NZ
CORPORATE
GOVERNANCE
FORUM

SUBMISSION FROM NEW ZEALAND CORPORATE GOVERNANCE FORUM ON THE NZX LISTING RULE REVIEW

Introduction

We welcome the opportunity to submit on the consultation on the NZX Listing Rule Review Exposure Draft. The New Zealand Corporate Governance Forum (NZCGF) is committed to promoting good corporate governance in New Zealand companies for the long term health of the capital market.

As a general statement, we believe that the Listing Rules (LR) should:

- provide investor protection against issuer misconduct, market misinformation and market misconduct;
- promote the confident and informed participation of investors and issuers in the NZX markets;
- promote and facilitate the development of fair, efficient and transparent NZX markets;
- provide for timely, accurate and understandable information for investors;
- promote appropriate governance arrangements; and
- avoid unnecessary compliance costs.

We appreciate the progress made by the NZX to date, including encouraging more pro rata share issues and forward-looking disclosure by issuers. We strongly support the retention of a requirement for an audit committee in the LR. The NZX Code has also been improved including in providing guidance on independence, although this could be expanded. We commend NZX on developing a more logically sequenced and comprehensive set of listing rules and simplifying the market structure.

There are, however, still a number of areas we believe require further attention. In particular, we recommend:

- including a report on business strategy in proposed Listing Rule 3.8;
- a major transactions threshold of 25% of average market capitalisation before requiring a shareholder vote as proposed at the first stage of this consultation;
- a reduction in the related party threshold from 10%, which is too high;
- providing greater controls and protection for shareholders in the Foreign Exempt Listing regime;
- Further emphasis on appropriate Board skills, composition and independence;
- strengthening the quality and independence of third party advisory reports to shareholders;
- further improvements in independence requirements in the LR and NZX Code; and
- ensuring voting by poll at shareholder meetings by including this in the Listing Rules.

Our answers to the selected questions outlined in the Discussion Document are contained below, and draw on our previous submissions and on the NZCGF guidelines, available at www.nzcgf.org.nz.

Please also refer to our previous submission to this rule review and to the NZCGF Guidelines for more detailed guidance.

Individual Forum members may make their own submissions directly to the NZX.

NZX Main Board/Debt Market Rule Review Discussion

A. Section 5 – Overview Feedback to Questions

1. Do you agree with the proposed market structure?

Yes, we agree with the simplified market structure proposed.

2. Do you agree with the proposed updated structure of the Listing Rules?

Yes, the new structure is simpler and clearer and incorporates relevant information, such as waivers and practice notes.

3. Please provide feedback on the proposed minimum listing and ongoing listing obligations described above.

We support the eligibility for listing requirements proposed. For ongoing listing obligations please see our feedback below.

4. Please provide feedback on the process for the remainder of the review.

We support the process for finalisation given the two phase approach the NZX has taken. We suggest that there may be some additional attention and consultation undertaken on the issue of major transactions, as set out in our feedback below.

Ideally, a further exposure draft would be circulated for any final comments prior to implementation.

5. Please provide feedback on the transition arrangements.

We support the timing of the transition arrangements.

B. Feedback to questions – Section 7 consultation paper

Definitions/Glossary

1. Is the proposed definition an appropriate way to measure Average Market Capitalisation and average market price?

Yes, we broadly support the revised definition.

We suggest, however, that the definition of Average Market Price is amended so that it includes certain off-market trades and crossings, which are reported on the NZX Main Board but technically fall outside the definition as they are not "trades on" the NZX Main Board.

NZX would also ideally publish the Average Market Capitalisation of issuers on its website.

2. Do you agree with the proposed change to the definition of the Associated Person to align with the FMC Act?

We support alignment with the FMC Act, but submit that subsection 12(1)(i) of the FMC Act (providing that two people are Associated where "there is another person with which A and B are both associated") is difficult to apply and overly broad in the context of the Listing Rules.

We note that the restriction on Associated Persons of a Director voting in favour of payments/benefits provided to that Director has not been carried forward into proposed Listing Rule 6.2.1. We consider this should be reinstated.

3. Do you agree with the proposed approach to Minimum Holdings?

Yes.

