
SEC Seeks Public Comment on Reform of the U.S. Proxy System

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On July 14, 2010, the Securities and Exchange Commission ("SEC" or "Commission"), at an open meeting, voted unanimously to issue for public comment a concept release focusing on a wide range of issues related to the U.S. proxy voting system. The SEC is seeking public comment on proposals to "promote greater efficiency and transparency in the U.S. proxy system and enhance the accuracy and integrity of the shareholder vote." As noted by SEC Chairman Mary Schapiro and Meredith Cross, Director of the Division of Corporation Finance, the U.S. proxy system governs the voting of over 600 billion shares at over 14,000 shareholder meetings each year, yet it has not undergone a substantial review in almost thirty years.