



DIVISION OF  
CORPORATION FINANCE

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

March 1, 2019

Su Ping Lu  
Honeywell International Inc.  
suping.lu@honeywell.com

Re: Honeywell International Inc.  
Incoming letter dated December 21, 2018

Dear Ms. Lu:

This letter is in response to your correspondence dated December 21, 2018 concerning the shareholder proposals submitted to Honeywell International Inc. (the "Company") by Azzad Asset Management and Mercy Investment Services, Inc. (the "Azzad Proposal") and David Almasi (the "Almasi Proposal," collectively with the Azzad Proposal, the "Proposals") for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders. We also have received correspondence from Azzad Asset Management dated February 20, 2019. 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,

M. Hughes Bates  
Special Counsel

Enclosure

cc: Joshua A. Brockwell  
Azzad Asset Management  
joshua@azzad.net

David Almasi  
dalmasi@nationalcenter.org

March 1, 2019

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

Re: Honeywell International Inc.  
Incoming letter dated December 21, 2018

The Proposals request that the Company prepare a report on lobbying expenditures that contains information specified in the Proposals.

We are unable to concur in your view that the Company may exclude the Azzad Proposal under rule 14a-8(i)(10). Based on the information you have presented, it does not appear that the Company's public disclosures compare favorably with the guidelines of the Azzad Proposal. Accordingly, we do not believe that the Company may omit the Azzad Proposal from its proxy materials in reliance on rule 14a-8(i)(10).

There appears to be some basis for your view that the Company may exclude the Almasi Proposal under rule 14a-8(i)(11). We note that the Almasi Proposal is substantially duplicative of the Azzad Proposal that will be included in the Company's 2019 proxy materials. Accordingly, we will not recommend enforcement action to the Commission if the Company omits the Almasi Proposal from its proxy materials in reliance on rule 14a-8(i)(11). In reaching this position, we have not found it necessary to address the alternative basis for omission of the Almasi Proposal upon which the Company relies.

Sincerely,

Kasey L. Robinson  
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.



February 20, 2019

VIA EMAIL ([shareholderproposals@sec.gov](mailto:shareholderproposals@sec.gov))

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

Re: Shareholder proposal of Azzad Asset Management and co-filer Mercy Investment Services; request by Honeywell International Inc. for no-action determination

Dear Sir/Madam:

Pursuant to Rule 14a-8 under the Securities Exchange Act of 1934, Azzad Asset Management (“Azzad”), together with co-filer Mercy Investment Services (together, the “Proponents”) submitted to Honeywell International Inc. (“Honeywell”) a shareholder proposal (the “Proposal”) asking Honeywell to provide an annual report disclosing its policies and procedures relating to lobbying as well as certain information regarding payments used for lobbying.

In a letter dated December 21, 2018 (the “No-Action Request”), Honeywell stated that it intends to omit the Proposal from its proxy materials being prepared for the 2019 annual meeting of shareholders. Honeywell claims that it may exclude the Proposal pursuant to Rule 14a-8(i)(10), as substantially implemented.

Honeywell’s request regarding omission of this Proposal most closely resembles the staff decisions in Abbott Laboratories (February 8, 2012 and February 5, 2013), Goldman Sachs (March 14, 2013), Marathon Oil (January 22, 2013) and Dominion Resources (February 28, 2014), where nearly identical proposals were filed with very similar arguments of substantial implementation by each of the companies. In these cases, the companies asserted that partial disclosure of policies and lobbying expenditure disclosures to government agencies sufficed to implement the proposals in question. The SEC Staff rejected the arguments that the companies’ partial measures constituted substantial implementation of the proposals. Similarly, Honeywell’s partial disclosures should not constitute substantial implementation of this Proposal and the Proposal should not be excluded from the 2019 Proxy Materials on this basis. The Company has provided no precedents in which a proposal that seeks a company disclosure report on lobbying or other company expenditures has been found to be substantially implemented based on data published elsewhere on the Internet that partially fulfills some of the data requests in a company report requested under a proposal.

**Honeywell Has Not Substantially Implemented the Proposal Because the Proposal’s Essential Objective is to Obtain Coordinated and Comprehensive Disclosure Not Provided in Honeywell’s Current Disclosure Regime**

Rule 14a-8(i)(10) permits a company to omit a shareholder proposal if the company has “substantially implemented” the proposal. The company’s actions need not be precisely the same ones requested in proposal, but the proposal’s essential objective must be satisfied and the company’s actions must “compare favorably” to the steps requested in the proposal. (See *Texaco, Inc.* (publicly available Mar. 28, 1991))

Honeywell points to its ranking in an index measuring political contributions, outreach to shareholders, the fact it has not made political contributions since at least 2009, its submission of information available in public filings pursuant to lobbying disclosure rules, its compliance process and the Company’s intent to instruct trade associations not to use its payments for political contributions as substantially implementing the Proposal. This information fails to satisfy the essential objective of the Proposal, which is to obtain a coordinated report that comprehensively discloses to shareholders the company’s lobbying policies, procedures, and expenditures (both direct and indirect), for the following reasons:

- The Proposal requests that Honeywell bring together for its shareholders in a single report information about all of Honeywell’s lobbying activities, direct and indirect. The provision of piecemeal disclosure that is available from a variety of sources – and that, as discussed below, does not cover all of the lobbying expenditures identified in the Proposal – does not accomplish this objective, as it forces shareholders to engage in extensive research to assemble, analyze, and coordinate information, all of which is already in Honeywell’s possession.
- Political contributions are not lobbying. The staff decision in *CVS Caremark* (March 15, 2013) found that a shareholder proposal seeking lobbying disclosure did not substantially duplicate a proposal seeking political contributions disclosure. Moreover, the structure of IRC Section 162(e) reinforces this by distinguishing between lobbying and campaign-related spending (i.e., political contributions). Section 162(e)(1), which contains the general non-deductibility rule, includes separate subsections for payments made in connection with “influencing legislation” (i.e., lobbying (see 26 U.S.C. section 162(e)(1)(A)) and those made in connection with “participation in, or intervention in, any political campaign on behalf of (or in opposition to) any candidate for public office” (i.e., campaign-related spending (see 26 U.S.C. section 162(e)(1)(B))). Thus, section 162(e)(1) itself distinguishes between lobbying and campaign-related spending. Honeywell’s repeated discussion of its political contributions disclosure fails to address the essential objective of the Proposal, which is to obtain a coordinated lobbying disclosure report.
- The Proposal requests that Honeywell make disclosure regarding all state lobbying activities. Honeywell fails to disclose any details on its lobbying on the state level.