4. Do you agree with the proposed use of the term Senior Manager (to align with the FMC Act)?

Yes, provided that:

- NZX also makes the proposed change to the definition of Aware. This is because the definition of Senior Manager is narrower than the current definition of Officer; and
- the concept of Officers continues to be used in proposed Listing Rule 3.8(c) dealing with diversity reporting.

5. Do you agree with the proposed use of Security?

Yes.

Independence of Directors

We understand the advantage of a general or principles-based test for Independent Directors but have concerns about the application of this test in practice (see below 6i).

We recommend the Listing Rules (as well as the NZX Code) should provide that there are certain fundamental situations in which a Director cannot be determined as independent, specifically if that Director[1]:

1. has recently (within a defined period, such as three years) been an employee of the issuer or its subsidiaries; and/or
2. has a recent or current material relationship (to be defined with specific financial thresholds) with the issuer or its subsidiaries.

We recommend that NZX should monitor how Boards are applying the independence test – particularly where there is a controlling shareholder that is effectively able to determine the entire Board composition.

NZX Code Recommendation 2.9 should recommend that the Chair should be independent and not be an Executive.

We support the NZX Code recommending a separation between the Chair and Executive roles.

Q 6i) Please provide feedback on the definition of Disqualifying relationship.

We recommend the definition of "Disqualifying relationship" is amended as follows in order to add greater emphasis to the fact that a key feature of independence is that a Director is not aligned to the interests of any particular shareholder:

"**Disqualifying Relationship** means any direct or indirect interest, position, association or relationship that might influence, or could reasonably be perceived to influence, in a material way, the Director's capacity to bring an independent view to decisions in relation to the Issuer and to act in the best interests of the Issuer and to represent the interests of Financial Product holders generally (see the factors described in the NZX Corporate Governance Code that may impact director independence)."

We support the *intention* of the definition of disqualifying relationship. However, the effectiveness of the test relies on the Board respecting the test regarding relationships that "*could reasonably be perceived to influence*", and understanding more broadly that being a non-independent director is not a judgement on that director's professionalism.

In this respect, we believe both Boards and investors need clear guidance on minimum criteria for independence (also see further below).

[1] Note that if there was a recent employment or material relationship that did not trigger the threshold in the Listing Rules (within which the Director *cannot* be classified as independent), that relationship would still be something that the Directors would need to be taken into account as one of the independence factors in the NZX code.

Q 6 ii) & Q 23: Please provide feedback on the commentary and proposed criteria under 2.4 of the NZX Code to assess Independence.

We agree with the proposed factors that may impact independence. We recommend adding:

- The director has been an officer of another entity in which the company has a substantial holding; and
- Participation in performance incentive schemes, including options that have also been granted to executives.

We also recommend that NZX includes further detail on certain aspects of the test (e.g. what timeframe counts as recent), as is the case with equivalent guidance in Australia.

Disclosure on the Board should be supported by a description of the Board's skills requirements and how these are being met in the NZX Code. We also recommend the NZX Code could include a remuneration reporting template – potentially based on that of the New Zealand Shareholders' Association and in use by some large listed issuers.

7. Do you agree with the proposed eligibility requirements for equity (rule 1.1)?

Yes.

8. Do you agree with the proposed updated approach to Backdoor Listings (rule 1.11.1)

We strongly support the approach and proposed rules for Backdoor Listings.

9. Do you agree with the Governance proposals in the proposed Rules?

Audit Committee

We strongly support retaining the requirement for the audit committee in the Listing Rules. The Listing Rules should state that all members of the audit committee must also be non-executive directors. The NZX code should include a recommendation for an independent chair of the audit committee who is not the chair of the board.

Director elections and composition

We support the three year rotation for each director with tenure under 10 years. The NZCGF Guidelines recommend that Directors with a tenure of 10 years or more on the Board should be re-elected annually and that there should be a stated Board refresh policy to address skills, composition, tenure and independence. We believe this guideline should be included as a recommendation in the NZX Code or in the LR themselves.

We support deleting the special office exception.

We do not agree with an exception for putting Executive Directors up for re-election (proposed Listing Rule 2.7.2(b)). The Board appoints the CEO but shareholders elect Directors. CEOs (or other executive directors) can execute their duties without a seat on the Board and many do so. Executive Directors have a strong position on the Board by means of better access to information, control over management and rights of approval similar to other Directors. Their presence on the Board should therefore require approval by shareholders.

