THE SHAREHOLDER SERVICE
OPTIMIZER
PROVIDING STRATEGIC AND PRACTICAL ADVICE - AND MONEY-SAVING TIPS…SINCE 1994

Q1 | 2026

IN THIS ISSUE:

FOUR TOP ISSUES TO WATCH OUT FOR IN THE 2026 AGM SEASON

MAJOR PROXY SOLICITORS WILL RECOMMEND THE "VOTES HAVE VALUE" BOOKLET TO CLIENTS THIS SEASON

LAWSUITS BLOOM IN THE WAKE OF SEC'S NO-ACTION ACTION: OUR ADVICE ON HOW TO COPE

ALSO AS WE'D PREDICTED – ANGRY INVESTORS FIND NEW WAYS TO GET EVEN WHEN DISSED…TRILLIUM OFFERS A PLAYBOOK TO PEERS

VAGUARD and BROADRIDGE TEAM UP TO PASS VOTES TO INVESTORS: A MAJOR GAME-CHANGER HERE?

TURMOIL IN THE PREVIOUSLY QUIET T-A WORLD: WHAT'S UP AND "WHO'S WHO" THESE DAYS

DO YOU KNOW HOW MANY OF YOUR REGISTERED POSITIONS ARE JUNK?

MEMORIAL FUND ESTABLISHED TO HONOR CAL DONLY AND ELLEN PHILIP

THE OPTIMIZER IS FREE NOW – SO DO SIGN UP!

COMING SOON: OUR MAJOR PUSH TO RE-BUILD THE RETAIL INVESTOR VOTE

ISSN:1091-4811

FOUR TOP ISSUES TO WATCH OUT FOR IN THE 2026 AGM SEASON

If you haven't yet had a chance to listen to the Timely Takes Podcast from TheCorporateCousel.net, moderated by Meredith Ervine and featuring your co-editors, it is still not too late to listen, learn – and prepare.

First, as noted (and see below for more details) the risks of being sued by would-be proponents whose proposals are summarily dismissed are still big ones, and for many readers, there's still time to head this off.

Second, watch out for big Votes NO on Governance Committee Directors - and maybe on the CEO too - from Public Pension Funds – and maybe big Votes No on SOP and other comp proposals too.

Third, be on the alert for requests to allow any matters to be brought up "from the floor" at your Meeting. And be prepared to turn them down, for the reasons explained in the Podcast.

Lastly, if you are planning for a Virtual-Only Meeting, pay close attention to the tips to assure that investors of all description – but especially the activists – won't publicly trash your Meeting as being insufficiently responsive to investors' rights to a fair hearing at the AGM – and maybe demand a do-over.

The Podcast includes links to best practices and practical tips for handling the Q&A portion, for properly opening and closing the polls, model Rules of Conduct and a model "Run of Show" – all designed to deliver a swift but smooth and s*atisfying* VSM.

Listen Here | Download Here

MAJOR PROXY SOLICITORS WILL RECOMMEND OUR "VOTES HAVE VALUE" BOOKLET TO CLIENTS THIS SEASON

The OPTIMIZER is very pleased to announce that many of the best proxy solicitation firms will be recommending to clients that they use our educational booklet, "Shareholder Votes Have Value"© this season as part of the overall 2026 campaign - especially those with low 2025 quorums – and those with Proxy Fights.

To date, Alliance Advisors, InvestorCom, Laurel Hill, Lioness Consulting, Mackenzie Partners …. are set to do this and we feel certain it will boost results in a meaningful way – especially in Proxy Contests where EVERY VOTE literally matters.

If your company (1) has had trouble achieving a quorum – or (2) has a *very small quorum* – after subtracting those broker votes that can't be cast on most items – and (3) the quorum is thus heavily weighted with institutional votes, giving rise to uncomfortably close votes – or (4) to big numbers of votes against the Say On Pay – and/or (5) on proposals that many institutional investors like, but you oppose – or (6) where directors need a *majority of the outstanding shares* to be re-elected -please reach out to our editors as soon as you can. We can get the info in your hands, and out to mostly-pro-company individual investors within a day or two at most – whether you use a proxy solicitor or not.

QUOTE OF THE QUARTER

"Forming a habit - and a system for voting - helps you preserve, protect and grow the value of your investment portfolio: Reviewing each holding, and the company proxy materials each year, may influence you to buy more shares in the best-performing companies, and maybe to cut your losses and "vote with your feet" on companies you consider to be poor performers."

