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August 24, 2009

By e-mail: rule-comments@sec.gov

Ms. Elizabeth M. Murphy, Secretary
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, D.C. 20549-1090

Re: Facilitating Shareholder Director Nominations,
Release Nos. 33-9046; 34-60089; IC-28765;
File No. S7-10-09 (June 10, 2009)

Dear Ms. Murphy:

McDonald's Corporation ("McDonald's" or the "Company") appreciates this opportunity to comment on the amendments to the proxy rules under the Securities Exchange Act of 1934 that the Securities and Exchange Commission (the "Commission") has proposed in the above referenced release (the "Access Proposal"). As you will see in the comments that follow, we believe that the Access Proposal will not promote better corporate governance and therefore will not be an effective way to address a perceived lack of accountability and responsiveness on the part of public company boards to their shareholders.

McDonald's does not believe in a one-size-fits-all, mandated approach to governance. We are concerned that the mandates of the Access Proposal do not take into consideration a company's unique circumstances, and that ultimately shareholders will not be served well by this type of nomination process.

The Company

McDonald's franchises and operates over 32,000 McDonald's restaurants in more than 100 countries around the world. The restaurants are operated either by the Company or by franchisees, including conventional franchisees under franchise arrangements, and foreign affiliated markets and developmental licensees under license agreements. About 80% of McDonald's restaurants worldwide are franchised. McDonald's is a Delaware corporation, with approximately 1.09 billion shares outstanding (as of June 30, 2009) and approximately 1,268,000 shareholders.

McDonald's Board Composition Objectives

As is the case for all companies, our Directors are entrusted with, and responsible for, the oversight of the Company in an honest, fair, diligent and ethical manner. Our Board of Directors has long believed that good corporate governance, tailored to the uniqueness of McDonald's, is critical to fulfilling the Board's obligations to shareholders. Accordingly, our Board has strong

governance practices in place, including processes and guidelines pertaining to the nomination and election of Directors. Those processes and guidelines are designed to achieve the Board's goal of having Directors who, individually and as a group, meet carefully considered independence standards, qualification requirements, and diversity objectives, and who possess the personal and professional qualities that contribute to the effective functioning of the Board.

Our current Board has 14 Directors, 12 of whom are independent of management under the standards of the New York Stock Exchange and McDonald's own additional independence criteria. Our current Directors also have varied professional backgrounds, in fields that we believe allow the Directors to provide useful guidance to management in the conduct of McDonald's business. Our Directors also have a range of tenures on the Board, with three members having less than two years' service and three having over ten years' service, including our Chairman of the Board. We are proud of the diversity of the Board; there are currently three women, as well as two African-American men and two Hispanic men, serving on the Board.

We believe that the composition of our Board, along with the integrity, business experience and expertise of our Directors, ensures candid, constructive and informed debate among the Directors, provides a healthy balance of experience and fresh perspectives, and facilitates effective engagement with management about all aspects of our business. As described more fully below, we believe the effectiveness of our Board is directly attributable to a robust nomination process. Over the years, this process has enabled a constructive and measured evolution in the composition of our Board, without disruption to the successful operation of the McDonald's business and to the benefit of our shareholders.

Identifying Director Nominees

Identifying and selecting appropriate director nominees are critical to the success of an effective board. At McDonald's, this involves a careful process of identifying, screening, interviewing and vetting candidates through the Governance Committee and the full Board. The goal is to identify persons who meet the Board's independence, qualification, and diversity objectives and who also demonstrate the personal and professional qualities and characteristics that ensure effective interaction with the other members of the Board. Of particular importance are a candidate's integrity and judgment; professional achievements and experience relevant to the Company's business and strategic challenges; potential contribution to the diversity and culture of the Board; ability to engage effectively with other Directors; and ability and willingness to devote sufficient time to Board duties. The Company's nomination process is not static; it has evolved over the years to meet the needs of the Board and our shareholders.

Simply put, we believe the benefits that McDonald's nomination process provides to the Company and its shareholders cannot be achieved under the Access Proposal, which would allow a small group of shareholders to propose, based on no more than a 500-word statement of support, nominees who have not been through McDonald's careful identification and selection process and who may not have even met the existing members of the Board. This process for electing directors would be seriously disruptive to the Board and to effective governance. Moreover, such a process may defeat important objectives by displacing one or more Director nominees who were identified by the existing Board to address specific needs.

Shareholder Participation in the Nomination Process

Generally, McDonald's shareholders have relied on the Board of Directors to nominate candidates for election, and to identify and select persons who are most likely to serve the best interests of the Company's shareholders. McDonald's welcomes shareholder suggestions of potential nominees to the Board, and from time to time shareholders have suggested potential nominees to the Company for consideration as management nominees. When that occurs, the Governance Committee considers those potential candidates by applying the same processes and standards that are applicable to nominees identified by the Governance Committee or other Directors.

We believe that our shareholders, as a group, are better served by a governance process that encourages shareholders who wish to propose Director nominees to utilize our existing processes for nominating Directors. The Access Proposal offers no incentive for shareholders to seek constructive participation in the Board's nomination process or to propose candidates that meet our Board composition objectives. We believe a collaborative approach to considering shareholder-proposed candidates, with appropriate disclosure to shareholders of the selection process and criteria, is a better way to encourage shareholder participation in the nominating process and dialogue between shareholders and the Board, while preserving a thorough and robust nomination process that is critical to the ongoing success of the operation of the Board.

