

## Corporate & Financial Weekly Digest

September 9, 2011 by [Robert L. Kohl](#)

### **SEC Will Not Appeal Proxy Access Decision; Rule 14a-8 Amendment To Become Effective**

Mary Schapiro, Chairman of the Securities and Exchange Commission, announced this week that the SEC will not appeal the decision of the U.S. Court of Appeals for the District of Columbia's decision vacating SEC Rule 14a-11, which would have required companies to include shareholders' director nominees in company proxy statements. In her announcement, SEC Chairman Schapiro stated that the SEC will continue to seek to provide "a meaningful opportunity for shareholders to exercise their right to nominate directors" and is analyzing the U.S. Court of Appeal's objections and continuing to review comments previously received on Rule 14a 11.

Pending the U.S. Court of Appeals decision, the SEC had stayed the effective date of Rule 14a-11 along with a companion amendment to Rule 14a-8, the shareholder proposal rule. Under the latter rule amendment, eligible shareholders are permitted to require companies to include shareholder proposals regarding proxy access procedures in a company's proxy materials. In announcing that the SEC would not appeal the Rule 14a-11 decision, Chairman Schapiro also announced that the Rule 14a-8 amendment will be permitted to go into effect and that notice of the effective date of the amendment, presumably September 13, will be published by the SEC.

To view SEC Chairman Mary Schapiro's statement, click [here](#).

Katten Muchin Rosenman LLP  
Charlotte Chicago Irving London Los Angeles New York Washington, DC