Shareholder Votes Have Value – Do Not Let Your Votes Go to Waste © 2025

THE RISKS OF LAWSUITS FROM "DISSED PROPONENTS" ARE REAL ONES, ISSUERS: DON'T LET MORE SHAREHOLDER DOLLARS GO TO WASTE, WE SAY, BUT STAND FIRM IF A PROPOSAL IS WEAK

The ink was hardly dry on the SEC release on no no-action letters when three thwarted proponents went to court to seek relief, as we predicted many would do.

Four NYC public pension funds sued AT&T in New York federal court over its decision to exclude a workforce diversity shareholder proposal after the company decided it had a "reasonable basis" to exclude it.

The same day, another lawsuit was filed against Axon Corp. by the **Nathan Cummings Foundation** in a D.C. federal court over the exclusion of a political spending shareholder proposal.

The third lawsuit involved a procedural exclusion basis at Pepsi – whether the company properly notified the **People for the Ethical Treatment of Animals (PETA)** about alleged deficiencies when the proposal was submitted to the company.

After a bit of legal handwringing - at no small expense, for sure - both AT&T and Pepsi settled – by agreeing to include the two proposals. Axon Enterprise went one better - agreeing to do what proponent, the Nathan Cummings Foundation, asked for in the first place - "broad and detailed annual disclosure and transparency on its direct political spending."

Meanwhile, three new lawsuits have been filed as we went to press:

1. **As You Sow** filed a complaint in the US District Court for the District of Columbia over a shareholder proposal seeking a climate change-related report.

2. **The New York State Comptroller** filed suit in the US District Court for the District of Massachusetts over a shareholder proposal on deforestation risks.

3. **A coalition of The Interfaith Center on Corporate Responsibility (ICCR) and *As You Sow*, represented by Democracy Forward** filed suit against the **SEC** - *ICCR et al. v. SEC et al*. – over the changes they made in the shareholder proposal rules - in the U.S. District Court for the District of Columbia.

Please note carefully, dear readers, that, per their press release, *Democracy Forward Foundation* is "a national legal organization that advances democracy and social progress through litigation, policy, public education, and regulatory engagement." It appears to be shaping up as a highly active and formidable new force on the Governance scene… so be sure to carefully consider the risks of lawsuits before you decide to drop shareholder proposals summarily.

Our advice has been the same – long before the recent SEC actions emerged:

If a proposal is clearly immaterial to the business of the company as a whole - or 'substantially implemented" - or clearly infringes on the right of directors to handle the "ordinary business of the company" – DROP IT – and let the proponents sue – which not many wannabe proponents are in a position to do. Who needs a no-action letter anyway if you're sure the proponent would lose in court?

If it comes from one or more big investors, or a credible coalition – or from a seasoned gadfly who might get some sympathy and support from larger investors in the interest of "shareholder democracy" - run it as submitted, with the best but briefest rebuttal you can come up with.

These two alternatives are significantly less expensive that assembling a horde of lawyers and "advisors" to fight proposals off – which, as we see, you often end up losing – while ticking off some of the most powerful players on the scene - positioning you as intransigent and anti-investor - and setting you up for more attacks in future years!

AS WE'D ALSO PREDICTED MAJOR INVESTORS MIGHT DO - TRILLIUM ASSET MANAGERS FINDS OTHER WAYS TO GET EVEN WHEN DISSED… AND OFFERS ALLIES A PLAYBOOK

In a March 20, 2026 press release, Trillium described the SEC's new policy on shareholder proposals "that substantially shifted power from shareholders to corporations…(by) deferring to company representations…. This shift materially weakened the procedural protections that shareholders have historically relied on. While most companies have continued to include shareholder proposals that meet the requirements set forth under Rule 14a-8, the lack of a procedural path to challenging corporate exclusions has required shareholders to utilize other legal and strategic approaches to preserve their right to access the proxy ballot. While these alternative paths can be costly and time intensive, it is important for shareholders with the resources and ability to pursue them to explore new or underutilized paths to preserve shareholder rights."

Trillium went on to describe how their Advocacy team "employed an innovative path to a successful negotiation with **BJ's Wholesale Club** (BJs) following their request for a no-objection letter from the SEC on our greenhouse gas (GHG) emissions proposal" noting that "We are proud to join other committed shareholders in the exploration of multiple paths to protect our rights as shareholders."

