Internet Appendix

"Customers as Friendly Shareholders: Uncovering the Complex Mutual Fund-Broker Relationship"

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January 2023

Section A. Additional Analyses

Table A.1
Brokerage Business Ties and Overweighting – Additional Analyses

This table compares portfolio weights of stocks of firms with which mutual funds have brokerage business ties to stocks in the control group. The dependent variable is the portfolio weight of a stock in a given fund at the end of a given quarter. The key explanatory variables in Panel A is the indicator variable *Brokerage Ties* that takes a value of one if a fund's family has brokerage business ties with the stock during the quarter, and zero otherwise. In column (1), we assign stocks to finer style buckets. A stock's style is defined according to its portfolio assignment among portfolios formed by 5×5×5 sequential sorts of all common stocks in CRSP based on market capitalization, book-to-market ratio, and past 12-month cumulative return. In column (2), firms are grouped into industry groups based on the Fama French-48 industry group classification. Column (3) performs subsample analysis of our main result using financial stocks (SIC code 6000-6999) whereas column (4) uses only stocks of firms with brokerage business. Panel B reports results from placebo analysis where we intentionally assign the *Brokerage Ties* dummy to portfolio stocks that are matched closest in terms of market capitalization but do not have any brokerage business ties with the fund-family. Column (1) considers all stocks in a fund's portfolio as a potential match whereas column (2) requires the matched stock to have a brokerage business. Standard errors are adjusted for heteroscedasticity and three-way clustered by fund family, stock, and quarter, and *t*-statistics are reported below the coefficients in parentheses. Coefficients marked with ***, **, and * are significant at the 1%, 5%, and 10% level, respectively.

Panel A. Robustness Analyses with Alternative Control Groups

	(1) 5×5×5 stock style	(2) Industry FEs	(3) Financial Stocks Only	(4) Broker Stocks Only
Brokerage Ties	0.091***	0.108***	0.093***	0.079***
	(4.16)	(4.50)	(4.30)	(4.25)
Stock × Qtr. FE	Yes	Yes	Yes	Yes
Fund × Industry × Qtr. FE	No	Yes	No	No
Fund × Stock Style × Qtr. FE	Yes	No	Yes	Yes
Observations	10,429,138	11,323,207	1,773,134	291,968
Adj. R-squared	0.723	0.701	0.726	0.631

Panel B. Falsification Tests

	(1) Stock with Closest Mkt Cap	(2) Broker Stock with Closest Mkt Cap
Brokerage Ties – Fake	-0.002	-0.000
	(-0.24)	(-0.01)
Stock × Qtr. FE	Yes	Yes
Fund × Stock Style × Qtr. FE	Yes	Yes
Observations	12,042,570	12,042,570
Adj. R-squared	0.701	0.701

Table A.2
The Effect of Fund-Level vs. Family-Level Brokerage Ties

This table reports results that compare portfolio weights of stocks of firms with which mutual funds have brokerage business ties to other stocks in the control group. The dependent variable is the portfolio weight of a stock in a given fund at the end of a given quarter. *Fund Brokerage Ties* is a dummy that equals one if the fund has brokerage ties with the stock, and zero otherwise. *Other Family Brokerage Ties* is a dummy that equals one if the fund-family has brokerage ties with the stock but the fund itself does not. A stock's style is defined according to its portfolio assignment among portfolios formed by 5×5 sequential sorts of all common stocks in CRSP based on market capitalization and book-to-market ratio. Column (1) also controls for the average portfolio weight of all other stocks in the fund's portfolio that belong to the stock's style. Standard errors are adjusted for heteroscedasticity and three-way clustered by fund family, stock, and quarter, and *t*-statistics are reported below the coefficients in parentheses. Coefficients marked with ***, **, and * are significant at the 1%, 5%, and 10% level, respectively.

