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SEC Staff Guidance on Proxy Advisory Firms May be Issued This Week

June 3, 2014 | Client Update

The *WSJ* is **reporting** that the SEC staff may issue guidance as early as this week to cause proxy advisory firms to disclose more information about potential conflicts of interests. According to the article, the guidance will indicate that it is not sufficient for the firms to require investors to simply contact them about potential conflicts.

ISS is the only firm that also provides corporate services. The advisory firm has been in the news lately by taking the unusual and harsh step of recommending against the election of a majority of the directors, 7 of the 10, at Target, finding them accountable for the company's cybersecurity breach. The company fired back with a **letter** from the interim chair of the board describing past and future actions taken under the board's leadership.

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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