"Trillium outlined a clear path forward under SEC proxy solicitation rules and BJ's bylaws: if the company continued towards omission, Trillium would submit shareholder proposals under the pathway provided for in the company's bylaws and solicit proxies in support of those items. Those proposals would have included a GHG emissions proposal and, importantly, additional good corporate governance shareholder proposals. Trillium's objective throughout was straightforward - ensuring shareholders had the opportunity to consider, at least, Trillium's GHG emissions proposal on the company's proxy.

"Following further engagement, Trillium and BJ's reached an agreement: BJ's will include the Trillium shareholder proposal in its 2026 proxy materials, and the engagement would proceed in the well-established Rule 14a-8 process."

The Trillium release also included an essay on "Why this matters":

- Protecting shareholder rights in a non-litigation form: Exclusion disputes are increasingly ending up in court. This outcome demonstrates that there can be credible and effective alternatives that protect shareholder rights.
- Clarifying the risk landscape for companies: When a proposal is omitted in this SEC-created vacuum, companies should be aware that they face multiple legal, governance, and reputational risks – including independent proxy solicitations.
- Reinforcing that process choices have consequences: This outcome underscores that attempts to exclude legitimate and valid shareholder proposals can trigger alternative, bylaw-based routes and the prospect of a broader ballot.
- Setting an expectation for how exclusion disputes are handled: As the SEC's posture shifts, the practical "rules of the road" are increasingly shaped by what companies do when challenged. This outcome sends

a clear signal that exclusion in this new SEC regime is not a low-friction default and that investors can respond with credible escalation pathways.

- Protecting the shareholder voice and vote in an uncertain environment: In a period of reduced regulatory refereeing, boards have more responsibility to avoid actions that constrain shareholder voice. This outcome highlights that shareholders can and will use multiple available mechanisms to ensure important issues reach the proxy.
- Demonstrating meaningful options without resorting to court: Investors are not confined to a binary choice between acquiescing to omission and filing suit. Without shifting the dispute to the judiciary, shareholders retain credible, well-established procedural tools, including independent solicitations, that can change the equation.

The press release concluded with an impactful message from Trillium; "Investing for a Better World® … Learn how Trillium's impactful investment strategies transform investor capital into a catalyst for change."

As we have been saying for at least ten years now, "Corporate Governance Activism is a multi-billion-dollar business. It is NOT going to go away! So learn how to live with it, effectively."

BIG NEWS - VANGUARD and BROADRIDGE TEAM UP TO PASS FUND VOTES TO INVESTORS: A MAJOR GAME-CHANGER HERE?

To quote directly from its March 27 website, "Vanguard is expanding its partnership with global fintech leader Broadridge Financial Solutions, Inc., to leverage Broadridge's ProxyVote digital platform (ProxyVote.com) as part of Vanguard Investor Choice, the world's largest retail proxy voting program. Investor Choice is the first and only index fund proxy voting program currently available via ProxyVote.com.

"Vanguard believes that equity index fund investors should have a greater say in how their portion of the Vanguard equity index funds they own vote on public company proxy matters. Through Investor Choice, we are empowering individual investors, their advisors, 529 plans, and retirement plan sponsors to direct how their portion of participating equity index funds vote at company shareholder meetings through a single policy selection."}

Wow, say we – this is one huge pile of votes!

"With the program's latest fund expansion in 2026, Investor Choice is now available in 32 Vanguard funds and to approximately 22 million eligible investors, representing nearly $4 trillion in Vanguard assets under management."

A good selection of five voting choices being offered, we'd note – unlike Exxon's sole choice to "vote as management recommends"

- **Company BoardAligned Policy**: Votes follow the recommendations of the company's board of directors.

- **EganJones WealthFocused Policy**: Prioritizes shareholder value, generally rejecting ESG or political proposals unless they directly impact revenue.
- **Glass Lewis ESG Policy**: Votes according to ESG focused recommendations from Glass Lewis, emphasizing environmental, social, and governance disclosures.
- **Mirror Voting Policy**: Votes in proportion to how other shareholders vote.
- **Fund Proxy Policy:** Follows the fund trustees' established proxy voting policy, focusing on long-term s hareholder returns.

