

National Bank of Canada's C\$5B Acquisition of Canadian Western Bank

THE CHALLENGE: MULTI-CLASS CLOSING RISK

In one of the largest banking mergers in Canadian history, National Bank's C\$5 billion acquisition of Canadian Western Bank was contingent on a highly complex Tier 1 Capital Reorganization. Closing was not assured by a single vote. It required multiple interdependent approvals across a fragmented capital structure:

- **Common shareholders:** A large retail base with historically low participation
- **Preferred shareholders:** Series 5 and Series 9, each subject to class-specific approval thresholds
- **LRCN holders:** Series 1 and Series 2, held through multiple intermediary layers in CDS

The transaction faced national media scrutiny and regional sensitivities in Western Canada, creating an environment where limited visibility into beneficial holder participation and sentiment posed material execution risk.

KINGSDALE'S STRATEGIC FRAMEWORK: PRECISION AND OVERSIGHT

Kingsdale acted as strategic advisor for three shareholder meetings and as solicitation and information agent for the Tier 1 Capital Reorganization, providing the strategic oversight required to manage closing risk.

- **Tailored approval strategies:** Distinct engagement frameworks were developed for each security class, aligning disclosure and outreach to the specific decision drivers of equity and fixed-income holders.
- **Real-time intelligence:** Kingsdale deployed its proprietary In-Sight Voting Analytics™ platform to provide the board and management with daily visibility into voting and consent progress by class and intermediary, enabling timely, data-driven intervention.
- **Intermediary execution:** Kingsdale coordinated CDS, trustees, brokers and dealers to navigate structural voting mechanics, reduce participation friction and ensure timely delivery of consents and payments.



Kingsdale's role was crucial in communicating the benefits of the structure and terms to our shareholders, ultimately supporting the successful closing of the transaction. They have established their firm as an invaluable partner for complex financial transactions involving shareholder and governance advisory, and corporate actions.

- Matt Rudd, Chief Financial Officer, CWB

OUTCOME: DEFINITIVE MANDATE EXECUTION

- **99.78%** approval from CWB common shareholders
- Approximately **20%** increase in voting turnout versus historical levels
- Over **95%** approval across Preferred Share classes
- Written consents successfully obtained for all LRCN tranches
- Transaction closed on February 3, 2025, with all capital reorganization steps executed as disclosed

WHY THIS MATTERS

In high-stakes M&A, capital instruments are structural, not incidental. Preferred Shares and LRCNs can determine whether a multi-billion dollar transaction closes on schedule or fails to close at all. Kingsdale Advisors provides the data discipline, strategic oversight and execution control required to protect transaction certainty. We do not simply solicit votes. We effectively neutralize risk to ensure the transaction will close successfully.

[READ THE FULL CASE STUDY](#)

