



# Wiklow News

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WIKLOW CORPORATE SERVICES INC. - EXPERIENCE & EXPERTISE

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## *New Proxy Voting Guidelines from Proxy Advisors for Institutional Investors*

**Institutional Shareholder Services In. (“ISS”) and Glass Lewis & Co. have released proxy voting guidelines for the 2015 proxy season.**

### **SHAREHOLDERS’ RIGHTS AND DEFENCES MAIN ISSUES ADDRESSED**

ISS guidelines include a recommendation to withhold votes for any director who is a member of the audit or compensation committees and served as CEO within the last five years. ISS also recommends withholding votes from directors or entire boards where an advance notice policy is adopted without shareholder approval and, among other things, where the deadline for shareholder director nominations is less than 30 days before the meeting. ISS has also included advice with respect to the voting on private placements as well as amendments to Articles and Bylaws; notably to generally oppose any provision that may adversely impact shareholders’ rights or diminish independent board oversight.

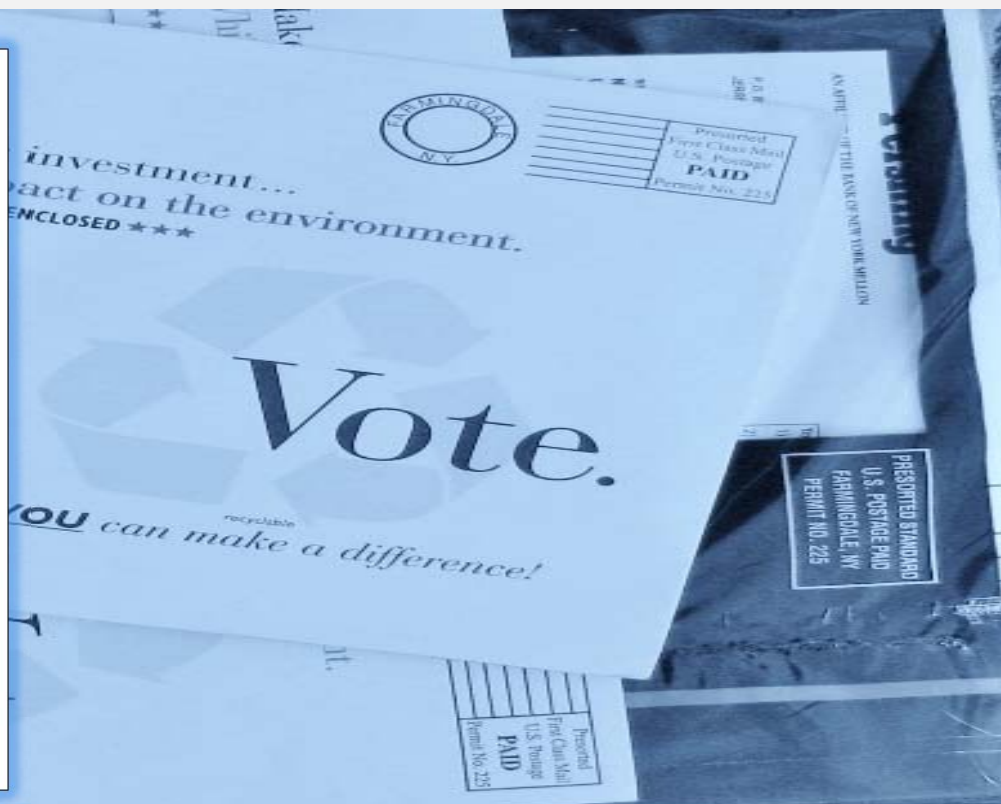
Glass Lewis has aligned its recommendations with TSX rules to withhold votes from all members of an uncontrolled TSX company’s governance committee where a majority voting policy has not been adopted. They also require that a shareholders’ rights plan not allow the board the discretion to amend the material provisions without shareholder approval. They further recommend a vote against an advance notice policy that does not allow for new timelines in the case of an adjourned or postponed shareholders meeting. Additionally, Glass Lewis recommends director evaluations be performed by an independent external firm and that compensation programs should provide sufficient compensation to negate the requirement for “one-off awards”.

*The new guidelines may have a considerable effect on voting outcomes for companies with a significant institutional investor shareholder base.*

### **GLASS LEWIS RECOMMENDATIONS FOR TSX VENTURE EXCHANGE COMPANIES**

Glass Lewis has stated that it recognizes that TSX Venture listed companies have fewer resources than those trading on the TSX. They recognize that most venture companies have fewer personnel and less stringent corporate governance standards. However, they have stated that they expect venture issuers to maintain a minimum degree of director independence on the board of directors and committees. Other recommendations include:

- Companies should have at least two independent directors representing at least one-third of the board.
- Audit committees should be *entirely* independent.
- Any company that pays its executives should have a compensation committee with a majority independent directors.
- Recommends withholding votes for the chairman of the board or the senior non-executive director of a company that pays its executives and does not have a compensation committee.
- Companies should maintain a board of at least four members.
- Generally will allow venture issuer directors to sit on up to nine boards.
- *These recommendations will also apply to CSE companies.*



<div><b>WIKLOW PROVIDES CUSTOMIZED ANNUAL SHAREHOLDER MEETING SERVICES</b></div> <div>Companies with strong corporate governance, disclosure practices and proactive shareholder communications will most likely garner shareholder support. However, considering these new guidelines, setting a record date may now be more of a tactical move rather than an administrative function. Management may want to consider the timing of the record date since that determines which shareholders are allowed to vote at the meeting. We can help you determine a date that is both expedient and compliant with the requirements of NI 54-101. Furthermore, during the course of voting, together with your transfer agent, we can monitor daily proxy tabulations to ensure vote counts to cut-off. Some of the other services we include when preparing for a shareholders' meeting are:</div> <div><ul style="list-style-type: none"><li>• A customized list of events including all the necessary timelines to ensure stress free preparation.</li><li>• Preparation of all documentation including proxy-related material and directors' resolutions.</li><li>• Communication with transfer agent to co-ordinate all necessary notices.</li><li>• Arrange printing and mailing of proxy material.</li><li>• Preparation of chairman's script.</li><li>• Attend meeting to take minutes.</li><li>• Attend subsequent meeting of the Board of Directors to appoint officers and committees.</li><li>• All necessary SEDAR filings throughout the process.</li></ul></div>		<div><div>December</div><div>Filing Deadlines</div><table><tr><th colspan="2">Non-Venture Issuers</th><th colspan="2">Venture Issuers</th></tr><tr><td>YE – Sep 30</td><td>Dec 29</td><td>YE – Aug 31</td><td>Dec 29</td></tr><tr><td>Q1 - Oct 31 (July Year End)</td><td rowspan="3">Dec 15</td><td>Q1 - Oct 31 (July Year End)</td><td rowspan="3">Dec 30</td></tr><tr><td>Q2 - Oct 31 (Apr Year End)</td><td>Q2 - Oct 31 (April Year End)</td></tr><tr><td>Q3 – Oct 31 (Dec. Year End)</td><td>Q3 – Oct 31 (Dec. Year End)</td></tr></table></div>		Non-Venture Issuers		Venture Issuers		YE – Sep 30	Dec 29	YE – Aug 31	Dec 29	Q1 - Oct 31 (July Year End)	Dec 15	Q1 - Oct 31 (July Year End)	Dec 30	Q2 - Oct 31 (Apr Year End)	Q2 - Oct 31 (April Year End)	Q3 – Oct 31 (Dec. Year End)	Q3 – Oct 31 (Dec. Year End)
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FROM ALL OF US, WISHING YOU A  
PROSPEROUS NEW YEAR!

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