Number of Independent Directors

We support retaining the minimum requirements for two independent directors in the Listing Rules. We support the NZX Code recommending a majority of independent directors on a comply or explain basis, recognising the challenges for some companies with major shareholders or newly listed from meeting that criteria under the Listing Rules.

New Zealand Resident Directors

We oppose the lowering of requirements for NZ resident Directors from 2 to 1 for NZ issuers, as this will decrease access for shareholders to Board directors.

The Companies Act, which requires only 1 NZ or 1 Australian Director, is not focused on additional requirements to protect the shareholders of publicly listed companies, and therefore is not a substitute for the Listing Rules requirements for Board composition. Publicly listed companies must have Directors who can be held accountable and who are accessible to shareholders. Two resident directors improves this protection and accessibility.

One share: one vote

NZX supports the principle of one share: one vote. We consider, however, that the proposed Listing Rules should be strengthened to align with international best practice in this area.

We believe that the Listing Rules need to contain a requirement to count shareholder votes by poll. Despite the NZX Code addressing this in its commentary we have seen the practice persist with large NZX companies still counting AGM votes by a show of hands, including with respect to Director remuneration. Issuers must, in any event, be prepared to count shareholder votes (in case a poll is demanded at the meeting), so requiring voting by poll should add no material additional cost.

We agree that Issuers should also be required to disclose voting results from shareholder meetings.

The NZX Code should recommend that companies to provide postal (electronic) voting rather than requiring shareholders or their proxy to physically attend the AGM.

10. Should there be a cooling off period of 5 years for audit partners?

Audit Partners

We agree with 5 year cooling off period for key audit partners performing the audit.

Audit Firm Rotation

The NZX Code should recommend that the Board actively considers the rotation of the audit firm after 10 years and set a cap on uninterrupted tenure of the audit firm.

(The EU and UK have brought in rules requiring tender at 10-years, and to change audit firm at least every 20 years.)

11. What is the appropriate timeframe to allow issuers to update Governance Documents in response to the amended Rule?

The timeframe set by the NZX for implementation appears reasonable.

12. Do you agree with the proposal to introduce the concept of constructive knowledge in respect of the continuous disclosure requirement (rule 3.1.1).

Constructive knowledge

We support the proposed change to the Listing Rules, which is consistent with the position in ASX and reinforces the need for Issuers to have appropriate escalation processes to ensure market sensitive information is reported to the senior managers and board.

Timing

The proposed change in timing for disclosure from "immediately" to "promptly and without delay" is a sensible edit incorporating NZX's guidance on the meaning of "immediately".

13. Do you agree with the proposal to remove the requirement for half year reports?

We support reducing unnecessary duplication and cost by removing the requirement to prepare and distribute half-year reports, which largely repeat information contained in the issuer's preliminary announcement in respect of the half year.

This is, however, on the basis that the preliminary results announcement should be expanded to ensure that it includes sufficient information for investors to gauge the issuer's financial performance, including:

- segmental information;
- cash-flow reconciliation to the statement of financial performance;
- relevant notes to the financial statements; and
- a meaningful management discussion.

To avoid doubt, this would augment the existing Appendix 2 content requirements for preliminary announcement in respect of a half year and the previous corresponding period, including the requirement for a statement of financial performance, position and cash flows.

There should not be a reduction in other investor communications.

14. Timing

We have no specific comments on the timing, but in general terms support the initiatives to accelerate the timetables for pro-rata share issues. As noted below, pro-rata issues should be the preferred means of raising capital.

Other feedback on disclosure.

The NZX Listing Rule consultation document requested feedback on other amendments to the current disclosure requirements in the Rules. Our recommendations are as follows:

Strategic Report & other disclosure

We believe Listing Rule Section 3.8 should include a requirement to report on the Issuer's business strategy. This would bring the NZ market closer to the requirements of other markets - for example, in Australia the Operating & Financial Review and, in the UK, the Strategic Report.

We support the reference in the NZX Code Recommendation 4.3 and in particular the commentary guidance on describing the strategy and performance against objectives, which could form part of such a Strategic Report.

We agree and support the description in the NZX Code commentary on financial reporting which is largely consistent with our recommendations in our previous submission.

Companies should be required to provide guidance with core assumptions. If they don't they should explain why not (in the NZX code).

The NZX Code should include a recommendation to report on remuneration utilising the New Zealand Shareholders' Association's template.

