

IN THE MATTER OF
THE SECURITIES LEGISLATION
OF ALBERTA, BRITISH COLUMBIA, SASKATCHEWAN,
MANITOBA, Qu顛c, NOVA SCOTIA,
PRINCE EDWARD ISLAND, NEW BRUNSWICK, NEWFOUNDLAND, YUKON,
NORTHWEST TERRITORIES AND NUNAVUT

AND

IN THE MATTER OF
THE MUTUAL RELIANCE REVIEW SYSTEM
FOR EXEMPTIVE RELIEF APPLICATIONS

AND

IN THE MATTER OF
ADP INDEPENDENT INVESTOR COMMUNICATIONS CORPORATION
MRRS DECISION DOCUMENT

1.WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of British Columbia, Alberta, Saskatchewan, Manitoba, Qu顛c, Nova Scotia, Prince Edward Island, New Brunswick, Newfoundland, Yukon, Northwest Territories and Nunavut (the "Jurisdictions") has received an application from ADP Independent Investor Communications Corporation ("IICC") for a decision under the securities legislation of the Jurisdictions (the "Legislation"):

1.1exempting reporting issuers or the equivalent ("Issuers") from the requirement under the Legislation that a form of proxy be executed (the "Execution Requirement") where the Issuer, or IICC on the Issuer's behalf, receives proxy voting instructions from registered security holders pursuant to certain telephone proxy voting procedures implemented by IICC;

1.2exempting intermediaries, as defined in *National Policy 41- Shareholder Communication* ("NP 41")("Intermediaries"), from the requirement under the Legislation and NP 41 that proxy voting instructions from non-registered security holders be written (the "Writing Requirement") where IICC receives proxy voting instructions on behalf of the Intermediary pursuant to certain telephone proxy voting procedures implemented by IICC;

2.AND WHEREAS pursuant to the Mutual Reliance Review System for Exemptive Relief Applications (the "System") the Alberta Securities Commission is the principal regulator for this application;

3.AND WHEREAS IICC has represented to the Decision Makers that:

3.1IICC is a corporation incorporated under the *Business Corporations Act* (Ontario);

3.2the head office of IICC is located in Mississauga, Ontario;

3.3IICC is a service company as defined in NP 41;

3.4IICC provides certain shareholder communication services as agent for Issuers and Intermediaries;

3.5the services provided by IICC include the delivery of proxy related materials and receipt of proxy voting instructions on behalf of Intermediaries and Issuers in compliance with the requirements under the Legislation;

3.6since February, 1998, IICC has offered security holders who receive proxies the option of providing proxy voting instructions by telephone (the "Televoting Procedures");

3.7the material provisions of the Televoting Procedures are as follows:

3.7.1 the Televoting Procedures are offered as an alternative to the current system of reporting security holder votes. Security holders who wish to communicate their proxies and voting instructions in paper form may do so;

3.7.2 for each meeting of an Issuer's security holders, each security holder entitled to vote at such meeting is provided with detailed instructions explaining the Televoting Procedures and is assigned a unique, confidential personal identification number ("PIN") which acts as the electronic signature of the security holder for the purpose of providing proxy voting instructions using the Televoting Procedures;

3.7.3 security holders are instructed to call the appropriate toll-free telephone number where they are greeted by an automated voice response system. The system provides instructions in English or French and is generally available twenty-four hours a day, seven days a week;

3.7.4 to use the system, security holders indicate that they have a touch tone phone and the relevant proxy material at their disposal. They then enter the PIN assigned by IICC and record their vote using their phone key pad;

3.7.5 each voting instruction is verified in order to ensure it was received correctly. Security holders are provided with an immediate playback of how they voted, which they must approve with an active confirmation before the vote is processed. Security holders may review their voting instructions and have the option of changing any voting instruction in accordance with applicable securities and corporate legislation;

3.7.6 each successful transaction using the automated telephone voting system results in a record of voting, including such details as the name of the security holder, PIN, time and date of receipt of instructions and voting instructions received. The voting data, in electronic format, is retained indefinitely and may be used to generate a written copy on demand; and

3.7.7 the request for voting instructions contains a provision which deems a security holder who uses the Televoting Procedures to have delivered written voting instructions in satisfaction of applicable securities and corporate legislation.

3.8 the Televoting Procedures, although procedurally different from the procedures typically followed by Intermediaries in obtaining written proxy voting instructions, are functionally equivalent to such procedures with the assignment and use of the PIN intended to satisfy the same evidentiary concerns for reliability and reviewability meant to be addressed by obtaining written proxy voting instructions;

3.9 IICC currently operates the Televoting Procedures under various local exemptive relief orders granted by certain of the Decision Makers;

3.10 during the period that IICC has offered the Televoting Procedures in the Jurisdictions, no challenges to the outcome of any meeting of an Issuer's security holders based on the validity of proxy voting instructions communicated through the Televoting Procedures or any disputes concerning the authenticity of proxy voting instructions communicated through the Televoting Procedures have come to the attention of IICC;

4. AND WHEREAS under the System, this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the "Decision");

5. AND WHEREAS each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the Decision has been met;

6. THE DECISION of the Decision Makers under the Legislation is that, in connection with a meeting of an Issuer's security holders:

6.1 Issuers shall be exempt from the Execution Requirement where the Issuer, or IICC on the Issuer's behalf, receives proxy voting instructions from registered security holders pursuant to the Televoting Procedures; and

6.2 Intermediaries shall be exempt from the Writing Requirement where IICC receives proxy voting instructions from non-registered security holders on behalf of the Intermediary pursuant to the Televoting Procedures;

7. THE FURTHER DECISION of the Decision Makers is that this Decision shall cease to be of effect on the day that is three years after the date hereof, provided that any portion of this Decision granting relief from a requirement under NP 41 shall cease to be of effect on the date that is sixty days after the coming into force of *Proposed National Instrument 54-101 - Communication with Beneficial Owners of Securities of a Reporting Issuer*.

DATED this 19th day of March, 2001.

"original signed by"
James E. Allard, Member

"original signed by"
John W. Cranston, Member

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Relief under section 185 of the Act from the requirement under the Act that a form of proxy be executed and from the requirement under section 79 of the Act and Part V(III) of National Policy Statement No. 41 that voting instructions delivered by non-registered security holders to intermediaries be written where certain telephone proxy voting procedures are used in connection with a meeting of security holders of an issuer.

Applicable Alberta Statutory Provisions

Securities Act, S.A., 1981, c.S-6.1, as amended - Part 12 and section 185
National Policy Statement No. 41 - Part V(III)