The March 6, 2013 termination is related to Debt Derivatives hedging the US $350 million senior notes due 2038 (2038 Notes). The Debt Derivatives that were terminated on March 6, 2013 were not designated as effective hedges for accounting purposes and had an original term of 10 years to August 15, 2018. The new Debt Derivatives hedge the foreign exchange risk associated with the principal and interest obligations on the 2038 Notes to their maturity at market rates on the respective dates of the transactions and are designated as effective hedges for accounting purposes.

The September 27, 2013 termination is related to Debt Derivatives hedging senior notes scheduled to mature in 2014 and 2015. Only the fixed foreign exchange rate was changed for the new Debt Derivatives. All other terms are the same as the terminated Debt Derivatives they replaced. Before the Debt Derivatives were terminated on September 27, 2013, changes in their fair value were recorded in other comprehensive income and were periodically reclassified to net income to offset foreign exchange gains or losses on the related debt or to modify interest expense to its hedged amount. On the termination date, the balance in the hedging reserve related to these Debt Derivatives was a $10 million loss. $1 million of this related to future periodic exchanges of interest and will be recorded in net income over the remaining life of the related debt securities. The remaining $8 million, net of income taxes of $1 million, will remain in the hedging reserve until such time as the related debt is settled.

Debt Derivatives Settled at Maturity

In June 2013, when we repaid and bought our US $350 million ($356 million) senior notes due 2013, the associated Debt Derivatives were settled at maturity, resulting in total payments of approximately $104 million.

At December 31, 2013, we had US$6.4 billion of US dollar denominated senior notes and debentures, all of which had been hedged using Debt Derivatives.

(In millions of dollars)	December 31, 2013	December 31, 2012
US dollar denominated long-term debt	US$ 6,380	US$ 4,230
Hedged with Debt Derivatives	US$ 6,380	US$ 4,230
Hedged exchange rate	1.0447	1.1340
Percent hedged [1]	100.0%	100.0%
Amount of long-term debt at fixed rates [2]		
Total long-term debt	Cdn$ 13,315	Cdn$ 11,447
Total long-term debt at fixed rates	Cdn$ 13,315	Cdn$ 11,447
Percent of long-term debt fixed	100%	100%
Weighted average interest rate on debt	5.5%	6.1%
Weighted average term to maturity [3]	11.3 Years	9.2 Years

1 Pursuant to the requirements for hedge accounting under IAS 39, Financial Instruments: Recognition and Measurement, on December 31, 2013, and December 31, 2012, RCI accounted for 100% of its Debt Derivatives as hedges against designated US dollar-denominated debt. As a result, on December 31, 2013, 100% of US dollar-denominated debt is hedged for accounting purposes compared to 100% on an economic basis.

2 Long-term debt includes the effect of the Debt Derivatives.

3 Weighted average term to maturity excludes US$1.1 billion senior notes due March 2014.

Expenditure Derivatives

We use foreign currency forward contracts (Expenditure Derivatives), to hedge the foreign exchange risk on the notional amount of certain forecasted expenditures. We use Expenditure Derivatives for risk-management purposes only.

In 2013, we:

- entered into US$955 million of Expenditure Derivatives maturing from April 2013 through December 2014 at an average rate of $1.0341/US$1
- settled US$435 million of Expenditure Derivatives for $430 million

At December 31, 2013, we had US$900 million of Expenditure Derivatives outstanding with terms to maturity ranging from January 2014 to December 2014 at an average rate of 1.0262/US$, all of which have been designated as hedges for accounting purposes.

Equity Derivatives

We use stock-based compensation derivatives (Equity Derivatives), to hedge the market price appreciation risk of the RCI Class B Non-Voting shares granted under our stock-based compensation programs. We use Equity Derivatives for risk-management purposes only.

In 2013 we entered into Equity Derivatives for 5.7 million RCI Class B Non-Voting shares with a weighted average price of $50.37. These Equity Derivatives have not been designated as hedges for accounting purposes, so we record changes in their fair value as a stock-based compensation expense and offset a portion of the impact of changes in the market price of RCI Class B Non-Voting shares in the accrued value of the stock-based compensation liability for our stock-based compensation programs.