

January 16, 2020

Vanessa A. Countryman
Secretary
U.S. Securities and Exchange Commission
100 F St., NE
Washington, DC 20549

RE: S7-23-19 Procedural Requirements and Resubmission Thresholds under Exchange Act Rule 14a-8

Dear Ms. Countryman,

The McKnight Foundation is a private family foundation founded by Maude and William McKnight: the latter was the first significant CEO of the 3M Corporation. Stock from this innovative company remains an important part of our endowment. With \$2.4 billion under management we are truly long-term investors, providing more than \$90 million in private philanthropic support annually. Our largest asset allocation is to US stocks, and we rely on our country's transparent, dynamic market to provide growth.

As an institutional investor, I write to you on behalf of the "Proposed Rule on Procedural Requirements and Resubmission Thresholds under Exchange Act Rule 14a-8," File Number S7-23-19.

The Board and I have a fiduciary responsibility in our position. As asset owners, we seek to maintain a healthy portfolio over the long-term that preserves resources for future grantees. We appreciate the flexibility to engage with management on issues that are important to the long term health of companies in which we invest. These include issues of governance, material climate risk, and human capital management. The current shareholder resolution process as is, has allowed us to engage in meaningful dialogue with companies in our portfolio. Increasing barriers to engagement between management and owners leads to misaligned objectives that may erode shareholder value.

For this reason we oppose proposed changes to Rule 14a-8, including but not limited to increasing thresholds for resubmission, prohibiting share aggregation and ownership thresholds. In our view, these proposed changes will have a deleterious effect on shareholder value and further serves to weaken recourse shareholders can activate to remind management to take a long term view.

Overly aggressive resubmission thresholds circumvent a valuable period of shareholder education. For example, as a material risk emerges, what may not receive a preponderance of support initially, may in fact be viewed as significant and material. Examples of this include shareholder understanding of the risks of opioid addiction for pharmaceutical companies or the impacts of a changing climate on companies in weather-dependent sectors. As data is constantly refined, and expert views change, the shareholder rules as they presently stand, allow greater flexibility for company management to quickly change course. Silencing shareholders will affect a time-tested process that has provided company managers with advance information about emerging issues that affect shareholder value. Increasing these barriers might create minor efficiencies around the annual meeting but will serve neither management nor ownership in the long run.

While we understand the necessity to curb short termism in the markets, prohibiting the aggregation of shares and increasing ownership thresholds to submit a shareholder proposal severely disenfranchises

small investors. As share prices fluctuate, it creates an onerous financial strain on small investors with legitimate concerns, who may not have resources to voice their concerns in other avenues.

For the many reasons above, we again write to urge the SEC, in the strongest possible terms, *to preserve the current resubmission thresholds and procedural rules relating to Rule 14a-8*. We hope that the SEC will act in the interest of US investors and preserve the existing resubmission thresholds.

Thank you very much for your consideration of our view on this important matter. If you have any questions I hope you will contact me directly at [REDACTED].

Sincerely,

A handwritten signature in blue ink, appearing to read "E. McGeeveran".

Elizabeth McGeeveran
Director of Investments
McKnight Foundation