

FIRM NEWS

Controversial SEC Proposal Would Rein in Large Shareholders Like Elon Musk

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Schulte Roth & Zabel partner Eleazer Klein was quoted in *Yahoo! Finance* on the SEC's proposed rule change to narrow the disclosure window for activist investors in the wake of Elon Musk's investment in Twitter. Stating that the SEC is "getting a lot of very, very strong pushback" from the investor community, Klein commented that "the change would strip away the effectiveness of activist investors, who identify and expose underperforming companies. Activists relying on a jump in stock price between the time of their purchase and the time following disclosure of their position should have the time needed to profit from their work...Other investors, he said, shouldn't piggyback off of activists' work." On the specific conditions for Musk's disclosure, Klein stated that "It's unclear whether Musk qualifies as a traditional activist investor in Twitter...given that the company appears to have invited him onto its board. Traditional activists, he explained, generally campaign to replace board members." For the full text article, [click here](#).

Related People



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