- The Proposal seeks full disclosure of trade association lobbying expenditures based on Honeywell's contributions. Honeywell fails to do this.

This list of deficiencies demonstrates that Honeywell has not substantially implemented the Proposal. Both the form of Honeywell's current disclosures and the substance of Honeywell's disclosures fall significantly short of what the Proposal seeks. Accordingly, Honeywell should not be permitted to exclude the Proposal under Rule 14a-8(i)(10).

\* \* \* \*

The Proponents appreciate the opportunity to be of assistance in this matter. If you have any questions or need further information, please do not hesitate to contact me.

Very truly yours,



Joshua A. Brockwell  
Director of Investment Communications

cc: Su Ping Lu  
Assistant General Counsel and Assistant Corporate Secretary  
Honeywell International

Sr. Valerie Heinonen  
Mercy Investment Services



THE POWER OF **CONNECTED**

**Su Ping Lu**  
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December 21, 2018

BY E-MAIL

shareholderproposals@sec.gov

BY HAND

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

Re: Securities Exchange Act of 1934, as amended (the “Exchange Act”) –  
Omission of Shareholder Proposals Submitted by Azzad Asset Management (co-  
sponsored with Mercy Investment Services, Inc.) and David Almasi

Ladies and Gentlemen:

Honeywell International Inc. (“Honeywell” or the “Company”) has received shareholder proposals (the “Shareholder Proposals”) from Azzad Asset Management (co-sponsored by Mercy Investment Services, Inc. as of October 30, 2018 (the “Mercy Co-Sponsorship”), dated August 14, 2018 (the “Azzad Proposal”), and David Almasi, dated October 3, 2018 (the “Almasi Proposal”), (such proponents, the “Proponents”) for inclusion in the Company’s proxy statement and form of proxy (the “2019 Proxy Materials”) for its 2019 Annual Meeting of Shareholders (the “2019 Annual Meeting”). Honeywell seeks to omit the Shareholder Proposals from its 2019 Proxy Materials pursuant to Rule 14a-8(i)(10) and Rule 14a-8(i)(11) of the Exchange Act. Honeywell respectfully requests the concurrence of the staff of the Division of Corporation Finance (the “Staff”) of the U.S. Securities and Exchange Commission (the “Commission”) that no enforcement action will be recommended if the Company omits the Shareholder Proposals from the 2019 Proxy Materials.

In accordance with Rule 14a-8(j) of the Exchange Act, the Company has:

- Enclosed herewith six copies of this letter and its attachments;
- Concurrently sent a copy of this correspondence to the Proponents; and
- Submitted this letter and its attachments not less than 80 days before the Company files its definitive 2019 Proxy Materials with the Commission, since the Company expects to file its definitive 2019 Proxy Materials with the Commission on or around March 14, 2019.

By copy of this letter, Honeywell notifies the Proponents of the Company's intention to omit the Shareholder Proposals from the 2019 Proxy Materials. Honeywell agrees to promptly forward to the Proponents any Staff response to Honeywell's no-action request that the Staff transmits to Honeywell. Rule 14a-8(k) of the Exchange Act and Question E of Staff Legal Bulletin No. 14D (Nov. 7, 2008) ("SLB 14D") provide that proponents are required to send companies a copy of any correspondence that the proponents elect to submit to the Staff. Accordingly, Honeywell is taking this opportunity to inform the Proponents that if any of the Proponents elect to submit additional correspondence to the Staff with respect to such Proponent's respective Shareholder Proposal, a copy of that correspondence should concurrently be furnished to the undersigned on behalf of the Company pursuant to Rule 14a-8(k) of the Exchange Act and Question E of SLB 14D.

This letter is being submitted electronically pursuant to Question C of SLB 14D. Honeywell is e-mailing this letter, including the Shareholder Proposals and related supporting statements, as well as related correspondence from the Proponents, attached as (i) Exhibit A with respect to the Azzad Proposal, including the Mercy Co-Sponsorship, and (ii) Exhibit B with respect to the Almasi Proposal, to the Staff at [shareholderproposals@sec.gov](mailto:shareholderproposals@sec.gov).

## THE SHAREHOLDER PROPOSALS

A copy of the Azzad Proposal, dated August 14, 2018, including the Mercy Co-Sponsorship, dated October 30, 2018, and supporting statements is attached to this letter as Exhibit A. A copy of the Almasi Proposal, dated October 3, 2018, and supporting statement is attached to this letter as Exhibit B. For the convenience of the Staff, the text of the nearly identical resolutions contained in the Shareholder Proposals is set forth below.

The "Resolved" clause of the Azzad Proposal states:

**"Resolved**, the shareowners of Honeywell International Inc. ("Honeywell") request the preparation of a report, updated annually, disclosing:

1. Company policy and procedures governing lobbying, both direct and indirect, and grassroots lobbying communications.
2. Payments by Honeywell used for (a) direct or indirect lobbying or (b) grassroots lobbying communications, in each case including the amount of the payment and the recipient.
3. Honeywell's membership in and payments to any tax-exempt organization that writes and endorses model legislation.
4. Description of management's and the Board's decision making process and oversight for making payments described in sections 2 and 3 above.