	(1)	(2)
Fund Brokerage Ties	0.128***	0.117***
	(4.08)	(4.16)
Other Family Brokerage Ties	0.078***	0.071***
	(3.15)	(3.16)
Style Weight Average	Yes	No
Fund × Qtr.	Yes	No
Stock × Qtr. FE	Yes	Yes
Fund × Stock Style × Qtr. FE	No	Yes
Observations	12,046,477	12,043,590
Adj. R-squared	0.671	0.701

Table A.3
Brokerage Ties and Proxy Voting – Shareholder vs. Management Proposals

This table reports results from tests that examine whether fund families are more likely to support the management of firms with which they share brokerage business ties when funds cast their proxy votes for the positions in their portfolio. The dependent variable is the proportion of mutual funds belonging to a fund family that voted in line with the firm management's recommendation on a given proposal. *Brokerage Ties* is an indicator variable that equals one if the proposal is for a broker firm of a mutual fund family based on the most recent N-SAR filings. *Shareholder proposal* is an indicator variable that equals one if the proposal was sponsored by shareholders, and zero otherwise. *Family ownership* measures the percentage of total shares outstanding held by a fund family. Standard errors are adjusted for heteroscedasticity and three-way clustered by firm, fund family, and quarter, and *t*-statistics are reported below the coefficients in parentheses. Coefficients marked with ***, **, and * are significant at the 1%, 5%, and 10% level, respectively.

	Proportion Voting with the Management	
	(1)	(2)
Brokerage Ties × Shareholder Proposal	0.017**	-0.011
	(2.16)	(-1.25)
Brokerage Ties × Contentious Proposal		0.068***
		(2.70)
Brokerage Ties	0.000	-0.003
	(0.10)	(-0.90)
Family Ownership	0.269***	0.269***
	(4.93)	(4.93)
Proposal FE	Yes	Yes
Family × Year × Proposal Type FE	Yes	Yes
Observations	7,350,742	7,350,742
Adj. R-squared	0.517	0.517

Table A.4
Brokerage Ties and Proxy Voting – Alternative Definition of Contentious Proposals

This table repeats the analysis of Table 3 using an alternative definition of contentious proposal. The dependent variable is the proportion of mutual funds belonging to a fund family that voted in line with the firm management's recommendation on a given proposal. *Brokerage Ties* is an indicator variable that equals one if the proposal is for a broker firm of a mutual fund family. *Contentious proposal* is an indicator variable that equals one if the ISS recommended against the firm's management for a given proposal, and zero otherwise. *Contentious proposal* equals zero when the Big Three index funds (i.e., Blackrock, Vanguard, and State Street) uniformly vote in favor of management. *Family ownership* measures the percentage of total shares outstanding held by a fund family. Standard errors are adjusted for heteroscedasticity and three-way clustered by firm, fund family, and quarter, and *t*-statistics are reported below the coefficients in parentheses. Coefficients marked with ***, **, and * are significant at the 1%, 5%, and 10% level, respectively.

	Proportion Voting with the Management			
	(1)	(2)	(3)	(4)
	Full Sample	Director Election	Compensation	ESG
Brokerage Ties ×	0.054**	0.108***	0.067***	0.192***
Contentious Proposal	(2.47)	(4.67)	(2.75)	(11.73)
Brokerage Ties	0.001	-0.003	0.001	-0.009
	(0.25)	(-0.82)	(0.13)	(-0.77)
Family Ownership	0.282***	0.048	0.505***	1.349***
	(4.40)	(1.42)	(4.22)	(2.73)
Proposal FE	Yes	Yes	Yes	Yes
Family × Year × Proposal Type FE	Yes	Yes	Yes	Yes
Observations	6,984,789	4,620,476	1,607,312	104,557
Adj. R-squared	0.524	0.359	0.481	0.564

Table A.5
Brokerage Business Ties and Proxy Voting: Evidence from Contested Proposals

