to each Debt Security unless otherwise specified in a Prospectus Supplement.

The Debt Securities are issuable, in one or more series or issues, from time to time at the discretion of Bell Canada, at prices and on terms determined at the time of issue in an aggregate amount not to exceed \$4,000,000,000 (or the equivalent thereof in other currencies based on the applicable exchange rate at the time of the offering) calculated on the basis of the principal amount of the Debt Securities issued by Bell Canada, in the case of interest

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bearing Debt Securities, or on the basis of the gross proceeds received by Bell Canada, in the case of non-interest bearing Debt Securities, during the 25-month period that this Prospectus, including any amendments to this Prospectus, remains valid. The Debt Securities will have maturities of not less than one year from the date of issue and can be issued at par (100% of the principal amount thereof), at a discount or at a premium.

The Debt Securities may be offered in an amount and on such terms as may be determined from time to time depending on market conditions and other factors. The specific variable terms of any offering of Debt Securities (including, where applicable and without limitation, the specific designation, the aggregate principal amount being offered, the currency, the issue and delivery date, the maturity date, the issue price (or the manner of determination thereof if offered on a non-fixed price basis), the interest rate (either fixed or floating and, if floating, the manner of calculation thereof), the interest payment date(s), the redemption, repayment, exchange or conversion provisions (if any), the repayment terms, the governing law, the name and compensation of the trustees, agents, underwriters or dealers, the method of distribution, the form (either global or definitive), the authorized denominations and any other terms in connection with the offering and sale of the Debt Securities), as well as any modifications of or additions to the general terms of the Debt Securities described in this Prospectus which may be applicable to a particular offering of Debt Securities, will be set forth in a Prospectus Supplement. Bell Canada also reserves the right to include in a Prospectus Supplement specific variable terms pertaining to the Debt Securities which are not within the options and parameters set forth in this Prospectus. Reference is made to the applicable Prospectus Supplement for a description of the specific variable terms of any offering of Debt Securities. Bell Canada may also, from time to time, issue debt securities and incur additional indebtedness otherwise than through the issue of Debt Securities offered pursuant to this Prospectus.

The Debt Securities which may be offered hereunder will consist of:

- (i) unsubordinated Debt Securities that will rank *pari passu* with all other unsecured and unsubordinated indebtedness of Bell Canada. Such unsubordinated Debt Securities may be issued under an indenture dated as of November 28, 1997 and indentures supplemental thereto executed by Bell Canada in favour of CIBC Mellon Trust Company, as trustee (as amended and supplemented from time to time in accordance with the terms thereof, the MTN Indenture). Debt Securities issued under the MTN Indenture are hereinafter referred to as the MTN Debentures ; or
- (ii) subordinated Debt Securities which are subordinated in right of payment to the prior payment in full of all Senior Debt (as defined hereinafter). Such subordinated Debt Securities will be issued under an indenture dated as of April 17, 1996 and indentures supplemental thereto executed by Bell Canada in favour of Montreal Trust Company (the predecessor company of Computershare Trust Company of Canada), as trustee (as amended and supplemented from time to time in accordance with the terms thereof, the Subordinated Indenture). Debt Securities issued under the Subordinated Indenture are hereinafter referred to as the Subordinated Debentures .

Unsubordinated Debt Securities may also be issued under a distinct trust indenture or without the benefit of a trust indenture. The terms and conditions applicable to unsubordinated Debt Securities issued under a distinct trust indenture or without the benefit of a trust indenture will be set forth in such trust indenture or in the specific Debt Security, as the case may be, and summarized in the applicable Prospectus Supplement. Such terms and conditions may vary from those which apply to MTN Debentures.

Notwithstanding the foregoing, only MTN Debentures and Subordinated Debentures may be offered or sold in the United States.

The MTN Indenture and the Subordinated Indenture are sometimes referred to herein individually as an **Indenture** and collectively as the **Indentures** . CIBC Mellon Trust Company, Computershare Trust Company of Canada and any other trustee or co-trustee under the MTN Indenture or the Subordinated Indenture, acting in such capacity for a particular series of MTN Debentures or Subordinated Debentures, are each sometimes referred to herein as the **Trustee** .

