



DATA

COMMENT

VIDEOS & PODCASTS

FORUMS

Search Citywire

VOTING RIGHTS

08 APR, 2025



# AIC petitions to make shareholder voting easier after Saba debacle

The Association of Investment Companies has launched a petition to strengthen the voting rights of investment trust shareholders.



BY MICHELLE MCGAGH



The Association of Investment Companies (AIC) is petitioning the government to make sure private investors can vote more easily via platforms.







This campaign follows activist Saba Capital's failed plan to take over seven closed-end funds earlier this year.



As part of the trade body's 'My share, my vote' campaign, it has [posted a petition](#) calling for a change in company law to compel investment platforms and share nominees to pass on trust information and voting rights to underlying investors.

While Saba Capital was unsuccessful in its bid to oust the boards of seven trusts and install itself as fund manager, the [fight with the New York-based activist](#) has shone a light on some of the challenges concerning voting rights.

Major platforms, such as Hargreaves Lansdown, Interactive Investor and AJ Bell wrote to shareholders in the seven trusts, informing them of their right to vote. This was accompanied by the trusts' media campaigns and [communications](#), which resulted in unprecedented voter turnout.

However, AIC chief executive Richard Stone said there were still 'too many examples of platforms that did not pass on the information or voting rights, or tried to charge investors, wealth managers or advisers to vote their shares'.

He added: 'This has to stop'.

Currently, company law states that platforms and other nominees may pass on company information and voting rights, but Stone said this wasn't enough.

The AIC petition is calling for these third-parties to be 'compelled to pass on company information and [voting rights](#) to underlying investors' to ensure all investors can vote.



Specifically, the AIC wants to see a change in section 793 of the Companies Act so nominees provide investment companies with email addresses and postal addresses. The trade body said this will bring the law up-to-date, making communications more time and cost-effective.

'I have written to all the major platforms urging them to take steps ahead of a law change, including automatically opting customers in to receive this information unless they actively choose to opt out,' said Stone.

'If you believe shareholders should always have the right to vote, I urge you to sign our petition and send a powerful message to government to make these simple changes.'

## Time to take action

The campaign has already attracted high-profile support in the shape of baronesses Ros Altmann and Sharon Bowles.

Altmann, who is a long-term pensions campaigner, said the change in law is 'vital to ensure better shareholder protection'.

'If shareholder democracy is to work as parliament intended, then it is vital that investors are properly informed and can exercise their votes,' she said.

'The failings revealed by the Saba affair showed how investors could be left unaware of important threats to their interests, so it is right that we look to tighten up the laws.'

Bowles said the campaign runs in line with political consensus that private investors should be motivated to invest in UK companies and have better engagement once they do so.

'How can that happen if platforms deprive them of their participation or charge them to vote?,' she asked.



'The government shouldn't wait, it should pledge to make this change at the earliest opportunity, such as in the promised bill to create the new Audit, Reporting and Governance Authority.'