UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

DIVISION OF
CORPORATION FINANCE

January 30, 2015

Brad Powell
Expeditors International of Washington, Inc.
brad.powell@expeditors.com

Re: Expeditors International of Washington, Inc.
Incoming letter dated December 31, 2014

Dear Mr. Powell:

This is in response to your letter dated December 31, 2014 concerning the shareholder proposal submitted to Expeditors by the AFL-CIO Equity Index Fund and the New York State Common Retirement Fund. Pursuant to rule 14a-8(j) under the Securities Exchange Act of 1934, your letter indicated Expeditors' intention to exclude the proposal from Expeditors' proxy materials solely under rule 14a-8(i)(9). We also have received a letter on the proponents' behalf dated January 16, 2015.

On January 16, 2015, Chair White directed the Division to review the rule 14a-8(i)(9) basis for exclusion. The Division subsequently announced, on January 16, 2015, that in light of this direction the Division would not express any views under rule 14a-8(i)(9) for the current proxy season. Accordingly, we express no view on whether Expeditors may exclude the proposal under rule 14a-8(i)(9).

Copies of all of the correspondence related to this matter will be made available on our website at http://www.sec.gov/divisions/corpfin/cf-noaction/14a-8.shtml. For your reference, a brief discussion of the Division's informal procedures regarding shareholder proposals is also available at the same website address.

Sincerely,

Matt S. McNair
Special Counsel

cc: Maureen O'Brien
The Marco Consulting Group
obrien@marcoconsulting.com

THE MARCO CONSULTING GROUP

January 16, 2015

VIA EMAIL
U.S. Securities and Exchange Commission
Office of the Chief Counsel
Division of Corporation Finance
100 F Street, NE
Washington, DC 20549

Re: Shareholder proposal submitted to Expeditors International of Washington by the AFL-CIO Equity Index Fund and the New York State Comptroller Thomas P. DiNapoli, Trustee of the New York State Common Retirement Fund

Ladies and Gentlemen:

This letter is submitted on behalf of the two shareholder proponents, New York State Comptroller Thomas P. DiNapoli, Trustee of the New York State Common Retirement Fund, and the AFL-CIO Equity Index Fund (hereinafter jointly referred to as the "Proponents") in response to a December 31, 2014 letter from Expeditors International of Washington, Inc. (the "Company") which seeks to exclude from its proxy materials for its 2015 annual meeting of shareholders the Proponents' precatory shareholder proposal (the "Proposal").

That Proposal urges the Company's Compensation Committee to adopt a policy that all equity compensation plans submitted to shareholders for approval under Section 162(m) of the Internal Revenue Code will "specify the awards to senior executive officers only that will result from performance" and will require "shareholder approval of quantifiable performance metrics, numerical formulas, and payout schedules ("performance standards") for at least a majority of awards." This policy is to be implemented so as not to violate existing contractual obligations or the terms of any compensation or benefit plan currently in effect.

In accordance with Securities and Exchange Commission ("SEC") Staff Legal Bulletin No. 14D (Nov. 7, 2008), this response is being e-mailed to shareholderproposals@sec.gov. A copy of this response is also being e-mailed and sent by regular mail to the Company.

The Company's letter argues that the Proposal should be excluded pursuant to Rule 14a-8(a)(9) because it directly conflicts with the Company's own proposal to approve the 2015 Stock Option Plan ("the Plan") that will be submitted to shareholders at the 2015 annual meeting. This conflict arises, according to the Company, because the Plan intends to grant stock options that are time-vested equity awards, rather than the performance-based equity awards discussed in the Proposal. However, the Company misstates the intention of the Proposal.

While the Company argues that "[t]he Proposal would ask the Board of Directors to adopt a policy that all equity compensation plans submitted to shareholders for approval under Section

162(m) of the Internal Revenue Code will specify the awards to senior executive officers will be performance based…," this is an incorrect reading of the Proposal. The Proposal does not ask that awards be performance based; instead, the Proposal asks only that the Company provide quantifiable performance standards related to those awards that it decides will be performance-based, if any. Thus, if the Company only grants equity awards that are time-vested, the Proposal would not apply. As such, it follows that, irrespective of whether the Company determines to award time based equity or performance-based equity, there is no conflict between the Plan and the Proposal.

