

**2715.7360 PROPOSALS OF SECURITY HOLDERS.**

Subpart 1. **Inclusion in proxy statement and form of proxy.** If any holder of the securities of an issuer, hereafter referred to as the "proponent," notifies the issuer in writing not less than 90 days before the issuer's annual meeting of the intention to present a lawful proposal for action at a forthcoming meeting of the issuer's security holders and at the time of the notice the proponent is entitled to vote at least one percent of the votes entitled to be voted on the proposal, the issuer shall set forth the proposal in its proxy statement and identify it in its form of proxy and provide for the specification of approval or disapproval of the proposal. The proxy statement shall also include the name and address of the proponent.

Subp. 2. **Statement of support.** If the issuer opposes any proposal received from a proponent, it shall, at the request of the proponent, include in its proxy statement a statement of the proponent of not more than 200 words in support of the proposal.

Subp. 3. **Omissions.** The issuer may omit a proposal and any statement in support of it from its proxy statement and form of proxy under any of the following circumstances:

A. the proponent has submitted more than one proposal in connection with a particular meeting;

B. the proposal is more than 300 words in length;

C. the proposal or the supporting statement is contrary to any provision of this rule or the schedules hereto, including part 2715.7370 which prohibits false or misleading statements in proxy soliciting materials;

D. the proposal relates to the enforcement of a personal claim or the redress of a personal grievance against the issuer, its management, or any other person;

E. the proposal deals with a matter not significantly related to the issuer's business, a matter beyond the issuer's power to effectuate, a matter relating to the conduct of the ordinary business operations of the issuer, or an election to office;

F. the proposal is counter to a proposal to be submitted by the issuer at the meeting, the proposal has been rendered moot, or the proposal relates to specific amounts of cash or stock dividends;

G. the proposal is substantially duplicative of a proposal previously submitted to the issuer by another proponent, which proposal will be included in the management's proxy material for the meeting; or

H. substantially the same proposal has previously been submitted to security holders in the issuer's proxy statement and form of proxy relating to any annual or special meeting of security holders held within the preceding five calendar years and received less than five percent of the total number of votes cast in respect thereof at the time of its most recent submission.

Subp. 4. **Notice of omission.** If the issuer intends to omit any proposal from its proxy statement or forms of proxy, it shall notify the proponent in writing of its intention at least ten days before the issuer's preliminary proxy material is filed pursuant to part 2715.7340, subpart 1.

**Statutory Authority:** *MS s 60A.22*

**History:** *17 SR 1279*

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