This table reports results from tests that examine whether fund families are more likely to support the management of firms with which they share brokerage business ties when funds cast their proxy votes for the positions in their portfolio. The dependent variable is the proportion of mutual funds belonging to a fund family that voted in line with the firm management's recommendation on a given proposal. *Brokerage Ties* is an indicator variable that equals one if the proposal is for a broker firm of a mutual fund family based on the most recent N-SAR filings. *Proposal Decided by Small Margin* is an indicator variable that equals one if the proposal passes or fails by a small margin (i.e., votes in favor of proposal were within 50±x% of the corresponding base, for x = {10, 15, 20}, and zero otherwise. *Family ownership* measures the percentage of total shares outstanding held by a fund family. Standard errors are adjusted for heteroscedasticity and three-way clustered by firm, fund family, and quarter, and *t*-statistics are reported below the coefficients in parentheses. Coefficients marked with ***, **, and * are significant at the 1%, 5%, and 10% level, respectively.

	(1) 10% margin	(2) 15% margin	(3) 20% margin
Brokerage Ties ×	0.034*	0.034*	0.038*
Proposal Decided by Small Margin	(1.79)	(1.73)	(1.94)
Brokerage Ties	0.002	0.002	0.000
	(0.78)	(0.58)	(0.08)
Family Ownership	0.273***	0.273***	0.273***
	(4.88)	(4.88)	(4.88)
Proposal FE	Yes	Yes	Yes
Family × Year × Proposal Type FE	Yes	Yes	Yes
Observations	7,219,641	7,219,641	7,219,641
Adj. R-squared	0.507	0.507	0.507

Table A.6
Portfolio Overweighting and Proxy Voting

This table reports results from tests that examine whether voting support to broker firms is related to the level of ownership in the broker stocks by client fund families. The dependent variable is the proportion of mutual funds belonging to a fund family that vote in line with the firm management's recommendation on a given proposal. *Brokerage Ties* is an indicator variable that equals one if the proposal is for a broker firm of a mutual fund family, and zero otherwise. *Contentious proposal* is an indicator variable that equals one if the ISS recommended against the firm's management for a given proposal, and zero otherwise. *Brokerage Ties with High Ownership* is an indicator variable that takes a value of one if the *Family ownership* variable for a connected broker stock is above the sample median for that year, and zero otherwise. *Family ownership* measures the percentage of total shares outstanding held by a fund family. *Brokerage Ties with High Overweight* is an indicator variable that represents high family overweight of connected broker stock. Family overweight is calculated as family portfolio weight for a stock minus the average family portfolio weight for all stocks in the family portfolio belonging to the same style. *Brokerage Ties with High Overweight* takes a value of one if the family overweight for a connected broker stock is above the sample median for that year, and zero otherwise. Standard errors are adjusted for heteroscedasticity and three-way clustered by firm, fund family, and quarter, and *t*-statistics are reported below the coefficients in parentheses. Coefficients marked with ***, **, and * are significant at the 1%, 5%, and 10% level, respectively.

	Proportion Voting with the Management	
	(1)	(2)
Brokerage Ties	-0.003	-0.001
	(-0.57)	(-0.19)
Brokerage Ties × Contentious Proposal	0.014	0.026
	(0.52)	(1.05)
Brokerage Ties with High Ownership	-0.004	
	(-0.58)	
Brokerage Ties with High Ownership × Contentious Proposal	0.101***	
	(2.99)	
Brokerage Ties with High Overweight		-0.007
		(-1.32)
Brokerage Ties with High Overweight × Contentious Proposal		0.058**
		(2.34)
Ownership %	No	No
Proposal FE	Yes	Yes
Family × Year × Proposal Type FE	Yes	Yes
Observations	7,350,742	7,349,378
Adj. R-squared	0.517	0.517

Table A.7
Brokerage Ties, Overweighting, and Proxy Voting – Evidence from IPO League Tables