For purposes of this proposal, a "grassroots lobbying communication" is a communication directed to the general public that (a) refers to specific legislation or

regulation, (b) reflects a view on the legislation or regulation and (c) encourages the recipient of the communication to take action with respect to the legislation or regulation. “Indirect lobbying” is lobbying engaged in by a trade association or other organization of which Honeywell is a member.

Both “direct and indirect lobbying” and “grassroots lobbying communications” include efforts at the local, state and federal levels.

The report shall be presented to the Corporate Governance and Responsibility Committee and posted on Honeywell’s website.”

The “Resolved” clause of the Almasi Proposal states:

“**Resolved**, the shareowners of Honeywell International Inc. (“Honeywell”) request the preparation of a report, updated annually, disclosing:

1. Company policy and procedures governing lobbying, both direct and indirect, and grassroots lobbying communications.
2. Payments by Honeywell used for (a) direct or indirect lobbying or (b) grassroots lobbying communications, in each case including the amount of the payment and the recipient.
3. Honeywell’s membership and payments to any tax-exempt organization that writes and endorses model legislation.
4. Description of management’s and the Board’s decision-making process and oversight for making payments described in sections 2 and 3 above.

For purposes of this proposal, a “grassroots lobbying communication” is a communication directed to the general public that (a) refers to specific legislation or regulation, (b) reflects a view on the legislation or regulation and (c) encourages the recipient of the communication to take action with respect to the legislation or regulation. “Indirect lobbying” is lobbying engaged in by a trade association or other organization of which Honeywell is a member.

Both “direct and indirect lobbying” and “grassroots lobbying communications” include efforts at the local, state and federal levels.

The report shall be presented to the Audit Committee or other relevant oversight committees and posted on Honeywell’s website.”

### **BASES FOR EXCLUSION**

The Company believes that the Shareholder Proposals may properly be excluded from the 2019 Proxy Materials for the following reasons: (i) under Exchange Act Rule 14a-8(i)(10) (“Rule 14a-

8(i)(10)”), the Shareholder Proposals may properly be excluded because the Company has already substantially implemented the Shareholder Proposals, and (ii) pursuant to Exchange Act Rule 14a-8(i)(11) (“Rule 14a-8(i)(11)”), the Almasi Proposal may properly be excluded in the event that the Staff disagrees that the Azzad Proposal is excludable on the basis set forth in clause (i) of this paragraph because the Almasi Proposal substantially duplicates the Azzad Proposal that was previously submitted to the Company, which the Company will include in its 2019 Proxy Materials if the Staff disagrees that the Azzad Proposal is excludable.

## ANALYSIS

### **I. The Shareholder Proposals may be omitted in their entirety in reliance on Rule 14a-8(i)(10) because the Company has already substantially implemented the Shareholder Proposals.**

The Commission stated in 1976 that the predecessor to Rule 14a-8(i)(10) was “designed to avoid the possibility of shareholders having to consider matters which already have been favorably acted upon by the management.” Exchange Act Release No. 12598 (July 7, 1976). In applying Rule 14a-8(i)(10), when a company can demonstrate that it already has taken actions to address the underlying concerns and essential objective of a stockholder proposal, the Staff has concurred that the proposal has been “substantially implemented” and may be excluded as moot. *See, e.g., Applied Materials, Inc.* (avail. Jan. 17, 2018); *Wal-Mart Stores, Inc.* (avail. Mar. 16, 2017); *Northrop Grumman Corp.* (avail. Feb. 17, 2017); *Amazon.com, Inc.* (avail. Mar. 3, 2016); *Alaska Air Group, Inc.* (avail. Feb. 12, 2016); *Exelon Corp.* (avail. Feb. 26, 2010); *Exxon Mobil Corp. (Burt)* (avail. Mar. 23, 2009); *Anheuser-Busch Companies, Inc.* (avail. Jan. 17, 2007); *ConAgra Foods, Inc.* (avail. July 3, 2006); *Johnson & Johnson* (avail. Feb. 17, 2006); *Talbots Inc.* (avail. Apr. 5, 2002); *Exxon Mobil Corp.* (avail. Jan. 24, 2001); *Masco Corp.* (avail. Mar. 29, 1999); *The Gap, Inc.* (avail. Mar. 8, 1996).

A company need not implement a proposal in exactly the same manner set forth by the proponent. *See* Exchange Act Release No. 40018 at n.30 (May 21, 1998) and accompanying text. The Staff has granted no-action relief under Rule 14a-8(i)(10) when a company has satisfied the “essential objective” of a proposal, even if the company did not take the exact action requested by the proponent, did not implement the proposal in every detail, addressed aspects of implementation on which a proposal is silent or exercised discretion in determining how to implement the proposal.

For the reasons discussed below, since the essential objective of each Shareholder Proposal is a request for the Company to provide sufficient disclosure for stockholders to understand the Company’s lobbying payments and policy and Board and management oversight thereof, the Company believes that the Shareholder Proposals have been substantially implemented and therefore, may properly be excluded under Rule 14a-8(i)(10).

*(1) The Company’s disclosure on political lobbying and contributions is robust and was ranked in the first tier by the 2018 CPA-Zicklin Index of Corporate Political Disclosure and Accountability.*

The Company believes that its disclosure on political lobbying and contributions already provides investors with more than sufficient information to assess whether Honeywell's participation in the political process poses any investment risk whatsoever, including by providing transparency regarding potential reputational risk and accountability for positions of political interest that are promoted by the Company. The Company's disclosure is available on the Company's website at [www.honeywell.com](http://www.honeywell.com) (see "Investors/Corporate Governance/Political Contributions"). In considering what to include in such disclosure, the Company made every effort to be both accurate, comprehensive and detailed, including coverage of the following aspects of the Company's political lobbying and contributions:

- A list of the Company's top legislative and regulatory priorities, most of which relate to key elements of Honeywell's brand promise of making society safer and more energy efficient and improving public infrastructure;
- Disclosure on the Company's government relations organization;
- Details on management and board oversight of the Company's lobbying activities; and
- Disclosure on the use of corporate funds for political contributions.

