



DIVISION OF  
CORPORATION FINANCE

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

February 1, 2018

Keir D. Gumbs  
Covington & Burling LLP  
kgumbs@cov.com

Re: Illumina, Inc.  
Incoming letter dated January 9, 2018

Dear Mr. Gumbs:

This letter is in response to your correspondence dated January 9, 2018 concerning the shareholder proposal (the "Proposal") submitted to Illumina, Inc. (the "Company") by James McRitchie (the "Proponent") for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders. We also have received correspondence on the Proponent's behalf dated January 10, 2018, January 14, 2018, January 17, 2018, January 22, 2018 and January 28, 2018. Copies of all of the correspondence on which this response is based 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  
Senior Special Counsel

Enclosure

cc: John Chevedden  
\*\*\*

February 1, 2018

**Response of the Office of Chief Counsel**  
**Division of Corporation Finance**

Re: Illumina, Inc.  
Incoming letter dated January 9, 2018

The Proposal asks that the board take the steps necessary to reorganize the board into one class with each director subject to election each year.

There appears to be some basis for your view that the Company may exclude the Proposal under rule 14a-8(i)(8)(ii) to the extent it could, if implemented, disqualify directors previously elected from completing their terms on the board. It appears, however, that this defect could be cured if the Proposal were revised to provide that it will not affect the unexpired terms of directors elected prior to the Proposal's implementation. Accordingly, unless the Proponent provides the Company with a proposal revised in this manner, within seven calendar days after receiving this letter, we will not recommend enforcement action to the Commission if the Company omits the Proposal from its proxy materials in reliance on rule 14a-8(i)(8)(ii).

Sincerely,

Evan S. Jacobson  
Special Counsel

**DIVISION OF CORPORATION FINANCE**  
**INFORMAL PROCEDURES REGARDING SHAREHOLDER PROPOSALS**

The Division of Corporation Finance believes that its responsibility with respect to matters arising under Rule 14a-8 [17 CFR 240.14a-8], as with other matters under the proxy rules, is to aid those who must comply with the rule by offering informal advice and suggestions and to determine, initially, whether or not it may be appropriate in a particular matter to recommend enforcement action to the Commission. In connection with a shareholder proposal under Rule 14a-8, the Division's staff considers the information furnished to it by the company in support of its intention to exclude the proposal from the company's proxy materials, as well as any information furnished by the proponent or the proponent's representative.

Although Rule 14a-8(k) does not require any communications from shareholders to the Commission's staff, the staff will always consider information concerning alleged violations of the statutes and rules administered by the Commission, including arguments as to whether or not activities proposed to be taken would violate the statute or rule involved. The receipt by the staff of such information, however, should not be construed as changing the staff's informal procedures and proxy review into a formal or adversarial procedure.

It is important to note that the staff's no-action responses to Rule 14a-8(j) submissions reflect only informal views. The determinations reached in these no-action letters do not and cannot adjudicate the merits of a company's position with respect to the proposal. Only a court such as a U.S. District Court can decide whether a company is obligated to include shareholder proposals in its proxy materials. Accordingly, a discretionary determination not to recommend or take Commission enforcement action does not preclude a proponent, or any shareholder of a company, from pursuing any rights he or she may have against the company in court, should the company's management omit the proposal from the company's proxy materials.

January 28, 2018

Office of Chief Counsel  
Division of Corporation Finance  
Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549

**# 5 Rule 14a-8 Proposal**  
**Illumina Inc. (ILMN)**  
**Elect Each Director Annually**  
**James McRitchie**

Ladies and Gentlemen:

This is in regard to the January 9, 2018 no-action request.

The company could have taken the same approach as it did in 2016 with *Illumina, Inc.* (March 18, 2016) – and announce plans to publish a 2018 company proposal to ratify the existing classified board. The 2016 proposal was for a simple majority vote standard. Both the declassify topic and the simple majority vote topic often obtain 50% to 60% shareholder support.