The NZX Code should include guidance on disclosure of Board Directors' biographies and on the skills required on the Board to deliver the company's strategy.

Companies should publicly report on any NZX Rule waivers received and still in place. Ideally they would maintain a register on their website of waivers received over time and their NZX announcements. NZX should also consider whether consultation with shareholders should be undertaken when considering any waivers.

15. i) Do you agree with the new SPP threshold?

We suggest that proposed Listing Rule 4.3.1(c), allowing issuers to issue up to 5% of equity securities by way of a Share Purchase Plan (**SPP**), should be modified to address shortfalls, such that any shares placed from the SPP shortfall are deducted from the 15% general non-pro rata capacity under proposed Listing Rule 4.5.1. This is on the basis that:

- SPPs tend to generate shortfalls that are placed on a non-pro rata basis (i.e. effectively topping up the general non-pro rata placement capacity); and
- SPPs are already a non-pro rata mechanism (since they are for a fixed amount). It is fairer, and equally as simple, for issuers to undertake a pro-rata offer to shareholders, which is what the amendment would encourage.

15. ii) Do you agree with the new placement thresholds.?

The NZCGF members ranged in their views of this threshold from 5-15%. The proposed 15% threshold is at the upper end of that range and consistent with ASX.

We believe it is important to recognise the proposition that, wherever possible, existing shareholders should be offered the opportunity to participate in capital raisings on a pro-rata basis. This is the default principle embodied in the Companies Act 1993. However, the Act also allows Boards to dis-apply this default requirement if permitted under the constitution. In doing so, Boards should be mindful that this places a greater responsibility on them to protect the interest of shareholders.

In the UK, the Companies Act does not allow the Board to unilaterally dis-apply shareholder approval for dilutive share issues. Companies must get shareholder approval for disapplication of pro-rata requirements for share issues – which they regularly do at AGMs in line with the Pre-Emption Group standards. The UK Pre-Emption Group generally supports an pre-approval approach (at the AGM) of 5% issuance for general use and an additional 5% for specific items referred to at the AGM.

NZX proposes reducing the threshold for non-pro-rata share issuance without shareholder approval from 20% to the pre-GFC level of 15%. To put that 15% level in context, it is also important to note that the securities law settings of the day meant that pro-rata capital raisings were very costly and time-consuming. As such, issuers needed the flexibility to undertake non-pro rata issuances to ensure that they could complete capital raisings in short order. Securities law has evolved, however, and this is no longer the case.

Importantly:

- We support NZX's proposed changes in timetabling and process that will make pro-rata issues even swifter and more efficient for issuers;
- Under the FMC Act, pro-rata issues can be executed swiftly, efficiently and with a high degree of certainty; and
- Given this, there is no longer the same need for issuers to have flexibility for large capacity for non-pro rata issuances, which should be the preferred option for all issues. Non-pro rata issues should be reserved for exceptional circumstances.

Given the above, we recommend that there is a 'comply or explain' requirement for all issues to be on a pro-rata basis and spoken to at the AGM.

Material capital raising including both pro-rata or non-pro-rata should be in scope of material transactions – see below.

16. Do you agree with the proposed treatment for Major Transactions?

No. We do not accept the reversion to the current threshold in the Listing Rules, which is 50%. We supported the reduction in threshold for shareholder approval of major transactions to 25% of average market capitalisation proposed in the NZX Discussion document September 2017.

The existing threshold of 50% in the Listing Rules provides very little control by shareholders over major changes to their company which a transaction of such a size implies. The current situation where a company can significantly change the nature of the company or enter into transactions of significant scale without the approval of its shareholders is detrimental to the market. We believe this is an essential improvement.

As proposed in the consultation on the rule review, major transactions approval requirements should apply to a broad range of major transactions which might affect a company (such as acquisitions and disposals, borrowing, lending, leases, and issue of securities).

Major transactions conducted through subsidiaries should continue to be included.

The size of the transaction relative to market cap is simple and effective. The measure should reflect the enterprise value of the company.

In addition, where this requires an independent report, the report at minimum should set out for shareholders the "scope of work" and shareholders should have the opportunity to discuss the scope and the findings of the report with the Issuer.