The Company cites to *Abercrombie & Fitch Co.* (May 2, 2005) to highlight where a conflicting incentive compensation plan was held to be properly excludable. However, the resolution in *Abercrombie* requested that the Company award stock options based on performance. The Proposal, which asks only for additional information, does not make the same request and, therefore, the case is unrelated to the Proposal at hand.

The Company tries to complicate the issue further by pointing to change in control provisions that would accelerate the vesting of awards. Change in control provisions are outside the scope of this Proposal. Instead, the Proposal simply requests that the performance criteria that require shareholder approval for deductibility under Section 162(m) be provided to ensure an informed vote on the matter.

In two nearly identical situations the SEC staff found that proposals similar to the Proposal in question could not be omitted from proxies where the companies were also submitting equity plans for shareholder approval. *See Citigroup Inc*. (February 5, 2013) and *Nabors Industries, Ltd*. (March 26, 2013). In both *Citigroup Inc*. and *Nabors Industries, Ltd.* the no action letter requests argued that the compensation plans the respective companies might have submitted directly conflicted with the proposals in question. The proponents of those proposals argued that the management proposals would not be in conflict because:

> The precatory [p]roposal's RESOLVED section clearly and plainly states that the policy it is urging the [c]ommittee to adopt 'should be implemented so as not to violate existing contractual obligations or the terms of any compensation or benefit plan currently in effect.' <u>If passed by shareholders, the management proposal would constitute 'a compensation or benefit plan currently in effect'</u> and thus be exempt from any policy that the [c]ommittee may develop <u>after</u> the meeting in response to the [p]roponent's precatory proposal.

See Citigroup Inc., supra, p. 6 of the proponents' January 10, 2013 letter; *Nabors Industries, Ltd., supra*, p. 2 of the proponents' February 19, 2013 letter (emphasis in originals). In both instances, the SEC staff concluded that the proposals were not in conflict and, thus, may not be excluded.

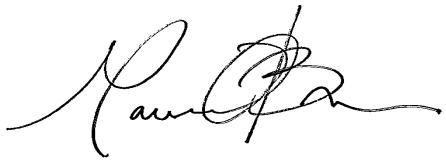
Proponents respectfully submit that the same reasoning applies to the Proposal at hand. The only difference between the Proposal and those cited above is that, in accordance with the decision in *McKesson Corporation* (June 6, 2014), the phrase "to senior executives" was inserted as a modifier to "awards" in the Resolved section of the underlying Proposal. But for this clarifying distinction, the Proposal remains identical to those submitted and allowed in both

Citibank Inc., supra and *Nabors Industries, Ltd., supra*. That minor addition has no impact on the Rule 14a-8(i)(9) issue. The Company's letter makes no mention of these precedents.

Given the direct precedent established by *Citigroup Inc*. and *Nabors Industries, Ltd*., the Proponents submit that the relief sought in the Company's no action letter should be denied.

If you have any questions, please feel free to contact the undersigned at 312-612-8446 or at obrien@marcoconsulting.com

Sincerely,



Maureen O'Brien
Corporate Governance Director

cc: Anderson.Kimberley@dorsey.com
brad.powell@expeditors.com
Gianna McCarthy, Director of Corporate Governance, New York State Common Retirement Fund
Brandon Rees, AFL-CIO Office of Investment

Expeditors

Expeditors International
of Washington, Inc.

1015 Third Avenue
12th Floor
Seattle, WA 98104-1190

Tel 206 674-3400
Fax 206 682-9777

1934 Act/Rule 14a-8

December 31, 2014

VIA E-MAIL (shareholderproposals@sec.gov)

U.S. Securities and Exchange Commission
Office of Chief Counsel
Division of Corporation Finance
100 F Street, N.E. Washington, D.C. 20549

Re: Expeditors International of Washington, Inc.
Notice of Intent to Omit Shareholder Proposal from Proxy Materials Pursuant to Rule 14a-8 Promulgated under the Securities Exchange Act of 1934, as amended, and Request for No-Action Ruling

Ladies and Gentlemen:

On behalf of Expeditors International of Washington, Inc., a Washington corporation (the "**Company**"), pursuant to Rule 14a-8(j) under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), I am writing to notify the U.S. Securities and Exchange Commission (the "**Commission**") of the Company's intention to exclude the shareholder proposal co-filed by the AFL-CIO Equity Index Fund and the New York State Common Retirement Fund (the "**Proposal**" submitted by the "**Proponents**") on November 17, 2014 from the proxy materials for the 2015 Annual Meeting of Shareholders (collectively, the "**2015 Proxy Materials**").

