VIA EMAIL (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 Congregation of Sisters of St. Agnes and co-filers; request by The Walt Disney Company for no-action determination

Dear Sir/Madam:

The Congregation of Sisters of St. Agnes, together with co-filers Walden Asset Management, Mercy Investment Services, Congregation of St. Joseph, Daughters of Charity, Fresh Pond Capital, Missionary Oblates of Mary Immaculate, Greater Manchester Pension Fund and Franciscan Sisters of Perpetual Adoration (together, the “Proponents”), submit this response to the supplemental letter filed by The Walt Disney Company (“Disney”), which is dated November 20, 2019 (“November 20 Letter”).

The arguments in the November 20 Letter simply rehash and repeat Disney’s contentions in the No-Action Request. Our response to these repeated arguments made by Disney are as follows:

1. Disney argues its “responsive disclosure is primarily organized into one policy document and reports that are updated semi-annually, which are posted on the Company’s website. Contrary to the Proponents’ suggestion, shareholders need not ‘engage in extensive research to assemble, analyze, and coordinate’ much of the disclosed information.”

However, contrary to Disney’s assertion that its policy document is responsive to the Proposal, its clearly fails to bring together for its shareholders in a single report information about all of Disney’s lobbying activities, direct and indirect. The policy document does not cover all of the lobbying expenditures identified in the Proposal.
The Proposal requests that Disney make disclosure regarding all federal lobbying payments. Disney fails to disclose the details and amounts of its lobbying expenditures at the federal level.

The Proposal requests that Disney make disclosure regarding all state lobbying payments. Disney fails to disclose the details and amounts of its lobbying expenditures at the state level.

The Proposal seeks full disclosure of 501(c)(6) trade association lobbying expenditures based on Disney’s contributions. Disney fails to fully do this. Additionally, Disney’s disclosure fails to capture any payments used for lobbying by 501(c)(4) social welfare groups.

2. Disney claims analysis of IRC Section 162(e) and its distinctions between political contributions and lobbying is not relevant.

But the structure of IRC Section 162(e), which distinguishes between lobbying and political contributions, is highly relevant. Our prior letter indicated how section 162(e) of the Internal Revenue Code draws a number of distinctions between “lobbying” or “influencing legislation” on the one hand, and, on the other hand, participation in political campaigns and other activities. Section 162(e)(4) defines what is “influencing legislation” with some precision, and the definition plainly does not extend to supporting individual candidates and other activities that do not involve actual “legislation.”

The Internal Revenue Code is not the only authority that treats these activities differently. Lobbying activities must be publicly reported under the Lobbying Disclosure Act of 1995, as amended by the Honest Leadership and Open Government Act of 2007, and the pertinent statute contains extensive definitions of what are “lobbying activities” and “lobbying contacts.” 2 U.S.C. § 1602(7) and (8). Nothing in this definition requires reporting of activities that involve political campaigns, or the sort of activity covered by section 162(e)(1)(B). Similarly, reports on campaign-related political activities must be filed with a separate agency (the Federal Election Commission), and those reports do not deal with attempts to influence legislation. See http://www.fec.gov/info/forms.shtml (list of FEC forms to be filed by candidates, PACs or parties).

Thus, Congress has decided to regulate lobbying and political activities separately; corporations must keep track of these activities separately, and they must account for them separately to multiple agencies.

3. Disney claims “(a) contribution amounts and recipients are disclosed on the Company’s website for (i) direct lobbying by the Company and the DisneyPAC and (ii) U.S. trade association memberships and (b) The Walt Disney Company, Political Giving and Participation in the Formulation of Public Policy in the United States (updated July 2019), specifically describes the Company’s activities at the state, local and federal level.”

As noted above in point 1, Disney fails to disclose the details on its lobbying expenditures at the federal level and state level. Despite Disney’s assertion that it is disclosing the amounts of its federal and state lobbying activities, this clearly is not so.
4. Finally, Disney claims that it “provides disclosure of its U.S. Trade Association Membership dues and the portions of such payments that the organizations indicated to the Company were used for lobbying activities where annual dues are more than $25,000.”

But as described above in point 1, Disney fails to fully do this for its trade associations. For example, Disney fails to disclose a closed top limit for its trade association payments. Its 2018 trade association disclosure notes Disney belonged to four trade associations which received more than $500,000 in payments. All a reader can tell here is that these organizations received over $500,000. There is no way for a reader to know whether these trade associations received $500,001, $1,000,000 or $10,000,000 in payments. Disney’s 2018 U.S. Trade Association Memberships states that Disney “asks each organization to provide the portion of the Company’s payments that were utilized for lobbying activities and reports the percentage” in its report. But giving a percentage of an indeterminate number is not disclosure of “the portions of such payments that the organizations indicated to the Company were used for lobbying activities.” And as noted previously, Disney’s disclosure also fails to capture any payments used for lobbying by 501(c)(4) social welfare groups.

* * * *

For these reasons, as well as those stated in our prior letter, the Proponents respectfully asks the Division to deny the no-action relief that Disney has sought.

Thank you in advance for your consideration of these comments. 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,

Sister Ruth Battaglia CSA
Justice, Peace, Integrity of Creation Coordinator

cc: Jolene Negre
Associate General Counsel and Assistant Secretary
The Walt Disney Company

Timothy Smith
Walden Asset Management
November 20, 2019

Via E-mail to shareholderproposals@sec.gov

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

Re: The Walt Disney Company
Exclusion of Shareholder Proposal by Congregation of Sisters of St. Agnes; Walden Asset Management and Boston Trust & Investment Management Company; Mercy Investment Services, Inc.; Congregation of St. Joseph; Daughters of Charity, Inc.; Fresh Pond Capital, a division of Reynders, McVeigh Capital Management, LLC, and Reynders, McVeigh Capital Management, LLC; Missionary Oblates of Mary Immaculate, United States Province; Greater Manchester Pension Fund; and Franciscan Sisters of Perpetual Adoration

Ladies and Gentlemen:

We are writing on behalf of our client, The Walt Disney Company (the “Company”), in response to correspondence from the Congregation of Sisters of St. Agnes; Walden Asset Management and Boston Trust & Investment Management Company; Mercy Investment Services, Inc.; Congregation of St. Joseph; Daughters of Charity, Inc.; Fresh Pond Capital, a division of Reynders, McVeigh Capital Management, LLC, and Reynders, McVeigh Capital Management, LLC; Missionary Oblates of Mary Immaculate, United States Province; Greater Manchester Pension Fund; and Franciscan Sisters of Perpetual Adoration (collectively, the “Proponents”) dated November 4, 2019 (the “Reply Letter”), concerning the Company’s intention to exclude from its proxy statement and proxy to be filed and distributed in connection with its 2020 annual meeting of shareholders (the “Proxy Materials”) a shareholder proposal and supporting statement (collectively, the “Proposal”) submitted by the Proponents. We continue to believe, both for the reasons set forth below and the reasons provided in the Company’s October 21, 2019 correspondence (the “No-Action Request”), that the Proposal may be excluded from the Proxy Materials pursuant to Rule 14a-8(i)(10) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), on the basis that the Company has substantially implemented the Proposal.

The No-Action Request clearly describes, with respect to each element requested in the Proposal, the Company’s responsive actions to substantially implement each request. The Company’s
actions and the Proposal are analogous to the facts involved in *Exelon Corporation* (February 26, 2010) and other no-action letter precedent described in the No-Action Request, in which the staff of the Division of Corporation Finance (the “Staff”) of the Securities and Exchange Commission (the “Commission”) concurred in the exclusion of such proposals pursuant to Rule 14a-8(i)(10). Despite the Reply Letter’s implicit conclusion that “fulsome” and “comprehensive” implementation of a proposal is required for the Company to obtain no-action relief under Rule 14a-8(i)(10), such a conclusion is unsupported in the Staff’s long-standing no-action letter precedent, as illustrated in the precedent cited in the No-Action Request. Indeed, even if the Company has not implemented every action item in the Proposal exactly as requested, the Company’s comprehensive implementation actions have substantially implemented the Proposal by more than giving effect to its essential stated objective: to “encourage transparency” in regards to the Company’s lobbying policies and procedures and payments used for lobbying activities.

The Reply Letter seeks to rebut the Company’s claim to substantial implementation. But that rebuttal rests on mischaracterizations of the Company’s responsive actions to the Proposal that was made and could more properly be viewed as a second attempt to refine the Proponents’ specific requests. For instance:

- The Reply Letter casts the Company’s disclosure as “piecemeal.” But, in fact, the Company’s responsive disclosure is primarily organized into one policy document and reports that are updated semi-annually, which are posted on the Company’s website. Contrary to the Proponents’ suggestion, shareholders need not “engage in extensive research to assemble, analyze, and coordinate” much of the disclosed information.

- The Reply Letter dwells on an analysis of IRC Section 162(e) and its distinctions between political contributions and lobbying. But nowhere in the Proposal is this distinction referenced or relevant. In fact, the Proposal includes its own less formal definitions of “grassroots lobbying communication” and “indirect lobbying.” That was the basis by which the Company analyzed its efforts to substantially implement the Proposal – not an external analysis driven by sections of the Internal Revenue Code.

- The Reply Letter alleges that the Company “fails to disclose any details on the amount of its lobbying on the federal level . . . [and] on its lobbying on the state level.” But as described in the No-Action Request, (a) contribution amounts and recipients are disclosed on the Company’s website for (i) direct lobbying by the Company and the DisneyPAC and (ii) U.S. trade association memberships1 and (b) The Walt Disney Company, *Political Giving and Participation in the Formulation of Public Policy in the*

United States (updated July 2019), specifically describes the Company’s activities at the state, local and federal level.

- The Reply Letter states that the Company has failed to disclose trade association lobbying expenditures. Once again, this is just not so. In fact, the Company provides disclosure of its U.S. Trade Association Membership dues and the portions of such payments that the organizations indicated to the Company were used for lobbying activities where annual dues are more than $25,000. That is a reasonable lower limit for disclosure purposes for the Company and more than satisfies the Proposal’s essential objective of increased transparency.

For the foregoing reasons and the reasons set forth in the No-Action Request, we respectfully reiterate our request that the Staff concur that it will take no action if the Company excludes the Proposal from its Proxy Materials pursuant to Rule 14a-8(i)(10), on the basis that the Company has substantially implemented the Proposal.

If the Staff has any questions with respect to this request or requires additional information, or if for any reason the Staff does not agree that the Company may exclude the Proposal from its Proxy Materials, please do not hesitate to contact me at lillian.brown@wilmerhale.com or (202) 663-6743, or Jolene Negre, Associate General Counsel and Assistant Secretary, The Walt Disney Company at Jolene.E.Negre@disney.com. In addition, should the Proponents choose to submit any response or other correspondence to the Commission, we request that the Proponents concurrently submit that response or other correspondence to the Company, as required pursuant to Rule 14a-8(k) and SLB 14D, and copy the undersigned.

Best regards,

Lillian Brown

Enclosures

cc: Jolene Negre, Associate General Counsel and Assistant Secretary
The Walt Disney Company

Sister Ruth Battaglia CSA
Justice, Peace, Integrity of Creation Coordinator
Congregation of Sisters of St. Agnes

November 4, 2019

VIA EMAIL (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 Congregation of Sisters of St. Agnes and co-filers; request by The Walt Disney Company for no-action determination

Dear Sir/Madam:

Pursuant to Rule 14a-8 under the Securities Exchange Act of 1934, Congregation of Sisters of St. Agnes, together with co-filers Walden Asset Management, Mercy Investment Services, Congregation of St. Joseph, Daughters of Charity, Fresh Pond Capital, Missionary Oblates of Mary Immaculate, Greater Manchester Pension Fund and Franciscan Sisters of Perpetual Adoration (together, the “Proponents”), submitted to The Walt Disney Company (“Disney”) a shareholder proposal (the “Proposal”) asking Disney 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 October 21, 2019 (the “No-Action Request”), Disney stated that it intends to omit the Proposal from its proxy materials being prepared for the 2019 annual meeting of shareholders. Disney claims that it may exclude the Proposal pursuant to Rule 14a-8(i)(10), as substantially implemented.

Disney’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), Dominion Resources (February 28, 2014) and Honeywell (March 1, 2019), 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, Disney’s partial disclosures should not constitute substantial implementation of this Proposal and the Proposal should not be excluded from the 2020 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.

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

Disney claims it “has taken actions that address the ‘essential objective’ of the resolutions set forth in the Proposal by giving the Company’s shareholders an up-to-date view of the Company’s policies and procedures with regard to political contributions and an up-to-date view about the Company’s political contributions.” Disney points to publishing a detailed disclosure documents titled “Political Giving and Participation in the Formulation of Public Policy in the United States”, a disclosure archive of its political contributions reports dating back to 2014, disclosure of information regarding US trade associations receiving more than $25,000 during 2018. 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 Disney bring together for its shareholders in a single report information about all of Disney’s lobbying activities, direct and indirect. The provision of piecemeal disclosure which, 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 Disney’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. The
aforementioned “Political Giving and Participation in the Formulation of Public Policy in the United States” document Disney is largely a policy covering its political contributions. There is one paragraph in the document addressing lobbying, and not committing in any way to disclose the lobbying expenditures requested by the Proposal. Disney’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 Disney make disclosure regarding its federal lobbying activities. Disney fails to disclose any details on the amount of its lobbying on the federal level.

- The Proposal requests that Disney make disclosure regarding all state lobbying activities. Disney fails to disclose any details on its lobbying on the state level.

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

This list of deficiencies demonstrates that Disney has not substantially implemented the Proposal. Both the form of Disney’s current disclosures and the substance of Disney’s disclosures fall significantly short of what the Proposal seeks. Accordingly, Disney 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,

Sister Ruth Battaglia CSA
Justice, Peace, Integrity of Creation Coordinator

cc: Jolene Negre
Associate General Counsel and Assistant Secretary
The Walt Disney Company
Timothy Smith
Walden Asset Management

Caroline Boden
Mercy Investment Services
Congregation of St. Joseph
Daughters of Charity

Abby McCoy
Fresh Pond Capital

Rev. Séamus Finn OMI
Missionary Oblates of Mary Immaculate

Mushfiqur Rahman
Greater Manchester Pension Fund

Susan Ernster
Franciscan Sisters of Perpetual Adoration
October 21, 2019

Via E-mail to shareholderproposals@sec.gov

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

Re: The Walt Disney Company
Exclusion of Shareholder Proposal by Congregation of Sisters of St. Agnes; Walden Asset Management and Boston Trust & Investment Management Company; Mercy Investment Services, Inc.; Congregation of St. Joseph; Daughters of Charity, Inc.; Fresh Pond Capital, a division of Reynders, McVeigh Capital Management, LLC, and Reynders McVeigh Capital Management, LLC; Missionary Oblates of Mary Immaculate, United States Province; Greater Manchester Pension Fund; and Franciscan Sisters of Perpetual Adoration

Ladies and Gentlemen:

We are writing on behalf of our client, The Walt Disney Company (the “Company”), to inform you of the Company’s intention to exclude from its proxy statement and proxy to be filed and distributed in connection with its 2020 annual meeting of shareholders (the “Proxy Materials”) the enclosed shareholder proposal and supporting statement (collectively, the “Proposal”) submitted by Congregation of Sisters of St. Agnes; Walden Asset Management and Boston Trust & Investment Management Company; Mercy Investment Services, Inc.; Congregation of St. Joseph; Daughters of Charity, Inc.; Fresh Pond Capital, a division of Reynders, McVeigh Capital Management, LLC, and Reynders McVeigh Capital Management, LLC; Missionary Oblates of Mary Immaculate, United States Province; Greater Manchester Pension Fund; and Franciscan Sisters of Perpetual Adoration (collectively, the “Proponents”) requesting that the board of directors of the Company (the “Board”) prepare an annual report disclosing information specified in the Proposal related to the Company’s lobbying policies and procedures and payments used for lobbying activities.