We asked the Vanguard web-tool what we think is the 64-dollar question if you are an issuer – or a proxy tabulator: *"What happens with the shares in Vanguard funds that are NOT voted per owner instructions? Does Vanguard vote them as Abstentions, so they can be counted toward the quorum? Or do they not get voted at all??? This could cause many issuers to fail to achieve a quorum!"* – and we got a good answer:

"When individual investors in a fund do not provide voting instructions, the following applies:
The fund's investment managers (internal or external) vote all shareholder proxies for the fund according to the fund's stated proxy voting policy…in what the fund's managers determine to be in the best interests of the fund a nd its investors."

So is this a gamechanger here? Yes, we say, in the sense that all other mutual fund providers will have to consider offering a similar service. And, please note, this is not being done out of the goodness of Vanguard's heart – but as a reaction to all the noise about their having overwhelming voting power on their own, as do many other index funds.

Do we think this will have a really big impact on overall voting? No, we're sorry to say. What would possibly *motivate* an individual investor to sign up for this? What's *in it* for them - as "retail investor" voting continues to decline, year after year? Also – *and note well* - most of the Vanguard investors this is being aimed at are INDEXERS – on purpose. They have no meaningful "connection" to the stocks in the portfolio – and what *their* issues might be = or even who they are.

We think, however, that this effort might motivate a few indexers who are seriously concerned about environmental issues to choose the **Glass Lewis ESG Policy** – and maybe a few rabid ESG naysayers *might* - if *prodded* and *well-informed as to the options* - opt for the (NO on-ESG) **EganJones Wealth Focused Policy –** but not a major needle-mover we'd bet, with the current marketing efforts.

We're biased, perhaps, but we fervently believe that unless you can convince investors that "Shareholder Votes* Have *Value" you're whistling Dixie.

And we DO THINK that a "customized" educational booklet that would appeal to "socially inclined" investors – and to the naysayers too, who might choose to "always vote against social proposals" – and to well-informed investors who hate to see so much money going to waste in the current system - could indeed move the needle. See below:

FROM OUR BOOKLET "SHAREHOLDER VOTES HAVE VALUE DO NOT LET YOUR VOTES GO TO WASTE" [Fact 5 of Ten] - THIS ON ESG PROPOSALS

"Many shareholders believe that votes on environmental and social issues not only increase share value but add "societal value." Many others feel that such actions are not proper ones to take, or simply not worth the money it costs to take them: Do remember that it is your money that is at stake as you decide on your vote."

TURMOIL LOOMS OVER THE PREVIOUSLY QUIET TRANSFER AGENT UNIVERSE

Advent International, a Boston based private equity firm, which acquired Australian share registry provider Automic last year - which was focused on Australia and New Zealand - now says it is actively exploring acquisition options in the U.S., U.K. and Canada, and maybe Asia too. "There are opportunities identified" Advent's managing director said, as reported in the WSJ.

We have long been saying that the U.S. share registry market is overdue for a shakeup – and Automic, which was valued at just under a half-billion dollars when acquired in 2024, seems to have the money, the backing – and the will to do so.

If we were **EQ**, whose registry business is reportedly up for sale, we'd be excited. If we were **Computershare** – the behemoth in the U.S. marketplace - and in Australia, New Zealand, Canada and the U.K. - we'd be scared. And if we were one of the many niche-players and startups we've been noting of late, mostly with skepticism, we'd be hoping to be on Automic's radar screen. **Bring it on, we say!**

On another front - in what we view as a blockbuster development - the NYSE is partnering with Securitize to launch a new venue for tokenized securities - to be registered on blockchains on a 24/7 trading basis, settled instantly - in stablecoins – and bypassing **DTCC** entirely, which still "nets" buys and sells to settle on T+1. (While **NASDAQ** has obtained SEC approval for its own tokenized, blockchain venue, its plan is to settle on T+1 – which now, we think, is a non-starter.) ***N.B. If the industry moves to instantaneous settlement – i.e. no 'netting' needed – the need for DTTC basically goes away!***

The NYSE plan also obviates the need for public companies to* have *traditional Transfer Agents, we think, leaving them with a steadily dying business, which it has been for decades – albeit one with a very long-legacy-lifespan.

Currently, where there has been a dearth of new issues – and only modest moves to switch agents – the larger traditional TAs have been feasting royally on a bumper crop of mergers, acquisitions and tender offers, which are great for now, but continue to reduce the universe of prime public companies who need big TAs - bigtime.