The Company respectfully requests that the Commission's Division of Corporation Finance staff (the "**Staff**") not recommend that enforcement action be taken by the Commission if the Company excludes the Proposal from the Company's 2015 Proxy Materials. The Proposal is properly excluded under Rule 14a-8(i)(9) because the Proposal would directly conflict with the Company's own proposal seeking shareholder approval of the Company's 2015 Stock Option Plan (the "**Plan**" or the "**2015 Stock Option Plan**"), which includes specific provisions relating to time-based vesting and accelerated vesting of equity awards.

Pursuant to Staff Legal Bulletin 14D (November 7, 2008), the Company is transmitting this letter by electronic mail to the Staff at shareholderproposals@sec.gov, and has concurrently submitted a copy of this correspondence to the Proponents. The Company has submitted this letter to the Commission no less than eighty (80) calendar days before the Company expects to file its definitive 2015 Proxy Materials with the Commission. Pursuant to Rule 14a-8(k) and Section E of Staff Legal Bulletin 14D, the Company requests that the Proponents copy the undersigned on any correspondence that the Proponents may choose to submit to the Staff in response to this submission. In accordance with Section F of Staff Legal Bulletin 14F (October 18, 2011), the Staff should transmit its response to this no-action request by email to Brad Powell at brad.powell@expeditors.com.

I. The Proposal

The Proposal states:

RESOLVED: Shareholders of Expeditors International of Washington (the

"Company") urge the Compensation Committee ("Committee") to adopt a policy that all equity compensation plans submitted to shareholders for approval under Section 162(m) of the Internal Revenue Code will specify the awards to senior executive officers only that will result from performance. This policy shall require shareholder approval of quantifiable performance metrics, numerical formulas and payout schedules ("performance standards") for at least a majority of awards to the senior executive officers. If the Committee wants to use performance standards containing confidential or proprietary information it believes should not be disclosed in advance, they can be used for the non-majority of awards to the senior executive officers. If changing conditions make previously approved performance standards inappropriate, the Committee may adjust the performance standards and resubmit them for shareholder ratification. This policy should be implemented so as not to violate existing contractual obligations or the terms of any compensation or benefit plan currently in effect.

A copy of the AFL-CIO letter, Proposal and supporting statement is attached to this letter as Exhibit A, and a copy of the New York State Common Retirement Fund letter, Proposal and supporting statement is attached to this letter as Exhibit B. As stated in the AFL-CIO letter, the two identical proposals are co-filed for presentation at the 2015 Annual Meeting.

II. The Proposal May Be Excluded Under Rule 14a-8(i)(9) Because the Proposal Directly Conflicts with the Company's Own Proposal Seeking Shareholder Approval of the Company's 2015 Stock Option Plan

The Company respectfully requests that the Staff concur in our view that the Proposal may be excluded from the 2015 Proxy Materials pursuant to Rule 14a-8(i)(9) because the Proposal directly conflicts with the Company's own proposal seeking shareholder approval of the Plan at the 2015 Annual Meeting.

Rule 14a-8(i)(9) permits a company to exclude a shareholder proposal from its proxy materials "if the proposal directly conflicts with one of the company's own proposals to be submitted to shareholders at the same meeting." The Commission has stated that, in order for this exclusion to be available, the proposals need not be "identical in scope or focus." Exchange Act Release No. 34-40018, n. 27 (May 21, 1998). As noted below, consistent with the Commission's position, the Staff has concurred that where a shareholder proposal and a company-sponsored proposal present alternative and conflicting decisions for shareholders and that submitting both proposals could provide inconsistent and ambiguous results, the shareholder proposal may be excluded under Rule 14a-8(i)(9).

