

**IN THE MATTER OF  
THE *SECURITIES ACT*, R.S.P.E.I. 1988, Cap. S-3.1**

**AND**

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

**CSA COORDINATED BLANKET ORDER 51-930**

**WHEREAS** under section 16 of the *Securities Act*, if the Superintendent considers that it would not be prejudicial to the public interest to do so, the Superintendent may, on application by an interested person or company or on its own initiative, make an order exempting a person, security, trade, distribution or transaction from all or any requirements of Prince Edward Island securities laws on such terms or conditions as may be set out in the order.

**AND WHEREAS** the Canadian Securities Administrators (CSA) acting on the recommendation of the Ontario Securities Commission staff has agreed to grant a blanket exemption order with respect to a certain Director Election Form of Proxy Requirement and the Superintendent is satisfied that, subject to the conditions set out in this Order, it is appropriate to provide exemptions from certain requirements.

**IT IS ORDERED THAT:**

**DEFINITIONS**

1. Terms defined in the *Securities Act* (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 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 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 Superintendent seeks to clarify the Director Election Form of Proxy Requirement for CBCA-incorporated reporting issuers in respect of the uncontested election of directors.

### **ORDER**

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 Superintendent, considering that it would not be prejudicial to the public interest to do so, orders under Section 16 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 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 AND TERM**

8. This Blanket Order comes into effect on January 31, 2023, and will cease to be effective on the earlier of the following:
  - (a) the date the Blanket Order is revoked by the Superintendent; or
  - (b) the effective date of an amendment to NI 51-102 that addresses substantially the same subject matter as this Blanket Order.

DATED at the City of Charlottetown in the Prince Edward Island, this 31<sup>st</sup> day of January 2023.

STEVE DOWLING (original signature on file)

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Steve Dowling  
Superintendent of Securities