We recommend that NZX considers amending proposed Listing Rules 5.1.1 and 5.1.2 as follows:

5.1.1 An Issuer must not acquire, sell, lease (whether as lessor or lessee), borrowing, exchange, or otherwise ~~(except by way of charge)~~ dispose of assets, or issue its own Financial Products, where the transaction:

(a) would significantly change, either directly or indirectly, the nature ~~or scale~~ of the Issuer's business, or

(b) involves a gross value above of 25% (or such increased percentage as may be approved by Ordinary Resolution within the previous 12 months) ~~50%~~ of the Average Market Capitalisation of the Issuer,

without prior approval of an Ordinary Resolution, or a special resolution if approval by way of special resolution is required under section 129 of the Companies Act 1993.

5.1.2 The notice of meeting to meet the requirements of Rule 5.1.1 shall contain or be accompanied by:

(a) for a meeting relating to the approval of particular transactions, such information, reports, valuations, and other material as are necessary to enable the holders of Financial Products to appraise the implications of the transactions; and

(b) for a meeting relating to the approval of an increased percentage in Listing Rule 5.1.1(b), such information around the strategy of the Issuer as be necessary to enable the holders of Financial Products to appraise the implications of the resolution.

We also recommend that NZX considers whether there are particular categories of issuer that should have a higher default percentage threshold than 25% (e.g. property or infrastructure investment companies). This is a technique used by other exchanges (e.g. SGX) for certain asset rich entities.

In formulating this recommendation, we have endeavoured to strike the best balance between:

- Ensuring that investors have an approval right in respect of significant transactions undertaken by issuers;
- Providing a test that is simple, clear and easy to apply; and
- Not inadvertently capturing 'business as usual' transactions.

In our view, the current 50% of average market capitalisation test is inadequate and out of step with other comparable markets. The test allows issuers to undertake very significant transactions without shareholder approval. Other markets we examined (ASX, SGX, HKSE, LSE) had shareholder approval triggers for substantial transactions ranging from 20%-25%, and measured against a much wider range of metrics than just average market capitalisation.

By way of comparison, here is a brief summary of the comparable provisions in the listing rules for certain other exchanges:

Exchange	LR	Material Transaction Test
NZX (current)	9.1.1	Trigger is a transaction that either: • changes the essential nature of the issuer's business; • has a gross value exceeding **50%** of issuer's average market cap.
NZX (proposed)	5.1.1	Trigger is a transaction that either: • ***significantly*** changes, ***directly or indirectly***, the nature ***or scale*** of the issuer's business • has a gross value exceeding **50%** of issuer's average market cap. NZX has not provided any draft guidance around what would amount to a "significant change" (there is detailed guidance in Australia – see below).
ASX	11	No bright-line trigger in listing rules – test is a proposed "significant change, either directly or indirectly, to the nature or scale" of the issuer's activities. ASX, however, provides guidance on what constitutes a "significant change": • an acquisition/disposal of a business resulting in a **25%** impact on consolidated total assets, total equity interests, annual revenue, EBITDA or annual profit before tax • a change/disposal of the issuer's main undertaking ASX has discretion on whether issuer requires shareholder approval.
SGX	1014	Trigger is a transaction where the percentage ratio of any of the following is **20%** or more: • NAV of assets being disposed of : issuer's NAV • Net profit attributable to assets acquired/disposed of : issuer's net profit • Aggregate value of consideration given/received : issuer's market cap • Number of equity securities issued as consideration for acquisition : total number of equity securities on issue There is an exception for acquisitions of profitable assets triggering only the second bullet point above. REITs/Property Trusts have a concessional aggregate test of **50% over a 12 month period**.
HKSE	14	Trigger is a transaction where any of the following ratios is **25%** or more: • Total assets in transaction : total assets of issuer • Profits attributable to assets in transaction : profits of the issuer • Revenue attributable to assets in transaction : revenue of the issuer • Transaction consideration : average market capitalisation of issuer • Total number of shares issued as consideration : total number of shares issuer has on issue Definition of transaction is broad – covers acquisition or disposal of assets, entering finance and operating leases, granting indemnities, entering JVs, but excludes certain ordinary course revenue transactions. Rules are extremely granular with significant detail and instruction around calculation

LSE (premium*)	10	Trigger is a transaction where any of the following percentage ratios is **25%** or more: • Total assets in transaction: total assets of issuer • Profits attributable to assets in transaction : profits of the issuer • Transaction consideration: average market capitalisation of issuer • Gross capital of company/business acquired : gross capital of issuer Definition of transaction is fairly broad, but excludes a transaction in the ordinary course of business (takes into account size and incidence of similar transactions).

