FIGURE 8 INVESTMENT STRATEGIES

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January 31, 2020

The Honorable Jay Clayton, Chairman
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549

Re: S7-23-19 Procedural Requirements and Resubmission Thresholds under Exchange Act Rule 14a-8
S7-22-19 Amendments to Exemptions from the Proxy Rules for Proxy Voting Advice

Dear Chairman Clayton:

Figure 8 Investment Strategies is an independent Registered Investment Advisory firm based in Boise, ID. We manage investment portfolios for individuals and institutions, and specialize in integrating environmental, social, and governance (ESG) analysis into the investment decision-making process. We appreciate the opportunity to comment on the changes to the shareholder resolution process as proposed by the Securities and Exchange Commission (SEC) on November 5, 2019. We understand the proposed changes would 1) significantly increase the filing and resubmission thresholds for filing shareholder proposals, 2) limit a shareholder's right to use an agent as representative in the shareholder proposal process, and 3) limit the ability of proxy advisors to offer independent advice to shareholders.

Mr. Chairman, we are writing to strongly oppose these proposed changes, which if enacted would limit the rights of shareholders, make companies less accountable, and reduce corporate transparency for investors, large and small. As currently structured, the shareholder resolution process guided by Rule 14a-8 plays a crucial role in assuring corporate transparency and accountability. The process has, over many decades, proved to be an efficient and cost-effective mechanism for engagement between issuers and investors. Through the shareholder resolution process, investors have brought much-needed attention to important financial, legal, and reputational risks faced by companies. The resolution process has often served as the key to opening the door to shareholder dialogue – and that in turn, has resulted in company disclosures that are critical to investors as they make decisions, and has enabled investors to flag emerging issues for companies so they can get an early start managing them. In this way, the shareholder resolution process has helped to mitigate investor risks thereby protecting long-term value and delivering measurable benefits for all shareholders over time. We urge that the Commission recognize the full value of these benefits and conduct a comprehensive cost-benefit analysis before adopting any changes to the Rule 14a-8 process.

Importantly, it has often been *small* shareholders bringing these issues to light. Indeed, shareholder proposals originating with smaller individual and institutional investors have contributed to many value-enhancing and now commonplace best practices, on issues ranging from annual director elections and political spending disclosure to reporting on the operational and financial impacts of climate risk. The proposed twelve-fold increase in the ownership threshold for filing a shareholder proposal, along with the proposed three-year holding period for smaller investors and the proposed higher resubmission

thresholds, would serve to stifle this process. The proposed changes would limit access to the proxy for small shareholders and could prevent significant topics from even being raised and considered, to the detriment of all stakeholders. For these reasons, we believe the proposed changes around ownership and resubmission thresholds are unwarranted and in fact potentially damaging to shareholder's long-term best interests, and we urge that the Commission refrain from adopting them.

We are similarly and strongly opposed to the proposed changes to limit a shareholder's right to use an agent to represent him or her in the shareholder proposal process. Our firm has served as such a representative agent for shareholders (our clients). We can assure the Commission that we are only able to do so with the full support, genuine interest, and authorization of our clients. As a Registered Investment Advisor, we are bound by our fiduciary duty to always act in the best interests of our clients and not to place our own interests ahead of our clients' interests. We take this duty as our highest responsibility. In addition, under existing Rule 14a-8 procedures, we and other agents can only represent shareholders with their authorization and support and are required to submit proof of ownership by the shareholder. Further, we are aware that state agency law governs the establishment of this type of agency relationship. We are not aware of any reason justifying what would be costly and burdensome interference with existing state governance.

Finally, we are concerned that the proposed requirement for proxy advisory firms to allow companies to review and provide feedback on proxy voting advice would greatly impede the ability of institutional investors to get independent advice on director elections and shareholder proposals. The fact that the proposed rule does not give shareholder proposal proponents and shareholders conducting "vote no" campaigns the same right of review further underlines that the rule would provide an unfair advantage to company management to the detriment of shareholders. We again urge that the Commission refrain from adopting this proposed rule change.

In conclusion, we believe the current 14a-8 process is one that's worked well for decades. For the reasons we've cited above, we find the recently proposed rule changes to be detrimental and we strongly urge that the Commission not adopt them in their current form. We thank you for the opportunity to provide these comments on this important set of issues.

Respectfully,

Lisa Cooper, CFA®, CFP®
President, Figure 8 Investment Strategies

CC: Vanessa A. Countryman, Secretary, U.S. Securities and Exchange Commission