1 Note that the Company has notified the Franciscan Sisters of Perpetual Adoration of its failure to provide documentation demonstrating that it satisfies the minimum ownership requirements contained in Rule 14a-8(b) and has yet to receive such documentation.
The Company respectfully requests that the staff of the Division of Corporation Finance (the “Staff”) of the Securities and Exchange Commission (the “Commission”) advise the Company that it will not recommend any enforcement action to the Commission if the Company excludes the Proposal from its Proxy Materials pursuant to Rule 14a-8(i)(10) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), on the basis that the Company has substantially implemented the Proposal.

Pursuant to Exchange Act Rule 14a-8(j) and Staff Legal Bulletin No. 14D (November 7, 2008) (“SLB 14D”), the Company is submitting electronically to the Commission this letter, and the Proposal and related correspondence (attached as Exhibit A to this letter), and is concurrently sending a copy to the Proponents, no later than eighty calendar days before the Company intends to file its definitive Proxy Materials with the Commission.

Background

On July 29, 2019, the Company first received the Proposal, which states in relevant part as follows:

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

Resolved, the shareholders of Walt Disney (“Disney”) 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 Disney 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. Description of management’s decision making process and the Board’s oversight for making payments described 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 Disney 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 Governance and Nominating Committee and posted on Disney’s website.

Supporting Statement

We encourage transparency in Disney’s use of funds to lobby. Disney spent $34,055,000 from 2010 – 2018 on federal lobbying. This does not include state lobbying expenditures, where Disney also lobbies but disclosure is uneven or absent. For example, Disney spent $3,259,090 on lobbying in California from 2010 – 2018. And Disney also lobbies abroad, spending between €400,000 – €499,000 on lobbying in Europe for 2018.

Disney serves on the board of NCTA – The Internet & Television Association, which spent $146 million on lobbying from 2010 – 2018, and belongs to the Chamber of Commerce (“Paris Pullout Pits Chamber against Some of Its Biggest Members,” Bloomberg, June 9, 2017), which has spent over $1.5 billion on lobbying since 1998. Unlike peer group members Accenture, Cisco, Intel and Microsoft, Disney does not disclose memberships in, or payments to, trade associations, or the amounts used for lobbying. We believe Disney should reconsider its resistance to disclosure of its spending on public policy.

We are concerned that Disney’s lack of disclosure presents reputational risk when it contradicts company public positions. For example, Disney showed real leadership supporting the Paris Agreement on climate change (“Disney CEO Iger Quits Trump Council over Climate Decision,” CNBC, June 2, 2017), yet the Chamber opposed the Paris climate accord. A 2018 report looking at political engagement transparency rated Disney an “F” on responsible lobbying (“Disney, Huawei and EY among Worst Offenders in Disclosing Lobbying,” The Guardian, November 25, 2018). As shareholders, we believe that companies, including Disney, should ensure there is alignment between their own positions and their lobbying, including through trade associations. This proposal received 39.3 percent support in 2019 out of votes cast for and against.

Basis for Exclusion

The Proposal May Be Excluded Pursuant to Rule 14a-8(i)(10).

The purpose of the Rule 14a-8(i)(10) exclusion is to “avoid the possibility of shareholders having
to consider matters which have already been favorably acted upon by management.”
Commission Release No. 34-12598 (July 7, 1976). While the exclusion was originally interpreted to allow exclusion of a shareholder proposal only when the proposal was “fully effectuated” by the company, the Commission has revised its approach to the exclusion over time to allow for exclusion of proposals that have been “substantially implemented.” Commission Release No. 34-20091 (August 16, 1983) and Commission Release No. 34-40018 (May 21, 1998). In applying this standard, the Staff has noted that “a determination that the [company] has substantially implemented the proposal depends upon whether [the company’s] particular policies, practices and procedures compare favorably with the guidelines of the proposal.” Texaco, Inc. (March 6, 1991, recon. granted March 28, 1991). In addition, when a company can demonstrate that it already has taken actions that address the “essential objective” of a shareholder proposal, the Staff has concurred that the proposal has been “substantially implemented” and may be excluded as moot, even where the company’s actions do not precisely mirror the terms of the shareholder proposal.

The Staff has consistently permitted the exclusion of shareholder proposals under Rule 14a-8(i)(10) when it has determined that the company’s policies, practices and procedures or public disclosures compare favorably with the guidelines of the proposal or where the company had addressed the underlying concerns and satisfied the “essential objective” of the proposal, even where the company’s actions did not precisely mirror the terms of the shareholder proposal. For example, in Exelon Corporation (February 26, 2010), the proposal requested a semi-annual report, similar to the Proposal, that sought disclosure of the company’s policies and procedures for political contributions, both direct and indirect, as well as a list of “[m]onetary and non-monetary contributions to political candidates, political parties, political committees and other political entities organized and operating under 26 USC Sec. 527 of the Internal Revenue Code.” The company argued that it had adopted Corporate Political Contributions Guidelines and began issuing a report disclosing the company’s political contributions, which substantially implemented the proposal by “giving the Company’s Shareholders an up-to-date view of the Company’s policies and procedures with regard to political contributions and . . . with up-to-date information about the Company’s political contributions.” As a result, the Staff concurred in exclusion of the proposal under Rule 14a-8(i)(10). Similarly, in Wal-Mart Stores, Inc. (March 30, 2010), the proposal requested that the company adopt six principles for national and international action to stop global warming. The company argued that its Global Sustainability Report, which was available on the company’s website, substantially implemented the proposal. Although the Global Sustainability Report set forth only four principles that covered most, but not all, of the issues raised by the proposal, the Staff concluded that the company’s “policies, practices and procedures compare favorably with the guidelines of the proposal and that Wal-Mart has, therefore, substantially implemented the proposal.” See also Advance Auto Parts, Inc. (April 9, 2019) (in which the Staff concurred in the exclusion pursuant to Rule 14a-8(i)(10) of a proposal requesting that the company issue a sustainability report “in consideration of the SASB Multiline and Specialty Retailers & Distributors standard,” on the basis that the company’s
“public disclosures compare favorably with the guidelines of the Proposal and that the Company has, therefore, substantially implemented the Proposal,” where the company argued that a combination of its existing disclosures sufficiently addressed the core purpose of the proposal, acknowledging that the disclosures deviated in certain respects from the SASB standard); 

Applied Materials, Inc. (January 17, 2018) (in which the Staff concurred in the exclusion pursuant to Rule 14a-8(i)(10) of a proposal requesting that the company “improve the method to disclose the Company’s executive compensation information with their actual compensation,” on the basis that the company’s “public disclosures compare favorably with the guidelines of the Proposal and that the Company has, therefore, substantially implemented the Proposal,” where the company argued that its current disclosures follow requirements under applicable securities laws for disclosing executive compensation); 

Kewaunee Scientific Corporation (May 31, 2017) (in which the Staff concurred in the exclusion pursuant to Rule 14a-8(i)(10) of a proposal requesting that nonemployee directors no longer be eligible to participate in the company’s health and life insurance programs, on the basis that the company’s “policies, practices and procedures compare favorably with the guidelines of the proposal and that Kewaunee . . . substantially implemented the proposal,” where the board had adopted a policy prohibiting nonemployee directors from participating in the company’s health and life insurance programs after December 31, 2017, an effective date that was later than the effective date the proponent may have envisioned); 

MGM Resorts International (February 28, 2012) (in which the Staff concurred in the exclusion pursuant to Rule 14a-8(i)(10) of a proposal requesting a report on the company’s sustainability policies and performance and recommending the use of the Governance Reporting Initiative Sustainability Guidelines, on the basis that the company’s “public disclosures compare favorably with the guidelines of the proposal and that MGM Resorts has, therefore, substantially implemented the proposal,” where the company published an annual sustainability report that did not use the Governance Reporting Initiative Sustainability Guidelines or include all of the topics covered therein); and 

Alcoa Inc. (February 3, 2009) (in which the Staff concurred in the exclusion pursuant to Rule 14a-8(i)(10) of a proposal requesting a report describing how the company’s actions to reduce its impact on global climate change may have altered the current and future global climate, where the company published general reports on climate change, sustainability and emissions data on its website that did not discuss all topics requested in the proposal).

The Company has taken actions that address the “essential objective” of the resolutions set forth in the Proposal by giving the Company’s shareholders an up-to-date view of the Company’s policies and procedures with regard to political contributions and an up-to-date view about the Company’s political contributions. Specifically, the Company has published on its website a detailed disclosure document titled “Political Giving and Participation in the Formulation of Public Policy in the United States.”2 Furthermore, the Company has posted a detailed archive

dating back to 2014 and updated through June 30, 2019, which specifically identifies contribution amounts and recipients of the Company’s political contributions, including by the Company and its federal political action committee, DisneyPAC. Information is also available regarding the U.S. trade associations to which the Company and its subsidiaries paid more than $25,000 during calendar year 2018 and the portion of such payments that were utilized for lobbying activities, which may include “indirect lobbying” and “grassroots lobbying communications” as defined in the Proposal. Collectively, these disclosures provide “transparency in Disney’s use of funds to lobby,” as requested in the Proposal.

To further illustrate, the following table highlights the Company’s substantial implementation of each request in the Proposal, including by quoting relevant disclosures from the Company’s Political Giving and Participation in the Formulation of Public Policy in the United States document:

<table>
<thead>
<tr>
<th>Elements of Report Requested by the Proposal</th>
<th>Illustrative Implementation⁴</th>
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<tr>
<td>Disclose “Company policy and procedures governing lobbying, both direct and indirect, and grassroots lobbying communications.”</td>
<td>General: “A wide array of public policy issues is of interest to the Company. Examples include: protection of intellectual property; broadcast, cable and internet regulation; freedom of expression; free and fair trade; travel and tourism; privacy; economic development including appropriate taxation; and sustainable development.” “Political activity and contributions are carried out in the interests of the company and are conducted without regard to the private political preferences of executives.” “All U.S. political activity and contributions conducted by the Company and by the federal political action committee are approved by the Company’s Senior Vice President of Government Relations. Each year, the Governance and Nominating Committee of the Board of Directors will review this policy, the political contributions activity of the Company</td>
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Direct Lobbying:
“We do not contribute corporate funds to candidates for federal offices or organizations created to support candidates for federal office in the United States. As permitted by applicable law, we contribute corporate funds to state and local political parties, candidates for state and local offices, and organizations that promote or oppose such candidates or state and local ballot initiatives. Our contributions are made on the basis of our objectives and public policy priorities and not on the basis of the partisan affiliation of the candidate or organization.”

“In accordance with regulations of the U.S. Federal Election Commission (FEC), the Company has formed a federal political action committee, which accepts voluntary contributions from employees and in turn makes contributions to candidates for federal offices. Contributions from the political action committee to candidates are split evenly between candidates for the two major parties, over the course of the calendar year, but otherwise are allocated on the basis of our objectives and policy priorities and not on the basis of the partisan affiliation of the candidate or organization.”

Indirect Lobbying:
“Like most major corporations, the Company belongs to trade associations and organizations, incorporated under section 501(c)(6) of the U.S. Internal Revenue Code. These organizations are often composed of companies linked by industry, issue, or regional focus. We participate in these organizations, when appropriate, to advance our business goals and we regularly evaluate our memberships.”

Grassroots Lobbying Communications:
In addition to the above provisions, “[t]he Company employs, and occasionally contracts for, lobbying services to address issues of interest to the Company. These activities are conducted in compliance with all legal requirements.” Though the

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<th>Elements of Report Requested by the Proposal</th>
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<td>for the prior calendar year, and related compliance mechanisms.”</td>
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<td><strong>Company’s Political Giving and Participation in the Formulation of Public Policy in the United States</strong> document does not include a defined term for “grassroots lobbying communications,” the Company is of the view that such policy document applies to any meaningful grassroots lobbying communications. In addition, the Company does not believe that it has been involved in direct grassroots lobbying during 2019 or the recent past.</td>
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<td>Disclose “[p]ayments by Disney used for (a) direct or indirect lobbying or (b) grassroots lobbying communications, in each case including the amount of the payment and the recipient.”</td>
<td>As noted above, contribution amounts and recipients are disclosed on the Company’s website for (a) direct lobbying by the Company and the DisneyPAC and (b) U.S. trade association memberships. The Company’s disclosure of U.S. Trade Association Membership dues and the portions of such payments that the organizations indicated to the Company were used for lobbying activities would include amounts used for indirect lobbying and grassroots lobbying communications, if any. Disclosure for lobbying activities to address issues of interest to the Company is provided through federal and state agency websites. As mentioned above, the Company does not believe that it has been involved in direct grassroots lobbying during 2019 or the recent past.</td>
</tr>
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<td>Disclose a “[d]escription of management’s decision making process and the Board’s oversight for making payments described above.”</td>
<td>“All U.S. political activity and contributions conducted by the Company and by the federal political action committee are approved by the Company’s Senior Vice President of Government Relations.”</td>
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<td>— The Policy contains a number of stated limitations, as reflected in some of the quotes above. These, along with the overarching purposes of the Policy, offer further disclosure as to the boundaries of management’s decision-making process.</td>
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<td>“Each year, the Governance and Nominating Committee of the Board of Directors will review this policy, the political contributions activity of the Company for the prior calendar year, and related compliance mechanisms.”</td>
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<td>“The report shall be presented to the Governance and Nominating Committee and posted on Disney’s website.”</td>
<td>“Each year, the Governance and Nominating Committee of the Board of Directors will review this policy, the political contributions activity of the Company for the prior calendar year, and related compliance mechanisms.”</td>
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Links to Requested Disclosure:


The report shall be updated annually. | “We disclose political contributions activity, including independent expenditures if they are made, in a similar manner for each semi-annual period and maintain an archive of the prior five years of contributions on our corporate web site.” |

“Information regarding the contributions made by the political action committee for the most recent semi-annual period, as well as an archive of the prior five years of contributions is available on our corporate web site.”