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The following summaries of certain provisions of the Indentures and the MTN Debentures and Subordinated Debentures do not purport to be complete in every detail, and are subject to and qualified in their entirety by the detailed provisions of the Indentures. Reference should be made to the Indentures for a full description of such provisions, including the definition of certain terms used herein, and for other information regarding the MTN Debentures and Subordinated Debentures.

The Indentures

The following paragraphs summarize certain provisions of the MTN Indenture and the Subordinated Indenture which are substantially similar.

Form and Denominations

The MTN Debentures or Subordinated Debentures of any series or issue may be issued in the form of fully-registered definitive securities (the **Definitive Securities**) in denominations of \$1,000 and integral multiples thereof or in such other forms and denominations as may be provided for by the terms of the MTN Debentures or Subordinated Debentures of any particular series or issue and set forth in the applicable Prospectus Supplement. The Indentures also provide that MTN Debentures or Subordinated Debentures of any series or issue may be issued in the form of one or more fully-registered global securities (the **Global Securities**), or in any combination of Definitive Securities and Global Securities.

Open Market Purchases

Bell Canada will have the right at any time and from time to time to purchase MTN Debentures or Subordinated Debentures in the market, by tender or by private contract at any price.

Modification

The rights of the holders of MTN Debentures or Subordinated Debentures under the Indentures may in certain circumstances be modified. For that purpose, among others, the Indentures contain provisions making extraordinary resolutions binding upon all holders of MTN Debentures or Subordinated Debentures issued thereunder. **Extraordinary resolution** is defined, in effect, as a resolution passed at a meeting of such holders by the affirmative votes of the holders of at least 66 2/3% of the principal amount of MTN Debentures or Subordinated Debentures, as the case may be, voted on the resolution at a meeting of holders at which a quorum, as specified in the Indentures, is present or as one or more instruments in writing signed by the holders of at least 66 2/3% in principal amount of all outstanding MTN Debentures or Subordinated Debentures, as the case may be. In certain cases, modifications may require separate extraordinary resolutions of the holders of a specific series of MTN Debentures or Subordinated Debentures outstanding under the Indentures.

Certain changes can be made only with the consent of each holder of an outstanding series of MTN Debentures or Subordinated Debentures. In particular, each holder must consent to changes in the right of a holder of MTN Debentures or of Subordinated Debentures to receive payment of the principal of and interest on such MTN Debentures or Subordinated Debentures, on or after the respective due dates expressed in such MTN Debentures or Subordinated Debentures, or to institute suit for the enforcement of any such payment on or after such respective dates.

Payment of Principal and Interest

Bell Canada will pay the principal of and premium, if any, and interest, if any, on the MTN Debentures or Subordinated Debentures at the dates and places, in the currencies and in the manner described in the MTN Debentures or Subordinated Debentures and in the Indentures. Unless otherwise provided in the terms of the MTN Debentures or Subordinated Debentures of any series or issue and set forth in the applicable Prospectus Supplement, payment of interest, if any, on each MTN Debenture or Subordinated Debenture will be made by electronic funds transfer or by cheque mailed to the address of the holder of each MTN Debenture or Subordinated Debenture appearing on the registers maintained by the Trustee.

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Payments made in respect of MTN Debentures or Subordinated Debentures represented by Global Securities registered in the name of a depository or its nominee will be made to such depository or its nominee, as the case may be, as the registered holder of such Global Securities.

Payments of principal of and premium, if any, on MTN Debentures or Subordinated Debentures will be made against presentation and surrender thereof for cancellation at such places as are designated in the MTN Debentures or Subordinated Debentures.