This table repeats the analyses performed in Table 2 and Table 3 after ranking brokerage firms based on their IPO underwriting activities in the previous year. Panel A reports the baseline results on portfolio decisions. The dependent variable in column (1) is a dummy that equals one if a fund holds a financial stock in a given quarter, and zero otherwise. The dependent variable in column (2) is the portfolio weight of a stock in a given fund at the end of a given quarter. The key explanatory variables in both columns are *Top Broker* and *Brokerage Ties*. The indicator variable *Top Broker* takes a value of one for stocks of brokerage firms that were ranked in the top quartile based on aggregate proceeds from IPOs underwritten by the firms in the previous year. The indicator variable *Brokerage Ties* takes a value of one if a fund's family has brokerage business ties with the stock during the quarter, and zero otherwise. Standard errors are adjusted for heteroscedasticity and three-way clustered by fund family, stock, and quarter. Panel B reports the baseline result on proxy voting. The dependent variable is the proportion of mutual funds belonging to a fund family that voted in line with the firm management's recommendation on a given proposal. *Top Broker* and *Brokerage Ties* are defined similar to their definitions in Panel A. *Contentious proposal* is an indicator variable that equals one if the ISS recommended against the firm's management for a given proposal, and zero otherwise. *Family ownership* measures the percentage of total shares outstanding held by a fund family. Standard errors are adjusted for heteroscedasticity and three-way clustered by firm, fund family, and quarter, and *t*-statistics are reported below the coefficients in parentheses. Coefficients marked with ***, **, and * are significant at the 1%, 5%, and 10% level, respectively.

Panel A. Portfolio Decisions

	(1) Stock Holding Dummy	(2) Portfolio Weight
Brokerage Ties × Top Broker	0.034***	0.088**
	(5.24)	(2.33)
Brokerage Ties	0.012***	0.056***
	(4.07)	(3.27)
Stock × Qtr. FE	Yes	Yes
Fund × Stock Style × Qtr. FE	Yes	Yes
Observations	94,929,232	12,042,570
Adj. R-squared	0.294	0.701

Panel B. Proxy Voting

	(1) Proportion Voting with the Management
Brokerage Ties × Top Broker × Contentious Proposal (1)	0.079***
	(3.51)
Brokerage Ties × Top Broker (2)	-0.001
	(-0.33)
Brokerage Ties × Non-top Broker × Contentious Proposal (3)	0.054**
	(2.36)
Brokerage Ties × Non-top Broker (4)	-0.007
	(-1.58)
Family Ownership	0.269***
	(4.93)
Proposal FE	Yes
Family × Year × Proposal Type FE	Yes
Observations	7,350,742
Adj. R-squared	0.517
Coeff: [(1)+(2)] – [(3)+(4)]	0.0319***
p-value	0.008

Table A.8
Business versus Educational Ties

This table repeats the analyses performed in Table 2 and Table 3 after splitting the *Brokerage Ties* dummy into two mutually exclusive groups: *Educational Ties* and *Other Brokerage Ties*. Educational Ties equals one if atleast one key executive of a fund family and one key executive of the family's broker bank attended the same college. Other Brokerage Ties equals one if a fund family and its broker bank do not share educational ties. Panel A reports the baseline results on portfolio decisions. The dependent variable in column (1) is a dummy that equals one if a fund holds a financial stock in a given quarter, and zero otherwise. The dependent variable in column (2) is the portfolio weight of a stock in a given fund at the end of a given quarter. The key explanatory variables in both columns are *Educational Ties* and *Other Brokerage Ties*. Standard errors are adjusted for heteroscedasticity and three-way clustered by fund family, stock, and quarter. Panel B reports the baseline result on proxy voting. The dependent variable is the proportion of mutual funds belonging to a fund family that voted in line with the firm management's recommendation on a given proposal. *Contentious proposal* is an indicator variable that equals one if the ISS recommended against the firm's management for a given proposal, and zero otherwise. *Family ownership* measures the percentage of total shares outstanding held by a fund family. Standard errors are adjusted for heteroscedasticity and three-way clustered by firm, fund family, and quarter, and *t*-statistics are reported below the coefficients in parentheses. Coefficients marked with ***, **, and * are significant at the 1%, 5%, and 10% level, respectively.