“Information regarding our membership in U.S.-based industry and trade associations is disclosed annually. Information regarding activity in the most recent calendar year is available on our corporate website.”

Consistent with the line of precedent cited above, the Company has substantially implemented the Proposal. Directly satisfying the essential objective of the Proposal, as set forth in the Proposal’s supporting statement, which “encourage[s] transparency” out of concern about a “lack of disclosure,” the Company has provided the disclosures described above that communicate information about the Company’s lobbying policies and procedures and payments used for lobbying activities, all in a robust, transparent manner that compares favorably with the requests set forth in the Proposal.
Conclusion

For the foregoing reasons, and consistent with the Staff’s prior no-action letters, we respectfully request that the Staff concur that it will take no action if the Company excludes the Proposal from its Proxy Materials pursuant to Rule 14a-8(i)(10), on the basis that the Company has substantially implemented the Proposal.

If the Staff has any questions with respect to the foregoing, or if for any reason the Staff does not agree that the Company may exclude the Proposal from its Proxy Materials, please do not hesitate to contact me at lillian.brown@wilmerhale.com or (202) 663-6743, or Jolene Negre, Associate General Counsel and Assistant Secretary, The Walt Disney Company at Jolene.E.Negre@disney.com. In addition, should the Proponents choose to submit any response or other correspondence to the Commission, we request that the Proponents concurrently submit that response or other correspondence to the Company, as required pursuant to Rule 14a-8(k) and SLB 14D, and copy the undersigned.

Best regards,

Lillian Brown

Enclosures

cc: Jolene Negre, Associate General Counsel and Assistant Secretary
    The Walt Disney Company

    Sister Ruth Battaglia CSA
    Justice, Peace, Integrity of Creation Coordinator
    Congregation of Sisters of St. Agnes
July 26, 2019

Alan N. Braverman
Corporate Secretary
The Walt Disney Company
500 South Buena Vista Street
Burbank, California 91521-1030

RE: Shareholder proposal for 2020 Annual Meeting

Dear Mr. Braverman,

Enclosed please find a proposal to be included in the proxy statement of the Walt Disney Company ("Disney" or the "Company") for its 2020 annual meeting of stockholders.

The Congregation of Sisters of St. Agnes is an apostolic community of vowed women religious. As a Roman Catholic community part of our mission is to promote Gospel values on a systemic level. In keeping with our commitment to socially responsible investment, we are filing this shareholder resolution because we believe that it is in the best interests of shareholders for companies like Disney to be transparent with respect to lobbying expenditures, policy positions and oversight mechanisms. This includes both direct and indirect lobbying, including through trade associations, as well as grass roots lobbying communications.

The Congregation of Sisters of St. Agnes has continuously held for at least one year more than $2,000 in market value of Walt Disney stock, which would meet the requirements under SEC rules. Verification of this ownership, provided by our custodial bank, KeyBank, will be sent separately. We intend to hold at least the minimum required number of shares through the date of the 2020 annual meeting.
The Congregation of Sisters of St. Agnes is the primary filer for this resolution. We will send a representative to the stockholders' meeting to move the shareholder proposal as required by the SEC rules. We may be joined by one or more co-filers.

Please direct any communication to me at (920) 907-2315 or rbattaglia@csasisters.org. I request copies of any documentation related to this proposal.

Sincerely,

Sister Ruth Battalia CSA  
Justice, Peace, Integrity of Creation Coordinator  
Congregation of Sisters of St. Agnes
Whereas, we believe in full disclosure of Disney’s direct and indirect lobbying activities and expenditures to assess whether Disney’s lobbying is consistent with Disney’s expressed goals and in the best interests of shareholders.

Resolved, the shareholders of Walt Disney (“Disney”) 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 Disney 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. Description of management’s decision-making process and the Board’s oversight for making payments described 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 Disney 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 Governance and Nominating Committee and posted on Disney’s website.

Supporting Statement

We encourage transparency in Disney’s use of funds to lobby. Disney spent $34,055,000 from 2010–2018 on federal lobbying. This does not include state lobbying expenditures, where Disney also lobbies but disclosure is uneven or absent. For example, Disney spent $3,259,090 on lobbying in California from 2010–2018. And Disney also lobbies abroad, spending between €400,000 – €499,000 on lobbying in Europe for 2018.

Disney serves on the board of NCTA – The Internet & Television Association, which spent $146 million on lobbying from 2010–2018, and belongs to the Chamber of Commerce (“Paris Pullout Pits Chamber against Some of Its Biggest Members,” Bloomberg, June 9, 2017), which has spent over $1.5 billion on lobbying since 1998. Unlike peer group members Accenture, Cisco, Intel and Microsoft, Disney does not disclose memberships in, or payments to, trade associations, or the amounts used for lobbying. We believe Disney should reconsider its resistance to disclosure of its spending on public policy.

We are concerned that Disney’s lack of disclosure presents reputational risk when it contradicts company public positions. For example, Disney showed real leadership supporting the Paris Agreement on climate change (“Disney CEO Iger Quits Trump Council over Climate Decision,” CNBC, June 2, 2017), yet the Chamber opposed the Paris climate accord. A 2018 report looking at political engagement transparency rated Disney an “F” on responsible lobbying (“Disney, Huawei and EY among Worst Offenders in Disclosing Lobbying,” The Guardian, November 25, 2018). As shareholders, we believe that companies, including Disney, should ensure there is alignment between their own positions and their lobbying, including through trade associations. This proposal received 39.3 percent support in 2019 out of votes cast for and against.
July 26, 2019

Alan N. Braverman
Corporate Secretary
The Walt Disney Company
500 South Buena Vista Street
Burbank, CA 91521-1030

Dear Mr. Braverman:

UBS Financial Services is the record holder of securities for the benefit of the Congregation of Sisters of Saint Agnes. As such, we confirm that as of July 26, 2019, the Congregation of Sisters of Saint Agnes holds 105 shares of Walt Disney Company (DIS), thus the necessary $2000 worth of stock required for filing a shareholder resolution. We also confirm that said shares have been held by the Congregation for more than the required 12 month period.

Please contact me if you require any further information about the holding of the above security.

Sincerely,

Helene M. Butler
Institutional Analyst
July 30, 2019

Mr. Alan N. Braverman  
Corporate Secretary  
The Walt Disney Company  
500 South Buena Vista Street  
Burbank, CA 91521-1030

Dear Mr. Braverman:

Walden Asset Management, and Boston Trust & Investment Management Company, are an investment manager with approximately $9.4 billion in assets under management. Our company holds approximately 11,500 shares in the Walt Disney Company. We are pleased to be a long-term owner of Disney stock. We also believe Disney is a leader on many fronts on environmental, social and governance issues.

We appreciate the openness shown by Disney in the past to engage in dialogue with its shareholders on this and other issues. With the significant vote at last year’s AGM on this resolution, we hope this exchange can continue.

Walden Asset Management is co-filing this resolution with Congregation of Sisters of St. Agnes as the primary filer. We are glad to participate in any dialogue.

We are filing the enclosed shareholder proposal for inclusion in the 2020 proxy statement, in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities Exchange Act of 1934. We are the beneficial owner, as defined in Rule 13d-3 of the Securities Exchange Act of 1934, of the above mentioned number of Disney shares.

We have been a continuous shareholder for more than one year holding over $2,000 of Disney shares and will continue to hold over $2,000 shares of Disney stock through the next annual meeting. Verification of our ownership position will be provided on request. A representative of the filers will attend the stockholders’ meeting to move the resolution as required by SEC rules. Walden hereby designate Congregation of Sisters of St. Agnes to act on our behalf.

Sincerely,

Timothy Smith  
Senior Vice President  
Director of ESG Shareholder Engagement

Cc: Sister Ruth Battaglia, Sisters of St. Agnes

A Division of Boston Trust & Investment Management Company  
One Beacon Street  Boston, Massachusetts 02108  617.726.7250  Fax: 617.227.2690
Whereas, we believe in full disclosure of Disney’s direct and indirect lobbying activities and expenditures to assess whether Disney’s lobbying is consistent with Disney’s expressed goals and in the best interests of shareholders.

Resolved, the shareholders of Walt Disney (“Disney”) 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 Disney 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. Description of management’s decision making process and the Board’s oversight for making payments described 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 Disney 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 Governance and Nominating Committee and posted on Disney’s website.

Supporting Statement

We encourage transparency in Disney’s use of funds to lobby. Disney spent $34,055,000 from 2010–2018 on federal lobbying. This does not include state lobbying expenditures, where Disney also lobbies but disclosure is uneven or absent. For example, Disney spent $3,259,090 on lobbying in California from 2010–2018. And Disney also lobbies abroad, spending between €400,000 – €499,000 on lobbying in Europe for 2018.

Disney serves on the board of NCTA – The Internet & Television Association, which spent $146 million on lobbying from 2010–2018, and belongs to the Chamber of Commerce (“Paris Pullout Pits Chamber against Some of Its Biggest Members,” Bloomberg, June 9, 2017), which has spent over $1.5 billion on lobbying since 1998. Unlike peer group members Accenture, Cisco, Intel and Microsoft, Disney does not disclose memberships in, or payments to, trade associations, or the amounts used for lobbying. We believe Disney should reconsider its resistance to disclosure of its spending on public policy.

We are concerned that Disney’s lack of disclosure presents reputational risk when it contradicts company public positions. For example, Disney showed real leadership supporting the Paris Agreement on climate change (“Disney CEO Iger Quits Trump Council over Climate Decision,” CNBC, June 2, 2017), yet the Chamber opposed the Paris climate accord. A 2018 report looking at political engagement transparency rated Disney an “F” on responsible lobbying (“Disney, Huawei and EY among Worst Offenders in Disclosing Lobbying,” The Guardian, November 25, 2018). As shareholders, we believe that companies, including Disney, should ensure there is alignment between their own positions and their lobbying, including through trade associations. This proposal received 39.3 percent support in 2019 out of votes cast for and against.
Date: July 30, 2019

To Whom It May Concern:

U.S. Bank is the sub-custodian for Boston Trust & Investment Management Company (Boston Trust) and its investment division Walden Asset Management.

We are writing to confirm that Boston Trust has had beneficial ownership of at least $2,000 in market value of the voting securities of The Walt Disney Company (Cusip#911312106) and that such beneficial ownership has existed continuously for over one year in accordance with rule 14a-8(a)(1) of the Securities Exchange Act of 1934.

U.S. Bank is a DTC participant.

Sincerely,

Melissa Wolf
Officer, Client Service Manager
Institutional Trust & Custody
August 1, 2019

Alan N. Braverman
Corporate Secretary
The Walt Disney Company
500 South Buena Vista Street
Burbank, CA  91521-1030

Dear Mr. Braverman:

Mercy Investment Services, Inc., 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 fosters long-term business success. Mercy Investment Services, Inc., a long-term investor, is currently the beneficial owner of shares of the Walt Disney Company.

Mercy Investment Services, Inc. is filing the resolution requesting the Walt Disney Company prepare a report, updated annually disclosing the company policy and procedures governing lobbying, both direct and indirect, and grassroots lobbying communications. The report should include payments for lobbying activities and a description of management’s decision-making process and the Board’s oversight for making the payments.

Mercy Investment Services, Inc., is co-filing the enclosed shareholder proposal with the lead filer, the Congregation of Sisters of St. Agnes, for inclusion in the 2020 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, a DTC participant, is enclosed with this letter. The Congregation of Sisters of St. Agnes may withdraw the proposal on our behalf. We respectfully request direct communications from the Walt Disney Company, 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,

Caroline Boden
Shareholder Advocacy Manager
314-909-4650
cboden@mercyinvestments.org

2039 North Geyer Road · St. Louis, Missouri 63131-3332 · 314.909.4609 · 314.909.4694 (fax)
www.mercyinvestmentservices.org
Whereas, we believe in full disclosure of Disney’s direct and indirect lobbying activities and expenditures to assess whether Disney’s lobbying is consistent with Disney’s expressed goals and in the best interests of shareholders.

Resolved, the shareholders of Walt Disney (“Disney”) 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 Disney 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. Description of management’s decision making process and the Board’s oversight for making payments described 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 Disney 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 Governance and Nominating Committee and posted on Disney’s website.

Supporting Statement

We encourage transparency in Disney’s use of funds to lobby. Disney spent $34,055,000 from 2010 – 2018 on federal lobbying. This does not include state lobbying expenditures, where Disney also lobbies but disclosure is uneven or absent. For example, Disney spent $3,259,090 on lobbying in California from 2010 – 2018. And Disney also lobbies abroad, spending between €400,000 – €499,000 on lobbying in Europe for 2018.

Disney serves on the board of NCTA – The Internet & Television Association, which spent $146 million on lobbying from 2010 – 2018, and belongs to the Chamber of Commerce (“Paris Pullout Pits Chamber against Some of Its Biggest Members,” Bloomberg, June 9, 2017), which has spent over $1.5 billion on lobbying since 1998. Unlike peer group members Accenture, Cisco, Intel and Microsoft, Disney does not disclose memberships in, or payments to, trade associations, or the amounts used for lobbying. We believe Disney should reconsider its resistance to disclosure of its spending on public policy.

We are concerned that Disney’s lack of disclosure presents reputational risk when it contradicts company public positions. For example, Disney showed real leadership supporting the Paris Agreement on climate change (“Disney CEO Iger Quits Trump Council over Climate Decision,” CNBC, June 2, 2017), yet the Chamber opposed the Paris climate accord. A 2018 report looking at political engagement transparency rated Disney an “F” on responsible lobbying (“Disney, Huawei and EY among Worst Offenders in Disclosing Lobbying,” The Guardian, November 25, 2018). As shareholders, we believe that companies, including Disney, should ensure there is alignment between their own positions and their lobbying, including through trade associations. This proposal received 39.3 percent support in 2019 out of votes cast for and against.
August 1, 2019

Alan N. Braverman
Corporate Secretary
The Walt Disney Company
500 South Buena Vista Street
Burbank, CA  91521-1030

Re: Mercy Investment Services Inc.

Dear Alan,

This letter will certify that as of August 1, 2019, Northern Trust held for the beneficial interest of Mercy Investment Services Inc., 28 shares of The Walt Disney Company. We confirm that Mercy Investment Services Inc. has beneficial ownership of at least $2,000 in market value of the voting securities of The Walt Disney Company, and that such beneficial ownership has existed continuously for at least one year including a one year period preceding and including August 1, 2019, 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.