Right of Trustee to Enforce Payment

If Bell Canada fails to pay to the Trustee on demand, following a declaration made by the Trustee as described below under **Events of Default**, the principal of and premium, if any, and interest, if any, on MTN Debentures or Subordinated Debentures, as the case may be, then issued and outstanding under the applicable Indenture, the Trustee may, in its discretion, and shall upon the request in writing of the holders of not less than 25% of the principal amount of MTN Debentures or Subordinated Debentures, as the case may be, issued and outstanding under the applicable Indenture, and upon being indemnified to its reasonable satisfaction against all costs, expenses and liabilities to be incurred, proceed in its name as Trustee to obtain or enforce payment of the said principal and premium, if any, and interest, if any, on all outstanding MTN Debentures or Subordinated Debentures, as the case may be, under the applicable Indenture, together with other amounts due under such Indenture, by any remedy or proceeding authorized by the Indenture.

Holders of MTN Debentures or Subordinated Debentures issued under the Indentures may not institute any action or proceeding or exercise any other remedy authorized by the Indentures, including an action to enforce the Indentures or the MTN Debentures or Subordinated Debentures, except as provided in the Indentures. Notwithstanding the foregoing, any holder of MTN Debentures or of Subordinated Debentures may institute suit for the enforcement of any payment of principal or interest on or after the respective due dates expressed in such MTN Debentures or Subordinated Debentures.

Guarantee

The Guarantor has irrevocably and unconditionally guaranteed the full and timely payment when due, whether at stated maturity, by required payment, acceleration, declaration, demand or otherwise, of all of the payment obligations of Bell Canada under the Indentures existing at the time the Guarantor entered into such guarantee and, unless otherwise provided in a supplemental trust indenture, incurred thereafter (the **Guarantee**). Such Guarantee therefore includes all of the payment obligations of Bell Canada under the Debt Securities in accordance with the terms of such Debt Securities and of the Indentures. The Guarantor has agreed that its obligations under the Guarantee shall be irrevocable and unconditional, irrespective of, shall not be affected or limited by, and shall not be subject to any defense, set-off, counterclaim or termination by reason of: (i) the legality, genuineness, validity, regularity or enforceability of the Guarantee or the liabilities of Bell Canada guaranteed thereby; (ii) any provision of applicable law or regulation prohibiting the payment by Bell Canada of the Debt Securities; or (iii) any other fact or circumstance which might otherwise constitute a defense to a guarantee. The Guarantor has no right of subrogation, reimbursement or indemnity whatsoever against Bell Canada, nor any right of recourse to security for its obligations under the Guarantee, unless and until all Debt Securities have been finally and irrevocably paid in full. The obligations of the Guarantor under the Indentures and the Guarantee shall be continuing obligations. The liability of the Guarantor shall be discharged or satisfied only upon full payment and performance by either Bell Canada or the Guarantor of all the payment obligations of Bell Canada under the Debt Securities.

Governing Law

The Indentures are governed by the laws of the Province of Québec and the laws of Canada applicable therein.

MTN Indenture

The following paragraphs summarize certain additional provisions of the MTN Indenture.

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Covenants

The MTN Indenture contains covenants to the following effect:

- (1) ***Limitation on Liens.*** Subject to the exception set forth in paragraph (2) below, Bell Canada will not issue, assume or guarantee any Debt secured by, and will not after the date of the MTN Indenture secure any Debt by, a Mortgage upon any property of Bell Canada (whether now owned or hereafter acquired), without in any such case effectively providing concurrently therewith that the MTN Debentures (together with any other Debt of Bell Canada which may then be outstanding and entitled to the benefit of a covenant similar in effect to this covenant) shall be secured equally and rateably with such Debt; provided, however, that the foregoing restrictions shall not apply to Debt secured by:
- (i) Purchase Money Mortgages;
 - (ii) Mortgages on property of a corporation existing at the time such corporation is merged into or consolidated with Bell Canada or at the time of a sale, lease or other disposition to Bell Canada of the properties of a corporation as an entirety or substantially as an entirety;
 - (iii) Mortgages on current assets of Bell Canada securing Current Debt of Bell Canada; or
 - (iv) any extension, renewal or replacement (or successive extensions, renewals or replacements) in whole or in part of any Mortgage referred to in the foregoing clauses (i) or (ii) or any Mortgage existing at the date of the MTN Indenture, provided, however, that the principal amount of Debt secured thereby shall not exceed the principal amount of Debt so secured at the time of such extension, renewal or replacement, and that such extension, renewal or replacement shall be limited to all or a part of the property which secured the Mortgage so extended, renewed or replaced (plus improvements on such property).
- (2) ***Additional Permitted Liens.*** In addition to Mortgages permitted by paragraph (1) above, Bell Canada may issue, assume or guarantee any Debt secured by, or secure after the date of the MTN Indenture any Debt by, a Mortgage upon any property of Bell Canada (whether now owned or hereafter acquired) if, after giving effect thereto, the aggregate principal amount of Debt secured by Mortgages of Bell Canada permitted only by this paragraph (2) does not at such time exceed 5% of the Net Worth of Bell Canada.

