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## **CII Petitions NYSE, Nasdaq to Require Listed Companies to Elect Directors by Majority Vote**

**Washington, D.C, June 21, 2013** — As America prepares to celebrate its independence from a monarchy, the Council of Institutional Investors (CII) is calling on the national stock exchanges to require boards of listed companies to end imperial-style elections.

On June 20, CII sent letters to the NYSE Euronext and the Nasdaq Stock Market asking both to amend their standards for listed companies to require that directors who do not receive a majority of votes in uncontested elections resign promptly and not be reappointed.

Over the past decade, most of the largest U.S. public companies have adopted majority voting for directors. But the vast majority of companies continue to elect directors by a *plurality* of votes. Plurality voting in an uncontested election allows a nominee to win a board seat even if she receives a single “for” vote. That disenfranchises shareowners, creates “zombie” directors and entrenches boards.

“Majority voting for directors makes shareowners’ votes count and makes directors more accountable to shareowners,” said CII Executive Director Ann Yerger.

Yet even some boards that have embraced majority voting let directors who fail to garner majority support keep their seats. They just reappoint them. That’s why CII believes U.S. stock exchanges should amend their listing standards to require that a director who does not receive a majority of votes in an uncontested election leaves the board as soon as practicable. , Attachment

[CII letter to NYSE, Attachment](#)  
[CII letter to Nasdaq, Attachment](#)

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*The Council of Institutional Investors (CII) is a nonprofit association of pension funds, other employee benefit funds, endowments and foundations, with combined assets that exceed \$3 trillion. The Council is a leading voice for good corporate governance and strong shareowner rights. The Council strives to educate its members, policymakers and the public about corporate governance, shareowner rights and related investment issues, and to advocate on members’ behalf.*