

NOVA SCOTIA SECURITIES COMMISSION
CSA COORDINATED BLANKET ORDER 51-930

Citation: Re Exemption From the Director Election Form of Proxy Requirement

Date: January 31, 2023

IN THE MATTER OF THE *SECURITIES ACT*,
R.S.N.S. 1989, CHAPTER 418, AS AMENDED (the Act)

-AND-

IN THE MATTER OF AN EXEMPTION FROM THE DIRECTOR ELECTION FORM OF
PROXY REQUIREMENT

Definitions

1. Terms defined in 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 subsection 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, subsection 106(3.4) of the CBCA came into effect that generally requires “majority voting” for each candidate nominated for director in uncontested director elections of CBCA-incorporated reporting issuers (the Majority Voting Amendments). Pursuant to subsection 149(1) of the CBCA and subsection 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. Subsection 13.1(1) of NI 51-102 provides that the regulator or regulatory authority, as the case may be, may grant an exemption from NI 51-102, in whole or in part, subject to such conditions or restrictions as may be imposed.

7. The Commission is satisfied that, subject to the terms and conditions set out in this Blanket Order, it would not be prejudicial to the public interest to make this Blanket Order.

THEREFORE, IT IS ORDERED, pursuant to subsection 151A(1) of the Act, that

1. 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 subsection 106(3.4) of the CBCA, and
 - (b) the reporting issuer complies with subsection 149(1) of the CBCA and subsection 54.1(2) of the CBCR.

Effective Date

2. This Blanket Order comes into effect on January 31, 2023.

DATED at Halifax, Nova Scotia, this 30th day of January, 2023.

NOVA SCOTIA SECURITIES COMMISSION



Paul E. Radford, K.C., Chair