The two biggest threats to the big TAs these days, however, are (1) the fact that many of their biggest clients are paying high 20th century fees for low-tech, low-touch and low-volume 21st century services – and (2) that at many large companies the vast majority of the holders-of-record have totally immaterial share balances.

(See below for info on two of our own four current, miniscule positions as an example of how this happens – and how it continues to persist.) If issuers wise up – or are forced by company policies to go out for bids and begin shopping around again - watch out below TAs!

FRESH AND FASCINATING DATA ON TRANSFER AGENT MARKET SHARE – AND WHAT IT PORTENDS GOING FORWARD…

Our good friend, Andy Wilcox, recently shared with us the information he compiled from the TA-2 filings TAs must make annually with the SEC - as of year-end 2025. Andy founded and manages a firm, "Shareholder Service Solutions" that helps public companies bid-out Transfer Agency services so they can compare fees and out-of-pocket expenses – and fees charged to shareholders too – on an "apples-to-apples basis" – which really takes an industry expert to do. He also has another service. "Shareholder Services Checkup" where he reviews invoices to benchmark them against current industry prices, which has allowed many companies to negotiate better rates without the lengthy RFP process.

TRANSFER AGENT MARKET SHARE (AS OF DECEMBER 3I, 2025)	Broadridge	Computershare	Continental	EQ
# of registered shareholders	962,333	17,259,398	2,193,906	13,500,329
# of corporate equity issues	1,095	4,694	4,386	7,796
Avg. # of s/h's per issue	879	3,677	500	1,732
# of DRIP/DSPP plans	82	1,056	21	758
# of DRIP/DSPP participants	384,713	3,829,533	11,703	1,792,986
Avg. # of participants per DRIP/DSPP	4,692	3,626	557	2,365

Compiled by Andy Wilcox, Owner at Shareholder Service Solutions from SEC filings

---

A FEW COMMENTS ON THE T-A NUMBERS FROM *THE OPTIMIZER:*

The total number of shareholder accounts reported by the four largest agents – 33,915,966 - pleasantly surprised us as being much closer to our own estimates, where clearly, many of the big-four traditionally inflated their numbers in the past (by 10-20% in many cases) for the "bragging rights." We think the fact that the SEC stepped up its efforts to audit TAs – and the TA-2 filings they make each year – is responsible for the far more accurate numbers in 2025.

We estimate that the total number of shareholder records currently maintained by all other U.S. Transfer Agents are no more than 1.5 million, which makes the current total of registered shareholders to be "around 35 million." But of these, we estimate that at least 3 million of these accounts, and probably more, are actually "closed accounts" that agents leave on their files – sometimes for extended periods. Since they actually bill for them until they are "purged" - and merged, we'd hope with all the other closed accounts since the records were first "computerized" - we guess it's mostly OK – even though this overstates the real numbers or real "open accounts" by 10-15%.

According to SEC data there are approximately 264 SEC-registered transfer agents - down from about 500 five years ago, and over 1500 TAs 20 years ago. The drop-off between the top-four and the remaining 264 is rather astounding: VStock, for example, which is one of the bigger ones, that brags on new assignments and its attempts to get more almost every day on LinkedIn, has 800 clients with only 140,000 shareholder records in total, according to its website. (Just to cover the entire TA universe, there are also roughly 55-60 bank-registered transfer agents in the U.S. who primarily serve their own shareholders and who are supervised and audited by state or federal banking authorities.)

Despite a stream of new and often short-lived entrants, we foresee continued shrinkage in the small-TA universe because of the significant economies of scale in this business. And we stick to our projections that the total number of registered shareholders will continue decline, year after year – between 5% and 10% per year – due to M&A activities which take out far more shareholders than new issues can possible replace – and also due to "father time" – where today's generation of investors – whether they inherit shares or buy on their own - almost never opt for registered ownership.

Computershare's numbers really stand out in the competitive pack: They have the largest earning power here, by a very wide margin, thanks to the big percentage of large-cap companies, with very large shareholder populations – which, accordingly, generate the biggest numbers of fes for 'account maintenance' and many dollars more from highly profitable reorg activities, year after year.

Computershare's strength vs. number-two-TA, EQ - and the rest of the field - is also demonstrated by the much larger number of lucrative DRP/DSPP accounts and the much higher number of Plan participants – more than twice as many as EQ has. But, on the other hand, Computershare has the most to lose long-term from the big surge in M&A activity that is expected to continue – and to focus intensively on the largest and richest corporate targets.

