Annual Meeting 2021

Due to the current pandemic situation, the board has a decision to make about the annual meeting, typically slated for the second Saturday in March.

Here is a note from our Lawyer, Stephen Grant of Madorin Snyder:

*Good morning Alec.   A good question.*

*Mutuals were able to hold virtual members’ meetings in 2020 only as a result of amendments to the Corporations Act (the “Act”) made in response to the “declared emergency” of the pandemic.*

*To explain, section 125.1 of the Act provides as follows (emphasis added):*

*125.1(1)              Unless the by-laws of a corporation provide otherwise, a meeting of the members may be held by telephonic or electronic means and a member who, through those means, votes at the meeting or establishes a communications link to the meeting is deemed for the purposes of this Act to be present at the meeting.*

*125.1 (2)* ***This section does not apply to a corporation to which Part V applies.***

*Part V relates to Insurance Corporations.*

*The amendments to the Act that were passed as a result of the “declared emergency” amend subsection (1) to provide that notwithstanding what the by-laws or other documents state a corporation may hold meetings virtually, and suspend the application of subsection (2) so that subsection (1) “… applies to all corporations to which this Act or any provision thereof, applies.”*

*This is how it was permissible for Mutuals to hold their Annual General Meetings virtually in 2020.*

*On October 1, 2020 the Government passed Regulation 544/20, which extends the amendment to section 125 of the Act to May 31, 2021, so Mutuals will again be able to hold their Annual General Meetings virtually in 2021, if they wish to do so.  The Meetings though will need to be held within the time prescribed in section 159 of the Act, being the first three months of the year, as that time limitation was not extended.*

*It is therefore not necessary to amend HTM’s By-law to provide that members’ meetings in 2021 may be held virtually.  Conversely, it would be contrary to the Act to amend HTM’s  By-law to provide that members’ meetings may be held virtually after 2021, as section 125.1(2) of the Act prohibits that - unless the time is again extended for the application of the amendment to that section.*

*In so far as directors meetings, they may be held “virtually” so long as the conditions set out in the Act are met – which are recited in the second paragraph of section 41 of HTM’s By-law.*

*Accordingly nothing needs to be done at this time.*

*If you have any questions, don’t hesitate to get back to me.*

***Stephen Grant***

*Partner*

*cid:image001.jpg@01D6BE53.32BDF080*