January 9, 2020

By Overnight Mail and Electronic Mail (shareholderproposals@sec.gov)

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

Re: ConocoPhillips 2020 Annual Meeting
Omission of Stockholder Proposal Submitted by Follow This

Ladies and Gentlemen:

Pursuant to Rule 14a-8(j) promulgated under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), ConocoPhillips (the “Company”), requests confirmation that the Staff of the Division of Corporation Finance (the “Staff”) of the Securities and Exchange Commission (the “Commission”) will not recommend enforcement action if the Company omits the stockholder proposal and supporting statement (the “Proposal”) described below submitted by Follow This (the “Proponent”) from the proxy materials (the “2020 Proxy Materials”) to be distributed in connection with the Company’s annual meeting for fiscal 2020 (the “2020 Annual Meeting”).

The Company intends to hold the 2020 Annual Meeting on or about May 12, 2020. The Company intends to begin printing the 2020 Proxy Materials on or about March 17, 2020, and to file its definitive 2020 Proxy Materials for the 2020 Annual Meeting with the Commission on or about March 30, 2020. In accordance with the requirements of Rule 14a-8(j), this letter has been filed not later than 80 calendar days before the Company intends to file the definitive 2020 Proxy Materials.

This request is being submitted by electronic mail. A copy of this letter and its exhibits are also being sent to the Proponent as notice of the Company’s intent to omit the Proposal from the 2020 Proxy Materials. Rule 14a-8(k) and Staff Legal Bulletin No. 14D (Nov. 7, 2008) provide that shareholder proponents are required to send companies a copy of any correspondence that the shareholder proponents elect to submit to the Commission or the Staff. Accordingly, if the Proponent elects to submit additional correspondence to the Commission or the Staff with respect to the Proposal, a copy of that correspondence should concurrently be furnished to the undersigned on behalf of the Company.
The Proposal

The Proposal states:

Shareholders support the company to set and publish targets that are aligned with the goal of the Paris Climate Agreement to limit global warming to well below 2°C above pre-industrial levels. These targets need to cover the greenhouse gas (GHG) emissions of the company’s operations and the use of its energy products (Scope 1, 2, and 3), to be short-, medium-, and long-term, and to be reviewed regularly in accordance with best available science. We request that the company base these targets on quantitative metrics such as GHG intensity metrics (GHG emissions per unit of energy) or other quantitative metrics that the company deems suitable to align their targets with a well-below-2°C pathway. Shareholders request that annual reporting include information about plans and progress to achieve these targets (at reasonable cost and omitting proprietary information).

A copy of the Proposal, supporting statement and related correspondence from the Proponent is attached to this letter as Exhibit A.

Basis for Exclusion

We believe the Proposal may properly be excluded from the 2020 Proxy Materials pursuant to:

• Rule 14a-8(e)(2) because the Proposal was received by the Company after the deadline for submitting stockholder proposals for inclusion in the 2020 Proxy Materials; and
• Rule 14a-8(f) and Rule 14a-8(b) because the Proponent failed to establish the requisite eligibility to submit the Proposal.

Analysis

I. Exclusion Pursuant to Rule 14a-8(e)(2) – the Proposal was Received by the Company After the Deadline for Submitting Stockholder Proposals under Rule 14a-8(e)(2)

Under Rule 14a-8(f)(1) a company may exclude a stockholder proposal if the proponent fails to follow one of the eligibility or procedural requirements contained in Rule 14a-8. The Proposal is properly excludable from the 2020 Proxy Materials pursuant to Rule 14a-8(e)(2) because the Company did not receive the Proposal at its principal executive offices before the deadline for submitting stockholder proposals for inclusion in the 2020 Proxy Materials.

A. Rule 14a-8(e)(2) Background

Under Rule 14a-8(f)(1), for a stockholder proposal to be eligible for inclusion in a company’s proxy materials for its annual meeting, the proposal must be submitted before the Rule 14a-8(e) deadline. Rule 14a-8(e)(2) requires that, for a company’s “regularly scheduled” annual meeting, stockholder proposals “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.” A meeting is considered “regularly scheduled” if it occurs within 30 days of the date of the prior year’s annual meeting.
Under Rule 14a-5(e), companies are required to disclose the deadline and address for submission of shareholder proposals for the next year’s annual meeting in their definitive proxy statements.