The company ratification of its super majority voting standard obtained 22% shareholder support in 2016. Its publication also robbed 2016 shareholders of the opportunity to consider both sides of the simple majority vote topic. Had the 2016 shareholder proposal been published then shareholders would have had the opportunity to consider both sides of the debate in regard to simple majority voting. Plus the company would have saved the cost of the no action request and the Staff would have saved the time of evaluating the no action request.

The company had the expense of the 2016 no action request and it still had had expense of publishing a ratification proposal it never intended to publish in 100-years had it not first received a shareholder proposal.

It would have been less expensive for the company to simply publish the 2016 simple majority vote proposal. Plus 2016 shareholders would have received the value of reading both sides of the debate in regard to simple majority voting.

This is to request that the Securities and Exchange Commission allow this resolution to stand and be voted upon in the 2018 proxy.

Sincerely,

  
John Chevedden

cc: James McRitchie  
Scott M. Davies <sdavies@illumina.com>

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January 22, 2018

Office of Chief Counsel  
Division of Corporation Finance  
Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549

**# 4 Rule 14a-8 Proposal**  
**Illumina Inc. (ILMN)**  
**Elect Each Director Annually**  
**James McRitchie**

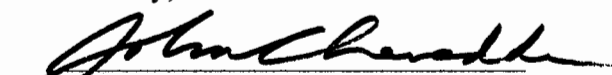
Ladies and Gentlemen:

This is in regard to the January 9, 2018 no-action request.

Attached is the resolved statement from *ES Bancshares, Inc.* (February 2, 2011) mentioned on the bottom of page 2 of the company letter.

This is to request that the Securities and Exchange Commission allow this resolution to stand and be voted upon in the 2018 proxy.

Sincerely,

  
John Chevedden

cc: James McRitchie

Scott M. Davies <sdavies@illumina.com>

January 5, 2011

Via Federal Express

Corporate Secretary  
ES Bancshares, Inc.  
68 North Plank Road  
Newburgh, NY 12550

This letter is a notice of a stockholder proposal (the "Proposal") to be presented at the next annual meeting of ES Bancshares, Inc. (the "Corporation"), which the undersigned requests be included in the Corporation's proxy materials for the Corporation's 2011 Annual Meeting of Stockholders (the "2011 Annual Meeting"). The Proposal is intended to comply with the definition and requirements of the term "proposal" as described in Rule 14a-8 of the Securities Exchange Act of 1934.

The Proposal is submitted by Leslie M Apple, \*\*\* FISMA & OMB Memorandum M-07-16 \*\*\* and the Melissa Brown Trust UA 12-1-83 (the "Melissa Brown Trust")\*\* FISMA & OMB Memorandum M-07-16 \*\* each of whom is a beneficial owner of shares of the Corporation's voting common stock ("shares"). As evidenced by the enclosed copies of the most recently issued account statements, Leslie M Apple is and has continuously since October 10, 2008, been the beneficial owner of 2,500 shares, currently held of record by Deutsche Bank Alex. Brown, a division of Deutsche Bank Securities, Inc. ("Deutsche Bank") and the Melissa Brown Trust has continuously since 2006 been the beneficial owner of 8,750 shares, currently held of record by Deutsche Bank. Since 2006, Leslie M. Apple also has and continues to be the beneficial owner of 25,000 shares, all of which were issued by the Corporation as part of its initial issuance of its common stock and all of which have been reported to the Securities and Exchange Commission in filings made by the Corporation.

The Proposal is as follows:

**RESOLVED**, that effective on the date of the approval of this resolution as provided in Article 7.D. of the Corporation's Articles of Incorporation, Anthony P. Costa and Philip Guarnieri be and each of them hereby is removed for cause as Directors of the Corporation.

Reasons for conducting this business at the annual meeting: In our opinion,

1. From the inception of the Corporation, the annual meeting is the occasion for the stockholders of the Corporation to vote on matters for its consideration.
2. Mr. Costa has been the chairman of the Corporation's Board of Directors since its inception, and Mr. Guarnieri, as the Corporation's President, has been an influential member of the Board.
3. Messrs Costa and Guarnieri negligently allowed the Corporation to lose \$1 million by investing Corporation funds in a certificate of deposit issued by a small bank and then not prudently monitoring the issuer's financial condition. The bank failed and the Corporation forfeited \$1 million.

