



Telecom Decision CRTC 2021-333

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Ottawa, 1 October 2021

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Canadian Numbering Administration Consortium, Inc. – Application to amend the unanimous shareholders agreement

The Commission **approves** the proposed changes to the Canadian Numbering Administration Consortium, Inc.'s unanimous shareholder agreement.

Background

1. The Canadian Numbering Administration Consortium, Inc. (CNAC) was incorporated in 1998. Its primary function is to administer Canada's telecommunications number resources via the selection and funding of a neutral Canadian Numbering Administrator (CNA) so that number resources can be assigned to Canadian carriers.
2. CNAC's unanimous shareholder agreement (USA) governs its shareholders' activities. Shareholders are telecommunications carriers, including incumbent local exchange carriers, competitive local exchange carriers, independent telephone companies, and wireless carriers. There are currently 18 shareholders.

Application

3. On 21 December 2020, CNAC filed an application with the Commission for approval to amend its most recent version of its USA. CNAC's board of shareholder representatives approved the amendments, intended to update and streamline CNAC's governance, on 23 September 2020.
4. The substantive amendments to the USA are of three general types:
 - a. **Composition of the Board of Shareholder's Representatives (Board):** In particular, the processes for appointing nominees to the Board and for removing a Board member were streamlined, and the number of officers required was reduced from three to two.
 - b. **Meeting administration:** Amendments include entitlements for certain persons not on the Board to attend its meetings, provisions for chairing meetings in the absence of the Chairperson, and a reduction of the required number of annual Board meetings from four to two.

- c. **Voting entitlements:** Changes include the imposition of a limit on the proportion of votes a single corporate group can cast, and the addition of a condition of shareholder default.
5. The updated USA also includes changes to certain definitions required to reflect the substantive modifications and to bring them up to date with current practice.
6. No interventions were received in this proceeding.

Commission's analysis and determinations

7. CNAC submitted that the amendments to the USA do not change the nature or effect of the organization. CNAC proposed reasons for each of the proposed changes, which were generally to formalize current practices, reduce administrative burdens, streamline processes, or address specific problems the Board has encountered over time.
8. CNAC and the CNA distributed the proposed changes to all telecommunications service providers). The Commission notes that no interventions were received in response to the proposed changes, which suggests that the proposed changes are acceptable to the telecommunications service providers concerned.
9. The Commission is of the view that the proposed amendments are in the best interests of the telecommunications industry and will achieve CNAC's goals of streamlining its operations and making it easier to conduct its business.

Conclusion

10. In light of the above, the Commission **approves** the amendments to CNAC's unanimous shareholder agreement.

Policy Directions

11. In accordance with subparagraph 1(b)(i) of the 2006 Policy Direction,¹ the Commission considers that approval of the revised USA will advance the policy objectives set out in paragraphs 7(a) and (f) of the *Telecommunications Act*.²

¹ *Order issuing a Direction to the CRTC on Implementing the Canadian Telecommunications Policy Objectives*, SOR/2006-355, 14 December 2006

² The cited policy objectives are: 7(a) to facilitate the orderly development throughout Canada of a telecommunications system that serves to safeguard, enrich and strengthen the social and economic fabric of Canada and its regions; and 7(f) to foster increased reliance on market forces for the provision of telecommunications services and to ensure that regulation, where required, is efficient and effective.

12. In accordance with the 2019 Policy Direction,³ the Commission considers that this decision can promote competition, affordability, and consumer interests by allowing CNAC to adopt streamlined and efficient processes to reduce the administration burden on Canadian carriers in managing the administration of Canadian numbering resources.

Secretary General

³ *Order Issuing a Direction to the CRTC on Implementing the Canadian Telecommunications Policy Objectives to Promote Competition, Affordability, Consumer Interests and Innovation*, SOR/2019-227, 17 June 2019