



First Eagle Investment Management, LLC
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February 14, 2020

Ms. Vanessa A. Countryman
Secretary
Securities and Exchange Commission
100 F. Street, NE
Washington, DC 20549

Re: SEC File No. S7-22-19; Amendments to Exemptions from the Proxy Rules for Proxy Voting Advice

Dear Ms. Countryman:

First Eagle Investment Management is an independent investment adviser with over \$100 billion in institutional and individual client assets under management. Our firm heritage dates back to 1864, and our flagship mutual fund, the First Eagle Global Fund, just marked its 40th anniversary. We are fundamental long-term value investors with a long investment time horizon and we invest in businesses with strong balance sheets, market positions and management cultures.

We are writing to you today to provide our feedback on the SEC's proposed amendments to exemptions from the proxy rules for proxy voting advice.¹ We are concerned that the proposed amendments may lead to unintended consequences in the form of compressed voting timelines, less timely and impactful governance engagements and greater costs to proxy voting.

Proxy advisory firms provide important administrative and research services to investment advisers like First Eagle Investment Management as part of the proxy voting process. While we vote each proxy according to our own assessment of what is in the long-term best interests of our clients, proxy advisory firms offer a perspective on a range of issues covering thousands of companies across numerous jurisdictions. During the U.S. proxy season when we vote on hundreds of proposals, the input from these firms can help us identify which proposals require more in-depth analysis. Although we read definitive proxy statements, engage with issuers to understand their perspectives and, most importantly, use our judgement and knowledge of a company and its history to determine how to vote in a manner that we believe is in the best long-term economic interest of our clients, the proxy advisors' recommendation are a helpful input in our analysis.

The earlier we receive the proxy materials from the issuers and the research from the proxy advisors, the more time we have to speak to a company, to discuss the issues internally and to make thoughtful, informed and well-researched decisions. We are concerned that the SEC's proposal to allow companies to pre-review reports at least two days before those reports are available to clients would severely limit

¹ Amendments to Exemptions from the Proxy Rules for Proxy Voting Advice, SEC Release No. 34-87457: <https://www.federalregister.gov/documents/2019/12/04/2019-24475/amendments-to-exemptions-from-the-proxy-rules-for-proxy-voting-advice>



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our time and ability to evaluate proxy materials and have meaningful governance conversations with companies before we must vote.

We are also concerned that the reduced timeline would increase the cost for the proxy advisors, who would need to hire additional staff and ultimately pass this cost on to clients, but also may increase our costs by requiring us to hire more governance professionals to review proxy materials.

As a significant investor in numerous businesses, we vote proxies based on what we believe is in our clients' best long-term interests. We are concerned that any regulatory action could impede our fiduciary duty by diminishing the existing timeline to review and vote proxies in a thoughtful and constructive manner.

However, if after considering the proposed rules further the Commission determines that additional processes are appropriate, then we would support the two alternative frameworks proposed by the Investment Company Institute in their February 3, 2020 letter.²

We thank you for the opportunity to offer our perspective. Please do not hesitate to contact us if we can be of further assistance.

Sincerely,

A handwritten signature in blue ink that reads "Mehdi".

Mehdi Mahmud
President & CEO
First Eagle Investment Management

cc: Matthew McLennan, CFA
Head of the Global Value Team and Portfolio Manager, First Eagle Investment Management

Kimball Brooker, Jr.
Deputy Head of the Global Value Team and Portfolio Manager, First Eagle Investment
Management

David O'Connor
General Counsel, First Eagle Investment Management

² Comment letter of the Investment Company Institute, File No. S7-22-19 (February 3, 2020)
<https://www.sec.gov/comments/s7-22-19/s72219-6743669-207831.pdf>



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Debra Lusman

Manager of Research Operations, First Eagle Investment Management

The Honorable Jay Clayton, Chairman

U.S. Securities and Exchange Commission

The Honorable Robert J. Jackson, Jr., Commissioner

U.S. Securities and Exchange Commission

The Honorable Hester M. Peirce, Commissioner

U.S. Securities and Exchange Commission

The Honorable Elad L. Roisman, Commissioner

U.S. Securities and Exchange Commission

The Honorable Allison Herren Lee, Commissioner

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Dalia O. Blass, Director, Division of Investment Management

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William Hinman, Director, Division of Corporation Finance

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