



FOR IMMEDIATE RELEASE

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TXSE, TAB Formally File to Defend Texas' Law on Proxy Advisor Transparency and Accountability in Court

DALLAS, TX – The Texas Stock Exchange (TXSE) and the Texas Association of Business (TAB) have jointly [filed to intervene](#) in support of the implementation of Senate Bill 2337, which ensures truthfulness and accountability for proxy advisory firms that influence shareholder votes in publicly-traded companies.

[SB 2337](#), authored by State Senator Bryan Hughes (SD-1), requires proxy advisors to disclose when advice is based on non-financial factors and when they provide conflicting recommendations to clients. It does not limit what proxy advisors can say or recommend to its shareholder clients. The law is set to go into effect on September 1, 2025.

After filing the motions to intervene, James H Lee, chairman, founder, and CEO of TXSE Group Inc, issued the following statement:

"There's no question that Texas has earned its reputation as the nation's most dynamic business climate thanks to policies that consistently prioritize growth, innovation, and accountability. Senate Bill 2337 is the latest example of that approach, bringing long-overdue transparency and basic honesty to the proxy advisory system."

"Too often, proxy firms have issued misleading, ideologically-driven guidance to shareholders without disclosing that those recommendations rest on non-financial factors. At the Texas Stock Exchange, transparent capital markets—in Texas and beyond—are central to our mission. Our financial markets, public companies, and their shareholders deserve a system built on truthfulness and accountability."

"We believe the law is absolutely necessary to protect the integrity of our markets and are committed to defending it. We're proud to stand behind this law and partner with TAB to shed light on the need for proxy reform and its importance in protecting shareholder value and reinforcing Texas's pro-growth environment."

TAB President & CEO Glenn Hamer issued the following statement:

***“When it comes to making informed decisions about the future of a public corporation, shareholders deserve advice that is both truthful and accurate. This common-sense measure is meant to ensure fairness, bolster investor confidence, promote stronger corporate governance for the hundreds of publicly traded companies in Texas, further solidifying our state as the nation’s premiere destination for businesses seeking to re-incorporate in Texas after fleeing from high-tax, high regulation states like New York and Delaware.*”**

***“For shareholders, the bottom line should always be the bottom line, not politically motivated activist recommendations that are not based on financial analyses and, in some cases, may be against shareholders’ best financial interests – including explicitly advising companies against re-incorporating in Texas. Moreover, the virtual duopoly of the proxy advisory industry has effectively crowded out competition, leaving these critical decisions in the hands of very few and undermining transparency in the process.*”**

“TAB is proud to stand with the State of Texas, and our friends at the Texas Stock Exchange, in defending Texas’ fair, transparent, pro-business environment, and we are committed to fighting for SB 2337.”

To read the motions to intervene, which were filed on Friday, August 22nd in U.S. District Court, [click here](#).

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About TXSE Group Inc

TXSE Group Inc is the parent company of the Texas Stock Exchange LLC. Backed by some of the largest financial institutions and liquidity providers in the world, TXSE will focus on enabling U.S. and global companies to access U.S. equity capital markets and aims to provide a venue to list and trade public companies and the growing universe of exchange-traded products. Subject to approval by the U.S. Securities and Exchange Commission, TXSE will be a fully integrated, electronic, national securities exchange headquartered in Dallas, Texas. More information is available at www.txse.com.

About the Texas Association of Business

The Texas Association of Business (TAB) is the Texas State Chamber, representing companies of every size and industry. The Association’s purpose is to champion the best business climate in the world, unleashing the power of free enterprise to enhance lives for generations. Follow TAB on Facebook, Twitter, and LinkedIn, and learn more at www.txbiz.org.