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Portfolio Advisory Board

December 11, 2018

The Honorable Jay Clayton, Chairman
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549
e-mail: rule-comments@sec.gov

Re: "File No. 4-725"

Dear Chairman Clayton:

As a faith-based investor and member of the Interfaith Center on Corporate Responsibility (ICCR), we Dominican Sisters of Adrian, Michigan, have long engaged in filing shareholder resolutions as a way to address environmental, social, and governance issues in the companies in which we invest.

The shareholder resolution process has a proven track record of fostering long-term business success. There are hundreds of examples of companies that have changed their policies and practices for the common good in light of constructive engagement with shareowners, including through the filing of resolutions.

We do not believe revision of Rule 14a-8 of the Securities and Exchange Commission (SEC) is necessary at this time – and urge you to oppose any changes.

As ICCR recently wrote in a letter to the SEC, addressing the issue in detail (see enclosed letter which we endorsed),

"The existing Rule currently allows institutional investors of all sizes and individual shareholders alike to engage corporate boards and senior management on their need to address important environmental, social, and governance issues and long-term risk management. Shareholder proposals frequently address emerging systemic risks to the U.S. and globally economies, such as the predatory lending that contributed to the 2008 financial crisis.

The current process also allows investors to communicate with boards, management, and other shareholders about the most effective, proactive way to protect investor interests with respect to corporate governance, risk, and policy issues affecting companies prior to a crisis."

We believe the existing process serves an important self-regulatory function for U.S. capital markets, allowing shareholders a means to protect their interests through a form of shareholder democracy. Additional government interference in this private ordering process is neither necessary nor advisable.

We appreciate this opportunity to share our perspectives on the importance of shareholder rights and, again, urge you to join us in opposing the Rule change. Thank you.

Sincerely,

Elise D. Garcia, OP

Elise D. García, OP
General Councilor
Adrian Dominican Sisters