DO YOU KNOW MANY OF YOUR REGISTERED POSITIONS ARE JUNK?

As we were drafting the articles on Transfer Agents, and their relative sizes, two items of expensive TA junk mail were sitting on our desk:

The first, a NOTICE from AT&T asking us to vote. Whoa! We sold this stock long ago and haven't heard from them since! So we called the TA - **Computershare** - and discovered this was what we call an "orphan DRP account" that was created after we sold all our shares (we thought) but after the record date and before the payable date so we ended up with a *NEW* DRP account that has since grown, with dividends reinvested, to 4.087585 shares worth a whopping $104.36 on the day we called. "Can you sell this out for us?" we asked, and yes, but it would cost $25.58 to do it today. Ouch! "Isn't there a less expensive way?" we asked again. Yes, they could do a batch sale for $10 plus 40 cents a share, so we'd get about $92.70, leaving the 'small change' to Computershare, since they can't sell fractional shares, so we were OK to go. But guess what? The nice young man who walked us through all this suddenly realized that the record date for the next dividend was yesterday – and ouch! We'd end up with *another* "orphaned" fractional-share account - so we'll wait a while and try again… in our "spare time."

Then, staring in our face, was our quarterly dividend check from EQ for Kraft Heinz – for forty cents! This outrageous waste of Kraft's money arose when we sold all our Kraft Heinz shares (we thought) but after a record date and before the payable date. The 40 cents doesn't even cover the postage – much less the envelope, the check-stock, a printing, enclosing and mailing fee and a check-clearing and reconciliation fee, PLUS an "account maintenance" fee - and yes, a mailed NOTICE re the AGM and a 1099 at year-end - all of which likely costs Kraft Heinz around $20 a year to maintain. But NO – the last time we called, EQ's fee to sell out was way more than the stock was worth, and we don't like leaving money on the table OR being treated like a sap. We will try again… when our scarce spare-time allows, but we don't expect to get far.

Here's our advice to issuers:

Ask your TA for a list of all open accounts worth less that $50 or $100 – and maybe up to $2500, which is still basically chump-change to a real investor.

Then make a small-share tender offer of your own, simply by mailing each account an offer to buy them out "at the market" or at a fixed price based on recent trading prices (no SEC filings needed) PLUS $25 more as an incentive. We think you will be **astounded** ***by how much money you will save each year on TA fees and expenses.***

P.S. – You can also do this unilaterally by amending the terms of your DRP/DSPP to require a minimum holding - say $2500 or $5000 worth – giving holders a chance to buy enough to stay enrolled – then selling them out and remitting checks.

OUT OF OUR IN-BOX:

INDUSTRY SUPPLIERS TRY – MOSTLY INEPTLY - TO BUILD THEIR OWN ADVERTISING AND PR AGENCIES

Lately, our In-Boxes - and our LinkedIn messages - have been overflowing with promotional items disguised as news, like "Welcome to our new client X" - or simply to brag "I'm Speaking!" or "I'm Attending" – from self-promoters at industry suppliers and occasionally, from budding self-promoters at public companies too.

And lately, a lot of major law firms, who seem to have seen our recent article on how hard it is to find out "Who IS really WHO" at their firm have been posting stuff like mad. While there are three or four law firms that regularly post items of real interest, most of the latecomers feature several rows of lawyers' photos – and often photos of *new* partners, which we guess is nice for *them* – but nothing that would induce you to spend more than a few seconds to scan the field and move on to something *compelling.*

And OUCH! We're witnessing an overabundance of webinars and podcasts that are so disgustingly self-congratulatory and so lacking in real content they truly backfire on the wannabe marketing experts. We tuned in one, where there was only one other outsider in attendance – per a window they closed midway. A week or so ago we noted a webinar we were interested in – only to find that it had been taken down BEFORE the invite hit our inbox!

"Shoemakers, stick to your lasts" we say – and leave the marketing efforts to true professionals, who, btw, can help you to hone and deliver your message effectively and offer a valuable third-party perspective as the agenda-shaper and refiner, moderator and interlocutor.

Oh yes, and with apologies, this is basically a promotional pitch fromUS too.