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January 17, 2018

Office of Chief Counsel  
Division of Corporation Finance  
Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549

**# 3 Rule 14a-8 Proposal**  
**Illumina Inc. (ILMN)**  
**Elect Each Director Annually**  
**James McRitchie**

Ladies and Gentlemen:

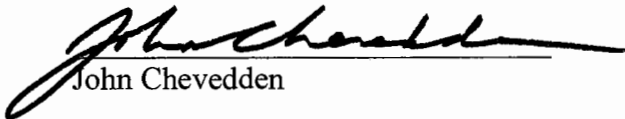
This is in regard to the January 9, 2018 no-action request.

*The Brink's Company* (January 17, 2014) provided a solution to satisfy the company no action request.

The company did not provide one example where a proponent was not allowed to revise text according to Staff directions consistent with *The Brink's Company*.

This is to request that the Securities and Exchange Commission allow this resolution to stand and be voted upon in the 2018 proxy.

Sincerely,

  
John Chevedden

cc: James McRitchie

Scott M. Davies <sdavies@illumina.com>

January 14, 2018

Office of Chief Counsel  
Division of Corporation Finance  
Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549

**# 2 Rule 14a-8 Proposal**  
**Illumina Inc. (ILMN)**  
**Elect Each Director Annually**  
**James McRitchie**

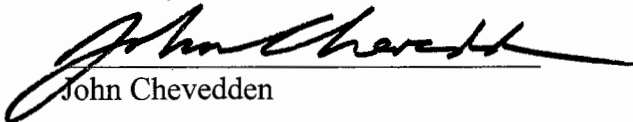
Ladies and Gentlemen:

This is in regard to the January 9, 2018 no-action request.

This no action request is signed by the same person who requested *Illumina, Inc.* (March 18, 2016). The company proposal that was concocted to obtain *Illumina, Inc.* got a measly 22% supporting vote from shareholders according to the next page.

This is to request that the Securities and Exchange Commission allow this resolution to stand and be voted upon in the 2018 proxy.

Sincerely,



John Chevedden

cc: James McRitchie

Scott M. Davies <sdavies@illumina.com>



**Item 5.07 Submission of Matters to a Vote of Security Holders.**

Illumina, Inc.'s 2016 annual meeting of stockholders (the "Annual Meeting") was held on May 18, 2016, at which the company's stockholders voted upon the following proposals:

1. The election of Frances Arnold, Francis A. deSouza, and Karin Eastham to our Board of Directors to hold office for three years until the annual meeting of stockholders in the year 2019. This proposal was approved.
2. The ratification of the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for the fiscal year ending January 1, 2017. This proposal was approved.
3. On an advisory basis, approval of the compensation paid to the Company's "named executive officers" as disclosed in the Company's Proxy Statement for the Annual Meeting. This proposal was approved.
4. On an advisory basis, the ratification of certain supermajority voting provisions in the Company's certificate of incorporation and bylaws. This proposal was not approved.

According to the inspector of election, stockholders present in person or by proxy representing 134,592,539 shares of the Company's common stock voted on the proposals presented as follows:

**Proposal 1 Votes regarding the election of three director nominees were:**

	<u>For</u>	<u>Against</u>	<u>Abstain</u>	<u>Broker Non-Votes</u>
Frances Arnold	123,919,056	694,132	32,513	9,946,838
Francis A. deSouza	120,962,339	3,654,136	29,226	9,946,838
Karin Eastham	122,897,975	1,716,717	31,009	9,946,838

**Proposal 2 Votes regarding the ratification of the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for the fiscal year ending January 1, 2017, were:**

<u>For</u>	<u>Against</u>	<u>Abstain</u>	<u>Broker Non-Votes</u>
133,174,156	1,355,288	63,095	0

**Proposal 3 Votes regarding the approval, on an advisory basis, of the compensation paid to the Company's "named executive officers" as disclosed in the Company's Proxy Statement for the Annual Meeting were:**