The Company's disclosure was assessed in 2018 by the Center for Political Accountability ("CPA") which publishes annually the CPA-Zicklin Index of Corporate Political Disclosure and Accountability ("CPA-Zicklin Index"). CPA is a non-profit, non-partisan organization working to bring transparency and accountability to corporate political spending. The CPA-Zicklin Index measures the transparency, policies and practices of the S&P 500. According to the 2018 CPA-Zicklin Index, Honeywell's disclosure on political lobbying and contributions is in the "First Tier" for the fifth consecutive year with a score of 83%. Honeywell's score in 2018 puts the Company in the top 20% of companies assessed by CPA.

(2) As part of the Company's regular shareowner outreach program, Honeywell has discussed proposals very similar to the Shareholder Proposals on multiple occasions with its largest shareowners who told Honeywell that its lobbying activities and membership in trade associations were not a source of concern or investment risk.

Honeywell has received proposals very similar to the Shareholder Proposals six times in the past seven years and on each occasion, the proposal has received support from less than 40% of Honeywell's shareowners. Each time Honeywell received this proposal, it has discussed it with the Company's largest shareowners during Honeywell's regular engagement and outreach activities concerning governance and compensation matters. These shareowners have consistently told Honeywell that its lobbying activities and membership in trade associations is not viewed by such shareowners as a source of concern or investment risk. Moreover, the vast majority of the Company's largest shareowners have told Honeywell that they are satisfied with the Company's disclosure on lobbying, membership in trade associations and political contributions.

(3) The Company has not made any political contributions using corporate funds since at least 2009 and has no intention of making such political contributions in the future.

The Company has not made any political contributions using corporate funds since at least 2009 and has no present intention of making such political contributions. Honeywell uses the term “political contributions” to mean contributions to candidates, political parties, “527 groups” or “527 organizations” such as governors associations and super PACs, and grass root campaigns intended to directly or indirectly influence the outcome of any ballot measures.

Even before 2009, any such contributions were extremely rare and for minimal amounts of less than \$5,000. Similarly, the Company has not used corporate funds to directly or indirectly influence the outcome of any ballot measures and Honeywell has no intention of doing so. Any use of corporate funds for political expenditures or ballot measures would require the prior approval of the Company’s General Counsel. These policies on political contributions are imbedded in the Company’s Corporate Governance Guidelines and Code of Business Conduct, both of which are available on the Company’s website at [www.honeywell.com](http://www.honeywell.com) (see “Investors/Corporate Governance”).

With respect to tax-exempt organizations, such as 501(c)(4)s, where funds may be used for political purposes, Honeywell has made only two corporate contributions since 2009. Both contributions were disclosed on our website and Honeywell also included these payments in the overall lobbying payments included in the publicly available filings required under the Lobbying Disclosure Act. The decision to contribute funds to these organizations was discussed with the Company’s Board of Directors.

The Company participates in the U.S. political process primarily through the non-partisan Honeywell International Political Action Committee (“HIPAC”), which is funded exclusively through voluntary contributions from eligible U.S.-based employees. HIPAC contributions can be viewed on the Federal Election Commission (FEC) website at [www.fec.gov](http://www.fec.gov). These HIPAC contributions have from time to time included those made to 501(c)(4) organizations which are publicly disclosed to the FEC. Employees are not reimbursed, directly or indirectly, for political donations or expenses. The above information is available to shareholders on the Company’s website at [www.honeywell.com](http://www.honeywell.com) (see “Investors/Corporate Governance/Political Contributions”).

(4) Honeywell submits public quarterly lobbying disclosures in accordance with federal law, which provide timely and detailed information on lobbying expenditures.

Each quarter Honeywell files a publicly available federal Lobbying Disclosure Act report. The report provides specific information on all Honeywell activities associated with influencing legislation through communications with any member or employee of a legislative body or with any covered executive branch office. The report also quantifies the Company’s expenditures for the quarter, describes the specific pieces of legislation that were the subject of its lobbying efforts and identifies the individuals who lobbied on behalf of the Company. Outside consultants who lobby on Honeywell’s behalf also file reports detailing their efforts on Honeywell’s behalf. All of these reports are available from the websites of the Secretary of the United States Senate and the Clerk of the United States House of Representatives.

(5) Honeywell maintains a rigorous compliance process to ensure that the Company's political activities are lawful, properly disclosed and aligned with its Code of Business Conduct.

Honeywell strives to always engage responsibly in the political process and to ensure that its participation is fully consistent with all applicable laws and regulations, its principles of good governance, and its high standards of ethical conduct. Honeywell's law department oversees the Company's lobbying activities. The Senior Vice President, Global Government Relations reports to the General Counsel and also works closely with the Vice President, Global Compliance whose organization ensures compliance with Honeywell's political spending policy. The General Counsel, Senior Vice President, Global Government Relations and Vice President, Global Compliance meet regularly with the Chairman and Chief Executive Officer and his leadership team about legislative, regulatory and political developments.

Each year the Senior Vice President, Global Government Relations reports to the full Board of Directors on Honeywell's global lobbying and government relations program. In addition, each year, the Corporate Governance and Responsibility Committee ("CGRC") receives a report on Honeywell's policies and practices regarding political contributions and contributions to trade associations. The CGRC's oversight of the Company's political activities ensures compliance with applicable law and alignment with the Company's policies and Honeywell's Code of Business Conduct. As stated above, the Company does not make political contributions using corporate funds. A description of Honeywell's policy and procedures governing lobbying can be found on the Company's website at [www.honeywell.com](http://www.honeywell.com) (see "Investors/Corporate Governance/Political Contributions").

