

November 13, 2013

Sent via electronic mail

British Columbia Securities Commission
Alberta Securities Commission
Financial and Consumer Affairs Authority of Saskatchewan
Manitoba Securities Commission
Ontario Securities Commission
Autorité des marchés financiers
New Brunswick Financial and Consumer Services Commission
Superintendent of Securities, Prince Edward Island
Nova Scotia Securities Commission
Securities Commission of Newfoundland and Labrador
Superintendent of Securities, Yukon Territory
Superintendent of Securities, Northwest Territories
Superintendent of Securities, Nunavut

c/o

The Secretary
Ontario Securities Commission
20 Queen Street West
22nd Floor
Toronto, Ontario M5H 3S8
Fax: 416-593-2318
Email: comments@osc.gov.on.ca

M^e Anne-Marie Beaudoin
Corporate Secretary
Autorité des marchés financiers
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C.P. 246, tour de la Bourse
Montréal, Québec H4Z 1G3
Fax: 514-864-6381
Email: consultation-en-cours@lautorite.qc.ca

Dear Sirs/Mesdames:

Re: CSA Consultation Paper 54-401 *Review of the Proxy Voting Infrastructure*.

We have reviewed CSA Consultation Paper 54-401 *Review of the Proxy Voting Infrastructure* (the consultation paper) and on behalf of our clients, we thank you for the opportunity to provide our comments.

Addenda Capital Inc. is a privately owned investment management firm responsible for investing more than \$23 billion in assets for pension funds, insurance companies, foundations, endowment funds and third party mutual funds of major financial institutions.

We are supportive of the Canadian Securities Administrators' efforts to address concerns regarding the integrity and reliability of the proxy voting infrastructure in Canada. Shareholder voting is one of the most important methods by which shareholders can affect governance, communicate preferences and signal confidence or

lack of confidence in an issuer's management and oversight. Improvements to the proxy voting system are long overdue and are critical to restoring the credibility of shareholders' votes. All shareholders should be treated equally and fairly and they should have assurance that their votes are given their full weight.

We agree that vote reconciliation and end-to-end vote confirmation are two important issues to be addressed. The specific questions identified in the consultation paper appear to be relevant, but as was noted, there are other issues to be addressed. Further questions could include:

1. Is there a need for further regulation to prevent the use of voting rights by a party that does not have a corresponding economic interest?
2. Is there a need for regulation to prevent issuers from offering payments to investment advisors for soliciting votes aligned with the issuers' recommendations?
3. Should the time between meeting date and voting record date be reduced in order to reduce the opportunity for "empty voting"?

We are of the view that further regulatory action is required and that the Canadian Securities Administrators (CSA) is the right group to enact policy reform. Proxy voting is integral to our capital markets and a need for reform has already been expressed by stakeholders. For example, a lack of confidence in the reliability of the proxy voting infrastructure has been voiced by issuers and investors in the publication and discussions mentioned in the consultation paper. Further consultations with stakeholders will no doubt reinforce the view that regulatory action is required. The CSA must be the group to enact reform because of the fundamental importance of proxy voting and the absence of an alternative. Private sector participants in the existing system are unlikely to enact substantial reform themselves due to their vested interests.

In closing, thank you again for providing us with the opportunity to comment on the consultation paper. If you would like to discuss this comment letter, please do not hesitate to contact me at +1 647-253-1029 or b.minns@addenda-capital.com.

Yours sincerely,



Brian Minns
Sustainable Investment Specialist