We also confirm that as of the filing date, August 1, 2019, Mercy Investment Services Inc., held 29,435 additional shares of The Walt Disney Company with a market value of $4,175,354.75.

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,

James Nanavati
2nd Vice President
(312) 557-9761
August 8, 2019

Alan Braverman
Senior Executive Vice President, General Counsel and Secretary
The Walt Disney Company
500 South Buena Vista St.
Burbank, CA 91521-1030

Dear Mr. Braverman:

The Congregation of St. Joseph (CSJ) 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 fosters long-term business success. CSJ, a long-term investor, is currently the beneficial owner of shares of The Walt Disney Company.

The enclosed proposal requests the preparation of a report, updated annually, disclosing company policy and procedures for all lobbying expenses. As long-term investors, we support transparency and accountability in corporate spending on political activities and believe such disclosure is in the best interest of both Company and shareholders.

CSJ is co-filing the enclosed shareholder proposal with the Congregation of Sisters of St. Agnes for inclusion in the 2020 proxy statement, in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities Exchange Act of 1934. CSJ 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. Congregation of Sisters of St. Agnes, as primary filer, may withdraw the proposal on our behalf. We respectfully request direct communications from The Walt Disney Company, 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 all future correspondence, including an email acknowledgement of receipt of this letter and resolution, to Caroline Boden, representative of the Congregation of St. Joseph: email: cboden@mercyinvestments.org, phone: 314-909-4650, address - 2039 No. Geyer Rd., St. Louis, MO 63131.

Best regards,

Karen Watson, CFA
Chief Investment Officer
Congregation of St. Joseph

That all may be one...
Whereas, we believe in full disclosure of Disney's direct and indirect lobbying activities and expenditures to assess whether Disney's lobbying is consistent with Disney's expressed goals and in the best interests of shareholders.

Resolved, the shareholders of Walt Disney (“Disney”) 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 Disney 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. Description of management's decision making process and the Board's oversight for making payments described 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 Disney 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 Governance and Nominating Committee and posted on Disney’s website.

Supporting Statement

We encourage transparency in Disney’s use of funds to lobby. Disney spent $34,055,000 from 2010–2018 on federal lobbying. This does not include state lobbying expenditures, where Disney also lobbies but disclosure is uneven or absent. For example, Disney spent $3,259,090 on lobbying in California from 2010–2018. And Disney also lobbies abroad, spending between €400,000 – €499,000 on lobbying in Europe for 2018.

Disney serves on the board of NCTA – The Internet & Television Association, which spent $146 million on lobbying from 2010–2018, and belongs to the Chamber of Commerce (“Paris Pullout Pits Chamber against Some of Its Biggest Members,” Bloomberg, June 9, 2017), which has spent over $1.5 billion on lobbying since 1998. Unlike peer group members Accenture, Cisco, Intel and Microsoft, Disney does not disclose memberships in, or payments to, trade associations, or the amounts used for lobbying. We believe Disney should reconsider its resistance to disclosure of its spending on public policy.

We are concerned that Disney’s lack of disclosure presents reputational risk when it contradicts company public positions. For example, Disney showed real leadership supporting the Paris Agreement on climate change (“Disney CEO Iger Quits Trump Council over Climate Decision,” CNBC, June 2, 2017), yet the Chamber opposed the Paris climate accord. A 2018 report looking at political engagement transparency rated Disney an “F” on responsible lobbying (“Disney, Huawei and EY among Worst Offenders in Disclosing Lobbying,” The Guardian, November 25, 2018). As shareholders, we believe that companies, including Disney, should ensure there is alignment between their own positions and their lobbying, including through trade associations. This proposal received 39.3 percent support in 2019 out of votes cast for and against.
August 8, 2019

Alan Braverman
Senior Executive Vice President, General Counsel and Secretary
The Walt Disney Company
500 South Buena Vista St.
Burbank, CA 91521-1030

Re: Certification of Ownership: Congregation of St. Joseph Account Number NTG-XXX

To whom it may concern:

This letter will certify that as of August 8, 2019, The Northern Trust Company held for the beneficial interest of The Congregation of St. Joseph 200 shares of The Walt Disney Co. (Cusip 254687106)

We confirm that the Congregation of St. Joseph has beneficial ownership of at least $2,000 in market value of the voting securities of The Walt Disney Co. and that such beneficial ownership has existed continuously since April 7, 2010 in accordance with rule 14a-8(a)(1) of the Securities Exchange Act of 1934.

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

Please be advised, Northern Trust Securities Inc., employs National Financial Services for clearing purposes. National Financial Services DTC number is 0226.

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

Best,

Ava Gordon
Aving14@ntrs.com
312-557-3033

Not FDIC Insured | May Lose Value | No Bank Guarantee
August 8, 2019

Alan Braverman
Senior Executive Vice President, General Counsel and Secretary
The Walt Disney Company
500 South Buena Vista St.
Burbank, CA 91521-1030

Dear Mr. Braverman:

Daughters of Charity, Inc. ("Daughters of Charity") has long been concerned not only with the financial returns of its investments, but also with the social and ethical implications of its investments. We believe that a demonstrated corporate responsibility in matters of the environment, social and governance concerns fosters long-term business success. Daughters of Charity is currently the beneficial owner of shares of The Walt Disney Company.

Daughters of Charity is filing the enclosed resolution requesting the Walt Disney Company to provide a report, updated annually, disclosing expenditures, policies and procedures governing lobbying, both direct and indirect, and grassroots lobbying communications.

Daughters of Charity is co-filing this proposal with lead investor the Congregation of Sisters of St. Agnes. The enclosed proposal is for inclusion in the 2020 proxy statement, in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities Exchange Act of 1934. Daughters of Charity 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. The verification of ownership by our custodian, a DTC participant, is enclosed with this letter.

Congregation of Sisters of St. Agnes may withdraw the proposal on our behalf. A representative of the filers will attend the Annual Meeting to present the resolution as required by SEC rules. We respectfully request direct communications from Disney, 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 all future correspondence, including an email acknowledgement of receipt of this letter and resolution, to Caroline Boden, representative of the Daughters of Charity, Inc., email: cboden@mercyinvestments.org; phone: 314-909-4650; address: 2039 No. Geyer Rd., St. Louis, MO 63131.

Best regards,

Sister Teresa George, D.C.
Treasurer

DAUGHTERS OF CHARITY, INC.
4330 Olive Street
St. Louis, Missouri 63108-2622
p: 314 533 4770
f: 314 533 3226
www.daughtersofcharity.org
Whereas, we believe in full disclosure of Disney's direct and indirect lobbying activities and expenditures to assess whether Disney’s lobbying is consistent with Disney’s expressed goals and in the best interests of shareholders.

Resolved, the shareholders of Walt Disney (“Disney”) 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 Disney 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. Description of management's decision making process and the Board's oversight for making payments described 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 Disney 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 Governance and Nominating Committee and posted on Disney’s website.

Supporting Statement

We encourage transparency in Disney’s use of funds to lobby. Disney spent $34,055,000 from 2010-2018 on federal lobbying. This does not include state lobbying expenditures, where Disney also lobbies but disclosure is uneven or absent. For example, Disney spent $3,259,090 on lobbying in California from 2010-2018. And Disney also lobbies abroad, spending between €400,000 – €499,000 on lobbying in Europe for 2018.

Disney serves on the board of NCTA – The Internet & Television Association, which spent $146 million on lobbying from 2010 – 2018, and belongs to the Chamber of Commerce (“Paris Pullout Pits Chamber against Some of Its Biggest Members,” Bloomberg, June 9, 2017), which has spent over $1.5 billion on lobbying since 1998. Unlike peer group members Accenture, Cisco, Intel and Microsoft, Disney does not disclose memberships in, or payments to, trade associations, or the amounts used for lobbying. We believe Disney should reconsider its resistance to disclosure of its spending on public policy.

We are concerned that Disney’s lack of disclosure presents reputational risk when it contradicts company public positions. For example, Disney showed real leadership supporting the Paris Agreement on climate change (“Disney CEO Iger Quits Trump Council over Climate Decision,” CNBC, June 2, 2017), yet the Chamber opposed the Paris climate accord. A 2018 report looking at political engagement transparency rated Disney an “F” on responsible lobbying (“Disney, Huawei and EY among Worst Offenders in Disclosing Lobbying,” The Guardian, November 25, 2018). As shareholders, we believe that companies, including Disney, should ensure there is alignment between their own positions and their lobbying, including through trade associations. This proposal received 39.3 percent support in 2019 out of votes cast for and against.
August 8, 2019

Alan Braverman
Senior Executive Vice President, General Counsel and Secretary
The Walt Disney Company
500 South Buena Vista St.
Burbank, CA  91521-1030

Re: Certification of Ownership: Daughters of Charity Inc. Account Number NTG-XXX***

This letter will certify that as of August 8, 2019 The Northern Trust Company held for the beneficial interest of The Daughters of Charity Inc. 35 shares of The Walt Disney Co. (CUSIP: 254687106).

We confirm that the Daughters of Charity has beneficial ownership of the voting The Walt Disney Co. and that such beneficial ownership has existed continuously since December 8, 2014 in accordance with rule 14a-8(a)(l) of the Securities Exchange Act of 1934.

Further, it is the intent to hold these securities through the next annual meeting.

Please be advised, Northern Trust Securities Inc., employs National Financial Services for clearing purposes. National Financial Services DTC number is 0226.

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

Best,

Ava Gordon
Amg14@ntrs.com
312-557-3033
August 07, 2019

Alan N. Braverman
Corporate Secretary
The Walt Disney Company
500 South Buena Vista Street
Burbank, CA 91521

Dear Mr. Braverman,

Fresh Pond Capital, a division of Reynders, McVeigh Capital Management, LLC, combined with Reynders, McVeigh Capital Management, LLC, holds 169,943,627 shares of Walt Disney Company stock. We are a socially responsible wealth management firm in Boston working with high net worth individuals and families. Along with our parent company, Reynders, McVeigh Capital Management, we manage $1.9 billion in assets. As global citizens we encourage corporations to be responsible and transparent. Shareholder engagement is one avenue to push companies to be accountable to shareholders and the greater global community. We are filing, in cooperation with the Congregation of Sisters of St. Agnes, the enclosed shareholder proposal for consideration at your 2020 Annual Meeting. In brief, the proposal requests a review of your lobbying disclosure, policies and practices.

We are filing the enclosed shareholder proposal for inclusion in the 2020 proxy statement, in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities Exchange Act of 1934. Fresh Pond Capital has continuously held Walt Disney Company shares totaling at least $2,000 in market value for at least one year prior to the date of this filing. Proof of ownership is enclosed. Fresh Pond Capital will maintain the required ownership of Walt Disney Company stock through the 2020 Annual Meeting. A representative of the filers will attend the Annual Meeting to move the resolution as required by SEC rules. In future communications with Walt Disney Company, Fresh Pond Capital will be represented by Congregation of Sisters of St. Agnes.

We at Fresh Pond Capital believe companies that lead on transparency, including environmental, social and corporate governance matters, are better positioned to provide long-term shareholder value. If you have any questions concerning this resolution, please contact me at 617-226-9999 or amccoy@reyndersmcveigh.com.

Sincerely,

Abby McCoy
Associate Portfolio Manager
617-226-9999
amccoy@reyndersmcveigh.com

CC: Timothy Smith
Whereas, we believe in full disclosure of Disney's direct and indirect lobbying activities and expenditures to assess whether Disney's lobbying is consistent with Disney's expressed goals and in the best interests of shareholders.

Resolved, the shareholders of Walt Disney ("Disney") 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 Disney 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. Description of management’s decision making process and the Board’s oversight for making payments described 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 Disney 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 Governance and Nominating Committee and posted on Disney’s website.

Supporting Statement

We encourage transparency in Disney’s use of funds to lobby. Disney spent $34,055,000 from 2010 - 2018 on federal lobbying. This does not include state lobbying expenditures, where Disney also lobbies but disclosure is uneven or absent. For example, Disney spent $3,259,090 on lobbying in California from 2010 - 2018. And Disney also lobbies abroad, spending between €400,000 – €499,000 on lobbying in Europe for 2018.

Disney serves on the board of NCTA – The Internet & Television Association, which spent $146 million on lobbying from 2010 – 2018, and belongs to the Chamber of Commerce (“Paris Pullout Pits Chamber against Some of Its Biggest Members,” Bloomberg, June 9, 2017), which has spent over $1.5 billion on lobbying since 1998. Unlike peer group members Accenture, Cisco, Intel and Microsoft, Disney does not disclose memberships in, or payments to, trade associations, or the amounts used for lobbying. We believe Disney should reconsider its resistance to disclosure of its spending on public policy.

We are concerned that Disney’s lack of disclosure presents reputational risk when it contradicts company public positions. For example, Disney showed real leadership supporting the Paris Agreement on climate change (“Disney CEO Iger Quits Trump Council over Climate Decision,” CNBC, June 2, 2017), yet the Chamber opposed the Paris climate accord. A 2018 report looking at political engagement transparency rated Disney an “F” on responsible lobbying (“Disney, Huawei and EY among Worst Offenders in Disclosing Lobbying,” The Guardian, November 25, 2018). As shareholders, we believe that companies, including Disney, should ensure there is alignment between their own positions and their lobbying, including through trade associations. This proposal received 39.3 percent support in 2019 out of votes cast for and against.
August 7, 2019

Reynders McVeigh Capital Mgmt.
121 High St Fl 501
Boston, MA 02110-2416

To Whom It May Concern:

I am the Primary Client Manager at Fidelity Investments for Reynders McVeigh Capital Management / Fresh Pond Capital ("Reynders").

Please accept this letter as confirmation that, at the beginning of trading on August 7, 2019 there were 169,943.627 shares of Disney (DIS) held by Reynders' clients with Fidelity Investments. Furthermore, our records confirm that shares of Disney with a value in excess of $2,000 have been continuously held with Fidelity Investments from the close of business on August 6, 2018 to the date of this letter.

I hope this information is helpful.

Sincerely,

Ryan Morse
Client Services Manager

Our file: W296610-01AUG19
July 29th, 2019

Alan Braverman, Corporate Secretary
The Walt Disney Company
500 S. Buena Vista St,
Burbank, CA 91521
Email: alan.braverman@disney.com

Dear Mr. Braverman:

I am writing you on behalf of the Missionary Oblates of Mary Immaculate, United States Province to co-file the stockholder resolution on Lobbying Expenditures Disclosure. In brief, the proposal states:

Resolved, the shareholders of Walt Disney ("Disney") 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 Disney 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. Description of management's decision making process and the Board's oversight for making payments described above.

