



Congregation of Holy Cross

Moreau Province

January 28, 2020

Hon. 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

Dear Chairman Clayton,

I am writing to express my opposition to the rules proposed by the Securities and Exchange Commission (SEC) on November 5th, 2019, which will severely limit the rights of shareholders to engage with corporations using the shareholder resolution process over issues with a distinct impact on long-term value.

Since the early 1070s, the Congregation of Holy Cross, Moreau Province, has been engaged in corporate social responsibility matters through our membership in the Tri-State Coalition for Responsible Investment (recently renamed Investor Advocates for Social Justice.) As long-term investors who engage with companies on critical environmental, social, and governance (ESG) issues, we believe that the proposed rules are unnecessary, and will undermine a corporate engagement process that has been of great value to both companies and investors. I have been personally involved in dialogues, submission of shareholder proposals, and attendance at annual meetings on matters related to Apartheid in South Africa (various companies), affordable housing matters (Freddie Mac), environmental matters related to pollution of the Hudson River (GE), and most recently human rights issues in the automotive supply change (GM, Ford, and Nucor).

We believe the shareholder proposal process has served to benefit issuers and proponents alike as an effective, efficient and valuable tool for corporate management and boards to gain a

better understanding of shareholder priorities and concerns. The proposed rule changes will make companies far less accountable to shareholders, stakeholders, and the public at large.

The current ownership threshold of \$2,000 has served us well for decades. Small investors have contributed a multitude of now commonplace best practices. Many of shareholder resolutions were filed by investors with relatively small stakes consistent with the existing filing thresholds. Average rates of support for many of these shareholder resolutions is testament to the fact that these proposals are of interest to large portions of a company's shareholder base.

The Rule 14a-8 proposed changes regarding length of ownership and resubmission thresholds will be detrimental to the good work that has been carried out by socially responsible investors who believe that a company's policies and practices should always be for the common good. Contrary to comments made by trade associations like the Business Roundtable, the U.S. Chamber of Commerce, and the National Association of Manufacturers, socially responsible investors who raise issues of social concern do so out of a concern for the long-term health of the companies in which we invest. That concern goes beyond bottom line concerns to reputation risks that we envision if our companies do not have policies and practices that benefit the common good.

For the above reasons, we strongly urge the SEC to reconsider the proposed rule changes.

Sincerely,

A handwritten signature in cursive script that reads "Br. George C. Schmitz, CSC". The signature is written in dark ink on a white background.

Brother George C. Schmitz, CSC

Coordinator of Corporate Social Responsibility
Congregation of Holy Cross, Moreau Province
10 Ricardo Street
West Haven, CT 06516