(6) Honeywell intends to instruct trade associations not to use Honeywell's membership fees for political purposes and will require senior executive approval for large trade association membership dues and contributions.

Honeywell is a member of a number of trade associations and other tax-exempt or similar organizations that may engage in political activity. The trade associations to which Honeywell belongs represent a broad range of perspectives on public policy issues, not all of which Honeywell supports. The Company's membership in these organizations is intended to accomplish a wide of range of objectives, including to:

- support Honeywell's commercial growth initiatives;
- promote development of Honeywell's internal technical and regulatory expertise; and
- assist in political advocacy and outreach, particularly related to public education efforts regarding major issues common to Honeywell's industries.

Prior to the 2019 Annual Meeting, Honeywell intends to publish updated Corporate Governance Guidelines that have been revised to (i) require prior approval of the Company's General Counsel and Senior Vice President, Global Government Relations for memberships in 501(c)(6) trade associations that receive more than US\$50,000 in membership dues from the Company in

any fiscal year, and (ii) require that all such organizations be instructed not to use funds received from the Company for any election-related activity.

Accordingly, the Company believes that it has already satisfied the essential objective of providing stockholders with sufficient disclosure of the Company's lobbying payments and policy and Board and management oversight thereof in light of the Company's policies and practices and by complying with the requirements applicable laws and regulations and has thus substantially implemented the Shareholder Proposals. As a result, the Company submits that the Shareholder Proposals should therefore be excludable under Rule 14a-8(i)(10).

**II. The Almasi Proposal may be omitted based on Rule 14a-8(i)(11) as it substantially duplicates the Azzad Proposal that was previously submitted to the Company and which the Company will include in its 2019 Proxy Materials if the Staff disagrees that the Azzad Proposal is excludable.**

Rule 14a-8(i)(11) provides that a shareholder proposal may be excluded if it “substantially duplicates another proposal previously submitted to the company by another proponent that will be included in the company’s proxy materials for the same meeting.” The Commission has stated that “the purpose of [Rule 14a-8(i)(11)] is to eliminate the possibility of shareholders having to consider two or more substantially identical proposals submitted to an issuer by proponents acting independently of each other.” Exchange Act Release No. 34-12999 (Nov. 22, 1976) (the “1976 Release”). When two substantially duplicative proposals are received by a company, the Staff has indicated that the company may exclude the later proposal, assuming the company includes the first of the proposals in its proxy materials. *See Great Lakes Chemical Corp.* (avail. Mar. 2, 1998); *see also Pacific Gas & Electric Co.* (avail. Jan. 6, 1994).

On October 3, 2018, the Company received the Almasi Proposal, dated October 3, 2018, by courier. On September 18, 2018, the Company had previously received by email the Azzad Proposal, dated August 14, 2018, which was co-sponsored by Mercy Investment Services, Inc. as of October 30, 2018. While the Company believes the Azzad Proposal is excludable as discussed above, in the event the Staff disagrees, the Company will include the Azzad Proposal in its 2019 Proxy Materials. As a result, the Almasi Proposal may therefore be excluded as duplicative of the Azzad Proposal, which was the first of the two Shareholder Proposals received by the Company.

It is well settled that proposals need not be identical in order to be excludable under Rule 14a-8(i)(11). The standard that the Staff traditionally has applied for determining whether proposals are substantially duplicative is whether the proposals present the same “principal thrust” or “principal focus.” *Pacific Gas & Electric Co.* (avail. Feb. 1, 1993). If they do so, the second proposal may be excluded as substantially duplicative of the first proposal, despite differences in the terms or breadth of the proposals and even if the proposals request different actions. Applying this standard, the Staff has consistently found, for example, proposals concerning lobbying and proposals concerning the broader realm of political contributions to be duplicative, despite proponents’ arguments that the two corporate activities were distinguishable. *See, e.g., Exxon Mobil Corp.* (avail. Mar. 9, 2017); *WellPoint, Inc.* (avail. Feb. 20, 2013); *JPMorgan Chase & Co.* (avail. Feb. 24, 2012); *AT&T Inc.* (recon., avail. Mar. 1, 2012); and *Occidental Petroleum Corp.* (avail. Feb. 25, 2011). Similarly, the Staff has concurred that a variety of

proposals addressing lobbying are substantially duplicative for purposes of Rule 14a-8(i)(11) even where the terms and breadth of the two proposals have been somewhat different. *See, e.g., Johnson & Johnson* (avail. Feb. 23, 2012); *Goldman Sachs Group, Inc.* (avail. Mar. 14, 2012).

Although the Almasi Proposal and the Azzad Proposal are not entirely identical, the differences between the Shareholder Proposals are immaterial. Other than the Board committee to which the requested report should be reported (i.e., Corporate Governance and Responsibility Committee in the Azzad Proposal v. Audit Committee in the Almasi Proposal) and minor semantic differences, there is no difference between the “Resolved” clauses of the Shareholder Proposals.

While the Shareholder Proposals contain different language and perspectives in their respective supporting statements, the supporting statements each address the desirability of encouraging transparency and accountability in the Company’s use of corporate funds to influence legislation and regulation.

The Shareholder Proposals ultimately seek the same goals: that a report be prepared, updated annually, presented to Board committee members and posted on the Company’s website, disclosing direct and indirect lobbying payments and policy at the local, state and federal levels, including as it relates to membership in organizations involved with model legislation and Board and management oversight of the foregoing. As in the precedents cited above, because the Shareholder Proposals share the same principal thrust and focus, in addition to being nearly identical in language, the Almasi Proposal substantially duplicates the earlier submitted Azzad Proposal.