I am hereby authorized to notify you of our intention to co-file this shareholder proposal with Sister Ruth Battaglia (Congregation of St. Agnes). I submit it for inclusion in the 2018 proxy statement for consideration and action by the shareholders at the 2018 annual meeting in accordance with Rule 14-a-8 of the General Rules and Regulations of the Securities and
Exchange Act of 1934. We are the beneficial owner, as defined in Rule 13d-3 of the Securities Exchange Act of 1934, of 7,353 Disney (Walt) Company / ABC shares.

We have been a continuous shareholder for one year of $2,000 in market value of Disney (Walt) Company / ABC stock and will continue to hold at least $2,000 of Disney (Walt) Company / ABC stock through the next annual meeting. Verification of our ownership position is enclosed. A representative of the filers will attend the shareholders' meeting to move the resolution as required by SEC rules.

We truly hope that the company will be willing to dialogue with the filers about this proposal. We consider Sister Ruth Battaglia (Congregation of St. Agnes) the lead filer of this resolution and as so is authorized to act on our behalf in all aspects of the resolution including negotiation and withdrawal. Please note that the contact person for this resolution/proposal will be Sister Ruth Battaglia (Congregation of St. Agnes) who may be reached by email: rbattaglia@csasisters.org. As a co-filer, however, we respectfully request direct communication from the company and to be listed in the proxy.

If you have any questions, please do not hesitate to contact me.

Sincerely,

[Signature]

Rev. Séamus Finn OMI
Justice, Peace and Integrity of Creation Office
Missionary Oblates of Mary Immaculate
Whereas, we believe in full disclosure of Disney’s direct and indirect lobbying activities and expenditures to assess whether Disney’s lobbying is consistent with Disney’s expressed goals and in the best interests of shareholders.

Resolved, the shareholders of Walt Disney (“Disney”) 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 Disney 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. Description of management’s decision making process and the Board’s oversight for making payments described 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 Disney 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 Governance and Nominating Committee and posted on Disney’s website.

Supporting Statement

We encourage transparency in Disney’s use of funds to lobby. Disney spent $34,055,000 from 2010 - 2018 on federal lobbying. This does not include state lobbying expenditures, where Disney also lobbies but disclosure is uneven or absent. For example, Disney spent $3,259,090 on lobbying in California from 2010 - 2018. And Disney also lobbies abroad, spending between €400,000 - €499,000 on lobbying in Europe for 2018.

Disney serves on the board of NCTA - The Internet & Television Association, which spent $146 million on lobbying from 2010 - 2018, and belongs to the Chamber of Commerce (“Paris Pullout Pits Chamber against Some of Its Biggest Members,” Bloomberg, June 9, 2017), which has spent over $1.5 billion on lobbying since 1998. Unlike peer group members Accenture, Cisco, Intel and Microsoft, Disney does not disclose memberships in, or payments to, trade associations, or the amounts used for lobbying. We believe Disney should reconsider its resistance to disclosure of its spending on public policy.

We are concerned that Disney’s lack of disclosure presents reputational risk when it contradicts company public positions. For example, Disney showed real leadership supporting the Paris Agreement on climate change (“Disney CEO Iger Quits Trump Council over Climate Decision,” CNBC, June 2, 2017), yet the Chamber opposed the Paris climate accord. A 2018 report looking at political engagement transparency rated Disney an “F” on responsible lobbying (“Disney, Huawei and EY among Worst Offenders in Disclosing Lobbying,” The Guardian, November 25, 2018). As shareholders, we believe that companies, including Disney, should ensure there is alignment between their own positions and their lobbying, including through trade associations. This proposal received 39.3 percent support in 2019 out of votes cast for and against.
July 29, 2019

Rev. Seamus P. Finn  
Missionary Oblates of Mary Immaculate  
Justice of Peace Office - United States Province  
391 Michigan Avenue, NE  
Washington, DC 20017-1516

Dear Father Finn:

The United States of Province of Missionary Oblates of Mary Immaculate owns 7,353 of Walt Disney stock and has owned these shares for one year. These shares are held in nominee name in the M & T Bank's account at the Depository Trust Company. M & T Investment Group is an affiliate of M & T Bank, DTC number 0990.

Please do not hesitate to contact me with any questions.

Sincerely,

Elizabeth Baker  
Banking Officer | Wilmington Trust a Division of M & T Bank  
Retirement and Institutional Custody Services | Relationship Manager III  
Direct: 410-545-2765 | (F) 410-545-2762 | 1-866-848-0383  
ebaker1@wilmingtontrust.com  
1800 Washington Blvd., Baltimore, MD 21230  
Mail Code: MD1-MP33
Dear Mr Braverman

RE: Resolution for 2020 Annual Meeting of Shareholders

Greater Manchester Pension Fund is a UK local government pension fund with assets with a market value of £23.8 billion as of 31st March 2019. Greater Manchester Pension Fund is a long-term owner of Walt Disney stock.

Please include the enclosed proposal in the Company's Proxy Statement as a Form of Proxy relating to the 2020 Annual Meeting of Shareholders of The Walt Disney Company. Greater Manchester Pension Fund is co-filing this resolution with The Congregation of Sisters of St. Agnes.

Also enclosed is certification from our current and previous custodian, Northern Trust Company and JPMorgan Chase Bank NA respectively, of our long position of Walt Disney stock and the fulfilment of the market value amount and time requirements of SEC Rule 14a-8, as we understand these requirements to be. Greater Manchester Pension Fund intends to fulfil all requirements of Rule 14a-8, including holding the requisite amount of equity through the date of the 2020 Meeting.

Regarding this proposal, I designate The Congregation of Sisters of St. Agnes as the lead filer. Correspondence related to this proposal can be directed to Sister Ruth Battaglia at rbattaglia@csasisters.org.

Copies of correspondence, as well as any questions related to this co-filing, can be directed to Mushfiqur Rahman, Investments Manager at +44 (0) 161 301 7145 or mushfiqur.rahman@gmpf.org.uk and copied to Tessa Younger of PIRC, our research and engagement partner at tessa.younger@pirc.co.uk.

Yours Sincerely

Tom Harrington
Assistant Director

cc: Emily.Clichy@disney.com; Kimberly.McKiernan@disney.com; Tom.Harrington@gmpf.org.uk; tessa.younger@pirc.co.uk; rbattaglia@csasisters.org;
Whereas, we believe in full disclosure of Disney’s direct and indirect lobbying activities and expenditures to assess whether Disney’s lobbying is consistent with Disney’s expressed goals and in the best interests of shareholders.

Resolved, the shareholders of Walt Disney ("Disney") 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 Disney 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. Description of management’s decision making process and the Board’s oversight for making payments described 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 Disney 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 Governance and Nominating Committee and posted on Disney’s website.

Supporting Statement

We encourage transparency in Disney’s use of funds to lobby. Disney spent $34,055,000 from 2010 – 2018 on federal lobbying. This does not include state lobbying expenditures, where Disney also lobbies but disclosure is uneven or absent. For example, Disney spent $3,259,090 on lobbying in California from 2010 – 2018. And Disney also lobbies abroad, spending between €400,000 – €499,000 on lobbying in Europe for 2018.

Disney serves on the board of NCTA – The Internet & Television Association, which spent $146 million on lobbying from 2010 – 2018, and belongs to the Chamber of Commerce ("Paris Pullout Pits Chamber against Some of Its Biggest Members," Bloomberg, June 9, 2017), which has spent over $1.5 billion on lobbying since 1998. Unlike peer group members Accenture, Cisco, Intel and Microsoft, Disney does not disclose memberships in, or payments to, trade associations, or the amounts used for lobbying. We believe Disney should reconsider its resistance to disclosure of its spending on public policy.

We are concerned that Disney’s lack of disclosure presents reputational risk when it contradicts company public positions. For example, Disney showed real leadership supporting the Paris Agreement on climate change ("Disney CEO Iger Quits Trump Council over Climate Decision," CNBC, June 2, 2017), yet the Chamber opposed the Paris climate accord. A 2018 report looking at political engagement transparency rated Disney an “F” on responsible lobbying ("Disney, Huawei and EY among Worst Offenders in Disclosing Lobbying," The Guardian, November 25, 2018). As shareholders, we believe that companies, including Disney, should ensure there is alignment between their own positions and their lobbying, including through trade associations. This proposal received 39.3 percent support in 2019 out of votes cast for and against.
22 August 2019

Alan N. Braverman
Corporate Secretary
The Walt Disney Company
500 South Buena Vista Street
Burbank, California 91521-1030

Dear Mr Braverman,

Re: THE WALT DISNEY COMPANY - ISIN US2546871060

The Northern Trust Company as global custodian to Tameside Metropolitan Borough Council as the administering authority of the Greater Manchester Pension Fund, hereby confirm that according to our records Tameside Metropolitan Borough Council as the administering authority of the Greater Manchester Pension Fund has held the above asset with The Northern Trust Company since 1st July 2019, and the market value of the holding has been more than USD 2,000 since this date.

Although there was a change of custodian on 1st July 2019 there has been no change in beneficial owner.

Yours sincerely

Cathy Joseph
Second Vice President
August 29, 2019

To Who It May Concern,

This letter is in response to the request received from Mr Mushfiqur Rahman, Investments Manager at the Greater Manchester Pension Fund.

Please accept this letter as confirmation that JPMorgan Chase Bank NA, London Branch ("JP Morgan") was acting as global custodian for Tameside Metropolitan Borough Council in its capacity as the administering authority of the Greater Manchester Pension Fund ("GMPF") up until 30th June 2019. JP Morgan did not provide audited accounting valuation services for GMPF but can confirm that between 01Jul18 and 30Jun19, our custody records show that GMPF held shares of Walt Disney, ISIN US2546871060, and the balance was continually maintained to the value of over $2,000.00 during this time.

Please note that this information is strictly confidential, is provided to the intended recipient at the request of GMPF and is for informational purposes.

Regards

Iain Lawrence
September 5, 2019

Alan N. Braverman
Corporate Secretary
The Walt Disney Company
500 South Buena Vista St.
Burbank, CA 91521

To Whom It May Concern:

Please accept this letter as confirmation that our client, the Franciscan Sisters of Perpetual Adoration, has held shares of Walt Disney Co. common stock for the last year and plans to continue to hold it through next year’s annual meeting.

Sincerely,

Will Tienken
First Vice President/Investments
September 5, 2019

Alan N. Braverman
Corporate Secretary
The Walt Disney Company
500 South Buena Vista Street
Burbank, California 91521-1030

Dear Mr. Braverman:

This is to notify you that, as of September 5, 2019, the Franciscan Sisters of Perpetual Adoration have owned Walt Disney common stock continuously for one year from this date. I have been notified by filer that this same stock should be held through next year's annual meeting.

Sincerely,

Mary F. Anderson, CFA
President

MFA/lac

CC: Sue Ernster, FSPA Treasurer
September 3, 2019

Alan N. Braverman  
Corporate Secretary  
The Walt Disney Company  
500 South Buena Vista Street  
Burbank, California 91521-1030

RE: Shareholder proposal for 2020 Annual Meeting

Dear Mr. Braverman:

Peace and all good! As Franciscan Sisters of Perpetual Adoration and active members of the Interfaith Center on Corporate Responsibility, we continue to reflect our values, principles, and mission in our investment decisions.

The Franciscan Sisters of Perpetual Adoration are therefore co-filing with the Sisters of St. Agnes the enclosed shareholder proposal, “Lobbying.” I submit it for inclusion in the proxy statement for consideration and action by the shareholders at the 2020 annual meeting in accordance with Rule 14-a-8 of the General Rules and Regulations of the Securities and Exchange Act of 1934. A representative of the shareholders will attend the annual meeting to move the resolution as required by SEC rules. Please note that the contact person for this resolution/proposal will be: Ruth Battaglia, CSA Justice, Peace, Integrity of Creation Coordinator. Contact information: rbattaglia@csasisters.org or 920-907-2315

As verification that we are beneficial owners of common stock in Walt Disney, a separate letter from First Fiduciary, our portfolio custodian/record holder attesting to the fact. It is our intention to keep these shares in our portfolio at least until after the annual meeting.

Respectfully yours,

Susan M. Ernster, FSPA  
Vice President & Treasurer/CFO of the Franciscan Sisters of Perpetual Adoration

CC: Ruth Battaglia, CSA

Enclosure: Resolution
Resolution Text
Whereas, we believe in full disclosure of Disney's direct and indirect lobbying activities and expenditures to assess whether Disney's lobbying is consistent with Disney's expressed goals and in the best interests of shareholders.

Resolved, the shareholders of Walt Disney ("Disney") 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 Disney 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. Description of management's decision making process and the Board's oversight for making payments described 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 Disney 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 Governance and Nominating Committee and posted on Disney's website.

Supporting Statement

We encourage transparency in Disney's use of funds to lobby. Disney spent $34,055,000 from 2010 - 2018 on federal lobbying. This does not include state lobbying expenditures, where Disney also lobbies but disclosure is uneven or absent. For example, Disney spent $3,259,090 on lobbying in California from 2010 - 2018. And Disney also lobbies abroad, spending between €400,000 - €499,000 on lobbying in Europe for 2018.

Disney serves on the board of NCTA - The Internet & Television Association, which spent $146 million on lobbying from 2010 - 2018, and belongs to the Chamber of Commerce ("Paris Pullout Pits Chamber against Some of Its Biggest Members,"
Bloomberg, June 9, 2017), which has spent over $1.5 billion on lobbying since 1998. Unlike peer group members Accenture, Cisco, Intel and Microsoft, Disney does not disclose memberships in, or payments to, trade associations, or the amounts used for lobbying. We believe Disney should reconsider its resistance to disclosure of its spending on public policy.

We are concerned that Disney's lack of disclosure presents reputational risk when it contradicts company public positions. For example, Disney showed real leadership supporting the Paris Agreement on climate change (“Disney CEO Iger Quits Trump Council over Climate Decision,” CNBC, June 2, 2017), yet the Chamber opposed the Paris climate accord. A 2018 report looking at political engagement transparency rated Disney an “F” on responsible lobbying (“Disney, Huawei and EY among Worst Offenders in Disclosing Lobbying,” The Guardian, November 25, 2018). As shareholders, we believe that companies, including Disney, should ensure there is alignment between their own positions and their lobbying, including through trade associations. This proposal received 39.3 percent support in 2019 out of votes cast for and against.
September 12, 2019

Sister Ruth Battalia CSA
Congregation of Sisters of St. Agnes
320 County Road K
Fond du Lac, WI 54937

VIA EMAIL AND OVERNIGHT COURIER

Re: Notice of Deficiency Relating to Shareholder Proposal

Dear Sister Battalia:

On September 9, 2019, The Walt Disney Company (the “Company”), received the shareholder proposal submitted on behalf of the Franciscan Sisters of Perpetual Adoration (the “Proponent”) for consideration at the Company’s 2020 Annual Meeting (the “Submission”). The Submission indicates that communications regarding it should be directed to you. Based on the postmark of the Submission, the Company has determined that the date of submission was September 6, 2019 (the “Submission Date”).

