

CORPORATE AND SECURITIES LAW

Alert

NEWS FOR THE CLIENTS AND FRIENDS OF BASS, BERRY & SIMS PLC

NYSE Amends Corporate Governance Listing Standards

December 14, 2009

Recently approved amendments to New York Stock Exchange's ("NYSE") corporate governance listing standards become effective January 1, 2010. Generally, these amendments conform to applicable SEC rules and clarify existing listing standards. This client alert provides a brief summary of the most relevant amendments to NYSE's listing standards.

Amendments to Disclosure Requirements

- *Enhanced Notification Requirements.* A company's chief executive officer must notify NYSE after an executive officer becomes aware of *any* non-compliance with NYSE corporate governance listing standards, regardless of its materiality.
- *Incorporation of Regulation S-K Item 407 Disclosure Requirements.* Item 407 of Regulation S-K takes the place of current NYSE director independence disclosure requirements, enabling NYSE to take action (including, in appropriate cases, delisting) against companies with deficient Item 407 disclosure.
- *Website Reporting Option for Certain Disclosures.* A company can report certain required corporate governance disclosures on its website in place of its proxy statements and annual reports.
- *Communications with Directors.* The amendments clarify that a company must disclose a method for *all* interested parties, not only shareholders, to communicate with the presiding director or the non-management or independent directors as a group.
- *Disclosure of Business Conduct and Ethics Waivers.* The amended listing standards clarify that companies must disclose any waivers of their codes of conduct and ethics granted to executive officers and directors within four business days, the same time frame required by the SEC, either through a press release, on the company's website or on a Form 8-K.

Additional Amendments

- *Executive Sessions.* A company can hold regular executive sessions of independent directors as an alternative to executive sessions of non-management directors.

- *Clarification of “Controlled Company.”* The amendments clarify that the determination of whether a company is “controlled,” and therefore exempt from certain requirements, is based upon whether 50 percent of the voting power *for the election of directors* is held by an individual, a group or another company.

The NYSE listing standard amendments contain several additional changes applicable to NYSE listed companies, as well as changes applicable only to foreign private issuers, which are not addressed in this Alert. The full text of the SEC release adopting the amendments to the NYSE listing standards is available at <http://www.sec.gov/rules/sro/nyse/2009/34-61067.pdf>.

What Companies Should Do Now

Most of the amendments to the NYSE listing standards are clarifications or conformation to applicable SEC rules that do not mandate immediate company action. However, in order to ensure compliance with the amended listing standards we advise NYSE-listed companies to take the following actions:

- Review your proxy statement, website disclosures and governance documents (including committee charters and D&O questionnaires) to ensure compliance with the revised rules and to determine whether any references need to be updated.
- Review your disclosure controls and procedures to ensure executive officers are aware of the new notification requirement for non-compliance with NYSE corporate governance listing standards to ensure timely notification.
- Consider whether you will continue to provide shareholders with hard copies of governance documents posted to your website upon request. While no longer required, you may want to continue offering hard copies as a matter of good investor relations.

Bass, Berry & Sims PLC’s Corporate Governance Subgroup counsels boards, audit, nominating/governance and compensation committees and special committees of public companies on a variety of key issues, including public disclosure, executive compensation and fiduciary duty issues. If you have any questions regarding the issues addressed in this Corporate and Securities Law Alert or if you would like to set up a meeting with us and your management team or board of directors regarding these developments, please feel free to contact your regular contacts in our Corporate and Securities Group or any of the attorneys in our Corporate Governance Subgroup listed below.

Eric Loumeau	901-543-5905	eloumeau@bassberry.com
Stephen Hinton	615-742-7799	shinton@bassberry.com
Mike Kuffner	615-742-7911	mkuffner@bassberry.com
Sehrish Siddiqui	901-543-5979	ssiddiqui@bassberry.com

Bass, Berry & Sims PLC Corporate and Securities Group

The Corporate and Securities Group includes the following subgroups comprised of our attorneys with a particular expertise who are focused on current trends and developments in these areas of the law. This Alert has been brought to you courtesy of the Corporate Governance subgroup:

Corporate Finance/1933 Act	Corporate Governance
Cross-Border Transactions	Distressed M&A
Executive Compensation	Fiduciary Duties
Financial Institutions	Investor Relations/Earnings Releases
Joint Ventures	M&A Trends and Developments
Periodic and Current Reporting	Private Equity/Venture Capital
Private Placements	Real Estate Capital Markets
Securities Laws Liabilities/ SEC Priorities and Enforcement	Shareholder Activism
Trading by Insiders/Equity and Debt Repurchases	Transactional Tax

The materials contained herein have been abridged from the statutory sources and should not be construed or relied upon for legal advice. Readers are urged to consult legal counsel concerning particular situations and specific legal questions.

To ensure compliance with requirements imposed by the IRS, we inform you that this message is not intended to be used, and cannot be used by the addressee or any other person for the purpose of avoiding penalties that may be imposed under the Internal Revenue Code.

315 Deaderick Street • Suite 2700 • Nashville, TN 37238-3001 • (615) 742-6200

The Tower at Peabody Place • 100 Peabody Place, Suite 900 • Memphis, TN 38103-3672 • (901) 543-5900

1700 Riverview Tower • 900 S. Gay Street • Knoxville, TN 37902 • (865) 521-6200

Our Nashville office is moving.

As of December 15, 2009, the new address will be:

150 3rd Avenue South, Suite 2800 • Nashville, TN 37201

www.bassberry.com