

NYSE Modifies Additional Shareholder Approval Rules

May 19, 2020 | Client Update

The NYSE has adopted new, temporary exceptions to its shareholder approval rules in light of corporate financing needs related to the coronavirus (COVID-19) pandemic. The new rule provides a limited temporary exception to its shareholder approval rule by allowing for private issuances of 20% or more of a company's common stock or voting power at less than market price, subject to satisfying certain requirements described in the memo. The new rule also provides a narrow exception for investments by affiliates at less than the current market price, including under equity compensation plans.

If you have any questions regarding the matters covered in this publication, please reach out to any of the lawyers listed below or your usual Davis Polk contact.

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