The terms **Current Debt** , **Debt** , **Mortgage** , **Net Worth of Bell Canada** and **Purchase Money Mortgage** are defined in the MTN Indenture

Events of Default

The MTN Indenture provides that any of the following constitutes an event of default: (i) default in the payment of the principal of or premium, if any, on any MTN Debenture when the same becomes due and payable and continuation of such default for a period of five days; (ii) default in the payment of any installment of interest on any MTN Debenture when the same becomes due and payable and continuation of such default for a period of 90 days; (iii) default in the payment of any purchase or sinking fund installment on any MTN Debenture when the same shall become due and payable and continuation of such default for a period of 30 days; (iv) default in the performance or observance of any covenant, agreement or condition of the MTN Indenture and continuation of such default for a period of 90 days after written notice has been given by the Trustee to Bell Canada specifying such default and requiring Bell Canada to remedy the same or after written notice by the holders of not less than 25% in principal amount of the MTN Debentures at the time outstanding; (v) certain events of insolvency or bankruptcy and, in certain cases, continuation of such events for a period of 60 days; and (vi) default, as defined in one or more instruments evidencing indebtedness for borrowed money of Bell Canada, shall happen and be continuing in relation to indebtedness in excess of 5% of the aggregate principal amount of all outstanding indebtedness for borrowed money of Bell Canada, and (a) shall consist of a failure to make any payment of principal at maturity or (b) shall have resulted in the acceleration of such indebtedness so that the same shall be or become due and payable prior to the date on which the same would otherwise have become due and payable.

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If an event of default has occurred under the MTN Indenture and is continuing, the Trustee may in its discretion and shall upon the request in writing of the holders of at least 25% of the principal amount of the MTN Debentures issued and outstanding under the MTN Indenture, subject to any waiver of default under the MTN Indenture, by notice in writing to Bell Canada declare the principal and interest on all MTN Debentures then outstanding under the MTN Indenture and other money payable thereunder to be due and payable.

Transfer Agent and Registrar

The register for the MTN Debentures will be kept at the principal office of BNY Trust Company of Canada acting as administrative agent for CIBC Mellon Trust Company, in Montréal, and facilities for registration, exchange and transfer of the MTN Debentures will be maintained at its offices in Montréal, Québec, Toronto, Ontario, Vancouver, British Columbia and Calgary, Alberta.

Subordinated Indenture

The following paragraphs summarize certain additional provisions of the Subordinated Indenture.

Subordination

The Subordinated Indenture provides that the indebtedness evidenced by the Subordinated Debentures is subordinate in right of payment to the prior payment in full of all Senior Debt of Bell Canada, whether outstanding on or created, incurred, assumed or guaranteed after the date of the Subordinated Indenture. **Senior Debt** is defined, in effect, as the principal of, premium, if any, interest on and all other amounts in respect of: (i) indebtedness, other than indebtedness represented by the Subordinated Debentures, issued, assumed or guaranteed by Bell Canada for borrowed money or for the deferred purchase price of property; (ii) all other liabilities of Bell Canada; and (iii) renewals, extensions or refundings of any indebtedness referred to in the foregoing clauses (i) and (ii), except, in each case, those which by their terms rank in right of payment equally with or subordinate to the Subordinated Debentures.