REGULATORY NOTES…AND COMMENTS

- **The SEC's Enforcement Division has formed a new "SOX Group" that will target auditors for violations of auditing and professional standards. This is happening at the same time that the SEC is cutting the budget – and thus the staffing – at the PCAOB, which has handled most of this type of enforcement work (ineptly, as we've noted periodically) since the PCAOB was first established over 20 years ago…AND while the SEC's own budget and staffing levels are woefully inadequate.**

- **SEC Chairman Paul Atkins doubles down on his mission to "Make IPOs Great Again" at an April 7th Florida event celebrating Texas developments… but totally misses many key points about truly effective regulation:**

"For context, decades of accretive rulemakings and regulatory adventurism have made the path to becoming a public company narrower—and the experience of remaining one encumbered with rules that can introduce more friction than benefit."

YES – there are lots of rules like this, so get on it we say. But please remember that many of the most important SEC rulemakings over the past 20 or more years have been in response to developments that caused individual investors to lose millions of dollars. And many of the rules that have allowed investors to have a say in Environmental, Social and Governance matters – rather than being "regulatory adventurism" - have been directly in response to truly existential concerns – like global climate change, "sustainability," child-labor practices and more – that cut across state lines. Jingoistic language is not at all helpful here. And lastly, please note well that "making the path to being a public company narrower" is actually a *good thing* - and is almost entirely due to specific rules and regs and required disclosures that help protect investors from losses!

"It is little surprise, then, Atkins opines, " -that shortly after I left the SEC back in the mid-1990s as chief of staff, there were more than 7,800 companies listed on the U.S. exchanges—and by the time that I returned last year as Chairman, that figure had fallen by roughly 40 percent."

Here, Atkins continues to totally misunderstand what is going on in the real world of being a public company today: IPOs *continue* to proliferate – but the number of public companies continues to shrink at a much faster rate due to mergers and acquisitions among the most successful companies - and de-listings, including many total bankruptcies, and buyouts-on-the- cheap - at unsuccessful ones. THIS is "competition" at its best, we say. And P.S. – "correlation is not the same thing as causation" as any able lawyer should know.

"This trajectory tells a cautionary tale that we are working to rectify through the three pillars of my plan to make IPOs great again… First, we are modernizing, rationalizing, and streamlining disclosure reports so that they are meaningful, understandable, and not a repellant to investors. Too many SEC requirements that began as a framework to inform have become instruments to obscure—drifting along the way from what a reasonable investor would consider important to what a regulator might find interesting. That is completely opposite of what should be the case since we are commanded by law to put the investor first."

Three cheers for this, we say, and we plan to submit a long list of improvements that can be made to be sure that SEC filings ARE more comprehensible, shorter and much less off-putting to ordinary mortals.

"Our disclosure regime is most effective when the SEC provides the minimum effective dose of regulation necessary to elicit the information that is material to investors, and we allow market forces—not the regulator—to drive the disclosure of any additional aspects that may be beneficial. Materiality, in short, must reclaim its place as the SEC's north star."

Three cheers for this too, we say – but please remember that what is "material" to an ordinary investor is often overwhelmed by disclosures that are "material" only to lawyers and would-be lawsuit bringers. They really belong in Appendices – if at all.

"Second, as part of the three pillars of making IPOs great again, we are focused on ensuring that States, and not the SEC, regulate matters of corporate governance. Over time, the agency has used its disclosure authority to attempt to indirectly establish governance standards that state corporate law should and can address. We must stay in our lane as a disclosure agency and not be a merit regulator."

A big YES to deference to state regulations, as we have been saying for years – especially where AGMs are concerned - even as some states seem to be de-regulating too liberally - but an important reminder that many important regulations should and *must recognize* that many issues should be applicable in all states to adequately protect investors.

"Third [pillar], and finally, we are allowing public companies to have litigation alternatives while maintaining an avenue for shareholders to continue to bring forth meritorious claims. At the SEC, we have been hard at work on executing this plan so that we can shield the innovator from the frivolous—and protect the investor from the fraudulent."

Hello? The SEC is not in charge of "allowing" or denying public companies, or their shareholders, "litigation alternatives." And as we are seeing in spades of late, interested investors are availing themselves of the privileges in state and federal courts. So do, please, stay in your lane, we say – and avoid partisan sloganeering and gross oversimplification in your public remarks.

