

# COVID-19 - Canadian Securities Administrators Offer Blanket Filing Relief and Provide Guidance on Annual General Meetings

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As concerns over COVID-19 continue to grow and with the corporate proxy season already underway, the Canadian Securities Administrators (“CSA”) released guidance for reporting issuers during the COVID-19 outbreak. The CSA has advised that it will continue to monitor the impact of COVID-19 on Canadian capital markets and may issue further guidance and updates as the situation develops.

## Blanket Filing Relief

As of March 18, 2020, the [CSA will provide temporary blanket relief](#) from some regulatory filings required to be made on or before June 1, 2020. The blanket relief will provide a 45-day extension on filings such as:

- financial statements;
- management’s discussion and analysis;
- management reports of fund performance;
- annual information forms;
- technical reports; and
- certain other filings.

Any issuer that chooses to rely on this filing exemption that also complies with the conditions of the relief will not need to file an application for a management cease trade order as it will not be noted in default. The CSA expects to publish further details regarding the blanket relief in due course.

## In-Person AGMs – Changing the Date, Time, or Location

Due to difficulties that may arise as a result of COVID-19, issuers may decide to change the date, time, or location of their in-person annual general meeting (“AGM”). Issuers who seek to amend either the date, time or location of their AGM, but have already sent or filed proxy materials, may institute such change by:

- issuing and filing a news release announcing the change; and
- informing all parties involved in the proxy voting infrastructure of the change.

Issuers who follow the above steps will not need to send additional solicitation materials or update their proxy-related materials regarding the change. The CSA expects that issuers will take the above actions promptly after deciding to change the date, time or location of the AGM. In addition, issuers should make the decision to implement such change well in advance of the AGM to best ensure that the market has been alerted in a timely manner.

Issuers who have not yet sent and filed their proxy-related material are advised to include disclosures in such material regarding the possibility of any changes due to COVID-19.

## Virtual or Hybrid AGMs

The CSA expects any issuer who plans to hold a virtual AGM (one held entirely online) or a hybrid AGM (one held in-person that also allows virtual shareholder participation) in lieu of an in-person AGM, will in a timely manner:

- announce such plans to all securityholders, parties involved in the proxy voting infrastructure, and market participants; and
- ensure that securityholders have been clearly directed how to access, participate in, and vote at the meeting.

Issuers who have not yet sent and filed their proxy-related material are advised to include the above disclosures in such materials. Issuers who wish change from an in-person AGM to a virtual or hybrid one but have already sent their proxy-related materials may follow the steps above for announcing a change in the date, time, or location of the AGM. Where such steps are followed, the issuer will not be required to update proxy-related materials or send additional soliciting materials regarding the virtual or hybrid AGM.

For further information or guidance on how to create or manage a virtual-only shareholders' meeting, please see our recent publication entitled [Virtual Only Shareholders' Meetings](#).

## AGMs involving Proxy Contests or Contentious Proposals

Virtual and hybrid meetings are not ideal where there is a risk of a proxy contest or where contentious proposals are on the agenda. If an issuer is involved in a proxy contest, is holding a special meeting for a M&A transaction, or is obtaining securityholder approval for transactions under Multilateral Instrument 61-101 – [Protection of Minority Securityholders in Special Transactions](#), the issuer should first contact their respective principal regulator to discuss what steps would be appropriate in those circumstances.



## Treatment of Beneficial Shareholders

Under section 2.15 of National Instrument 54-101 – [Communication with Beneficial Owners of Securities of a Reporting Issuers](#), issuers who send a notice of adjournment or other change related to an AGM to registered securityholders are required to also send the notice to their beneficial securityholders. The CSA has announced that as long as registered holders and beneficial owners are treated equally and receive the same information, no exemptive relief from section 2.15 will be required by issuers considering changes or alternatives to their AGM.

For more information or guidance for any other business issues involving public companies, please contact [Andrew Elbaz](#), [Alexander Katznelson](#), or [Darren Nguyen](#) in our [Securities and Capital Markets Group](#):

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