

January 17, 2020

Via e-mail to rule-comments@sec.gov

Vanessa A. Countryman, Secretary
Securities and Exchange Commission
100 F Street N.E.
Washington, D.C. 20549-1090

Re: Comments Regarding File No. S7-22-19 – Amendments to Exemptions from the Proxy Rules for Proxy Voting Advice

Dear Ms. Countryman:

I am pleased to submit this letter in connection with the Commission's proposed rules regarding proxy advisory firms. I am submitting this letter in my personal capacity and the views expressed are my own and do not necessarily reflect the views of my law firm or its clients, or any other entity with which I am affiliated.

I have been on public record for many years regarding my concerns about the proxy advisory industry. My views of the role of proxy advisors have been thoroughly and consistently expressed – in both my official and private sector capacities – in various fora. After reviewing the Commission's proposal, I believe my past comments are relevant to the consideration of a final rule, and therefore I list them below. This is an incredibly important issue that affects the U.S. capital markets in a myriad of ways, and I congratulate the Commission for addressing it in such a substantive and deliberative manner.

Prior Comments

Video Recording, *The Role of a Corporation: The Shareholder versus Stakeholder Debate*, Bipartisan Policy Ctr. (Nov. 19, 2019), <https://bipartisanpolicy.org/event/the-role-of-a-corporation-the-shareholder-versus-stakeholder-debate/>.

Testimony of Daniel M. Gallagher Before the U.S. S. Comm. on Banking, Housing, and Urban Affairs, 115th Cong. (2018) (statement of Daniel M. Gallagher), available at <https://www.banking.senate.gov/imo/media/doc/Gallagher%20Testimony%202012-6-18.pdf>.

Legislative Proposals to Enhance Capital Formation, Transparency, and Regulatory Accountability Before the U.S. H. Comm. on Fin. Services, 114th Cong. (2016) (statement of Daniel M. Gallagher, President, Patomak Global Partners, LLC), available at https://financialservices.house.gov/uploadedfiles/05.17.2016_cm_daniel_gallagher_testimony.pdf.

Daniel M. Gallagher, *Outsized Power & Influence: The Role of Proxy Advisers*, (Wash. Legal Found., Working Paper No. 187, 2014), <https://s3.us-east-2.amazonaws.com/washlegal-uploads/upload/legalstudies/workingpaper/GallagherWP8-14.pdf>.

Vanessa A. Countryman, Secretary

January 17, 2020

Page 2

Daniel M. Gallagher, Comm'r, SEC, Remarks to the Forum for Corp. Dirs., Orange Cty., Cal. (Jan. 24, 2014), *available at* <https://www.sec.gov/news/speech/2014-spch012413dmg#.UvKsCBaYhUT>.

Transcript of SEC Proxy Advisory Firms Roundtable, (Dec. 5, 2013), *available at* <https://www.sec.gov/spotlight/proxy-advisory-services/proxy-advisory-services-transcript.txt>.

Daniel M. Gallagher, Comm'r, SEC, Remarks at Transatlantic Corp. Governance Dialogue Conference: The Realities of Stewardship for Institutional Owners, Activist Investors and Proxy Advisors (Dec. 3, 2013), *available at* <https://www.sec.gov/news/speech/2013-spch120313dmg>.

Daniel M. Gallagher, Comm'r, SEC, Remarks at Georgetown Univ.'s Ctr. for Fin Markets and Policy Event (Oct. 30, 2013), *available at* <https://www.sec.gov/news/speech/2013-spch103013dmg>.

Daniel M. Gallagher, Comm'r, SEC, Remarks at Soc'y of Corp. Secretaries & Governance Prof'ls (July 11, 2013), *available at* <https://www.sec.gov/news/speech/spch071113dmghtm>.

Daniel M. Gallagher, Comm'r, SEC, Remarks at 12th European Corp. Governance & Co. Law Conference (May 17, 2013), *available at* <https://www.sec.gov/news/speech/2013-spch051713dmghtm>.

Sincerely,



Daniel M. Gallagher