The Staff has strictly construed the Rule 14a-8 deadline for submission of stockholder proposals and consistently concurred in the exclusion of proposals received after the deadline. Even where a company received a proposal a mere one day after the deadline, the Staff has granted no-action relief. Generally, Rule 14a-8(f)(1) provides that the company must notify the proponent in writing of any procedural or eligibility deficiency within 14 days of receiving the proposal and the proponent must fail to correct such deficiency within 14 days of receiving the notice before

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1 See, e.g., Verizon Communications, Inc. (avail. Jan. 4, 2018) (“Verizon Communication”) (proposal received one day after the submission deadline); CoreCivic, Inc. (avail. Jan. 2, 2018) (“CoreCivic”) (proposal received one day after the submission deadline); Wal-Mart Stores, Inc. (avail. Mar. 26, 2010) (“Wal-Mart Stores”) (proposal received one day after the submission deadline); Johnson & Johnson (avail. Jan. 13, 2010) (“Johnson & Johnson”) (proposal received one day after the submission deadline); DTE Energy Company (avail. Dec. 18, 2018) (proposals delivered to company two days after the submission deadline and received by corporate secretary eight days after the submission deadline); Caterpillar Inc. (avail. Apr. 4, 2019) (proposal received seventeen days after the submission deadline); Comcast Corporation (avail. Apr. 4, 2019) (proposal received twenty-nine days after the submission deadline); HollyFrontier Corporation (avail. Feb. 11, 2019) (proposal received seven days after the submission deadline); Sprint Corporation (avail. Aug. 1, 2018) (proposal received 150 days after the submission deadline); Bristol-Myers Squibb Company (avail. Jan. 22, 2018) (proposal received thirteen days after the submission deadline); salesforce.com, inc. (avail. Mar. 24, 2017) (proposal received seventy days after the submission deadline); Wal-Mart Stores, Inc. (avail. Feb. 13, 2017) (proposal received six days after the submission deadline); International Business Machines Corporation (avail. Feb. 19, 2016) (proposal received over two months after the submission deadline); Symantec Corporation (avail. Oct. 15, 2015) (proposal received sixty-nine days after the submission deadline); Ellie Mae Inc. (avail. Mar. 12, 2015) (proposal received twenty-seven days after the submission deadline); Amphenol Corporation (avail. Feb. 13, 2015) (proposal received three days after the submission deadline); Applied Materials, Inc. (“Applied Materials”) (avail. Nov. 20, 2014) (proposal received one day after the submission deadline); Whole Foods Market, Inc. (avail. Oct. 30, 2014) (proposal received two weeks after the submission deadline); BioMarin Pharmaceutical Inc. (avail. Mar. 14, 2014) (proposal received five days after the submission deadline); Dean Foods Company (avail. Jan. 27, 2014) (proposal received three days after the submission deadline); PepsiCo, Inc. (avail. Jan. 3, 2014) (proposal received three days after the submission deadline); General Electric Company (avail. Jan. 24, 2013) (“General Electric”) (proposal received one day after the submission deadline); QEP Resources, Inc. (avail. Jan. 4, 2013) (revised proposal received two days after the submission deadline); Hess Corporation (avail. Mar. 19, 2012) (proposal received ninety days after the submission deadline); Equity LifeStyle Properties, Inc. (avail. Feb. 10, 2012) (proposal received seven days after the submission deadline); General Electric Company (avail. Jan. 17, 2012) (proposal received thirty-seven days after the submission deadline); American Express Company (avail. Jan. 10, 2012) (proposal received twenty-five days after the submission deadline); The Gap, Inc. (avail. Mar. 18, 2011) (proposal received fifty-six days after the submission deadline); RTI Biologics, Inc. (avail. Feb. 15, 2011) (proposal received seventy-seven days after the submission deadline); Jack in the Box Inc. (avail. Nov. 12, 2010) (proposal received thirty-five days after the submission deadline); Coca-Cola Company (avail. Mar. 26, 2010) (proposal received over four months after the submission deadline); Merck & Co., Inc. (avail. May 4, 2010) (proposal received over three months after the submission deadline); Bank of America Corporation (avail. Mar. 1, 2010) (proposal received over two months after the submission deadline).

