

Development in Proxy Access Shareholder Proposals for 2016

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Those following the latest developments on proxy access may be interested in Jim McRitchie's [recent blog post](#), where he posted the language of a new version of proxy access that he is submitting to companies, using CII's recent best practices that we [previously discussed here](#).

The three key differences between proposals that companies faced during the 2015 proxy season from different proponents include reference to: (a) the nomination by a shareholder or "an unrestricted number of shareholders forming a group," (b) the request that the number of board seats available is the greater of two or 25% of the board and (c) the 3% ownership requirement to include "recallable loaned stock." There is also a sentence that "no additional restrictions shall be placed on re-nominations."

Our analysis shows that since the beginning of the year, 36 Russell 3000 companies have adopted proxy access bylaws. While many companies, such as Anadarko Petroleum and DTE Energy Company, appear to be adopting these bylaws in response to shareholder proposals that passed in 2015, others like Philip Morris, United Technologies and Yum Brands did not have proxy access shareholder proposals on their ballots.

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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