<u>For</u>	<u>Against</u>	<u>Abstain</u>	<u>Broker Non-Votes</u>
122,710,403	1,717,843	217,455	9,946,838

**Proposal 4 Votes regarding the approval, on an advisory basis, of the ratification of certain supermajority voting provisions in the Company's certificate of incorporation and bylaws were:**

<u>For</u>	<u>Against</u>	<u>Abstain</u>	<u>Broker Non-Votes</u>
27,548,871	97,037,561	59,269	9,946,838

22%

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January 10, 2018

Office of Chief Counsel  
Division of Corporation Finance  
Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549

**# 1 Rule 14a-8 Proposal**  
**Illumina Inc. (ILMN)**  
**Elect Each Director Annually**  
**James McRitchie**

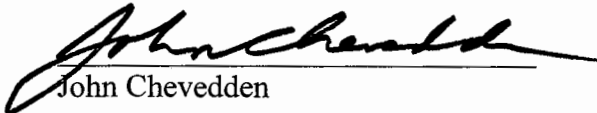
Ladies and Gentlemen:

This is in regard to the January 9, 2018 no-action request.

*The Brink's Company* (January 17, 2014) provided a solution to satisfy the company no action request.

This is to request that the Securities and Exchange Commission allow this resolution to stand and be voted upon in the 2018 proxy.

Sincerely,

  
John Chevedden

cc: James McRitchie

Scott M. Davies <sdavies@illumina.com>

January 17, 2014

**Response of the Office of Chief Counsel  
Division of Corporation Finance**

Re: The Brink's Company  
Incoming letter dated December 18, 2013

The proposal asks that the company take the steps necessary to reorganize the board into one class with each director subject to election each year.

We are unable to concur in your view that Brink's may exclude the proposal under rules 14a-8(b) and 14a-8(f). In this regard, we note that John Chevedden submitted the proposal on behalf of William Steiner, the proponent, and a written statement was provided to Brink's verifying that the proponent satisfied the minimum ownership requirement for the one-year period required by rule 14a-8(b). Accordingly, we do not believe that Brink's may omit the proposal from its proxy materials in reliance on rules 14a-8(b) and 14a-8(f).

There appears to be some basis for your view that Brink's may exclude the proposal under rule 14a-8(i)(8) to the extent it could, if implemented, disqualify directors previously elected from completing their terms on the board. It appears, however, that this defect could be cured if the proposal were revised to provide that it will not affect the unexpired terms of directors elected to the board at or prior to the upcoming annual meeting. Accordingly, unless the proponent provides Brink's with a proposal revised in this manner, within seven calendar days after receiving this letter, we will not recommend enforcement action to the Commission if Brink's omits the proposal from its proxy materials in reliance on rule 14a-8(i)(8).

Sincerely,

Norman von Holtendorff  
Attorney-Adviser

[ILMN: Rule 14a-8 Proposal, November 26, 2017]  
[This line and any line above it – Not for publication.]  
ITEM 4\* – Elect Each Director Annually

RESOLVED: Illumina Inc. shareholders ask that our Board take the steps necessary to reorganize the Board of Directors into one class with each director subject to election each year and to complete this transition within one-year.

Supporting Statement: Arthur Levitt, former Chairman of the Securities and Exchange Commission said, "In my view it's best for the investor if the entire board is elected once a year. Without annual election of each director shareholders have far less control over who represents them."

In 2010 over 70% of S&P 500 companies had annual election of directors. Now that number stands at 89%. Most (65%) mid-caps have also declassified their boards. It is time for to join the 21st century.

Shareholder resolutions on this topic won 81% support at Kite Pharma, 63% at Netflix, 83% at New Media Investment, 71% at Citizens First, and 87% at Sevcon.

According to Equilar: "A classified board creates concern among shareholders because poorly performing directors may benefit from an electoral reprieve. Moreover, a fraternal atmosphere may form from a staggered board that favors the interests of management above those of shareholders. Since directors in a declassified board are elected and evaluated each year, declassification promotes responsiveness to shareholder demands and pressures directors to perform to retain their seat. Notably, proxy advisory firms ISS and Glass Lewis both support declassified structures."

