AMENDMENT IN THE NATURE OF A SUBSTITUTE

TO H. R. 6322

OFFERED BY MR. MEEKS OF NEW YORK

Strike all after the enacting clause and insert the following:

1 **SECTION 1. SHORT TITLE.**

2   This Act may be cited as the "Enhancing Multi-Class

3 Share Disclosures Act".

4 **SEC. 2. DISCLOSURE RELATING TO MULTI-CLASS SHARE**

5   **STRUCTURES.**

6   Section 14 of the Securities Exchange Act of 1934

7 (15 U.S.C. 78n) is amended by adding at the end the fol-

8 lowing:

9   "(k) DISCLOSURE FOR ISSUERS WITH MULTI-CLASS

10 SHARE STRUCTURES.—

11   "(1) DISCLOSURE.—The Commission shall, by

12   rule, require each issuer with a multi-class share

13   structure to disclose the information described in

14   paragraph (2) in any proxy or consent solicitation

15   material for an annual meeting of the shareholders

16   of the issuer, or any other filing as the Commission

17   determines appropriate.

2

1 ''(2) CONTENT.—A disclosure made under

2 paragraph (1) shall include, with respect to each

3 person who is a director, director nominee, or named

4 executive officer of the issuer, or who is the bene-

5 ficial owner of securities with 5 percent or more of

6 the total combined voting power of all classes of se-

7 curities entitled to vote in the election of directors—

8 ''(A) the number of shares of all classes of

9 securities entitled to vote in the election of di-

10 rectors beneficially owned by such person, ex-

11 pressed as a percentage of the total number of

12 the outstanding securities of the issuer entitled

13 to vote in the election of directors; and

14 ''(B) the amount of voting power held by

15 such person, expressed as a percentage of the

16 total combined voting power of all classes of the

17 securities of the issuer entitled to vote in the

18 election of directors.

19 ''(3) MULTI-CLASS SHARE STRUCTURE.—In this

20 subsection, the term 'multi-class share structure'

21 means a capitalization structure that contains 2 or

22 more classes of securities that have differing

23 amounts of voting rights in the election of direc-

24 tors.''.

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