

AC Alert for April 21, 2010

Let the 2010 Games...the Proxy Games...Begin

What do **UBS** (headquartered in Basel, Switzerland), **ITV** (London) and **Vornado Realty Trust** (New Jersey) all have in common? These three companies face potentially turbulent shareholder meetings during the next several weeks as newly-energized investors prepare to state their case ... in no uncertain terms.

This type of public display and anger is rapidly becoming the norm for a growing list of public companies. There have long been shareholder-sponsored resolutions offered up in proxy voting and individual, institutional and investor coalition challenges mounted to directors standing for election. This year, in the wake of the recent financial crisis and as new regulations for public companies and especially financial service firms are being considered both in Washington, D.C. and abroad, the number of companies getting ready for "lively" stakeholder meetings this year is said by some experts to be unprecedented.

AC editors have had this year's proxy meetings on our radar screen for some time, but the degree to which investors are preparing to turn up the volume is especially newsworthy. The 2010 annual corporate electoral process – the “proxy season” for shareholders – is shaping up to be a period of intense communication and interaction with shareowners for a number of public companies in 2010.

[...] The result of all this activity: An incredibly lively 2010 proxy season. Our recent articles, taken from the pages of the [AC Proxy Hot Topics Section](#), are just a sampling of what's in store this year:

[Shareholders challenge Coca-Cola over BPA in cans](#)

Source: (*Packaging Digest*)

Coca-Cola shareholders will vote Wednesday, April 21 on a proposal asking the company to disclose how it is responding to public concerns about the safety of Bisphenol-A (BPA), a chemical used in the epoxy lining of Coca-Cola's canned beverages

[Treasury Announces Voting of Its Shares at Citigroup Annual Meeting](#)

Source: (*US Treasury*)

Washington – The U.S. Department of the Treasury has announced that it has voted its approximately 7.7 billion shares of Citigroup Inc. common stock at the Citigroup Annual Meeting on held today. As part of the effort by Citigroup last year to strengthen its capital base, Treasury received common shares in exchange for preferred shares that Treasury had purchased when it invested in Citigroup pursuant to the Capital Purchase Program under the Troubled Assets Relief Program (TARP) in October 2008.

[As You Sow Publishes 2010 Proxy Season Preview](#)

Source: (*SocialFunds.com*) Since 2005, As You Sow has published an annual preview of the proxy season, in which it lists the shareowner resolutions submitted and describes the issues involved in them. Last week, the organization, whose mission is to ensure that corporations act in accordance with environmental and social standards, published its 2010 Proxy Season Preview.



[UBS faces turbulent shareholder meeting](#)

Source: *(Reuters)* Swiss banking giant **UBS** faces a turbulent shareholder meeting as activist investors prepare to reject the bank's bonus scheme, as well as plans to discharge former executives from responsibilities in the credit crisis.

[Bold shareholders target execs](#)

Source: *(Pittsburgh Tribune-Review)* Proposals at annual meetings this spring may spark a few fireworks, including at some Pittsburgh-area corporations. Ballots will contain shareholder proposals on issues from environmental policies to political donations to independent chairmen.

[Shareholder groups seek to limit corporate contributions](#)

Source: *(Christian Science Monitor)* Shareholder groups aim to keep a lid on companies' political spending in the wake of the recent **US Supreme Court** decision which eased restrictions on corporate campaign spending (under the umbrella protection of free speech).

[Investors ready for battle](#)

Source: *(Scotland Sunday Herald)* The boards of some of Britain's top companies are heading for a showdown with shareholders over extravagant pay deals and other issues when the annual general meeting season kicks off in a few weeks.

[JPMorgan, Citigroup Resist Nuns' Proposal on Swaps Disclosure](#)

(Source: *BusinessWeek*) **Goldman Sachs Group Inc.** and **JPMorgan Chase & Co.** aren't doing "God's work" when it comes to derivatives, according to investor groups of nuns and priests.

[More anger expected to color annual meeting season](#)

Source: *(Market Watch.com)* Emerging standard calls for directors to win the backing of a majority of investors at this year's proxy sessions.

[Moxy Vote looking forward to this year's proxy season](#)

Source: *(Philadelphia Business Journal)* [**Moxy Vote**] a Philadelphia-based company that invites dissident investors to recruit other shareholders for corporate proxy fights believes this year's proxy meetings will produce more fireworks than normal.

COMMENTARY/ANALYSIS

[NOTICE AND ACCESS REVISITED: THE SEC'S LATEST INITIATIVE](#) (Source: AC Commentator **Lois Yurow**) On February 22, the **SEC** announced revised rules that should make it easier for public companies to use notice and access—or e-proxies—while attempting to reverse the decline in shareholder voting rates. To complement the amendments, the SEC issued an Investor Alert and created a "Spotlight" page devoted to proxy matters.

[ANALYSIS - U.S. companies put up barriers to proxy fights](#)

Source: *(Reuters)* Heading into an annual proxy season overflowing with investor anger over executive salaries, some companies are trying hard to silence sensitive shareholder resolutions.