In order to provide the Company's shareholders with regular, meaningful and binding input regarding the Company's compensation programs, the Company has for the last decade adopted annual stock option plans. In 2015, just as in prior years, the Company is proposing to submit the 2015 Stock Option Plan to shareholders for approval at the 2015 Annual Meeting. The Plan and accompanying form of option agreement is anticipated to be substantially identical to the 2014 stock option plan and accompanying form of agreement that were submitted to, and approved by, shareholders at the 2014 Annual Meeting. The Company's Board of Directors will vote at the next Board meeting in late February 2015 to approve and submit the Plan to shareholders. If the Plan is approved by the Board of

Directors, the Company will submit the Plan to shareholders at the 2015 Annual Meeting for approval. The Company will confirm in a supplemental letter to the Staff no later than February 27, 2015 either that (1) a proposal seeking shareholder approval of the Plan, including the provision described below, will be included as a company-sponsored proposal in the Company's 2015 Proxy Materials, or (2) a company-sponsored proposal seeking shareholder approval of the Plan will not be included in the Company's 2015 Proxy Materials, in which case the Company will include the Proposal in the 2015 Proxy Materials.

Similar to the prior years' stock option plans, it is anticipated that the Plan to be approved by the Company's Board of Directors will contain the following provision relating to the time-based vesting schedule of awards (Section 5(e) of the Plan):

> "The vesting schedule for each Option shall be fifty percent (50%) vested three (3) years from the Date of Grant, seventy-five percent (75%) vested four (4) years from the Date of Grant and one hundred percent (100%) vested five (5) years from the Date of Grant."

This time-based vesting provision is consistent with all stock option plans submitted to, and approved by, the Company's shareholders over the last ten years.

The Proposal would ask the Company's Board of Directors to adopt a policy that all equity compensation plans submitted to shareholders for approval under Section 162(m) of the Internal Revenue Code will specify the awards to senior executive officers will be performance based, such that the vesting or exercisability date of options would be based not on the passage of time, but the satisfaction of performance criteria. At the same meeting, the Company's proposal requesting approval of the Plan establishes a stock option plan with a clear, time-based vesting schedule for all options, which automatically accelerate upon certain non-performance based events (change of control). Therefore, the Company believes that the Proposal directly conflicts with the above-referenced provision of the Plan.

If shareholders were to vote on both the Plan and the directly conflicting Proposal, the resulting votes would be inconsistent and ambiguous as to how time-based vesting and acceleration of vesting should be addressed by the Company and its Compensation Committee in the event that both the Plan and the Proposal were approved.

The Staff has consistently permitted the exclusion of shareholder proposals under Rule 14a-8(i)(9) and its predecessor, Rule 14a-8(c)(9), where an affirmative vote on both the shareholder proposal and a company-sponsored proposal would lead to an inconsistent, ambiguous or inconclusive mandate from the company's shareholders, including when a shareholder proposal seeks to limit or restrict the forms or terms and conditions of equity compensation to senior executives and the company seeks approval of an equity-based compensation plan.[1] Specifically, in Abercrombie & Fitch Co. (May 2, 2005), the Staff

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[1] See, e.g., Southwestern Energy Company (March 7, 2013) (proposal limiting acceleration of vesting of any equity award granted to any senior executive conflicted with the terms and conditions of the stock plan submitted by the company for shareholder approval which provided for acceleration of vesting upon a change of control); McKesson Corporation (May 1, 2013) (proposal limiting acceleration of vesting of any equity award granted to any senior executive conflicted with the terms and conditions of the stock plan submitted by the company for shareholder approval); The Charles Schwab Corporation (February 19,

concurred that there was some basis for the view that Abercrombie could exclude a proposal that stock options be performance-based on the basis that it conflicted with the stock option plan submitted by Abercrombie for stockholder approval which only provided for options with time-based vesting.

Thus, since the Proposal requires the vesting or exercisability date of compensatory stock options granted to senior executives be based on the achievement of (or failure to achieve) certain performance criteria, they directly conflict with the proposed Plan under which the basis for determining the vesting and exercisability of stock options is the passage of a specific period of time or the occurrence of a certain specific, non-performance related events (e.g., change in control).

