

BALDWIN | PERDUE

BROKAW ACT

BIPARTISAN REFORM TO PROTECT MAIN ST FROM WALL ST HEDGE FUNDS

NAMED IN HONOR OF BROKAW, WISCONSIN

THE BROKAW ACT is named for a small Wisconsin village that faces insolvency after the actions of an out-of-state predatory hedge fund led to the closure of a paper mill that had provided good jobs to the community for over 100 years.

The activist hedge fund bought up the legendary Wausau Paper Company, forced out its executives and demanded short-term returns like buybacks at the expense of investments in workers, R&D and the company's long-term future.



STRENGTHENING OVERSIGHT OF PREDATORY HEDGE FUNDS

THE BROKAW ACT would fight against increasing short-termism in our economy by promoting transparency and strengthening oversight of predatory hedge funds. The legislation would put in place the following reforms:

- **Restore transparency to the marketplace by** shortening the 10-day 13 (d) disclosure window to 4 days.
- **Protect businesses from hedge fund “wolf packs” by** identifying these coordinated groups of hedge funds as a single group to require disclosure.
- **Require derivative disclosure** to prevent activist investors from profiting by secretly voting against the company's interests.

BUILDING BROAD, BIPARTISAN SUPPORT

THE BROKAW ACT is led by U.S. Senators Tammy Baldwin (D-WI) and David Perdue (R-GA). They have continued to build a broad coalition of support for the bipartisan legislation from business leaders to workers and from investors to financial reform advocates. This includes:

- **THE HOME DEPOT**
- **AFL-CIO**
- **NATIONAL INVESTOR RELATIONS INSTITUTE**
- **AMERICANS FOR FINANCIAL REFORM**