Because of the duplication, including both Shareholder Proposals in the Company’s 2019 Proxy Materials would require the Company’s shareholders to consider substantially the same matter twice and would create the risk of confusing them. Shareholders might incorrectly assume that the proposals were substantively different and the requested reports directed toward dissimilar issues. This result would be in direct contradiction of the purpose of Rule 14a-8(i)(11) described above. Accordingly, the Company believes that the Almasi Proposal may be excluded from the 2019 Proxy Materials in the event that the Staff disagrees that the Azzad Proposal is excludable in reliance on Rule 14a-8(i)(10) as described in Section I above (and therefore the Azzad Proposal is included in the 2019 Proxy Materials) because the Almasi Proposal substantially duplicates the Azzad Proposal that was previously submitted to the Company.

## **CONCLUSION**

Based upon the foregoing analysis, the Company respectfully requests that the Staff concur that it will take no action if the Company excludes the Shareholder Proposals from its 2019 Proxy Materials in reliance on Rule 14a-8(i)(10) and Rule 14a-8(i)(11) of the Exchange Act.

\* \* \*

If the Staff has any questions with respect to the foregoing, please do not hesitate to contact me at (973) 455-2312 or by email at [suping.lu@honeywell.com](mailto:suping.lu@honeywell.com).

Very truly yours,



Su Ping Lu, Esq.  
Assistant General Counsel, Assistant  
Corporate Secretary

cc: Azzad Asset Management  
Mercy Investment Services, Inc.  
David Almasi  
Craig B. Brod, Esq.  
*Cleary Gottlieb Steen & Hamilton LLP*  
Helena K. Grannis, Esq.  
*Cleary Gottlieb Steen & Hamilton LLP*

EXHIBIT A

*See Attached.*



August 14, 2018

Anne T. Madden  
Sr. Vice President and General Counsel  
Acting Corporate Secretary  
Honeywell International, Inc.  
101 Columbia Road  
Morris Township, NJ 07962

Via email: [investorrelations@honeywell.com](mailto:investorrelations@honeywell.com)

Dear Ms. Madden,

Azzad Asset Management has been a shareholder of Honeywell for several years. As a socially responsible asset manager, we value transparency by companies whose stock we own for our clients. We are concerned that Honeywell's lack of robust lobbying disclosure presents reputational risks as well as the potential for company assets to be used for objectives contrary to Honeywell's long-term interests.

For this reason, we intend to present the enclosed shareholder proposal at Honeywell's 2019 annual meeting of shareholders asking the company to disclose in full its lobbying activities and its memberships in or payments to trade associations.

We request that Honeywell include this proposal in its proxy statement for consideration and action by the next stockholders' meeting in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities and Exchange Act of 1934. Please direct all questions or correspondence to me. I can be reached at (703) 207-7005 x109 or [joshua@azzad.net](mailto:joshua@azzad.net).

As verification that we are beneficial owners of common stock in Honeywell, I enclose a letter from Folio Institutional, our portfolio custodian/record holder, attesting to the fact. It is our intention to keep these shares in our portfolio beyond the annual meeting.

Respectfully yours,

A handwritten signature in black ink, appearing to read "Joshua A. Brockwell".

Joshua A. Brockwell  
Director of Investment Communications

**Whereas**, we believe in full disclosure of our company’s direct and indirect lobbying activities and expenditures to assess whether Honeywell’s lobbying is consistent with Honeywell’s expressed goals and in the best interests of shareowners.

**Resolved**, the shareowners of Honeywell International Inc. (“Honeywell”) request the preparation of a report, updated annually, disclosing:

1. Company policy and procedures governing lobbying, both direct and indirect, and grassroots lobbying communications.
2. Payments by Honeywell used for (a) direct or indirect lobbying or (b) grassroots lobbying communications, in each case including the amount of the payment and the recipient.
3. Honeywell’s membership in and payments to any tax-exempt organization that writes and endorses model legislation.
4. Description of management’s and the Board’s decision making process and oversight for making payments described in sections 2 and 3 above.

For purposes of this proposal, a “grassroots lobbying communication” is a communication directed to the general public that (a) refers to specific legislation or regulation, (b) reflects a view on the legislation or regulation and (c) encourages the recipient of the communication to take action with respect to the legislation or regulation. “Indirect lobbying” is lobbying engaged in by a trade association or other organization of which Honeywell is a member.

Both “direct and indirect lobbying” and “grassroots lobbying communications” include efforts at the local, state and federal levels.

The report shall be presented to the Corporate Governance and Responsibility Committee and posted on Honeywell’s website.

## **Supporting Statement**

As shareowners, we encourage transparency and accountability in our company’s use of corporate funds to influence legislation and regulation. Honeywell spent \$47.63 million from 2010 – 2017 on federal lobbying. These figures do not include lobbying expenditures to influence legislation in states, where Honeywell also lobbies but disclosure is uneven or absent. For example, Honeywell spent \$5.15 million on lobbying in New Jersey for 2010 – 2017. Honeywell’s lobbying on hydrofluorocarbons has attracted media scrutiny (“U.S. Industries Ask Trump Administration to Endorse Global Hydrofluorocarbon Deal,” *Chemical and Engineering News*, June 4, 2018).

Honeywell is a member of the Business Roundtable, which spent over \$43 million on lobbying for 2016 and 2017 and is lobbying against the right of shareholders to file resolutions, and sits on the board of the Chamber of Commerce, which has spent over \$1.4 billion on lobbying since 1998. Honeywell does not disclose its memberships in, or payments to, trade associations, or the amounts used for lobbying.