This proposal should also be evaluated in the context of our Company's overall corporate governance: Shareholders cannot take action by written consent and cannot call special meetings. The combined effect is to reduce board accountability to shareholders.

Please vote for: Elect Each Director Annually – Proposal [4\*]  
[This line and any below are *not* for publication]  
Number 4\* to be assigned by ILMN

# COVINGTON

BEIJING BRUSSELS LONDON NEW YORK  
SAN DIEGO SAN FRANCISCO SEOUL  
SHANGHAI SILICON VALLEY WASHINGTON

**Keir D. Gumbs**

Covington & Burling LLP  
One CityCenter  
850 Tenth Street, NW  
Washington, DC 20001-4956  
T +1 202 662 5500  
kgumbs@cov.com

January 9, 2018

VIA E-MAIL: [shareholderproposals@sec.gov](mailto:shareholderproposals@sec.gov)

Office of Chief Counsel  
Division of Corporation Finance  
Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549

Re: Shareholder Proposal of James McRitchie

Ladies and Gentlemen:

This letter and the enclosed materials are submitted on behalf of Illumina, Inc. (the “Company”) to notify the Securities and Exchange Commission (the “Commission”) that the Company intends to omit from its proxy statement and form of proxy for its 2018 Annual Meeting of Shareholders (the “2018 Proxy Materials”) a shareholder proposal and supporting statement (the “Proposal”) submitted by James McRitchie (the “Proponent”). We also request confirmation that the staff of the Division of Corporation Finance (the “Staff”) will not recommend enforcement action to the Commission if the Company omits the Proposal from the 2018 Proxy Materials for the reasons discussed below.

In accordance with Section C of Staff Legal Bulletin No. 14D (Nov. 7, 2008), we are emailing this letter to the Staff at [shareholderproposals@sec.gov](mailto:shareholderproposals@sec.gov). In accordance with Rule 14a-8(j) of the Securities Exchange Act of 1934, as amended, we are simultaneously sending a copy of this letter and its attachments to the Proponent as notice of the Company’s intent to omit the proposal from the 2018 Proxy Materials. Likewise, we take this opportunity to inform the Proponent that if the Proponent elects to submit any correspondence to the Commission or the Staff with respect to the Proposal, a copy of that correspondence should be provided concurrently to the undersigned on behalf of the Company.

## THE PROPOSAL

The Proposal (attached hereto as Exhibit A) provides in pertinent part:

RESOLVED: Illumina Inc. shareholders ask that our Board take the steps necessary to reorganize the Board of Directors into one class with each director subject to election each year and to complete this transition within one-year.

## BASIS FOR EXCLUSION

The Company hereby respectfully requests that the Staff concur in its view that the Company may exclude the Proposal from the 2018 Proxy Materials pursuant to Rule 14a-8(i)(8)(ii), which provides that a shareholder proposal may be omitted from a company's proxy materials if the proposal would remove a director from office before his or her term expired. As described in greater detail below, the Proposal would have the effect of removing several members of the Company's Board of Directors (the "Board") from their positions on the Board prior to the expiration of the terms for which they were duly elected. As a result, the Company may exclude the Proposal from the 2018 Proxy Materials under Rule 14a-8(i)(8).

## ANALYSIS

### **The Proposal May Be Excluded Under Rule 14a-8(i)(8) Because it Would Remove Directors from Office Before Their Terms Expire**

Rule 14a-8(i)(8)(ii) allows a company to exclude a shareholder proposal from its proxy statement if the proposal would remove a director from office before his or her term expired. The purpose of Rule 14a-8(i)(8), according to the Commission, "is to make clear, with respect to corporate elections, that Rule 14a-8 is not the proper means for conducting campaigns or effecting reforms in elections of that nature, since other proxy rules, including Rule 14a-11, are applicable thereto." SEC Release No. 34-12598 (July 7, 1976). With this in mind, the Commission amended Rule 14a-8(i)(8) in 2010 to codify a long-standing position of the Staff pursuant to which the Commission permitted the exclusion of shareholder proposals that would have removed a director from office before his or her term expired. *See generally* SEC Release No. 34-60089 (June 10, 2009).