In the event of the insolvency or winding-up of Bell Canada the holders of all Senior Debt are entitled to receive payment in full before the holders of the Subordinated Debentures are entitled to receive any payment. Notwithstanding the subordination provisions, Bell Canada may, except during any such insolvency or winding-up proceedings, make payments of principal of, premium, if any, and interest on the Subordinated Debentures.

Similarly, in the event of the insolvency or winding-up of Bell Canada, the indebtedness of the Guarantor evidenced by the Guarantee of the Subordinated Debentures (the **Guaranteed Obligations**) will be subordinated in right of payment to the prior payment in full of all Senior Guaranteed Obligations (as defined below) of the Guarantor, whether such Senior Guaranteed Obligations were outstanding on the date on which the Guarantor entered into the Guarantee or were thereafter granted, incurred, or assumed by the Guarantor. **Senior Guaranteed Obligations** means any and all payment obligations of the Guarantor arising from a guarantee of Bell Canada's payment obligations (but excluding the Guaranteed Obligations or any other guarantee of Bell Canada's payment obligations by the Guarantor which by its terms ranks in right of payment equally with or subordinated to the Guaranteed Obligations) whether such guarantee is outstanding on the date hereof or hereafter granted, incurred, or assumed by the Guarantor, and, for greater certainty includes the Guarantor's payment obligations under: (i) the indenture dated as of July 1, 1976 and indentures supplemental thereto executed by Bell Canada in favour of The Royal Trust Company (the predecessor company of CIBC Mellon Trust Company), as trustee, and indentures supplemental thereto executed by Bell Canada in favour of CIBC Mellon Trust Company, as trustee, and (ii) the MTN Indenture.

As a result of these subordination provisions, in the event of Bell Canada's insolvency, holders of Subordinated Debentures may recover less than general creditors of Bell Canada.

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Events of Default

The Subordinated Indenture provides that any of the following constitutes an event of default: (i) default in the payment of the principal of or premium, if any, on any Subordinated Debenture when the same becomes due and payable; (ii) default in the payment of any installment of interest on any Subordinated Debenture when the same becomes due and payable and continuation of such default for a period of 90 days; (iii) default in the payment of any purchase or sinking fund installment on any Subordinated Debenture when the same shall become due and payable and continuation of such default for a period of 30 days; (iv) default in the performance or observance of any covenant, agreement or condition of the Subordinated Indenture and continuation of such default for a period of 90 days after written notice has been given by the Trustee to Bell Canada specifying such default and requiring Bell Canada to remedy the same or after written notice by the holders of not less than 25% in principal amount of the Subordinated Debentures at the time outstanding; and (v) certain events of insolvency or bankruptcy and, in certain cases, continuation of such events for a period of 60 days.

If an event of default has occurred under the Subordinated Indenture and is continuing, the Trustee may in its discretion and shall upon the request in writing of the holders of at least 25% of the principal amount of the Subordinated Debentures issued and outstanding under the Subordinated Indenture, subject to any waiver of default under the Subordinated Indenture, by notice in writing to Bell Canada declare the principal and interest on all Subordinated Debentures then outstanding under the Subordinated Indenture and other money payable thereunder to be due and payable.

Transfer Agent and Registrar

The register for the Subordinated Debentures will be kept at the principal office of BNY Trust Company of Canada acting as administrative agent for CIBC Mellon Trust Company, in Montréal, and facilities for registration, exchange and transfer of the Subordinated Debentures will be maintained at its offices in Montréal, Québec, Toronto, Ontario, Vancouver, British Columbia and Calgary, Alberta.

EARNINGS COVERAGE RATIOS

The following earnings coverage ratios are calculated for the 12 months ended December 31, 2013 and for the 12 months ended September 30, 2014 and give effect to the issuance and redemption of all long-term debt since January 1, 2013 and October 1, 2013, respectively, as if these transactions occurred on January 1, 2013 and October 1, 2013, respectively.