
NYSE Expands List of Broker Non-Vote Items, Narrowing Flexibility Under Rule 452

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In an Information Memo to members issued on January 25, 2012, NYSE Regulation stated that it has determined that it will no longer continue its previous approach under Rule 452 of allowing member organizations to vote on certain types of corporate governance proposals without specific client instructions, including proposals pertaining to:

- de-staggering the board of directors,
- majority voting in the election of directors,
- eliminating supermajority voting requirements,
- providing for the use of consents,
- providing rights to call a special meeting, and
- certain types of anti-takeover provision overrides,

These sorts of proposals when included in proxy statements going forward will be treated by the Exchange as "Broker May Not Vote" matters.

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