

April 4, 1983

To Our Clients:

Proxy Fights

The predicted increase in proxy fights is here.
Current major company battles (or threatened battles) include:

- GAF - Replace board of directors
- Canal-Randolph - Replace board of directors
- Flexivan - Replace board of directors
- Trans World - Resolution to liquidate company
- Southeast Bank - Defeat increase in authorized stock
- Superior Oil - Resolution to refer acquisition offers
to special committee

Most of today's proxy fights are the result of a creeper attempting to force a "deal" on the company that would result in a profit to the creeper. In a number of cases institutional holders hoping for a profit on their portfolio position have voted with the creeper. All companies, including the very largest, are subject to bust-up proxy fights. Charters, by-laws, procedures with respect to shareholder meetings, shareholder relations programs, etc. should be reviewed and brought up to date.

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