The Company has a classified Board comprised of directors that were elected to three-year terms. In any given year, approximately one-third of the Board is up for election, while the remaining directors are not up for election until one of the following two annual meetings of shareholders. As a result of this governance structure, six of the Company's directors — Caroline Dorsa, Robert Epstein, Philip Schiller, Frances Arnold, Francis deSouza and Karin Eastham — will not be standing for reelection until the Company's 2019 or 2020 annual meetings of shareholders. As drafted, however, the Proposal would require that the Company reorganize the Board into one class with each director subject to election each year and to complete this transition within one year. Thus, if the Proposal were to be implemented, it would remove the six members of the Company's Board mentioned above from office prior to the expiration of their terms, thereby providing a basis for exclusion of the Proposal under Rule 14a-8(i)(8).

The Staff has allowed the exclusion of numerous shareholder proposals in similar circumstances. *See, for example, ES Bancshares, Inc.* (Feb 2, 2011) (proposal seeking removal of members of the board excludable under Rule 14a-8(i)(8)); *Commonwealth Biotechnologies, Inc.* (Dec. 28, 2010) (proposal seeking removal of members of the board excludable under Rule 14a-8(i)(8)). The Staff has extended this approach to proposals like the Proposal, where the proposal seeks the implementation of annual director elections, but would have the effect of removing sitting directors prior to the expiration of their terms. *See,*

*e.g., Simpson Manufacturing Co., Inc.* (Jan. 25, 2017) (proposal requesting that the board eliminate the classification of the board and requiring that all directors elected by shareholders to be elected on an annual basis, excludable under Rule 14a-8(i)(8), where the Staff noted “There appears to be some basis for your view that Simpson Manufacturing may exclude the proposal under rule 14a-8(i)(8) to the extent it could, if implemented, disqualify directors previously elected from completing their terms on the board”); *NeuStar, Inc.* (Mar. 19, 2014) (proposal requesting that the board be reorganized into one class with directors elected every year, excludable under Rule 14a-8(i)(8), where the Staff noted “There appears to be some basis for your view that NeuStar may exclude the proposal under rule 14a-8(i)(8) to the extent it could, if implemented, disqualify directors previously elected from completing their terms on the board”); *The Brink’s Company* (Jan. 17, 2014) (same); *Kinetic Concepts, Inc.* (Mar. 21, 2011) (same).

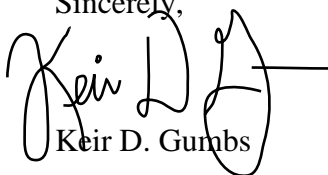
Here, as was the case in each of the letters cited above, the Proposal would remove members of the Company’s Board from office before their terms expire. As a result, the Company is entitled to exclude the Proposal from the 2018 Proxy Materials in reliance on Rule 14a-8(i)(8).

### CONCLUSION

Based on the foregoing facts and analysis, we respectfully request that the Staff concur that the Company may exclude the Proposal from the 2018 Proxy Materials. Should the Staff disagree with the conclusions set forth in this letter, or should you require any additional information in support of our position, we would welcome the opportunity to discuss these matters with you as you prepare your response.

We would be happy to provide you with any additional information and answer any questions that you may have regarding this subject. Correspondence regarding this letter should be sent me at [kgumbs@cov.com](mailto:kgumbs@cov.com). If we can be of any further assistance in this matter, please do not hesitate to call me at (202) 662-5500.

Sincerely,



Keir D. Gumbs

Enclosures

cc: Scott Davies, Vice President, Legal - Corporate and Commercial  
James McRitchie  
John Chevedden

**Exhibit A**

Proposal Submitted by James McRitchie



Mr. Charles E. Dadswell  
Secretary  
Illumina Inc. (ILMN)  
5200 Illumina Way  
San Diego, CA 92122  
PH: 858-202-4500  
FX: 858-202-4766  
cdadswell@illumina.com

REVISED 4 DEC 2017

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Dear Corporate Secretary,

I am pleased to be a shareholder in Illumina Inc. (ILMN) and appreciate the leadership our company has shown. However, I also believe Illumina has unrealized potential that can be unlocked through low or no cost corporate governance reform.