It is important to note that the direct and unavoidable conflict between the Proposal and the Company proposal is clearly distinguishable from proposals that future stock option grants to senior executives be performance-based under plans granting broad authority to apply any or no performance criteria. See, e.g., Goldman Sachs Group, Inc. (Jan. 3, 2003); Texas Instruments Incorporated (Jan. 8, 2003); Safeway Inc. (Mar. 10, 2003); Kohl's Corporation (Mar. 10, 2003). In those cases, the application of performance criteria was specifically contemplated (or at least permitted) by the governing plan documents on a discretionary grant-by-grant basis, even if such application was not mandated by the plan. However, under the proposed Plan, as with all prior shareholder-approved plans, performance criteria are not contemplated by the Plan, and the plan administrator has no discretion to modify the time-based vesting of awards. The vesting and exercise date of stock options is established on a time-based schedule which automatically accelerates upon the occurrence of a certain specific, non-performance based event (change of control). While the governing plan documents permit the further acceleration of awards, the Plan provides that the "vesting schedule for each Option shall be" the time based vesting schedule set forth in the Plan and the option "shall accelerate" upon a change of control as set forth in the Plan. Consequently, the plan administrator will have no discretion to modify the time-based vesting of awards or acceleration of the vesting upon a change of control. As a result, the Plan is in direct contradiction to the policy outlined in the Proposal.

Because the Proposal and the Plan are in direct conflict with respect to time-based vesting and the acceleration of vesting of executive equity awards following a change in control, the inclusion in the 2015 Proxy Materials of both the Proposal and the Company's proposal for the approval of the Plan would present alternative and conflicting decisions for the Company's shareholders, and an affirmative vote on both the Proposal and the Company's proposal would lead to an inconsistent, ambiguous and inconclusive mandate from the shareholders.

For the foregoing reasons, we believe that the Proposal may be excluded from the 2015 Proxy Materials under Rule 14a-8(i)(9) as directly conflicting with the Company's own proposal to

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2010) (proposal urging specified changes to an executive bonus plan conflicted with the terms and conditions of the compensation plan submitted by the company for shareholder approval); First Niagara Financial Group, Inc. (March 7, 2002) (proposal to replace stock option grants with cash bonuses conflicted with new stock option plan submitted by company); Phillips-Van Heusen Corporation (April 21, 2000) (proposal that officers and directors consider the discontinuance of all stock options and other awards conflicted with company proposal to adopt certain bonus, incentive and stock option plans).

be submitted to shareholders at the 2015 Annual Meeting.

III. Conclusion

For the foregoing reasons, the Company respectfully requests that the Staff confirm that it would not recommend enforcement action if the Company omits the Proposal from its 2015 Proxy Materials.

If you have any questions or require any additional information, please do not hesitate to call me at (206) 674-3412.

Very truly yours,

Expeditors International of
Washington, Inc.
1015 Third Avenue, 12th Floor
Seattle, WA 98104

Enclosures

cc: Maureen O'Brien
Director of Corporate Governance
Marco Consulting Group
550 W. Washington Boulevard, 9th Floor
Chicago, IL 60661

cc: Gianna M. McCarthy
Director of Corporate Governance
State of New York Office of the State Comptroller
59 Maiden Lane-30th Floor
New York, NY 10038

cc: Kimberley Anderson
Dorsey & Whitney LLP
701 5th Ave, Ste. 6100
Seattle, WA 98104

EXHIBIT A

(See attached)

CHEVY CHASE TRUST
INVESTMENT ADVISORS

7501 Wisconsin Avenue, Suite 1500W
Bethesda, Maryland 20814

ChevyChaseTrust.com

Lynn M. Panagos
SENIOR MANAGING DIRECTOR

TEL 240.497.5048 FAX 240.497.5013
lpanagos@chevychasetrust.com

Rec'd
11/19/2014

November 17, 2014

Attention: Brad Powell
Expeditors International of Washington, Inc.
1015 Third Avenue, 12th Floor
Seattle, Washington 98104

RE: AFL-CIO Equity Index Fund

Dear Mr. Powell:

In our capacity as Trustee of the AFL-CIO Equity Index Fund (the "Fund"), I write to give notice that pursuant to the 2014 proxy statement of Expeditors International of Washington, Inc. (the "Company"), the Fund intends to present the attached proposal (the "Proposal") at the 2015 annual meeting of shareholders (the "Annual Meeting") as a co-filer with the New York State Common Retirement Fund. The Fund requests that the Company include the Proposal in the Company's proxy statement for the Annual Meeting.

