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Impregilo: ISS, Taft-Hartley, Glass Lewis (International proxy advisors) vote against the shareholder proposal from unlisted company Salini

ISS & Taft-Hartley changed their original recommendations:

It has been argued by Impregilo that removing directors without cause and appointing an entirely new board could potentially expose shareholders voting for the new board to liability **if it is proven** that the new board causes economic damage to the company.

“While many things would need to be proved in this chain of events, we believe that supporting the removal of management at this time instead of waiting until the next AGM in April 2013 would **unnecessarily expose shareholders to this risk.**”

“Based on legal considerations, we recommend that shareholders **support the current management.** Consistent with our vote recommendation **AGAINST** the shareholder proposal of Salini, we are recommending a **vote AGAINST** all other items on this agenda”

The second issue is that ISS & Taft-Hartley incorrectly reported that any potential merger would require **50%+1** in order to meet approval, when actually a **67% or 2/3** majority vote is required. Effectively meaning that Gavio’s **30%** stake could block the situation indefinitely, and **protect minority shareholders** against **unsuitable transactions.**

Glass Lewis presented an extremely detailed analysis that categorically votes against the shareholder proposal submitted by Salini.

“it seems the Dissident (Salini) is effectively asking shareholders to approve removal of the **entire Impregilo S.p.A. board** without cause, which may present additional costs and legal ramifications for Impregilo, based on existing regulation. Electing for this particular course seems less orthodox still, given that Salini is reasonably positioned to advance its nominees without the risks and costs associated with a **“not forcause”** removal by submitting its slate in April 2013, at the time the current board’s term ends”.

sources : ISS, Taft – Hartley & Glass Lewis – Impregilo S.p.A EGM (12th July 2012)
Proxy Advisory Analysis Reports