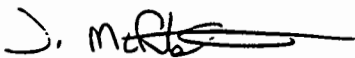
I am submitting the attached shareholder proposal (Elect Each Director Annually) for a vote at the next annual shareholder meeting. The proposal meets all Rule 14a-8 requirements, including the continuous ownership of the required stock value for over a year and I pledge to continue to hold the required amount of stock until after the date of the next shareholder meeting. My submitted format, with the shareholder-supplied emphasis, is intended to be used for definitive proxy publication.

This letter confirms that I am delegating John Chevedden to act as my agent regarding this Rule 14a-8 proposal, including its submission, negotiations and/or modification, and presentation at the forthcoming shareholder meeting. Please direct all future communications regarding my rule 14a-8 proposal to John Chevedden .  
\*\*\*

to facilitate prompt communication. Please identify me as the proponent of the proposal exclusively.

Your consideration and the consideration of the Board of Directors is appreciated in responding to this proposal. Please acknowledge receipt of my proposal promptly by email to  
\*\*\*

Sincerely,



James McRitchie

November 26, 2017

Date

cc: John Chevedden

[ILMN: Rule 14a-8 Proposal, November 26, 2017]  
[This line and any line above it – Not for publication.]  
ITEM 4\* – Elect Each Director Annually

RESOLVED: Illumina Inc. shareholders ask that our Board take the steps necessary to reorganize the Board of Directors into one class with each director subject to election each year and to complete this transition within one-year.

Supporting Statement: Arthur Levitt, former Chairman of the Securities and Exchange Commission said, "In my view it's best for the investor if the entire board is elected once a year. Without annual election of each director shareholders have far less control over who represents them."

In 2010 over 70% of S&P 500 companies had annual election of directors. Now that number stands at 89%. Most (65%) mid-caps have also declassified their boards. It is time for to join the 21st century.

Shareholder resolutions on this topic won 81% support at Kite Pharma, 63% at Netflix, 83% at New Media Investment, 71% at Citizens First, and 87% at Sevcon.

According to Equilar: "A classified board creates concern among shareholders because poorly performing directors may benefit from an electoral reprieve. Moreover, a fraternal atmosphere may form from a staggered board that favors the interests of management above those of shareholders. Since directors in a declassified board are elected and evaluated each year, declassification promotes responsiveness to shareholder demands and pressures directors to perform to retain their seat. Notably, proxy advisory firms ISS and Glass Lewis both support declassified structures."

This proposal should also be evaluated in the context of our Company's overall corporate governance: Shareholders cannot take action by written consent and cannot call special meetings. The combined effect is to reduce board accountability to shareholders.

Please vote for: Elect Each Director Annually – Proposal [4\*]  
[This line and any below are *not* for publication]  
Number 4\* to be assigned by ILMN

\*\*\*

James McRitchie,

sponsors this proposal.

Notes:

This proposal is believed to conform with Staff Legal Bulletin No. 14B (CF), September 15, 2004 including (emphasis added):

Accordingly, going forward, we believe that it would not be appropriate for companies to exclude supporting statement language and/or an entire proposal in reliance on rule 14a-8(l)(3) in the following circumstances:

- the company objects to factual assertions because they are not supported;
- the company objects to factual assertions that, while not materially false or misleading, may be disputed or countered;
- the company objects to factual assertions because those assertions may be interpreted by shareholders in a manner that is unfavorable to the company, its directors, or its officers; and/or
- the company objects to statements because they represent the opinion of the shareholder proponent or a referenced source, but the statements are not identified specifically as such.

**We believe that it is appropriate under rule 14a-8 for companies to address these objections in their statements of opposition.**

See also: Sun Microsystems, Inc. (July 21, 2005).

The stock supporting this proposal will be held until after the annual meeting and the proposal will be presented at the annual meeting. Please acknowledge this proposal promptly by email

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