Panel A. Portfolio Decisions

	(1) Stock Holding Dummy	(2) Portfolio Weight
Educational Ties (1)	0.029***	0.123***
	(4.40)	(3.96)
Other Brokerage Ties (2)	0.023***	0.096***
	(4.42)	(3.87)
Stock × Qtr. FE	Yes	Yes
Fund × Stock Style × Qtr. FE	Yes	Yes
Observations	94,929,232	12,042,570
Adj. R-squared	0.294	0.701
Coeff: (1) – (2)	0.006	0.027
p-value	0.176	0.178

Panel B. Proxy Voting

	(1) Proportion Voting with the Management
Educational Ties × Contentious Proposal (1)	0.103**
	(2.62)
Educational Ties (2)	-0.012***
	(-3.03)
Other Brokerage Ties × Contentious Proposal (3)	0.053**
	(2.47)
Other Brokerage Ties (4)	-0.003
	(-0.79)
Family Ownership	0.269***
	(4.93)
Proposal FE	Yes
Family × Year × Proposal Type FE	Yes
Observations	7,350,742
Adj. R-squared	0.517
Coeff: [(1)+(2)] – [(3)+(4)]	0.041
p-value	0.167

Table A.9
Is Portfolio Overweighting Due to Information Advantage?

This table reports results from test that examines whether mutual funds' portfolio decisions regarding their connected broker stocks are due to information advantage. The dependent variable is holdings' performance, calculated as the product of portfolio weight at the end of quarter and abnormal stock returns over a subsequent performance window. The abnormal stock return measures are calculated as the difference between the stock's cumulative monthly return and that of its characteristic-based benchmark portfolio, as in Daniel et al. (1997). Column (1) uses a three-month window for calculating abnormal stock returns, column (2) uses a six-month window, whereas column (3) uses a twelve-month window. *Brokerage Ties* is a dummy that equals one if the fund-family has brokerage ties with the stock, and zero otherwise. Standard errors are adjusted for heteroscedasticity and clustered at the fund family × quarter level, and *t*-statistics are reported below the coefficients in parentheses. Coefficients marked with ***, **, and * are significant at the 1%, 5%, and 10% level, respectively.

	Holdings' Performance (Portfolio Weight × Abnormal Stock Return)		
	(1)	(2)	(3)
	3-Month Horizon	6-Month Horizon	12-Month Horizon
Brokerage Ties	-0.134*	-0.187*	-0.376**
	(-1.65)	(-1.73)	(-2.35)
Stock × Qtr. FE	Yes	Yes	Yes
Fund × Stock Style × Qtr. FE	Yes	Yes	Yes
Observations	11,895,529	11,639,710	10,770,433
Adj. R-squared	0.572	0.575	0.577

Table A.10
Is Portfolio Overweight Due to an Information Advantage? – Portfolio Tests

This table compares the performance of portfolios based on mutual funds' trades in stocks of brokerage firms with which they have brokerage business ties versus portfolios based on funds' trades in stocks of brokerage firms with which they do not have brokerage ties. For each fund we form four distinct portfolios at the beginning of each quarter based on 1) whether the fund bought or sold a stock of a brokerage firm during the previous quarter, and 2) whether the trade was of a connected broker stock. Stocks that are bought are aggregated into the "buy" portfolio, while those that are sold are placed in the "sell" portfolio. We create two subgroups within the buy and sell portfolios: connected broker stocks and non-connected broker stocks. We calculate the average quarterly abnormal returns of these portfolios for each fund in each quarter weighting each stock's abnormal return in the portfolios by the dollar trade value during the previous quarter. Abnormal stock returns are based on the DGTW benchmark returns. We rebalance at the end of the quarter. We then average the abnormal returns of each sub-portfolio across the funds in our sample using the dollar assets (TNA) of each fund in the previous quarter as weights, producing value-weighted average monthly abnormal returns for each of the four portfolios. Finally, long-short portfolios are created by going long the buy portfolios and shorting the sell portfolios. Columns (1) and (2) describe the abnormal returns of the long-short portfolio for the connected broker stocks and the other stocks, respectively, and column (3) provides the difference-in-difference estimate. *t*-statistics are reported in parentheses. Significance levels for tests of difference in means are denoted by ***, **, and *, which correspond to 1%, 5%, and 10% levels, respectively.

