

ALBERTA SECURITIES COMMISSION

BLANKET ORDER 51-930

Citation: Re Exemption from the Director Election Form of Proxy Requirement, 2023

ABASC 11

Date: 20230131

Definitions

1. Terms defined in the *Securities Act* (Alberta) (the **Act**) and National Instrument 51-102 *Continuous Disclosure Obligations* (**NI 51-102**) have the same meaning in this Blanket Order.
2. In this Blanket Order:

"CBCA" means the *Canada Business Corporations Act*; and

"CBCR" means the *Canada Business Corporations Regulations, 2001*.

Background

3. Under section 9.4(6) of NI 51-102, a form of proxy sent to securityholders of a reporting issuer must provide an option for the securityholder to specify that the securities registered in the name of the securityholder must be voted or withheld from voting in respect of the election of directors (the **Director Election Form of Proxy Requirement**).
4. On August 31, 2022, section 106(3.4) of the CBCA came into effect generally requiring "majority voting" for each candidate nominated for director in uncontested director elections of CBCA-incorporated reporting issuers (the **Majority Voting Amendments**). Pursuant to section 149(1) of the CBCA and section 54.1(2) of the CBCR, where the Majority Voting Amendments apply, the form of proxy must allow shareholders to specify, for each candidate nominated for director, whether their vote is to be cast "for" or "against" the candidate.
5. The Commission seeks to clarify the Director Election Form of Proxy Requirement for CBCA-incorporated reporting issuers in respect of the uncontested election of directors.
6. Under section 213 of the Act, the Commission may by order exempt any class or classes of persons or companies from all or any provision of Alberta securities laws.

Order

7. The Commission, considering that it would not be prejudicial to the public interest to do so, orders under section 213 of the Act that a reporting issuer that is incorporated under the CBCA is exempt from the Director Election Form of Proxy Requirement, if
 - (a) the election of directors is conducted pursuant to section 106(3.4) of the CBCA, and
 - (b) the reporting issuer complies with section 149(1) of the CBCA and section 54.1(2) of the CBCR.

Effective Date and Term

8. This Blanket Order comes into effect on January 31, 2023 and will cease to be effective on the effective date of an amendment to NI 51-102 that addresses substantially the same subject matter as this Blanket Order.

For the Commission:

“original signed by”

Tom Cotter
Vice-Chair

“original signed by”

Kari Horn
Vice Chair