

February 3, 2020

Via Electronic Submission

The Honorable Jay Clayton, Chairman
U.S. Securities and Exchange Commission
100 F Street NE
Washington, DC 20549

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

Dear Chairman Clayton:

I am writing on behalf of Wespath Benefits and Investments (Wespath) to express our concerns regarding the Securities and Exchange Commission's (Commission or SEC) November 5, 2019 proposed rule changes to exemptions from the proxy rules for proxy voting advice under Exchange Act Rule 14a-9 and the procedural requirements and resubmission thresholds for shareholder proposals under Exchange Act Rule 14a-8.

Wespath manages over \$24 billion in assets¹ on behalf of 100,000 pension participants of The United Methodist Church and more than 130 United Methodist-affiliated institutional clients. We are the largest denominational investor in the United States and among the largest U.S. pension funds.

Wespath actively integrates the consideration of environmental, social and governance (ESG) factors into our investment decisions as we believe doing so is fundamental for long-term value creation. Active ownership, including proxy voting and at times filing shareholder proposals, is an integral element of our investment strategy and aligns with our fiduciary responsibility for the assets entrusted to us. Proxy advisory firms fulfill a vital role in supporting this work and the current shareholder proposal process provides an efficient and cost-effective mechanism for investors to engage with companies on long-term material risks and opportunities.

Specifically, we are concerned with the unintended consequences from the potential Proxy Advisor Rulemaking requirement that proxy advisors submit advance copies of their recommendations to issuers. Such a requirement would likely increase staffing and compliance costs, which would detract from the retirement readiness of Wespath's pension participants and the mission support of our church investors. Presently, proxy advisors maintain an open-door policy inviting companies to respond to any published research containing factual errors. We believe increasing costs associated with preparing proxy related research would be anti-competitive and discourage entry for new proxy advisory firms.

Additionally, we are concerned with potential rule amendments to the shareholder proposal process that limit shareowners' ability to directly engage with companies and hinder the rights of smaller investors.

Thank you for consideration of Wespath's perspective on these important issues. If you have any further questions, please direct them to my colleague Nick Abel, [REDACTED], who oversees our corporate governance and proxy voting activities.

¹ As of December 2019

Sincerely,

A handwritten signature in black ink, appearing to read "David H. Zellner". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

David H. Zellner
Chief Investment Officer

cc: The Honorable Robert J. Jackson, Jr., Commissioner
The Honorable Allison Herren Lee, Commissioner
The Honorable Hester M. Peirce, Commissioner
The Honorable Elad L. Reisman Commissioner
Vanessa A. Countryman, Secretary