

THE SECURITIES ACT )  
Subsections 20(1) and 103(2) )  
)

Order No. 7607  
January 31, 2023

**Blanket Order 51-502**

**Exemption From the Director Election Form of Proxy Requirement**

**WHEREAS**

(A) The Manitoba Securities Commission (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.

**Definition:**

(B) Terms defined in the *Securities Act* (Manitoba) (the **Act**) and National Instrument 51-102 *Continuous Disclosure Obligations* (**NI 51-102**) have the same meaning in this Blanket Order.

(C) In this Blanket Order:

“CBCA” means the *Canada Business Corporations Act*; and

“CBCR” means the *Canada Business Corporations Regulations, 2001*.

**Background**

(D) 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**).

(E) 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.

(F) The Commission is of the opinion that it is not prejudicial to the public and that there is adequate justification to grant the relief.

**IT IS ORDERED:**

1. **THAT**, under subsections 20(1) and 103(2) 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.
  
2. **THAT**, this order comes into effect on January 31, 2023.

**BY ORDER OF THE COMMISSION**



**Director**