Rule 14a-8(b) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), provides that a shareholder proponent must submit sufficient proof of their continuous ownership of at least $2,000 in market value, or 1%, of a company’s shares entitled to vote on the proposal for at least one year as of the Submission Date. The Company’s stock records do not indicate that the Proponent is the record owner of sufficient shares to satisfy this requirement. Therefore, under Rule 14a-8(b), the Proponent must prove its eligibility by submitting either:

- A written statement from the “record” holder of the Proponent’s shares (usually a broker or a bank) verifying that, as of the Submission Date, the Proponent continuously held the requisite number of Company shares for at least one year. As addressed by the SEC staff in Staff Legal Bulletin 14G, please note that if the Proponent’s shares are held by a bank, broker or other securities intermediary that is a Depository Trust Company (“DTC”) participant or an affiliate thereof, proof of ownership from either that DTC participant or its affiliate will satisfy this requirement. Alternatively, if the Proponent’s shares are held by a bank, broker or other securities intermediary that is not a DTC participant or an affiliate of a DTC participant, proof of ownership must be provided by both (1) the bank, broker or other securities intermediary and (2) the DTC participant (or an affiliate thereof) that can verify the holdings of the bank, broker or other securities intermediary. You can confirm whether a particular bank, broker or other securities intermediary is a DTC participant by checking DTC’s participant list, which is available on the Internet at http://www.dtcc.com/downloads/membership/directories/dtc/alpha.pdf. The Proponent
should be able to determine who the DTC participant is by asking the Proponent’s bank, broker or other securities intermediary; or

- If the Proponent has filed with the SEC a Schedule 13D, Schedule 13G, Form 3, Form 4 or Form 5, or amendments to those documents or updated forms, reflecting its ownership of the requisite number of Company shares as of or before the date on which the one-year eligibility period begins, a copy of the schedule and/or form, and any subsequent amendments reporting a change in the ownership level and a written statement that the Proponent continuously held the requisite number of Company shares for the one-year period.

The proof of ownership you have submitted did not address the market value of shares held by the Proponent. To remedy this defect, the Proponent must submit sufficient proof of its ownership of the requisite number of Company shares during the time period of one year preceding and including the Submission Date.

The SEC’s rules require that any response to this letter be postmarked or transmitted electronically no later than 14 calendar days from the date you receive this letter. Please address any response to the undersigned, Jolene Negre, at 500 South Buena Vista Street; Burbank, CA 91521 or by email to jolene.e.negre@disney.com. The failure to correct the deficiencies within this timeframe will provide the Company with a basis to exclude the proposal contained in the Submission from the Company’s proxy materials for the 2020 Annual Meeting.

If you have any questions with respect to the foregoing, please contact me at jolene.e.negre@disney.com or 818-560-6728. For your reference, I enclose a copy of Rule 14a-8 and Staff Legal Bulletins 14F and 14G.

Sincerely,

[Signature]

cc: Sister Susan M. Ernester, FSPA
Vice President & Treasurer/CFO of the Franciscan Sisters of Perpetual Adoration

Enclosures – Exchange Act Rule 14a-8
Staff Legal Bulletins 14F and 14G
§ 240.14a-8 Shareholder proposals.

This section addresses when a company must include a shareholder's proposal in its proxy statement and identify the proposal in its form of proxy when the company holds an annual or special meeting of shareholders. In summary, in order to have your shareholder proposal included on a company's proxy card, and included along with any supporting statement in its proxy statement, you must be eligible and follow certain procedures. Under a few specific circumstances, the company is permitted to exclude your proposal, but only after submitting its reasons to the Commission. We structured this section in a question-and-answer format so that it is easier to understand. The references to "you" are to a shareholder seeking to submit the proposal.

(a) Question 1: What is a proposal? A shareholder proposal is your recommendation or requirement that the company and/or its board of directors take action, which you intend to present at a meeting of the company's shareholders. Your proposal should state as clearly as possible the course of action that you believe the company should follow. If your proposal is placed on the company's proxy card, the company must also provide in the form of proxy means for shareholders to specify by boxes a choice between approval or disapproval, or abstention. Unless otherwise indicated, the word "proposals" as used in this section refers both to your proposal, and to any supporting statement in support of your proposal (if any).

(b) Question 2: Who is eligible to submit a proposal, and how do I demonstrate to the company that I am eligible? (1) In order to be eligible to submit a proposal, you must have continuously held at least $2,000 in market value, or 1%, of the company's securities entitled to be voted on the proposal at the meeting for at least one year by the date you submit the proposal. You must continue to hold those securities through the date of the meeting of shareholders. However, if like many shareholders you are not a registered holder, the company likely does not know that you are a shareholder, or how many shares you own. In this case, at the time you submit your proposal, you must prove your eligibility to the company in one of two ways:

   (i) The first way is to submit to the company a written statement from the "record" holder of your securities (usually a broker or bank) verifying that, at the time you submitted your proposal, you continuously held the securities for at least one year. You must also include your own written statement that you intend to continue to hold the securities through the date of the meeting of shareholders; or

   (ii) The second way to prove ownership applies only if you have filed Schedule 13D (§ 240.13d-101), Schedule 13G (§ 240.13d-102), Form 3 (§ 240.103 of this chapter), Form 4 (§ 240.104 of this chapter) and/or Form 5 (§ 249.105 of this chapter), or amendments to those documents or updated forms, reflecting your ownership of the shares as of or before the date on which the one-year eligibility period begins. If you have filed one of these documents with the SEC, you may demonstrate your eligibility by submitting to the company:
(A) A copy of the schedule and/or form, and any subsequent amendments reporting a change in your ownership level;

(B) Your written statement that you continuously held the required number of shares for the one-year period as of the date of the statement; and

(C) Your written statement that you intend to continue ownership of the shares through the date of the company's annual or special meeting.

Question 3: How many proposals may I submit? Each shareholder may submit no more than one proposal to a company for a particular shareholders' meeting.

Question 4: How long can my proposal be? The proposal, including any accompanying supporting statement, may not exceed 500 words.

Question 5: What is the deadline for submitting a proposal?

1. If you are submitting your proposal for the company's annual meeting, you can in most cases find the deadline in last year's proxy statement. However, if the company did not hold an annual meeting last year, or has changed the date of its meeting for this year more than 30 days from last year's meeting, you can usually find the deadline in one of the company's quarterly reports on Form 10-Q (§ 249.308a of this chapter), or in shareholder reports of investment companies under § 270.30d-1 of this chapter of the Investment Company Act of 1940. In order to avoid controversy, shareholders should submit their proposals by means, including electronic means, that permit them to prove the date of delivery.

2. The deadline is calculated in the following manner if the proposal is submitted for a regularly scheduled annual meeting. The proposal must be received at the company's principal executive offices not less than 120 calendar days before the date of the company's proxy statement released to shareholders in connection with the previous year's annual meeting. However, if the company did not hold an annual meeting the previous year, or if the date of this year's annual meeting has been changed by more than 30 days from the date of the previous year's meeting, then the deadline is a reasonable time before the company begins to print and send its proxy materials.

3. If you are submitting your proposal for a meeting of shareholders other than a regularly scheduled annual meeting, the deadline is a reasonable time before the company begins to print and send its proxy materials.

Question 6: What if I fail to follow one of the eligibility or procedural requirements explained in answers to Questions 1 through 4 of this section? (1) The company may exclude your proposal, but only after it has notified you of the problem, and you have failed adequately to correct it. Within 14 calendar days of receiving your proposal, the company must notify you in writing of any procedural or eligibility deficiencies, as well as of the time frame for your response. Your response must be postmarked, or transmitted electronically, no later than 14 days from the date you received the company's notification. A company need not provide you such notice of a deficiency if the deficiency cannot be remedied, such as if you fail to submit a proposal by the company's properly determined deadline. If the company intends to exclude the proposal, it will later have to make a submission under § 240.14a-8 and provide you with a copy under Question 10 below, § 240.14a-8(j).

2. If you fail in your promise to hold the required number of securities through the date of the meeting of shareholders, then the company will be permitted to exclude all of your proposals from its proxy materials for any meeting held in the following two calendar years.

Question 7: Who has the burden of persuading the Commission or its staff that my proposal can be excluded? Except as otherwise noted, the burden is on the company to demonstrate that it is entitled to exclude a proposal.

Question 8: Must I appear personally at the shareholders' meeting to present the proposal? (1) Either you, or your representative who is qualified under state law to present the proposal on your behalf, must attend the meeting to present the proposal. Whether you attend the meeting yourself or send a qualified representative to the meeting in your place, you should make sure that you, or your representative, follow the proper state law procedures for attending the meeting and/or presenting your proposal.
17 CFR 240.14a-8

(2) If the company holds its shareholder meeting in whole or in part via electronic media, and the company permits you or your representative to present your proposal via such media, then you may appear through electronic media rather than traveling to the meeting to appear in person.

(3) If you or your qualified representative fail to appear and present the proposal, without good cause, the company will be permitted to exclude all of your proposals from its proxy materials for any meetings held in the following two calendar years.

(4) Question 9: If I have complied with the procedural requirements, on what other bases may a company rely to exclude my proposal? (1) Improper under state law: If the proposal is not a proper subject for action by shareholders under the laws of the jurisdiction of the company's organization;

Note to paragraph (i)(1): Depending on the subject matter, some proposals are not considered proper under state law if they would be binding on the company if approved by shareholders. In our experience, most proposals that are cast as recommendations or requests that the board of directors take specified action are proper under state law. Accordingly, we will assume that a proposal drafted as a recommendation or suggestion is proper unless the company demonstrates otherwise.

(2) Violation of law: If the proposal would, if implemented, cause the company to violate any state, federal, or foreign law to which it is subject;

Note to paragraph (i)(2): We will not apply this basis for exclusion to permit exclusion of a proposal on grounds that it would violate foreign law if compliance with the foreign law would result in a violation of any state or federal law.

(3) Violation of proxy rules: If the proposal or supporting statement is contrary to any of the Commission's proxy rules, including § 240.14a-9, which prohibits materially false or misleading statements in proxy soliciting materials;

(4) Personal grievance; special interest: If the proposal relates to the redress of a personal claim or grievance against the company or any other person, or if it is designed to result in a benefit to you, or to further a personal interest, which is not shared by the other shareholders at large;

(5) Relevance: If the proposal relates to operations which account for less than 5 percent of the company's total assets at the end of its most recent fiscal year, and for less than 5 percent of its net earnings and gross sales for its most recent fiscal year, and is not otherwise significantly related to the company's business;

(6) Absence of power/authority: If the company would lack the power or authority to implement the proposal;

(7) Management functions: If the proposal deals with a matter relating to the company's ordinary business operations;

(8) Director elections: If the proposal:

(i) Would disqualify a nominee who is standing for election;

(ii) Would remove a director from office before his or her term expired;

(iii) Questions the competence, business judgment, or character of one or more nominees or directors;

(iv) Seeks to include a specific individual in the company's proxy materials for election to the board of directors; or

(v) Otherwise could affect the outcome of the upcoming election of directors.

(9) Conflicts with company's proposal: If the proposal directly conflicts with one of the company's own proposals to be submitted to shareholders at the same meeting;

Note to paragraph (i)(9): A company's submission to the Commission under this section should specify the points of conflict with the company's proposal.

(10) Substantially implemented: If the company has already substantially implemented the proposal;

Note to paragraph (i)(10): A company may exclude a shareholder proposal that would provide an advisory vote or seek future advisory votes to approve the compensation of executives as disclosed pursuant to Item 402 of
Regulation S-K (§ 229.402 of this chapter) or any successor to Item 402 (a "say-on-pay vote") or that relates to the frequency of say-on-pay votes, provided that in the most recent shareholder vote required by § 240.14a-21(b) of this chapter a single year (i.e., one, two, or three years) received approval of a majority of votes cast on the matter and the company has adopted a policy on the frequency of say-on-pay votes that is consistent with the choice of the majority of votes cast in the most recent shareholder vote required by § 240.14a-21(b) of this chapter.

(11) Duplication: If the proposal 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;

(12) Resubmissions: If the proposal deals with substantially the same subject matter as another proposal or proposals that has or have been previously included in the company's proxy materials within the preceding 5 calendar years, a company may exclude it from its proxy materials for any meeting held within 3 calendar years of the last time it was included if the proposal received:

(i) Less than 3% of the vote if proposed once within the preceding 5 calendar years;

(ii) Less than 6% of the vote on its last submission to shareholders if proposed twice previously within the preceding 5 calendar years; or

(iii) Less than 10% of the vote on its last submission to shareholders if proposed three times or more previously within the preceding 5 calendar years; and

(13) Specific amount of dividends: If the proposal relates to specific amounts of cash or stock dividends.

(j) Question 10: What procedures must the company follow if it intends to exclude my proposal? (1) If the company intends to exclude a proposal from its proxy materials, it must file its reasons with the Commission no later than 80 calendar days before it files its definitive proxy statement and form of proxy with the Commission. The company must simultaneously provide you with a copy of its submission. The Commission staff may permit the company to make its submission later than 80 days before the company files its definitive proxy statement and form of proxy, if the company demonstrates good cause for missing the deadline.

(2) The company must file six paper copies of the following:

(i) The proposal;

(ii) An explanation of why the company believes that it may exclude the proposal, which should, if possible, refer to the most recent applicable authority, such as prior Division letters issued under the rule; and

(iii) A supporting opinion of counsel when such reasons are based on matters of state or foreign law.

(k) Question 11: May I submit my own statement to the Commission responding to the company's arguments? Yes, you may submit a response, but it is not required. You should try to submit any response to us, with a copy to the company, as soon as possible after the company makes its submission. This way, the Commission staff will have time to consider fully your submission before it issues its response. You should submit six paper copies of your response.

(l) Question 12: If the company includes my shareholder proposal in its proxy materials, what information about me must it include along with the proposal itself?

(1) The company's proxy statement must include your name and address, as well as the number of the company's voting securities that you hold. However, instead of providing that information, the company may instead include a statement that it will provide the information to shareholders promptly upon receiving an oral or written request.

(2) The company is not responsible for the contents of your proposal or supporting statement.

(m) Question 13: What can I do if the company includes in its proxy statement reasons why it believes shareholders should not vote in favor of my proposal, and I disagree with some of its statements?

