

Title: Another information request

Author: random\_user\_number\_5

Created 2022-02-01 23:13:33 UTC

Permalink: /r/DDintoGME/comments/si8nud/another\_information\_request/

Url: [https://www.reddit.com/r/DDintoGME/comments/si8nud/another\\_information\\_request/](https://www.reddit.com/r/DDintoGME/comments/si8nud/another_information_request/)

Possibly last one,

How much dilution can a publicly traded company go through?

Things I have found:

20% rule -

[Paul Weiss source 1](<https://www.paulweiss.com/practices/transactional/capital-markets/publications/sec-approves-amendments-to-nyse-shareholder-approval-requirements?id=39792>)

[venable source 2]([https://www.venable.com/insights/publications/2021/04/sec-approves-changes-to-nyse-shareholder?s=09#:~:text=Section%20312.03\(c\)%20of%20the,outstanding%20shares%20or%20voting%20power](https://www.venable.com/insights/publications/2021/04/sec-approves-changes-to-nyse-shareholder?s=09#:~:text=Section%20312.03(c)%20of%20the,outstanding%20shares%20or%20voting%20power))

This seems to be for private offerings though?

I also have:

[google search fourth one down Davis poll link]([https://www.google.com/search?q=share+holder+appeoval+for+public+offering&ei=rZr5YbeVONCFytMP28mPmAl&oq=share+holder+appeoval+for+public+offerig&gs\\_lcp=ChNtb2JpbGUtZ3dzLXdpei1zZXJwEAEYADIHCCEQChCgAToHCAAQRxCwAzoHCCkQsAMQZoHCCkQRxCwAzoCCCK6DggAEI8BEOoCElwDEOUcOgUIABCRAjoECAAQQzoFCAAQgAQ6CwguEIAEEMcBEKMCOgslLhCABBCxAXCDAToLCC4QsQMqXwEQowl6CwguEIAEEMcBEK8BOggIABCABBCxAXoHCAAQgAQQCjoFCCEQoAE6CggAELEDEIMBEA06BAgAEA06BAgAEA06BAguEA06BggAEBYQHjoICCEQFhAdEB46BAguEA06BggAEA0QHjoFCAAQhgM6BQghEKsCSgQIQRgAUlwsWK6LAWD3mAFoCnABeAKAAZYEiAHSO5IBDDAuNDAAuNS4wLjEuMZgBAKABAbABHsgBHsABAQ&scclint;=mobile-gws-wiz-serp](https://www.google.com/search?q=share+holder+appeoval+for+public+offering&ei=rZr5YbeVONCFytMP28mPmAl&oq=share+holder+appeoval+for+public+offerig&gs_lcp=ChNtb2JpbGUtZ3dzLXdpei1zZXJwEAEYADIHCCEQChCgAToHCAAQRxCwAzoHCCkQsAMQZoHCCkQRxCwAzoCCCK6DggAEI8BEOoCElwDEOUcOgUIABCRAjoECAAQQzoFCAAQgAQ6CwguEIAEEMcBEKMCOgslLhCABBCxAXCDAToLCC4QsQMqXwEQowl6CwguEIAEEMcBEK8BOggIABCABBCxAXoHCAAQgAQQCjoFCCEQoAE6CggAELEDEIMBEA06BAgAEA06BAgAEA06BAguEA06BggAEBYQHjoICCEQFhAdEB46BAguEA06BggAEA0QHjoFCAAQhgM6BQghEKsCSgQIQRgAUlwsWK6LAWD3mAFoCnABeAKAAZYEiAHSO5IBDDAuNDAAuNS4wLjEuMZgBAKABAbABHsgBHsABAQ&scclint;=mobile-gws-wiz-serp))

(can't link directly)

Now, with these sources I'm going to highlight a key part in the Davis poll link. It seems as though there's a mention:

- require shareholder approval of cash sales to related parties only at prices less than the current market price (assuming the 20% rule and change of control rule discussed below do not apply);

- no longer require shareholder approval for share issuances to related parties' subsidiaries or affiliates (unless a related party has a 5% interest in the company or assets being acquired with the share issuance);

- and require shareholder approval of any transaction where a related party has a 5% interest in the company or assets being acquired with the share issuance (or related parties collectively have a 10% interest), when the issuance results in a 5% increase in outstanding shares or voting power.

So, with this information it seems that there is no need for a vote for public at the market offerings. Is this correct? Is there a source for this?