

# Goodmans<sup>LLP</sup> Update

## Canadian Securities Regulators Offer Guidance on Conducting Annual General Meetings During COVID-19 Outbreak

On Friday March 20, 2020, the Canadian Securities Administrators (CSA) provided guidance for issuers that decide to change the date, time or location of their in-person annual general meetings (AGM) and for issuers choosing to conduct their annual meetings online (a so-called “virtual meeting”) or in-person with the ability to also permit online securityholder participation (a so-called “hybrid meeting”).

The CSA guidance applies to all business transacted at AGMs. Issuers involved in proxy contests, holding special meetings for merger and acquisition transactions, or obtaining securityholder approval for transactions under Multilateral Instrument 61-101 *Protection of Minority Securityholders in Special Transactions*, should contact their principal regulator to discuss what steps would be appropriate in those circumstances.

### Changing the date, time or location of an in-person AGM

Issuers that decide to change the date, time or location of their in-person AGM due to concerns arising from the COVID-19 outbreak, including issuers choosing to host a virtual or hybrid meeting, after having sent and filed their proxy-related materials, can do so without sending additional solicitation materials or updating their proxy-related materials, if the issuer notifies securityholders of these changes by:

- issuing a news release announcing the change in the date, time or location;
- filing the news release on SEDAR; and
- taking all reasonable steps necessary to inform the parties involved in the proxy voting infrastructure (such as intermediaries, transfer agents, and proxy service providers) of the change.

The CSA expect issuers to take the above actions promptly after deciding to make a change and, sufficiently in advance of the AGM, to alert the market in a timely manner. If the change is to a virtual or hybrid meeting, clear disclosure should be provided on the logistics of the virtual or hybrid meeting, including how securityholders can access, participate in and vote at the meeting.

In the case of issuers that have not yet sent and filed their proxy-related materials, the issuer should disclose in those materials that it may consider changing the date, time or location of its AGM due to the COVID-19 outbreak.

### Virtual or Hybrid AGM

The CSA expects issuers that plan to conduct a virtual or hybrid meeting to notify their securityholders, the parties involved in the proxy voting infrastructure (such as intermediaries, transfer agents, and proxy service providers) and market participants, in a timely manner, of these plans and to include clear disclosure on the logistics of the virtual or hybrid meeting. This disclosure should be included in the proxy-related materials for issuers that have not yet sent and filed their proxy-related materials.

For a summary of key legal and practical considerations associated with holding virtual shareholder meetings, see our March 19 Update, [Legal and Practical Considerations for Virtual Shareholder Meetings](#).

Measures to mitigate the COVID-19 outbreak are having a profound and rapidly evolving impact on issuers’ regulatory obligations. The CSA indicated they will continue to monitor the impact of COVID-19 on Canadian capital markets and may issue further guidance as required. We will continue to provide updates as developments unfold.

For further information, please contact any member of our [Corporate Finance and Securities Group](#).

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