While some of the issuers on these markets will have larger market capitalisations (meaning that a lower percentage still equates to larger transaction size), we do not believe that is a good reason for applying a higher threshold in the context of NZX. The purpose of the rule is to ensure that shareholders should approve transactions that are significant for the issuer - so by definition this is a smaller scale for smaller issuers.

We do, however, acknowledge the concerns from certain issuers that setting the trigger at 25% could in certain specified situations result in 'business as usual' transactions being subject to shareholder approval. This is mainly the case for asset rich entities that have a large disparity between their market capitalisation and total assets.

We do not see this is a good reason to set a high general test that would deprive investors of input into significant transactions. Instead, we have suggested that there is scope for these entities to obtain a higher threshold where appropriate, either by shareholder approval of a higher threshold at an AGM or the possibility of NZX providing specific types of issuer with a higher default threshold in the Listing Rules.

We do not support the proposed change to incorporate the ASX "significant change in scale" test. This is because the wording on its own is subjective and uncertain, and at this stage there is no guidance that we can consider as to what may constitute a "significant change in scale".

ASX's guidance is that a "significant change" comprises a 25% impact on one of a range of different metrics, including the issuer's total equity. The guidance was in this sense similar to the other rules we reviewed, which all included a greater range of metrics.

We considered whether NZX should incorporate the other metrics into the major transaction test. We do not, however, believe that is necessary given the tests are often complex, and require detailed interpretation rules.

Related Party Transactions

We believe the 10% per annum limit is too high and suggest 3-5%. To allow a (potentially) majority non-independent board to conduct a transaction with a related party (a company potentially connected with its directors) of up to 10% of the market cap each year without shareholder scrutiny seems far too large (or potentially issue stock to a related party). We also suggest clarifying and simplifying the definition of size, for example to clarify that the average net value is gross of debt.

17. Do you agree with the updated scope for NZX Foreign Exempt Issuers?

Whilst NZX can already approve exempt overseas listings, the protections for shareholders from these listings must be the same, or of a higher standard, than the NZX Listing Rules. There is inevitably a risk to shareholders of limited access to legal redress from foreign issuers.

We do not support New Zealand companies listing on a Recognised Exchange and then making the NZX their secondary listing.

The risk that Foreign Exempt Issuers are eligible for index inclusion is a key point for investors, as under their investment mandates many institutional investors are required to hold certain indices or benchmark against them. As such, we consider that Foreign Exempt Issuers should not enter any NZX Indices.

The NZX, in addition to approving Recognised Exchanges, also approves Foreign Exempt Issuers on an Issuer by Issuer basis. We reiterate that NZX should continue to apply its own Listing Rules as guidance to identify significant areas of divergence. We also recommend that NZX should continue its right, under the current Overseas Listed Issuers regime, to declare that particular Listing Rules apply to the foreign issuer where there are any material gaps.

We note that certain exchanges have permitted dual class structures, whereby founders or principals can entrench their control by issuing equity securities with unequal voting rights. We recommend that these "dual class" structures are not permitted to list as Foreign Exempt Issuers.

In the UK, UKLA maintains a list of overseas approved exchanges. We suggest that the FMA should also approve the Recognised Exchanges under the NZX Foreign Exempt Issuers regime and maintain a list of such exchanges.

18-21 No comment

22. Do you agree that NZX should no longer review and approve constitutions and QFP offer documents?

Constitution

A solicitor's confirmation that the constitution complies with the Listing Rules is sufficient if this is the only purpose of NZX's review and approval. This places the onus on the Listing Rules to properly protect shareholders and be clearly interpreted. We would suggest NZX retains the authority to conduct reviews and have a quality control process in place.

QFP Offer Documents

Yes, given the simplicity of QFP offer documents we support removing the requirement for NZX review to ensure these issues can be completed efficiently.

Corporate Governance Code

23. Do you agree with the proposed criteria for considering independence laid out in recommendation 2.4.

See above Q 6ii) & Q 23

24. Do you agree with Notice of Meeting timetable changes for AGMs? Should these apply to SGMs as well.

We agree with 20 business days to issue Notice of Meetings for AGMs and SGMs.