



## Virtual AGM Chat

This chat was edited to include the questions and tips presented in the comments section during our recent webcast. The timings were left with the questions at tips below, to find the approximate section where our panelists discuss these topics.

### Questions presented

- 00:25:31 In view of crisis and the fact that directives are not to gather large amount of people together, can we organize an AGM electronically even if the By-Laws stipulate that AGM must be held in person? Will Industry Canada make an exception?
- 00:36:05 At which court do you need to present the request?
- 00:39:45 I a conference call an acceptable virtual means of communication given the few virtual AGM providers in Canada are booked up?
- 00:44:27 Did your boards approve the switch to virtual?
- 00:45:50 What are the fees on virtual meetings with Broadridge and Lumi?
- 00:46:15 Do you know if the Not-for-Profit Corporations Act allows virtual AGMs?
- 00:46:42 Proxy fights?
- 00:46:48 How will shareholder proposals be treated? Will proponents have the opportunity to present their proposals?
- 00:48:21 Given that the number of shareholders physically present at even the largest AGMs might be less than a couple of thousand, and also given that the number of people physically present would be dwarfed by the number of proxies held by the board, how important is the actual meeting? Surely most people who vote do so by proxy, so it's almost axiomatic that the meeting itself has less relevance than we'd like to think.
- 00:48:24 Can you comment on the ability to vote and ask questions by teleconference, particularly for senior individual shareholders/members who are not computer-literate.
- 00:49:46 Can you share the name of companies who provide virtual meetings?
- 00:51:18 Lumi is all booked up, what can we do in alternative?
- 00:56:04 Was something mentioned regarding for Insurance Companies in order to elect Directors to the Board it has to be an in-person meeting?
- 00:56:42 What would be the consequences for not holding an AGM at all this year?

- 00:56:59 Does anyone know if the Not-for-Profit Corporations Act allows virtual AGMs?
- 01:00:24 In postponing, what about some of the businesses? Director start and end term, appointment of auditor?
- 01:05:49 I am curious about Director terms and appointment of Auditors as well - should a meeting be deferred?
- 01:06:09 Does anyone have the ability to hold a virtual meeting by webcast? Also, can people have participants join by teleconference with those joining by teleconference only having the ability to vote and ask questions? We have this issue with respect to participation by our senior members and FSRA has given guidance specifically referring to teleconferences.
- 01:09:20 Can they vote and ask questions by teleconference?
- 01:10:21 One worry is unexpected or even inappropriate questions from members that could take over the agenda. Is there a way to encourage engagement but control distractions?
- 01:15:21 Are you aware of any regulations for a credit union that requires an interactive AGM vs. posting the information that requires approval (i.e. FS, appointing auditors for the year, mins. from previous AGM, etc.) on its website? Could approval of such items be simply by virtue of posting the information for X amount of days?
- 01:20:07 Is anyone aware of a "forum" for corporate secretaries and others involved in corporate governance and compliance where one can pose questions for discussion so we can share knowledge to support each other?



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### Tips presented

- 00:51:46 They mentioned Broadridge and LUMI
- 00:52:03 You can still assemble a virtual AGM with a webcast company like us and a provider like LUMI.
- 00:54:33 Additional cost for us to go from webcast to fully virtual has been estimated at 2,000.
- 00:55:50 I do think flexibility for date and time of meeting would be essential in finding a slot with LUMI or Broadridge to hold the virtual meeting.
- 00:56:07 We obtained Board approval at a special meeting as this was required by our by-laws.
- 00:59:13 I'm at a small credit union. our regulator was very receptive to approving us a 180-day extension so instead of a virtual we are leaning towards a simple postponement. It may be worth attendees asking their regulators for a postponement.
- 01:00:43 Lawyers will struggle to advise clients to simply wait and not take extraordinary steps to comply with the Act and bylaws because there are black and white rules. However, this is uncharted territory. This is a situation never contemplated by the legislation and bylaws and the likelihood of enforcement for those who simply delay is low IMO. We have seen regulators waiving compliance already. Public health considerations will trump corporate rules and regulations.
- 01:00:51 165(3) Electronic voting of the CNCA states: Despite subsection (1), unless the by-laws otherwise provide, any vote referred to in that subsection may be held, in accordance with the regulations, if any, entirely by means of a telephonic, an electronic or other communication facility, if the corporation makes available such a communication facility.
- 01:05:51 Our bylaws provide that the director terms end at the termination on the next annual meeting. (No fixed date).
- 01:07:00 Directors may choose to not extend their term just because we delay....
- 01:08:49 "Disenfranchisement" is not a term that should be used. One can always vote by proxy.
- 01:09:58 Today's TSX Notice advising that TMX is providing temporary blank relief from certain provisions of Manual including extending timeframe within which issuers must hold their 2020 AGMs to any time up to and including December 31, 2020, regardless of fiscal year end (subject to corporate law and other legal requirements).

- 01:10:35 That would be an issue if people challenge you that they didn't hear what they were voting, most shareholders are older...
- 01:13:22 This situation will certainly throw more emphasis on communication between the company and its owners, and that communication would have to be more continuous throughout the year, rather than annual.
- 01:15:59 We just had a council meeting and it worked out very well with the CEO, Chair and Secretariat, and IT in the same room. We used a very large boardroom
- 01:17:32 Our credit union bylaws require a meeting to conduct the business you note. We're not able to simply post the information.
- 01:18:54 The whole point of a "meeting" is communication. That's what we have to deal with.
- 01:19:30 MS Teams Live Events allow managing a queue which can be used to moderate and align the questions from attendees.
- 01:21:56 I believe all the big players like Zoom, Teams, Webex should allow for discussion and forums.