	Brokerage Ties (1)	No Brokerage Ties (2)	Difference (3)
Long-Short Portfolios: Buys − Sells	0.015	0.042	-0.027
	(0.156)	(0.410)	(-0.208)

Table A.11
Brokerage Business Ties and Price Support

This table reports results that compare trades of stocks of portfolio firms with which mutual funds have brokerage business ties to other stocks in the portfolio. The dependent variable is the logarithm of the ratio of shares of a stock held by a given fund at the end of quarter *t* and the end of quarter *t*-1. *Distress* is an indicator variable that equals one if the underlying stock is in the top decile by % of stock market capitalization sold in aggregate by funds in quarter *t* (column (1)), or by % of funds that sell the stock in quarter *t* (column (2)). *Brokerage Ties* is an indicator variable that takes a value of one if a fund's family has brokerage business ties with the stock during the quarter, and zero otherwise. A stock's style is defined according to its portfolio assignment among portfolios formed by 5×5 sequential sorts of all common stocks in CRSP based on market capitalization and book-to-market ratio. Standard errors are adjusted for heteroscedasticity and three-way clustered by fund family, stock, and quarter, and *t*-statistics are reported below the coefficients in parentheses. Coefficients marked with ***, **, and * are significant at the 1%, 5%, and 10% level, respectively.

	(1) % Mkt Cap Sold	(2) % Funds Selling
Brokerage Ties × Distress	-0.019	-0.012
	(-1.01)	(-1.31)
Brokerage Ties	0.002	0.002
	(0.87)	(1.55)
Stock × Qtr. FE	Yes	Yes
Fund × Stock Style × Qtr. FE	Yes	Yes
Observations	10,374,799	10,374,799
Adj. R-squared	0.180	0.180

Table A.12
Asset Management Company Misconduct

This table repeats the main analyses performed in Tables 2 and 3 for two groups of fund management firms based on their engagement in misconduct or violations of regulations as reported in Form ADV filings. The ADV data is available from 2000 onwards. Panel A reports the baseline results on portfolio decisions. The dependent variable is the portfolio weight of a stock in a given fund at the end of a given quarter. The key explanatory variables are *ADV Violation* and *Brokerage Ties*. The indicator variable *ADV Violation* equals one if a fund has disclosed any civil, regulatory, or criminal violation in Form ADV, and zero otherwise. The indicator variable *Brokerage Ties* takes a value of one if a fund's family has brokerage business ties with the stock during the quarter, and zero otherwise. Standard errors are adjusted for heteroscedasticity and three-way clustered by fund family, stock, and quarter. Panel B reports the baseline result on proxy voting. The dependent variable is the proportion of mutual funds belonging to a fund family that voted in line with the firm management's recommendation on a given proposal. *ADV Violation* and *Brokerage Ties* are defined similar to their definitions in Panel A. Other variables are defined as in Table 3. Standard errors are adjusted for heteroscedasticity and three-way clustered by firm, fund family, and quarter, and *t*-statistics are reported below the coefficients in parentheses. Coefficients marked with ***, **, and * are significant at the 1%, 5%, and 10% level, respectively.

