

SCC Email Alert  
5/27/2010

Subject: Media Article on Proxy Overvoting Issue

On May 17, Securities Industry News published a Special Report on the overvoting problem in processing proxy materials at the beneficial owner level.

The article explains that initial steps have been taken to ensure that broker-dealers do not vote more than their aggregate share position at a depository institution on a particular record date. However, the article also explains the problem that can occur at the beneficial owner level when there is a lack of reconciliation by broker-dealers of long positions with share-lending positions before a proxy mailing is sent.

This problem can be corrected by pre-mailing reconciliation and by using the omnibus proxy process to transfer voting authority to the beneficial owner level.

Click on the following link to read this article on the overvoting issue:  
[http://www.shareholdercoalition.com/SIA\\_News\\_Article\\_on\\_Overvoting\\_5-17-2010.pdf](http://www.shareholdercoalition.com/SIA_News_Article_on_Overvoting_5-17-2010.pdf)

Thank you for your interest in the Shareholder Communications Coalition.

Niels Holch  
Executive Director