Conditions to Access

While we do not believe that the Access Proposal is advisable or workable in its present form, we recognize that there is support for proxy access generally from some institutional investors, shareholder advisory groups and other interested parties. Therefore, if the Commission chooses to implement proxy access, we believe the conditions for such access should be drafted carefully to achieve appropriate policy objectives and to facilitate administration of the rule. Among the aspects of the Access Proposal that we believe should be revised are the following.

A. Failure to Respond to Shareholder Concerns

If, as indicated in the proposing release, proxy access is intended to counter a perceived lack of accountability and responsiveness on the part of public company boards to the interests of their shareholders, we believe proxy access should be available only where the existing board of directors has demonstrably failed to respond to shareholder concerns. Proxy access could be available only where, for example, at least one director nominated by the company received more "against" or "withhold" votes than "for" votes in an election of directors, and yet continued to serve on the board. Similarly, as the Commission proposed in 2003, Rule 14a-8(i)(8) could be amended to allow holders of at least 1% of a company's voting securities to propose a proxy access procedure for consideration by all of the company's shareholders. If the proposal passed but was not implemented by the company's board of directors, the company would then become subject to the Commission's proxy access rule.

B. Ownership Threshold and Holding Period

The proposing release indicates that the ownership threshold of 1% for large accelerated filers is to limit proxy access to investors who have a significant economic interest that aligns their interests with those of other shareholders and the company. We do not believe a 1% threshold is an adequate limitation for this purpose. Such a low threshold would encourage special interest groups to seek a board seat to promote their own agenda, which may be unrelated to the economic and other business interests of the company or its shareholders.

We believe that, for large accelerated filers, the ownership threshold should be 5% of the outstanding voting securities for a shareholder acting alone, and 10% of the outstanding voting securities for two or more shareholders who aggregate their holdings to satisfy the threshold. These thresholds would better assure that shareholders who wage the equivalent of a proxy contest have a significant economic stake in the company and therefore have a disincentive to pursue an agenda that is not in the broader interests of the company and its other shareholders.

As of July 31, 2009, McDonald's had 10 shareholders that owned at least 1% of our outstanding common stock. One of those shareholders owned 5% of our common stock. Accordingly, the higher thresholds still would empower at least one shareholder to utilize proxy access on its own, and would allow a small number of shareholders to meet the aggregate threshold.

We agree that long-term shareholders are more likely to have interests that are aligned with the interests of other shareholders and are less likely to use proxy access for their own short-term gain; therefore, we believe that a nominating shareholder or group should be required to have owned the required percentage of voting securities for at least two years.

C. Independence and Other Requirements

A shareholder nominee should have to meet all requirements applicable to a company's other independent directors, not just the independence standards imposed by the applicable stock exchange. McDonald's has established Standards on Director Independence, a Director's Code of Conduct, Corporate Governance Principles, and Stock Ownership Guidelines, among other policies and guidelines, all of which outline the role and responsibilities of all Directors serving McDonald's. In addition, a shareholder nominee should be required to complete a company's standard questionnaire prior to the printing of the proxy statement.

D. Number of Director Nominees

The Access Proposal would allow shareholder nominees for up to 25% of a board's seats. At McDonald's, this means that in any given year, our Board would be required to manage a process for up to three shareholder nominees, in addition to all of its other responsibilities. We believe that such a significant disruption and distraction to the Board is not in the best interests of the Company or its shareholders. A threshold of one shareholder nominee would be more appropriate. Of course, shareholders would continue to have their existing state law rights to propose director candidates at the annual meeting and to solicit proxies in support of those nominees.

E. Consideration of Multiple Nominee Submissions

Granting priority to the first shareholder to submit nominees will only generate a race to be first and may result in unnecessary disputes over whose submission arrived first. Moreover, nominees submitted first may lack qualifications and attributes possessed by later-submitted candidates. We believe that the process would be more orderly and effective if the rule were to specify a period during which submissions must be made (for example, no earlier than 150 days, and no later than 120 days, before the date on which the prior year's proxy statement was mailed) and establish a process for selecting nominees from among multiple submissions. Consistent with our view, discussed above, that the board plays a critical role in the selection and nomination process, we believe a company's board or nominating committee should be responsible for reviewing and selecting nominees from among the candidates submitted by shareholders, subject to full public disclosure on Form 8-K of the reasons for its selection. Alternatively, we think the nominees of the shareholder (or shareholder group) owning the greatest number of shares should have priority, because the persons having the most significant economic stake are more likely to have interests aligned with those of other shareholders.

Implementation

If the Commission adopts Rule 14a-11, we strongly urge the Commission to delay its effectiveness until at least the 2011 proxy season in order to allow companies sufficient time to implement the rule and to take other preparatory actions.

Conclusion

We believe that public companies and their shareholders benefit from governance practices that foster collaboration between shareholders and management and lead to the nomination and election of directors who represent the interests of all shareholders. The Access Proposal, while well-intentioned, will not achieve either of these objectives. The possibility of a revolving door of special interest shareholder nominees creates the real possibility that management and the board of directors will spend a good portion of their time looking over their shoulders rather than down the road ahead – to the detriment of the board, the company and shareholders. We urge the Commission to refrain from adopting the Access Proposal at this time, and instead consider ways to further encourage shareholder/company dialogue on the composition of boards and the process for nominating directors.

Thank you for the opportunity to comment on the Access Proposal.

Sincerely,

/s/Gloria Santona

Gloria Santona

cc: Andrew McKenna, Chairman of the Board