
SEC Adopts Amendments to Proxy Solicitation Rules and Issues Related Guidance

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On July 22, 2020, the Securities and Exchange Commission (the “SEC”) voted to adopt amendments to the proxy solicitation rules intended to provide “more transparent, accurate, and complete information” to investors when making voting decisions. The final amendments summarized below follow the SEC’s proposed amendments to the proxy solicitation rules published in November 2019 (the “Proposing Release”), which included, among others, proposals (1) to codify the SEC’s long-standing interpretation that proxy voting advice generally constitutes a solicitation within the meaning of Section 14(a) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), (2) to condition the availability of certain exemptions from the information and filing requirements relied on by proxy advisors upon satisfaction of additional disclosure and procedural requirements, and (3) to amend the Exchange Act Rule 14a-9 to clarify that the failure to disclose certain information in proxy voting advice may be considered materially misleading. With the Adopting Release, the SEC also concurrently issued supplemental guidance to assist investment advisers with respect to their proxy voting responsibilities, as summarized below.

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