MEMORIAL FUND ESTABLISHED TO HONOR CAL DONLY AND ELLEN PHILIP

We are especially pleased to announce that the *OPTIMIZER* has started a fund to memorialize Cal Donly and Ellen Philip and to continue the life-changing support they provided for the groundbreaking artists of Fountain House Gallery and Studio.

Over eleven years – after they turned their annual holiday party into a "Party With A Purpose" – Ellen and Cal hosted a hugely successful art exhibit and Benefit in their office spaces that raised over 1.3 million dollars to support the work of the Gallery – and especially, the artists themselves – all of whom strive with great success to overcome the difficulties, as well as the stigma that comes with having serious Mental Illnesses.

The Memorial Fund, with our initial pledge of $25,000, will allow Fountain Gallery Artists to

attend accredited art courses at NYC-area schools, participate in drawing and painting workshops, led by some of the Gallery's most skilled and successful artists, will help to promote and subsidize more exhibits where artists can meet and greet prospective patrons and will provide supplies as needed, as well as instruction and mentoring to the artists.

Click here to see highlights from previous Galas, or here for a wonderful article.

We are hoping to raise at least $100,000 initially, and more as needed to keep these programs in place for at least ten years.

To donate, go to www.fountainhouse.org – and please specify that the donation is to go to the Cal Donly and Ellen Philip Memorial Scholarship Fund.

Honoree Norman, with Eon Canzius, his relationship manager at BNY-Mellon, Steve's successor as AMEX Secretary & Governance Officer, Carol Schwartz, and BNY-Mellon's head of relationship management, Peter Duggan.

Some of the Fountain Gallery artists get together before the show.

Attendees get to network with each other – and to meet the artists – while enjoying fine food and drink from the very generous sponsors at My Belizean Gourmet…And, as usual, they throng the Cape Sushi Sushi-boat. Flower arrangements made by the Fountain House Horticultural Unit provide an added festive touch.

THE *OPTIMIZER* IS FREE NOW – SO DO SIGN UP!

We are very pleased to announce that the Shareholder Service OPTIMIZER – our quarterly Advisory letter - and our annual Special Supplement – are entirely free now, supported by our loyal advertisers.

To be sure to get your copies emailed to you – which YOU are free to circulate in part or entirely to colleagues and customers, go to www.optimizeronline.com and sign up.

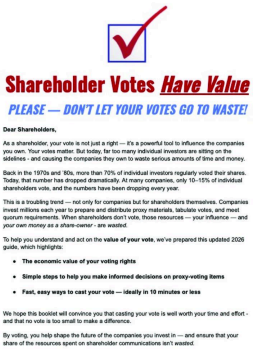
SUBSCRIBE FREE! ⇨

Shareholder Votes Have Value!

A RADICAL SOLUTION TO ADDRESS THE "RETAIL VOTING APATHY CRISIS"

Announcing our educational and motivational booklet, "Shareholder Votes Have Value…Do Not Let Your Votes Go to Waste!" With retail voting at all-time lows, even as more proxy proposals are being decided by razor-thin margins, this easy-to-read booklet addresses the top three factors that hinder most individual investors:

- **Lack of Understanding:** Many investors are unaware of the importance and intricacies of the proxy voting process.
- **Perceived Effort:** Some believe that the time and effort required to vote are "not worth it."
- **Small Holdings, No Impact:** There's a common misconception that their often smallish holdings are "too small to matter."



Our 4.25″ x 5.5″ booklet (a single sheet folded in quarters) is cost-effective to produce and mail. The text can and should be posted on your Voting Site and Investor Page for online voters.

Our "Shareholder Votes Have Value" booklet can be customized with your Company logo and branding.Please contact us to get started in time for the 2026 Proxy Season on this cost-effective initiative to improve retail shareholder voting results.

Carl Hagberg: Cthagberg@cthagbergllc.com 732-778-5971
Peder Hagberg: Phagberg@cthagbergllc.com 917-848-6772

Visit The *OPTIMIZER*'s Index Of Pre-Vetted Service Suppliers!

Each category begins with a brief overview of the product or service and the competitive landscape, along with guidance from *The OPTIMIZER* on what to look for in a service provider. All suppliers included in our index have been pre-vetted and approved by *The OPTIMIZER* for quality of service.

OPTIMIZED ADVERTISING

The largest, most targeted distribution to the buyers of your products & services in print and online!

Reach the **3,000 largest U.S. public companies**. Plus **25,000+ members of LinkedIn industry groups**!

ADVERTISE ⇨