Panel A. Portfolio Decisions

	(1)	(2)
	Any violation	Civil or regulatory violation
Brokerage Ties × ADV Violation	0.111***	0.108***
	(3.44)	(3.34)
Brokerage Ties	0.058***	0.060***
	(2.78)	(2.86)
Stock × Qtr. FE	Yes	Yes
Fund × Stock Style × Qtr. FE	Yes	Yes
Observations	10,645,879	10,645,879
Adj. R-squared	0.710	0.710

Panel B. Proxy Voting

	(1) Any violation	(2) Civil or regulatory violation
Brokerage Ties × ADV Violation × Contentious Proposal (1)	0.071**	0.068**
	(2.23)	(2.13)
Brokerage Ties × ADV Violation (2)	-0.006	-0.006
	(-1.43)	(-1.37)
Brokerage Ties × No ADV Violation × Contentious Proposal (3)	0.058**	0.060**
	(2.21)	(2.30)
Brokerage Ties × No ADV Violation (4)	-0.004	-0.004
	(-0.88)	(-0.88)
Family Ownership	0.269***	0.269***
	(4.93)	(4.93)
Proposal FE	Yes	Yes
Family × Year × Proposal Type FE	Yes	Yes
Observations	7,350,742	7,350,742
Adj. R-squared	0.517	0.517
Coeff: [(1)+(2)] – [(3)+(4)]	0.012	0.007
p-value	0.741	0.838

Section B. Additional Summary Statistics

Table B.1: Summary Statistics

Panel A of this table reports summary statistics for the variables used in Panel A of Table 4. Cumulative Abnormal Return is estimated using the market model (*CAR – Market Model*) or the Fama-French three-factor model (*CAR – 3-Factor Model*) over a three-day [-1, +1] window centered around the day of the shareholder meeting. *Connected MF Shares "For"* measures the share of total votes casted in favor of management by connected mutual funds. *Mgmt. Win* is an indicator variable that takes the value of one if the vote outcome is in the direction of management's recommendation, and zero otherwise. Panel B reports summary statistics for the variables used in Table 6. *Broker* is a dummy that equals one if the firm provides brokerage services to any fund family in our sample, and zero otherwise. *% Connected Ownership* measures the level of aggregate connected holdings, scaled by shares outstanding. Connected ownership is zero if *Broker* dummy equals zero. *Six-month return* is the cumulative stock return for the prior six months. *Market Cap.*, *Book-to-Market*, *Profitability*, *Leverage*, and *Tobin's Q* are calculated using data from CRSP and Compustat. *Inst. Ownership* is the percentage of shares outstanding owned by 13F institutions. *E Index* is the index of six shareholder rights introduced by Bebchuk et al. (2009).

			Distribution			
	Mean	Std. Dev	25th	50th	75th	N
Panel A. Market Reactions						
CAR – Market Model (%)	0.252	3.718	-1.029	0.527	1.907	79
CAR – 3-Factor Model (%)	0.288	3.705	-1.025	0.516	1.951	79
Connected MF Shares "For"	0.023	0.031	0.000	0.000	0.050	79
Mgmt. Win	0.772	0.422	1.000	1.000	1.000	79
Panel B. Voting Outcomes of Contentious Proposals						
Broker	0.102	0.303	0.000	0.000	0.000	7,274
% Connected Ownership	0.683	3.462	0.000	0.000	0.000	7,274
Log(Market Cap.)	6.758	2.012	5.291	6.399	7.997	7,274
Book-to-Market	0.861	0.734	0.415	0.652	1.041	7,274
Six-month return	0.029	0.242	-0.100	0.033	0.155	7,274
Profitability	0.015	0.051	0.005	0.010	0.023	7,274
Leverage	0.190	0.194	0.052	0.125	0.264	7,274
Tobin's Q	0.015	0.029	0.002	0.006	0.014	7,274
Inst. Ownership	0.478	0.297	0.215	0.469	0.733	7,274
E Index	3.016	1.356	2.000	3.432	3.890	7,274