And Honeywell does not disclose its membership in or contributions to tax-exempt organizations that write and endorse model legislation, such as belonging to the American Legislative Exchange Council (ALEC). Over 100 companies have publicly left ALEC, including 3M, Deere, GE and Merck.

We are concerned that Honeywell’s lack of lobbying disclosure presents reputational risks. For example, Honeywell signed an agreement to work with United Nations Environment to combat and raise awareness around climate change, yet the Chamber undermined the Paris climate accord. We urge Honeywell to expand its public disclosure of lobbying.

August 15, 2018

Anne T. Madden  
Sr. Vice President and General Counsel  
Acting Corporate Secretary  
Honeywell International, Inc.  
101 Columbia Road  
Morris Township, NJ 07962

Dear Ms. Madden,

Folio Investments, Inc. (DTC participant #0728) serves as the corporate custodian and is the record holder for shares of HONEYWELL INTL INC (HON) common stock of Honeywell International, Inc., for the benefit of Azzad Asset Management.

Azzad Asset Management has been the beneficial owner of at least \$2,000 in aggregate market value of Honeywell's common stock continuously for more than a year preceding August 14, 2018, the date of the shareholder proposal submitted by Azzad Asset Management pursuant to Rule 14a-8 of the Securities and Exchange Commission. Azzad Asset Management continues to hold these shares of Honeywell's common stock as of August 14, 2018.

Sincerely,

A handwritten signature in black ink, appearing to read "M. McDonald", with a long horizontal flourish extending to the right.

Michael P. McDonald  
Compliance Manager  
Folio Investments, Inc.  
8180 Greensboro Drive 8th Floor  
McLean, VA 22102  
Phone: 703-245-5712



October 30, 2018

Anne T. Madden  
Sr. Vice President, General Counsel and Corporate Secretary  
Honeywell International, Inc.  
115 Tabor Rd.  
Morris Plains, NJ 07950

Dear Ms. Madden:

Mercy Investment Services, Inc. (Mercy), as the investment program of the Sisters of Mercy of the Americas, has long been concerned not only with the financial returns of its investments, but also with their social and ethical implications. We believe that a demonstrated corporate responsibility in matters of the environment, and social and governance concerns in keeping with the UN Sustainable Development Goals fosters long-term business success. Mercy Investment Services, Inc., a long-term investor, is currently the beneficial owner of shares of Honeywell International, Inc. ("Honeywell".)

Mercy is filing the enclosed resolution requesting Honeywell to provide a report, updated annually, disclosing expenditures, policies and procedures governing lobbying, both direct and indirect, and grassroots lobbying communications.

Mercy Investment Services, Inc., is co-filing the enclosed shareholder proposal with Azzad Asset Management for inclusion in the 2019 proxy statement, in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities Exchange Act of 1934. Mercy Investment Services, Inc. has been a shareholder continuously for more than one year holding at least \$2,000 in market value, and will continue to invest in at least the requisite number of shares for proxy resolutions through the annual shareholders' meeting. A representative of the filers will attend the Annual Meeting to move the resolution as required by SEC rules. The verification of ownership by our custodian, a DTC participant, is enclosed with this letter. Azzad Asset Management may withdraw the proposal on our behalf. We respectfully request direct communications from Honeywell, and to have our supporting statement and organization name included in the proxy statement.

We look forward to having productive conversations with the company. Please direct your responses to me via my contact information below.

Best regards,

*Valerie Heinonen*  
o.s.u.

Valerie Heinonen, o.s.u.  
Director, Shareholder Advocacy  
212 674 2542 - phone  
[vheinonen@mercyinvestments.org](mailto:vheinonen@mercyinvestments.org)

**Whereas**, we believe in full disclosure of our company's direct and indirect lobbying activities and expenditures to assess whether Honeywell's lobbying is consistent with Honeywell's expressed goals and in the best interests of shareowners.

**Resolved**, the shareowners of Honeywell International Inc. ("Honeywell") request the preparation of a report, updated annually, disclosing:

1. Company policy and procedures governing lobbying, both direct and indirect, and grassroots lobbying communications.
2. Payments by Honeywell used for (a) direct or indirect lobbying or (b) grassroots lobbying communications, in each case including the amount of the payment and the recipient.
3. Honeywell's membership in and payments to any tax-exempt organization that writes and endorses model legislation.
4. Description of management's and the Board's decision making process and oversight for making payments described in sections 2 and 3 above.

For purposes of this proposal, a "grassroots lobbying communication" is a communication directed to the general public that (a) refers to specific legislation or regulation, (b) reflects a view on the legislation or regulation and (c) encourages the recipient of the communication to take action with respect to the legislation or regulation. "Indirect lobbying" is lobbying engaged in by a trade association or other organization of which Honeywell is a member.

Both "direct and indirect lobbying" and "grassroots lobbying communications" include efforts at the local, state and federal levels.

The report shall be presented to the Corporate Governance and Responsibility Committee and posted on Honeywell's website.

### **Supporting Statement**

As shareowners, we encourage transparency and accountability in our company's use of corporate funds to influence legislation and regulation. Honeywell spent \$47.63 million from 2010 – 2017 on federal lobbying. These figures do not include lobbying expenditures to influence legislation in states, where Honeywell also lobbies but disclosure is uneven or absent. For example, Honeywell spent \$5.15 million on lobbying in New Jersey for 2010 – 2017. Honeywell's lobbying on hydrofluorocarbons has attracted media scrutiny ("U.S. Industries Ask Trump Administration to Endorse Global Hydrofluorocarbon Deal," *Chemical and Engineering News*, June 4, 2018).

Honeywell is a member of the Business Roundtable, which spent over \$43 million on lobbying for 2016 and 2017 and is lobbying against the right of shareholders to file resolutions, and sits on the board of the Chamber of Commerce, which has spent over \$1.4 billion on lobbying since 1998. Honeywell does not disclose its memberships in, or payments to, trade associations, or the amounts used for lobbying.