(1) The company may elect to include in its proxy statement reasons why it believes shareholders should vote against your proposal. The company is allowed to make arguments reflecting its own point of view, just as you may express your own point of view in your proposal's supporting statement.
(2) However, if you believe that the company's opposition to your proposal contains materially false or misleading statements that may violate our anti-fraud rule, § 240.14a-9, you should promptly send to the Commission staff and the company a letter explaining the reasons for your view, along with a copy of the company's statements opposing your proposal. To the extent possible, your letter should include specific factual information demonstrating the inaccuracy of the company's claims. Time permitting, you may wish to try to work out your differences with the company by yourself before contacting the Commission staff.

(3) We require the company to send you a copy of its statements opposing your proposal before it sends its proxy materials, so that you may bring to our attention any materially false or misleading statements, under the following timeframes:

(i) If our no-action response requires that you make revisions to your proposal or supporting statement as a condition to requiring the company to include it in its proxy materials, then the company must provide you with a copy of its opposition statements no later than 5 calendar days after the company receives a copy of your revised proposal; or

(ii) In all other cases, the company must provide you with a copy of its opposition statements no later than 30 calendar days before it files definitive copies of its proxy statement and form of proxy under § 240.14a-6.
Division of Corporation Finance
Securities and Exchange Commission

Shareholder Proposals

Staff Legal Bulletin No. 14F (CF)

Action: Publication of CF Staff Legal Bulletin

Date: October 18, 2011

Summary: This staff legal bulletin provides information for companies and shareholders regarding Rule 14a-8 under the Securities Exchange Act of 1934.

Supplementary Information: The statements in this bulletin represent the views of the Division of Corporation Finance (the "Division"). This bulletin is not a rule, regulation or statement of the Securities and Exchange Commission (the "Commission"). Further, the Commission has neither approved nor disapproved its content.

Contacts: For further information, please contact the Division's Office of Chief Counsel by calling (202) 551-3500 or by submitting a web-based request form at https://tts.sec.gov/cgi-bin/corp_fin_interpretive.

A. The purpose of this bulletin

This bulletin is part of a continuing effort by the Division to provide guidance on important issues arising under Exchange Act Rule 14a-8. Specifically, this bulletin contains information regarding:

- Brokers and banks that constitute "record" holders under Rule 14a-8(b)(2)(i) for purposes of verifying whether a beneficial owner is eligible to submit a proposal under Rule 14a-8;

- Common errors shareholders can avoid when submitting proof of ownership to companies;

- The submission of revised proposals;

- Procedures for withdrawing no-action requests regarding proposals submitted by multiple proponents; and

- The Division's new process for transmitting Rule 14a-8 no-action responses by email.

You can find additional guidance regarding Rule 14a-8 in the following bulletins that are available on the Commission's website: SLB No. 14, SLB No. 14A, SLB No. 14B, SLB No. 14C, SLB No. 14D and SLB No. 14E.

B. The types of brokers and banks that constitute "record" holders under Rule 14a-8(b)(2)(i) for purposes of verifying whether a beneficial owner is eligible to submit a proposal under Rule 14a-8
1. Eligibility to submit a proposal under Rule 14a-8

To be eligible to submit a shareholder proposal, a shareholder must have continuously held at least $2,000 in market value, or 1% of the company's securities entitled to be voted on the proposal at the shareholder meeting for at least one year as of the date the shareholder submits the proposal. The shareholder must also continue to hold the required amount of securities through the date of the meeting and must provide the company with a written statement of intent to do so.1

The steps that a shareholder must take to verify his or her eligibility to submit a proposal depend on how the shareholder owns the securities. There are two types of security holders in the U.S.: registered owners and beneficial owners.2 Registered owners have a direct relationship with the issuer because their ownership of shares is listed on the records maintained by the issuer or its transfer agent. If a shareholder is a registered owner, the company can independently confirm that the shareholder's holdings satisfy Rule 14a-8(b)'s eligibility requirement.

The vast majority of investors in shares issued by U.S. companies, however, are beneficial owners, which means that they hold their securities in book-entry form through a securities intermediary, such as a broker or a bank. Beneficial owners are sometimes referred to as "street name" holders. Rule 14a-8(b)(2)(i) provides that a beneficial owner can provide proof of ownership to support his or her eligibility to submit a proposal by submitting a written statement "from the 'record' holder of [the] securities (usually a broker or bank)," verifying that, at the time the proposal was submitted, the shareholder held the required amount of securities continuously for at least one year.3

2. The role of the Depository Trust Company

Most large U.S. brokers and banks deposit their customers' securities with, and hold those securities through, the Depository Trust Company ("DTC"), a registered clearing agency acting as a securities depository. Such brokers and banks are often referred to as "participants" in DTC.4 The names of these DTC participants, however, do not appear as the registered owners of the securities deposited with DTC on the list of shareholders maintained by the company or, more typically, by its transfer agent. Rather, DTC's nominee, Cede & Co., appears on the shareholder list as the sole registered owner of securities deposited with DTC by the DTC participants. A company can request from DTC a "securities position listing" as of a specified date, which identifies the DTC participants holding a position in the company's securities and the number of securities held by each DTC participant on that date.5

3. Brokers and banks that constitute "record" holders under Rule 14a-8(b)(2)(i) for purposes of verifying whether a beneficial owner is eligible to submit a proposal under Rule 14a-8

In The Hain Celestial Group, Inc. (Oct. 1, 2008), we took the position that an introducing broker could be considered a "record" holder for purposes of Rule 14a-8(b)(2)(i). An introducing broker is a broker that engages in sales and other activities involving customer contact, such as opening customer accounts and accepting customer orders, but is not permitted to maintain custody of customer funds and securities.6 Instead, an introducing broker engages another broker, known as a "clearing broker," to hold custody of client funds and securities, to clear and execute customer trades, and to handle other functions such as issuing confirmations of customer trades and customer account statements. Clearing brokers generally are DTC participants; introducing brokers generally are not. As introducing brokers generally are not DTC participants, and therefore typically do not appear on DTC's securities position listing, Hain Celestial has required companies to accept proof of ownership letters from brokers in cases where, unlike the positions of registered owners and brokers and banks that are DTC participants, the company is unable to verify the positions against its own or its transfer agent's records or against DTC's securities position listing.
In light of questions we have received following two recent court cases relating to proof of ownership under Rule 14a-8 and in light of the Commission's discussion of registered and beneficial owners in the Proxy Mechanics Concept Release, we have reconsidered our views as to what types of brokers and banks should be considered "record" holders under Rule 14a-8(b)(2)(i). Because of the transparency of DTC participants' positions in a company's securities, we will take the view going forward that, for Rule 14a-8(b)(2)(i) purposes, only DTC participants should be viewed as "record" holders of securities that are deposited at DTC. As a result, we will no longer follow Hain Celestial.

We believe that taking this approach as to who constitutes a "record" holder for purposes of Rule 14a-8(b)(2)(i) will provide greater certainty to beneficial owners and companies. We also note that this approach is consistent with Exchange Act Rule 12g5-1 and a 1988 staff no-action letter addressing that rule, under which brokers and banks that are DTC participants are considered to be the record holders of securities on deposit with DTC when calculating the number of record holders for purposes of Sections 12(g) and 15(d) of the Exchange Act.

Companies have occasionally expressed the view that, because DTC's nominee, Cede & Co., appears on the shareholder list as the sole registered owner of securities deposited with DTC by the DTC participants, only DTC or Cede & Co. should be viewed as the "record" holder of the securities held on deposit at DTC for purposes of Rule 14a-8(b)(2)(i). We have never interpreted the rule to require a shareholder to obtain a proof of ownership letter from DTC or Cede & Co., and nothing in this guidance should be construed as changing that view.

**How can a shareholder determine whether his or her broker or bank is a DTC participant?**

Shareholders and companies can confirm whether a particular broker or bank is a DTC participant by checking DTC's participant list, which is currently available on the Internet at [http://www.dtcc.com/downloads/membership/directories/dtc/alpha.pdf](http://www.dtcc.com/downloads/membership/directories/dtc/alpha.pdf).

**What if a shareholder's broker or bank is not on DTC's participant list?**

The shareholder will need to obtain proof of ownership from the DTC participant through which the securities are held. The shareholder should be able to find out who this DTC participant is by asking the shareholder's broker or bank.

If the DTC participant knows the shareholder's broker or bank's holdings, but does not know the shareholder's holdings, a shareholder could satisfy Rule 14a-8(b)(2)(i) by obtaining and submitting two proof of ownership statements verifying that, at the time the proposal was submitted, the required amount of securities were continuously held for at least one year — one from the shareholder's broker or bank confirming the shareholder's ownership, and the other from the DTC participant confirming the broker or bank's ownership.

**How will the staff process no-action requests that argue for exclusion on the basis that the shareholder's proof of ownership is not from a DTC participant?**

The staff will grant no-action relief to a company on the basis that the shareholder's proof of ownership is not from a DTC participant only if
the company's notice of defect describes the required proof of ownership in a manner that is consistent with the guidance contained in this bulletin. Under Rule 14a-8(f)(1), the shareholder will have an opportunity to obtain the requisite proof of ownership after receiving the notice of defect.

C. Common errors shareholders can avoid when submitting proof of ownership to companies

In this section, we describe two common errors shareholders make when submitting proof of ownership for purposes of Rule 14a-8(b)(2), and we provide guidance on how to avoid these errors.

First, Rule 14a-8(b) requires a shareholder to provide proof of ownership that he or she has "continuously held at least $2,000 in market value, or 1%, of the company's securities entitled to be voted on the proposal at the meeting for at least one year by the date you submit the proposal" (emphasis added). We note that many proof of ownership letters do not satisfy this requirement because they do not verify the shareholder's beneficial ownership for the entire one-year period preceding and including the date the proposal is submitted. In some cases, the letter speaks as of a date before the date the proposal is submitted, thereby leaving a gap between the date of the verification and the date the proposal is submitted. In other cases, the letter speaks as of a date after the date the proposal was submitted but covers a period of only one year, thus failing to verify the shareholder's beneficial ownership over the required full one-year period preceding the date of the proposal's submission.

Second, many letters fail to confirm continuous ownership of the securities. This can occur when a broker or bank submits a letter that confirms the shareholder's beneficial ownership only as of a specified date but omits any reference to continuous ownership for a one-year period.

We recognize that the requirements of Rule 14a-8(b) are highly prescriptive and can cause inconvenience for shareholders when submitting proposals. Although our administration of Rule 14a-8(b) is constrained by the terms of the rule, we believe that shareholders can avoid the two errors highlighted above by arranging to have their broker or bank provide the required verification of ownership as of the date they plan to submit the proposal using the following format:

"As of [date the proposal is submitted], [name of shareholder] held, and has held continuously for at least one year, [number of securities] shares of [company name] [class of securities]."

As discussed above, a shareholder may also need to provide a separate written statement from the DTC participant through which the shareholder's securities are held if the shareholder's broker or bank is not a DTC participant.

D. The submission of revised proposals

On occasion, a shareholder will revise a proposal after submitting it to a company. This section addresses questions we have received regarding revisions to a proposal or supporting statement.

1. A shareholder submits a timely proposal. The shareholder then submits a revised proposal before the company's deadline for receiving proposals. Must the company accept the revisions?

Yes. In this situation, we believe the revised proposal serves as a replacement of the initial proposal. By submitting a revised proposal, the shareholder has effectively withdrawn the initial proposal. Therefore, the shareholder is not in violation of the one-
proposal limitation in Rule 14a-8(c). If the company intends to submit a no-action request, it must do so with respect to the revised proposal.

We recognize that in Question and Answer E.2 of SLB No. 14, we indicated that if a shareholder makes revisions to a proposal before the company submits its no-action request, the company can choose whether to accept the revisions. However, this guidance has led some companies to believe that, in cases where shareholders attempt to make changes to an initial proposal, the company is free to ignore such revisions even if the revised proposal is submitted before the company’s deadline for receiving shareholder proposals. We are revising our guidance on this issue to make clear that a company may not ignore a revised proposal in this situation.

2. A shareholder submits a timely proposal. After the deadline for receiving proposals, the shareholder submits a revised proposal. Must the company accept the revisions?

No. If a shareholder submits revisions to a proposal after the deadline for receiving proposals under Rule 14a-8(e), the company is not required to accept the revisions. However, if the company does not accept the revisions, it must treat the revised proposal as a second proposal and submit a notice stating its intention to exclude the revised proposal, as required by Rule 14a-8(j). The company’s notice may cite Rule 14a-8(e) as the reason for excluding the revised proposal. If the company does not accept the revisions and intends to exclude the initial proposal, it would also need to submit its reasons for excluding the initial proposal.

3. If a shareholder submits a revised proposal, as of which date must the shareholder prove his or her share ownership?

A shareholder must prove ownership as of the date the original proposal is submitted. When the Commission has discussed revisions to proposals, it has not suggested that a revision triggers a requirement to provide proof of ownership a second time. As outlined in Rule 14a-8(b), proving ownership includes providing a written statement that the shareholder intends to continue to hold the securities through the date of the shareholder meeting. Rule 14a-8(f)(2) provides that if the shareholder “fails in [his or her] promise to hold the required number of securities through the date of the meeting of shareholders, then the company will be permitted to exclude all of [the same shareholder’s] proposals from its proxy materials for any meeting held in the following two calendar years.” With these provisions in mind, we do not interpret Rule 14a-8 as requiring additional proof of ownership when a shareholder submits a revised proposal.

E. Procedures for withdrawing no-action requests for proposals submitted by multiple proponents

We have previously addressed the requirements for withdrawing a Rule 14a-8 no-action request in SLB Nos. 14 and 14C. SLB No. 14 notes that a company should include with a withdrawal letter documentation demonstrating that a shareholder has withdrawn the proposal. In cases where a proposal submitted by multiple shareholders is withdrawn, SLB No. 14C states that, if each shareholder has designated a lead individual to act on its behalf and the company is able to demonstrate that the individual is authorized to act on behalf of all of the proponents, the company need only provide a letter from that lead individual indicating that the lead individual is withdrawing the proposal on behalf of all of the proponents.

Because there is no relief granted by the staff in cases where a no-action request is withdrawn following the withdrawal of the related proposal, we recognize that the threshold for withdrawing a no-action request need not be overly burdensome. Going forward, we will process a withdrawal request if the company provides a letter from the lead filer that includes a representation that the lead filer is authorized to withdraw the proposal on behalf of each proponent identified in the company’s no-action request.
F. Use of email to transmit our Rule 14a-8 no-action responses to companies and proponents

To date, the Division has transmitted copies of our Rule 14a-8 no-action responses, including copies of the correspondence we have received in connection with such requests, by U.S. mail to companies and proponents. We also post our response and the related correspondence to the Commission’s website shortly after issuance of our response.

