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July 6, 2016

Me Anne-Marie Beaudoin
Corporate Secretary
Autorité des marchés financiers
800, rue du Square-Victoria, 22e étage
C.P. 246, tour de la Bourse
Montréal, PQ H4Z 1G3

Ms. Josée Turcotte
Secretary
Ontario Securities Commission
20 Queen Street West
22nd Floor
Toronto, ON M5H 3S8

Via Email to consultation-en-cours@lautorite.qc.ca and comments@osc.gov.on.ca

RE: CSA Multilateral Staff Notice 54-304 – Final Report and Review of the Proxy Voting Infrastructure and Request for Comments on Proposed Meeting Vote Reconciliation Protocols

Dear Me Beaudoin and Ms. Turcotte:

OMERS Administration Corporation (“OAC”) appreciates the opportunity to provide comments on the CSA Multilateral Staff Notice 54-304.

Under the Ontario Municipal Employees Retirement System (“OMERS”) Act, OAC is the administrator of the OMERS pension plan, one of Canada’s largest multi-employer defined benefit pension plans, and trustee of the OMERS pension funds. As at December 31, 2015, OMERS had more than C\$77 billion in net assets and serves nearly 1,000 participating employers and over 461,000 employees and former employees of municipalities, school boards, libraries, police and fire departments, children’s aid societies and other local agencies across Ontario. OAC manages a diversified global portfolio of stocks, bonds, derivatives, real estate, infrastructure and private equity investments.

We support the CSA’s efforts in undertaking this initiative and generally agree on the proposed protocols and operational processes to tabulate proxy votes for shares held through intermediaries. The guidance sets out objectives aimed at constructing operating processes to support accurate and reliable proxy voting. Our comments on the proposal are as follows:

- As there are tabulation issues in the industry where votes are either missed or could even be double counted, enhancing the process for reconciling votes cast versus entitlements and increasing the transparency for validation of completeness and accuracy would be beneficial. Structuring the communication amongst the entities in an automated fashion and defining the operating methodology to help eliminate over votes or missing votes would be well received. We would support automating to eliminate manual paper and obtain an electronic structure across the industry as part of the proxy voting processes.

- The ability for firms providing proxies, to be able to confirm that the proxy was received and incorporated into the final voting results would be beneficial and support both greater transparency and assist with accuracy and completeness. We do believe this a key component that should be focused on by the industry and would be essential for the validation processes on proxy voting.
- As the industry evolves and enhances the proxy voting infrastructure, the workflow structure defined that sets out the key data information protocols and responsibilities, should also include the timelines to ensure the processes are well constructed, designed and understood.
- The document focuses on identification of instances where votes submitted do not balance to votes entitled according to the tabulator. While there is reference to the tabulator notifying intermediaries of any discrepancies in order to seek to resolve them, specified timelines should also be outlined to support the resolution process. Specific protocols around error detection controls with reporting and resolution timeframes should be included within the overall proxy voting operating structure. The protocols should also include the various issues that can be encountered and how they will be addressed to ensure the records meet the timelines and to support reliability and accuracy. Consideration should also be given to exceptions identified post the established timelines.
- As the industry moves forward with enhancing the proxy voting processes including further automation and verification methods, we would envision an implementation date would be set with the enhanced operating structure in the 2018 timeframe. This would include implementing the operating structure with transparent validation processes.
- The majority of the protocols could be codified as policies with some general guidance.
- We recommend you consider entities engaged in playing a key role on meeting vote reconciliations as possible market participants and subject to review provisions.

We thank you for your consideration of our views.

Regards,

OMERS Administration Corporation

Jenny Tsouvalis

SVP, Enterprise Head, Investment Reporting, Operations and Applications

cc: Blair Cowper-Smith, Chief Corporate Affairs Officer, OMERS
Jonathan Simmons, Chief Financial Officer, OMERS