

June 18, 2018

British Columbia Securities Commission
Alberta Securities Commission
Autorité des marchés financiers
Financial and Consumer Affairs Authority of Saskatchewan
Financial and Consumer Services Commission (New Brunswick)
Manitoba Securities Commission
Nova Scotia Securities Commission
Nunavut Securities Office
Office of the Superintendent of Securities, Newfoundland and Labrador
Office of the Superintendent of Securities, Northwest Territories
Office of the Yukon Superintendent of Securities
Ontario Securities Commission
Superintendent of Securities, Department of Justice and Public Safety, Prince Edward Island

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The Secretary
Ontario Securities Commission
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Toronto, Ontario M5H 3S8
comments@osc.gov.on.ca

Me Anne-Marie Beaudoin
Corporate Secretary
Autorité des marchés financiers
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C.P. 246, tour de la Bourse
Montréal (Québec) H4Z 1G3
consultation-en-cours@lautorite.qc.ca

Dear Madam/Sir:

Re: CSA Staff Notice 61-303 and Request for Comment
Soliciting Dealer Arrangements

Thank you for the opportunity to comment on CSA Staff Notice 61-303 and Request for Comment *Soliciting Dealer Arrangements* ("Request for Comment") released April 12, 2018.

The Shareholder Association for Research and Education (SHARE) is a Canadian leader in responsible investment services, research and education for institutional investors. Since its creation in 2000, SHARE has carried out this mandate by providing active ownership services, including proxy voting and engagement, education, policy advocacy, and practical research on issues related to responsible investment and the promotion of a sustainable, inclusive and productive economy. Our clients include pension funds, mutual funds, foundations, endowments, faith-based organizations and asset managers across Canada with more than \$22.5 billion in assets under management.

We would like to offer the following comments and recommendations regarding the April 12th Staff Notice.

The Staff Notice asks whether soliciting dealer arrangements are important to the ability of issuers to contact retail objecting beneficial owners (OBOs).

We recognize that reaching shareholders to allow full participation in a given shareholder vote, and in particular to ensure quorum is reached, is important. If soliciting dealer arrangements are structured such that the sole purpose and result of the arrangement is to allow the shareholder to exercise their franchise – and not to influence the individual vote or tender – the use of these arrangements may not give rise to public interest concerns or "vote buying."

We do not, therefore, object to soliciting dealer arrangements where the sole purpose is encouraging shareholders to exercise their franchise and the arrangements are not structured in a way that is intended to or likely to influence the vote or tender. In order to meet this criteria, the arrangement may not include any contingency – either through fees or otherwise – related to individual voter behaviour or vote outcomes.

The Staff Notice asks whether this conflict of interest may be managed or avoided. In our view the best means of avoiding the conflict is a red-line prohibition on arrangements that are contingent on the outcome of the individual vote or the overall decision.

If you have any questions or would like to discuss these comments further, please feel free to contact me at any time. I can be reached at 416-306-6453 or by email at kthomas@share.ca.

Sincerely,



Kevin Thomas
Executive Director
Shareholder Association for Research & Education