In order to accelerate delivery of staff responses to companies and proponents, and to reduce our copying and postage costs, going forward, we intend to transmit our Rule 14a-8 no-action responses by email to companies and proponents. We therefore encourage both companies and proponents to include email contact information in any correspondence to each other and to us. We will use U.S. mail to transmit our no-action response to any company or proponent for which we do not have email contact information.

Given the availability of our responses and the related correspondence on the Commission’s website and the requirement under Rule 14a-8 for companies and proponents to copy each other on correspondence submitted to the Commission, we believe it is unnecessary to transmit copies of the related correspondence along with our no-action response. Therefore, we intend to transmit only our staff response and not the correspondence we receive from the parties. We will continue to post to the Commission’s website copies of this correspondence at the same time that we post our staff no-action response.

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1 See Rule 14a-8(b).

2 For an explanation of the types of share ownership in the U.S., see Concept Release on U.S. Proxy System, Release No. 34-62495 (July 14, 2010) [75 FR 42982] (“Proxy Mechanics Concept Release”), at Section II.A. The term “beneficial owner” does not have a uniform meaning under the federal securities laws. It has a different meaning in this bulletin as compared to “beneficial owner” and “beneficial ownership” in Sections 13 and 16 of the Exchange Act. Our use of the term in this bulletin is not intended to suggest that registered owners are not beneficial owners for purposes of those Exchange Act provisions. See Proposed Amendments to Rule 14a-8 under the Securities Exchange Act of 1934 Relating to Proposals by Security Holders, Release No. 34-12598 (July 7, 1976) [41 FR 29982], at n.2 (“The term ‘beneficial owner’ when used in the context of the proxy rules, and in light of the purposes of those rules, may be interpreted to have a broader meaning than it would for certain other purpose[s] under the federal securities laws, such as reporting pursuant to the Williams Act.”).

3 If a shareholder has filed a Schedule 13D, Schedule 13G, Form 3, Form 4 or Form 5 reflecting ownership of the required amount of shares, the shareholder may instead prove ownership by submitting a copy of such filings and providing the additional information that is described in Rule 14a-8(b)(2)(ii).

4 DTC holds the deposited securities in “fungible bulk,” meaning that there are no specifically identifiable shares directly owned by the DTC participants. Rather, each DTC participant holds a pro rata interest or position in the aggregate number of shares of a particular issuer held at DTC. Correspondingly, each customer of a DTC participant—such as an individual investor—owns a pro rata interest in the shares in which the DTC participant has a pro rata interest. See Proxy Mechanics Concept Release, at Section II.B.2.a.


7 See KBR Inc. v. Chevedden, Civil Action No. H-11-0196, 2011 U.S. Dist. LEXIS 36431,
2011 WL 1463611 (S.D. Tex. Apr. 4, 2011); Apache Corp. v. Chevedden, 696 F. Supp. 2d 723 (S.D. Tex. 2010). In both cases, the court concluded that a securities intermediary was not a record holder for purposes of Rule 14a-8(b) because it did not appear on a list of the company’s non-objecting beneficial owners or on any DTC securities position listing, nor was the intermediary a DTC participant.

8 Techne Corp. (Sept. 20, 1988).

9 In addition, if the shareholder’s broker is an introducing broker, the shareholder’s account statements should include the clearing broker’s identity and telephone number. See Net Capital Rule Release, at Section IJC.(iii). The clearing broker will generally be a DTC participant.

10 For purposes of Rule 14a-8(b), the submission date of a proposal will generally precede the company’s receipt date of the proposal, absent the use of electronic or other means of same-day delivery.

11 This format is acceptable for purposes of Rule 14a-8(b), but it is not mandatory or exclusive.

12 As such, it is not appropriate for a company to send a notice of defect for multiple proposals under Rule 14a-8(c) upon receiving a revised proposal.

13 This position will apply to all proposals submitted after an initial proposal but before the company’s deadline for receiving proposals, regardless of whether they are explicitly labeled as “revisions” to an initial proposal, unless the shareholder affirmatively indicates an intent to submit a second, additional proposal for inclusion in the company’s proxy materials. In that case, the company must send the shareholder a notice of defect pursuant to Rule 14a-8(f)(1) if it intends to exclude either proposal from its proxy materials in reliance on Rule 14a-8(c). In light of this guidance, with respect to proposals or revisions received before a company’s deadline for submission, we will no longer follow Layne Christensen Co. (Mar. 21, 2011) and other prior staff no-action letters in which we took the view that a proposal would violate the Rule 14a-8(c) one-proposal limitation if such proposal is submitted to a company after the company has either submitted a Rule 14a-8 no-action request to exclude an earlier proposal submitted by the same proponent or notified the proponent that the earlier proposal was excludable under the rule.


15 Because the relevant date for proving ownership under Rule 14a-8(b) is the date the proposal is submitted, a proponent who does not adequately prove ownership in connection with a proposal is not permitted to submit another proposal for the same meeting on a later date.

16 Nothing in this staff position has any effect on the status of any shareholder proposal that is not withdrawn by the proponent or its authorized representative.


Modified: 10/18/2011
A. The purpose of this bulletin

This bulletin is part of a continuing effort by the Division to provide guidance on important issues arising under Exchange Act Rule 14a-8. Specifically, this bulletin contains information regarding:

- the parties that can provide proof of ownership under Rule 14a-8(b)(2)(i) for purposes of verifying whether a beneficial owner is eligible to submit a proposal under Rule 14a-8;
- the manner in which companies should notify proponents of a failure to provide proof of ownership for the one-year period required under Rule 14a-8(b)(1); and
- the use of website references in proposals and supporting statements.

You can find additional guidance regarding Rule 14a-8 in the following bulletins that are available on the Commission's website: SLB No. 14, SLB No. 14A, SLB No. 14B, SLB No. 14C, SLB No. 14D, SLB No. 14E and SLB No. 14F.

B. Parties that can provide proof of ownership under Rule 14a-8(b)(2)(i) for purposes of verifying whether a beneficial owner is eligible to submit a proposal under Rule 14a-8

1. Sufficiency of proof of ownership letters provided by affiliates of DTC participants for purposes of Rule 14a-8(b)(2)(i)
To be eligible to submit a proposal under Rule 14a-8, a shareholder must, among other things, provide documentation evidencing that the shareholder has continuously held at least $2,000 in market value, or 1%, of the company's securities entitled to be voted on the proposal at the shareholder meeting for at least one year as of the date the shareholder submits the proposal. If the shareholder is a beneficial owner of the securities, which means that the securities are held in book-entry form through a securities intermediary, Rule 14a-8(b)(2)(i) provides that this documentation can be in the form of a "written statement from the 'record' holder of your securities (usually a broker or bank)...."

In SLB No. 14F, the Division described its view that only securities intermediaries that are participants in the Depository Trust Company ("DTC") should be viewed as "record" holders of securities that are deposited at DTC for purposes of Rule 14a-8(b)(2)(i). Therefore, a beneficial owner must obtain a proof of ownership letter from the DTC participant through which its securities are held at DTC in order to satisfy the proof of ownership requirements in Rule 14a-8.

During the most recent proxy season, some companies questioned the sufficiency of proof of ownership letters from entities that were not themselves DTC participants, but were affiliates of DTC participants. By virtue of the affiliate relationship, we believe that a securities intermediary holding shares through its affiliated DTC participant should be in a position to verify its customers' ownership of securities. Accordingly, we are of the view that, for purposes of Rule 14a-8(b)(2)(i), a proof of ownership letter from an affiliate of a DTC participant satisfies the requirement to provide a proof of ownership letter from a DTC participant.

2. Adequacy of proof of ownership letters from securities intermediaries that are not brokers or banks

We understand that there are circumstances in which securities intermediaries that are not brokers or banks maintain securities accounts in the ordinary course of their business. A shareholder who holds securities through a securities intermediary that is not a broker or bank can satisfy Rule 14a-8's documentation requirement by submitting a proof of ownership letter from that securities intermediary. If the securities intermediary is not a DTC participant or an affiliate of a DTC participant, then the shareholder will also need to obtain a proof of ownership letter from the DTC participant or an affiliate of a DTC participant that can verify the holdings of the securities intermediary.

C. Manner in which companies should notify proponents of a failure to provide proof of ownership for the one-year period required under Rule 14a-8(b)(1)

As discussed in Section C of SLB No. 14F, a common error in proof of ownership letters is that they do not verify a proponent's beneficial ownership for the entire one-year period preceding and including the date the proposal was submitted, as required by Rule 14a-8(b)(1). In some cases, the letter speaks as of a date before the date the proposal was submitted, thereby leaving a gap between the date of verification and the date the proposal was submitted. In other cases, the letter speaks as of a date after the date the proposal was submitted but covers a period of only one year, thus failing to verify the proponent's beneficial ownership over the required full one-year period preceding the date of the proposal's submission.

Under Rule 14a-8(f), if a proponent fails to follow one of the eligibility or procedural requirements of the rule, a company may exclude the proposal only if it notifies the proponent of the defect and the proponent fails to
correct it. In SLB No. 14 and SLB No. 14B, we explained that companies should provide adequate detail about what a proponent must do to remedy all eligibility or procedural defects.

We are concerned that companies' notices of defect are not adequately describing the defects or explaining what a proponent must do to remedy defects in proof of ownership letters. For example, some companies' notices of defect make no mention of the gap in the period of ownership covered by the proponent's proof of ownership letter or other specific deficiencies that the company has identified. We do not believe that such notices of defect serve the purpose of Rule 14a-8(f).

Accordingly, going forward, we will not concur in the exclusion of a proposal under Rules 14a-8(b) and 14a-8(f) on the basis that a proponent's proof of ownership does not cover the one-year period preceding and including the date the proposal is submitted unless the company provides a notice of defect that identifies the specific date on which the proposal was submitted and explains that the proponent must obtain a new proof of ownership letter verifying continuous ownership of the requisite amount of securities for the one-year period preceding and including such date to cure the defect. We view the proposal's date of submission as the date the proposal is postmarked or transmitted electronically. Identifying in the notice of defect the specific date on which the proposal was submitted will help a proponent better understand how to remedy the defects described above and will be particularly helpful in those instances in which it may be difficult for a proponent to determine the date of submission, such as when the proposal is not postmarked on the same day it is placed in the mail. In addition, companies should include copies of the postmark or evidence of electronic transmission with their no-action requests.

D. Use of website addresses in proposals and supporting statements

Recently, a number of proponents have included in their proposals or in their supporting statements the addresses to websites that provide more information about their proposals. In some cases, companies have sought to exclude either the website address or the entire proposal due to the reference to the website address.

In SLB No. 14, we explained that a reference to a website address in a proposal does not raise the concerns addressed by the 500-word limitation in Rule 14a-8(d). We continue to be of this view and, accordingly, we will continue to count a website address as one word for purposes of Rule 14a-8(d). To the extent that the company seeks the exclusion of a website reference in a proposal, but not the proposal itself, we will continue to follow the guidance stated in SLB No. 14, which provides that references to website addresses in proposals or supporting statements could be subject to exclusion under Rule 14a-8(i)(3) if the information contained on the website is materially false or misleading, irrelevant to the subject matter of the proposal or otherwise in contravention of the proxy rules, including Rule 14a-9.3

In light of the growing interest in including references to website addresses in proposals and supporting statements, we are providing additional guidance on the appropriate use of website addresses in proposals and supporting statements.4

1. References to website addresses in a proposal or supporting statement and Rule 14a-8(i)(3)

References to websites in a proposal or supporting statement may raise concerns under Rule 14a-8(i)(3). In SLB No. 14B, we stated that the
exclusion of a proposal under Rule 14a-8(i)(3) as vague and indefinite may be appropriate if neither the shareholders voting on the proposal, nor the company in implementing the proposal (if adopted), would be able to determine with any reasonable certainty exactly what actions or measures the proposal requires. In evaluating whether a proposal may be excluded on this basis, we consider only the information contained in the proposal and supporting statement and determine whether, based on that information, shareholders and the company can determine what actions the proposal seeks.

If a proposal or supporting statement refers to a website that provides information necessary for shareholders and the company to understand with reasonable certainty exactly what actions or measures the proposal requires, and such information is not also contained in the proposal or in the supporting statement, then we believe the proposal would raise concerns under Rule 14a-9 and would be subject to exclusion under Rule 14a-8(i)(3) as vague and indefinite. By contrast, if shareholders and the company can understand with reasonable certainty exactly what actions or measures the proposal requires without reviewing the information provided on the website, then we believe that the proposal would not be subject to exclusion under Rule 14a-8(i)(3) on the basis of the reference to the website address. In this case, the information on the website only supplements the information contained in the proposal and in the supporting statement.

2. Providing the company with the materials that will be published on the referenced website

We recognize that if a proposal references a website that is not operational at the time the proposal is submitted, it will be impossible for a company or the staff to evaluate whether the website reference may be excluded. In our view, a reference to a non-operational website in a proposal or supporting statement could be excluded under Rule 14a-8(i)(3) as irrelevant to the subject matter of a proposal. We understand, however, that a proponent may wish to include a reference to a website containing information related to the proposal but wait to activate the website until it becomes clear that the proposal will be included in the company's proxy materials. Therefore, we will not concur that a reference to a website may be excluded as irrelevant under Rule 14a-8(i)(3) on the basis that it is not yet operational if the proponent, at the time the proposal is submitted, provides the company with the materials that are intended for publication on the website and a representation that the website will become operational at or prior to, the time the company files its definitive proxy materials.

3. Potential issues that may arise if the content of a referenced website changes after the proposal is submitted

To the extent the information on a website changes after submission of a proposal and the company believes the revised information renders the website reference excludable under Rule 14a-8, a company seeking our concurrence that the website reference may be excluded must submit a letter presenting its reasons for doing so. While Rule 14a-8(j) requires a company to submit its reasons for exclusion with the Commission no later than 80 calendar days before it files its definitive proxy materials, we may concur that the changes to the referenced website constitute "good cause" for the company to file its reasons for excluding the website reference after the 80-day deadline and grant the company's request that the 80-day requirement be waived.
An entity is an “affiliate” of a DTC participant if such entity directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the DTC participant.

Rule 14a-8(b)(2)(i) itself acknowledges that the record holder is “usually,” but not always, a broker or bank.

Rule 14a-9 prohibits statements in proxy materials which, at the time and in the light of the circumstances under which they are made, are false or misleading with respect to any material fact, or which omit to state any material fact necessary in order to make the statements not false or misleading.

A website that provides more information about a shareholder proposal may constitute a proxy solicitation under the proxy rules. Accordingly, we remind shareholders who elect to include website addresses in their proposals to comply with all applicable rules regarding proxy solicitations.

http://www.sec.gov/interp/legal/cfslb14g.htm