A letter from the Fund's custodian documenting the Fund's continuous ownership of the requisite amount of the Company's stock for at least one year prior to the date of this letter is being sent under separate cover. The Fund also intends to continue its ownership of at least the minimum number of shares required by the SEC regulations through the date of the Annual Meeting.

I represent that the Fund or its agent intends to appear in person or by proxy at the Annual Meeting to present the attached Proposal. I declare the Fund has no "material interest" other than that believed to be shared by stockholders of the Company generally.

Please direct all questions or correspondence regarding the Proposal to the attention of:

Maureen O'Brien
Director of Corporate Governance, Marco Consulting Group
550 W. Washington Boulevard, 9th Floor
Chicago, IL 60661
312-612-8446
obrien@marcoconsulting.com

Sincerely,

Lynn Panagos
Senior Vice President

Resolved: Shareholders of Expeditors International of Washington (the "Company") urge the Compensation Committee ("Committee") to adopt a policy that all equity compensation plans submitted to shareholders for approval under Section 162(m) of the Internal Revenue Code will specify the awards to senior executive officers only that will result from performance. This policy shall require shareholder approval of quantifiable performance metrics, numerical formulas and payout schedules ("performance standards") for at least a majority of awards to the senior executive officers. If the Committee wants to use performance standards containing confidential or proprietary information it believes should not be disclosed in advance, they can be used for the non-majority of awards to the senior executive officers. If changing conditions make previously approved performance standards inappropriate, the Committee may adjust the performance standards and resubmit them for shareholder ratification. This policy should be implemented so as not to violate existing contractual obligations or the terms of any compensation or benefit plan currently in effect.

Supporting Statement

The Company's 2014 advisory vote on executive compensation received support from only 44 percent of shareholders. In our opinion, this shows a disconnect between executive pay and long-term Company performance that warrants dramatic change.

We believe a major contributing factor to this pay for performance misalignment is that the recent plans submitted by the Company for shareholder approval prevented shareholders from knowing what criteria would be used to assess performance and in what way. We are also concerned that the Committee is free to pick performance standards each year to maximize awards.

The Company's current Stock Option Plan was designed to qualify under performance-based compensation rules to provide that granted options should be deductible under Section 162(m). However, when seeking shareholder approval for this plan---which is a requirement under 162(m)—the board of directors neglects to disclose performance expectations for senior executive officers.

We do not believe such complete discretion for the Committee gives shareholders confidence executive pay will be properly aligned with Company performance. Under this proposal, the Committee continues to have complete discretion in selecting any number of metrics and to structure them as it feels appropriate. But under this proposal, the Company must, when submitting a plan for shareholder approval, specify for shareholders the performance standards establishing the link between the Company performance and specific awards—a common practice in the United Kingdom. By way of illustration, not intended to limit the Company's discretion, examples satisfying this proposal are:

- if the Company's share price increases 10 percent over its Peer Group for a 36-month period, the CEO shall receive a grant of 100,000 Company shares.
- if the Company's operating income increases 10 percent over five years, the CEO shall receive a grant of 100,000 Company shares.

EXHIBIT B

(See attached)

THOMAS P. DiNAPOLI
STATE COMPTROLLER

DIVISION OF CORPORATE GOVERNANCE
59 Maiden Lane-30th Floor
New York, NY 10038
Tel: (212) 383-1343

STATE OF NEW YORK
OFFICE OF THE STATE COMPTROLLER

November 17, 2014

Amy J. Scheer
Vice President, General Counsel
and Secretary
Expeditors International of Washington, Inc.
1015 Third Avenue
Seattle, Washington 98104

Dear Ms. Scheer:

The Comptroller of the State of New York, Thomas P. DiNapoli, is the trustee of the New York State Common Retirement Fund (the "Fund") and the administrative head of the New York State and Local Retirement System. The Comptroller has authorized me to inform of his intention to offer the enclosed shareholder proposal for consideration of stockholders at the next annual meeting.

I submit the enclosed proposal to you in accordance with rule 14a-8 of the Securities Exchange Act of 1934 and ask that it be included in your proxy statement.