And Honeywell does not disclose its membership in or contributions to tax-exempt organizations that write and endorse model legislation, such as belonging to the American Legislative Exchange Council (ALEC). Over 100 companies have publicly left ALEC, including 3M, Deere, GE and Merck.

We are concerned that Honeywell's lack of lobbying disclosure presents reputational risks. For example, Honeywell signed an agreement to work with United Nations Environment to combat and raise awareness around climate change, yet the Chamber undermined the Paris climate accord. We urge Honeywell to expand its public disclosure of lobbying.



October 30, 2018

Anne T. Madden  
Sr. Vice President, General Counsel and Corporate Secretary  
Honeywell International, Inc.  
115 Tabor Rd.  
Morris Plains, NJ 07950

Re: Mercy Investment Services Inc.

Dear Anne,

This letter will certify that as of October 30<sup>th</sup>, 2018, Northern Trust held for the beneficial interest of Mercy Investment Services Inc., 43 shares of Honeywell International, Inc.

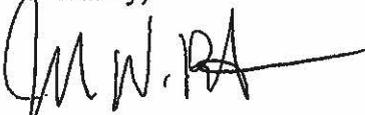
We confirm that Mercy Investment Services Inc. has beneficial ownership of at least \$2,000 in market value of the voting securities of Honeywell International, Inc. and that such beneficial ownership has existed continuously for at least one year including a one year period preceding and including October 30, 2018, in accordance with rule 14a-8 of the Securities Exchange Act of 1934.

Further, it is Mercy Investment Services Inc., intent to hold at least \$2,000 in market value through the next annual meeting.

Please be advised, Northern Trust is a DTC Participant, whose DTC number is 2669.

If you have any questions please feel free to give me a call.

Sincerely,



Jennifer W. Beattie  
Client Executive, SVP  
312-630-6041

EXHIBIT B

*See Attached.*

\*\*\*

October 3, 2018

Via FedEx

Anne T. Madden  
Senior Vice President, General Counsel and Acting Corporate Secretary  
Honeywell  
115 Tabor Road  
Morris Plains, New Jersey 07950

Dear Ms. Madden,

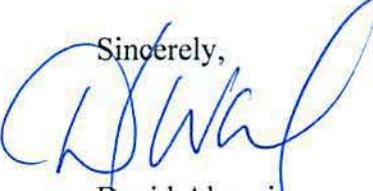
I hereby submit the enclosed shareholder proposal ("Proposal") for inclusion in Honeywell International Inc. (the "Company") proxy statement to be circulated to Company shareholders in conjunction with the next annual meeting of shareholders. The Proposal is submitted under Rule 14(a)-8 (Proposals of Security Holders) of the United States Securities and Exchange Commission's proxy regulations.

I have owned Honeywell stock with a value exceeding \$2,000 for a year prior to and including the date of this Proposal and intend to hold these shares through the date of the Company's 2019 annual meeting of shareholders.

A Proof of Ownership letter is forthcoming and will be delivered to the Company.

Copies of correspondence or a request for a "no-action" letter should be forwarded to David Almasi,  
\*\*\*

Sincerely,



David Almasi

Enclosure: Shareholder Proposal

## **Political Lobbying and Contributions**

**Whereas**, we believe in full disclosure of our company's direct and indirect lobbying activities and expenditures to assess whether Honeywell's lobbying is consistent with Honeywell's expressed goals and in the best interest of shareowners.

**Resolved**, the shareowners of Honeywell International Inc. ("Honeywell") request the preparation of a report, updated annually, disclosing:

1. Company policy and procedures governing lobbying, both direct and indirect, and grassroots lobbying communications.
2. Payments by Honeywell used for (a) direct or indirect lobbying or (b) grassroots lobbying communications, in each case including the amount of the payment and the recipient.
3. Honeywell's membership and payments to any tax-exempt organization that writes and endorses model legislation.
4. Description of management's and the Board's decision-making process and oversight for making payments described in sections 2 and 3 above.

For purposes of this proposal, a "grassroots lobbying communication" is a communication directed to the general public that (a) refers to specific legislation or regulation, (b) reflects a view on the legislation or regulation and (c) encourages the recipient of the communication to take action with respect to the legislation or regulation. "Indirect lobbying" is lobbying engaged in by a trade association or other organization of which Honeywell is a member.

Both "direct and indirect lobbying" and "grassroots lobbying communications" include efforts at the local, state and federal levels.

The report shall be presented to the Audit Committee or other relevant oversight committees and posted on Honeywell's website.

### **Supporting Statement**

As shareowners, we encourage transparency and accountability in our company's use of corporate funds to influence legislation and regulation.

The company lobbies on a broad array of issues and works with groups that do the same. As such, the company has become a target for anti-free speech activists. These activists are working to defund pro-business organizations by attacking their corporate members.

**The company should take an active role in combating this narrative and attacks on its right to freedom of association.**

**The company should be proud of its memberships in trade associations and non-profit groups that promote pro-business, pro-growth initiatives.**

**For example, the company's membership in groups such as the American Legislative Exchange Council (ALEC) should be applauded and endorsed by shareholders. ALEC advances initiatives designed to unburden corporations such as Honeywell, allowing them the freedom to create jobs and economic prosperity in the United States. The same can be said of Honeywell's membership in the Business Roundtable.**

**Rather than letting outside agitators set the message that these relationships are somehow nefarious, the company should explain the benefits of its involvement with groups that advocate for smaller government, lower taxes and free-market reforms. The company should show how these relationships benefit shareholders, increase jobs and wages, help local communities and generally advance the company's interests.**

**The proponent supports the company's free speech rights and freedom to associate with groups that advance economic liberty. The company should stand up for those rights.**