A letter from J.P. Morgan Chase, the Fund's custodial bank verifying the Fund's ownership of Expeditors International of Washington, Inc. shares, continually for over one year, is enclosed. The Fund intends to continue to hold at least $2,000 worth of these securities through the date of the annual meeting.

We would be happy to discuss this initiative with you. Should the Expeditors International of Washington, Inc. board decide to endorse its provisions as company policy, the Comptroller will ask that the proposal be withdrawn from consideration at the annual meeting. Please feel free to contact me at (212) 383-1343 should you have any further questions on this matter.

Very truly yours,

Gianna M. McCarthy
Director of Corporate Governance

Enclosures

Resolved: Shareholders of Expeditors International of Washington (the "Company") urge the Compensation Committee ("Committee") to adopt a policy that all equity compensation plans submitted to shareholders for approval under Section 162(m) of the Internal Revenue Code will specify the awards to senior executive officers only that will result from performance. This policy shall require shareholder approval of quantifiable performance metrics, numerical formulas and payout schedules ("performance standards") for at least a majority of awards to the senior executive officers. If the Committee wants to use performance standards containing confidential or proprietary information it believes should not be disclosed in advance, they can be used for the non-majority of awards to the senior executive officers. If changing conditions make previously approved performance standards inappropriate, the Committee may adjust the performance standards and resubmit them for shareholder ratification. This policy should be implemented so as not to violate existing contractual obligations or the terms of any compensation or benefit plan currently in effect.

Supporting Statement

The Company's 2014 advisory vote on executive compensation received support from only 44 percent of shareholders. In our opinion, this shows a disconnect between executive pay and long-term Company performance that warrants dramatic change.

We believe a major contributing factor to this pay for performance misalignment is that the recent plans submitted by the Company for shareholder approval prevented shareholders from knowing what criteria would be used to assess performance and in what way. We are also concerned that the Committee is free to pick performance standards each year to maximize awards.

The Company's current Stock Option Plan was designed to qualify under performance-based compensation rules to provide that granted options should be deductible under Section 162(m). However, when seeking shareholder approval for this plan---which is a requirement under 162(m)—the board of directors neglects to disclose performance expectations for senior executive officers.

We do not believe such complete discretion for the Committee gives shareholders confidence executive pay will be properly aligned with Company performance. Under this proposal, the Committee continues to have complete discretion in selecting any number of metrics and to structure them as it feels appropriate. But under this proposal, the Company must, when submitting a plan for shareholder approval, specify for shareholders the performance standards establishing the link between the Company performance and specific awards—a common practice in the United Kingdom. By way of illustration, not intended to limit the Company's discretion, examples satisfying this proposal are:

- if the Company's share price increases 10 percent over its Peer Group for a 36-month period, the CEO shall receive a grant of 100,000 Company shares.
- if the Company's operating income increases 10 percent over five years, the CEO shall receive a grant of 100,000 Company shares.

J.P.Morgan

Daniel F. Murphy

Vice President
CIB Client Service Americas

November 17, 2014

Ms. Amy J. Scheer
Vice President, General Counsel and Secretary
Expeditors International of Washington, Inc.
1015 Third Ave
Seattle, WA 98104

Dear Ms. Scheer:

This letter is in response to a request by The Honorable Thomas P. DiNapoli, New York State Comptroller, regarding confirmation from JP Morgan Chase that the New York State Common Retirement Fund has been a beneficial owner of Expeditors International of Washington, Inc. continuously for at least one year as of and including November 17, 2014.

Please note that J.P. Morgan Chase, as custodian for the New York State Common Retirement Fund, held a total of 535,109 shares of common stock as of November 17, 2014 and continues to hold shares in the company. The value of the ownership stake continuously held by the New York State Common Retirement Fund had a market value of at least $2,000.00 for at least twelve months prior to, and including, said date.

If there are any questions, please contact me or Miriam Awad at (212) 623-8481.

Regards,

Daniel F. Murphy

cc: Gianna McCarthy – NSYCRF
Eric Shostal - NYSCRF

4 Chase Metrotech Center 11th Floor, Brooklyn, NY 11245
Telephone: +1 212 623 8536 Facsimile: +1 718 242 1209 daniel.f.murphy@jpmorgan.com
JPMorgan Chase Bank, N.A.