2 See, e.g., Verizon Communications; CoreCivic; Applied Materials; General Electric; Alpha Natural Resources, Inc. (avail. Mar. 5, 2012); Wal-Mart Stores; Johnson & Johnson.
exclusion is warranted. However, Rule 14a-8(f)(1) states that, where the defect in a proposal cannot be remedied, such as if the proponent fails to submit a proposal by the company’s properly determined deadline, a company need not provide the proponent with notice of the deficiency. A proponent’s failure to submit a proposal by the submission deadline cannot be remedied and, thus, is not subject to Rule 14a-8(f)(1)’s notice requirement. See, e.g., Rule 14a-8(f)(1) (“[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.”); Staff Legal Bulletin No. 14 (July 13, 2001), Section C.6.c, (“The company does not need to provide the shareholder with a notice of defect(s) if the defect(s) cannot be remedied. In the example provided in the question, because the shareholder cannot remedy this defect after the fact, no notice of the defect would be required. The same would apply, for example, if . . . the shareholder failed to submit a proposal by the company's properly determined deadline.”).

B. Application of Commission and Staff Precedent to the Proposal

The Proponent sent the Proposal to the Company via FedEx Express on December 2, 2019 with FedEx tracking number 7771 1594 0806. A copy of the tracking number and tracking information from FedEx is attached to this letter as Exhibit B. The online tracking report and proof of delivery confirm that the Company received the Proposal on December 4, 2019, one day after the submission deadline of December 3, 2019, specified in the Company’s 2019 proxy statement.

The Company filed its definitive 2019 proxy statement with the Commission on April 1, 2019. As calculated under Rule 14a-8(e), the deadline for submission of stockholder proposals for inclusion in the 2020 Proxy Materials was December 3, 2019 (120 days before April 1, 2020, the anniversary of the release date of the Company’s 2019 proxy statement). In accordance with Rule 14a-5(e), the Company disclosed this deadline on page 103 of its 2019 proxy statement, a copy of which is attached to this letter as Exhibit C. Specifically, the Company included the following language on page 103:

**RULE 14A-8 STOCKHOLDER PROPOSALS**

Under SEC rules, if you want us to include a proposal in our proxy statement for the 2020 Annual Meeting of Stockholders, our Corporate Secretary must receive the proposal by December 3, 2019. Any such proposal should comply with the requirements of Rule 14a-8 promulgated under the Securities Exchange Act.

The Company’s 2019 annual meeting of stockholders was held on May 14, 2019. The Company intends to hold the 2020 Annual Meeting on or about May 12, 2020. Because the anticipated date for the 2020 Annual Meeting is within 30 days of the date of the 2019 annual meeting, the December 3, 2019 deadline set forth in the Company’s 2019 proxy statement properly applied to stockholder proposals submitted for the 2020 Annual Meeting.

As noted above, the Company did not receive the Proposal until December 4, 2019, one day after the deadline. To be considered timely, the Company needed to receive the Proposal on or before December 3, 2019. Consistent with the no-action letters cited above, the Company’s
exclusion of the Proposal from the 2020 Proxy Materials is proper under Rule 14a-8(e)(2) because the Proponent submitted the Proposal after the properly calculated deadline.

II. Exclusion pursuant to Rule 14a-8(f) and Rule 14a-8(b) – the Proponent is not eligible to submit the Proposal since the Proponent has not demonstrated that it owns at least $2,000 in market value of the Company’s securities.

The Company may exclude the Proposal under Rule 14a-8(f)(1) because the Proponent failed to substantiate the Proponent’s eligibility to submit the Proposal under Rule 14a-8(b).

A. Rule 14a-8(f) and Rule 14a-8(b) Background

Rule 14a-8(b)(1) provides, in part, that “[i]n order to be eligible to submit a 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 meeting for at least one year by the date [the shareholder] submit[s] the proposal.” Staff Legal Bulletin No. 14 (July 13, 2001) (“SLB 14”) specifies that when the shareholder is not the registered holder, the shareholder “is responsible for proving his or her eligibility to submit a proposal to the company,” which the shareholder may do by one of the two ways provided in Rule 14a-8(b)(2). See Section C.1.c, SLB 14. First, “the shareholder can submit a written statement from the record holder of the securities verifying that the shareholder has owned the securities continuously for one year as of the time the shareholder submits the proposal. Alternatively, a shareholder who has filed a Schedule 13D, Schedule 13G, Form 4 or Form 5 reflecting ownership of the securities as of or before the date on which the one-year eligibility period begins may submit copies of these forms and any subsequent amendments reporting a change in ownership level, along with a written statement that he or she has owned the required number of securities continuously for one year as of the time the shareholder submits the proposal.” Id. Under SEC Staff Legal Bulletin No. 14F, only Depository Trust Company (“DTC”) Participants are viewed as record holders of securities that are deposited at a DTC Participant.

Rule 14a-8(f) provides that a company may exclude a shareholder proposal if the proponent fails to provide evidence of eligibility under Rule 14a-8, including the beneficial ownership requirements of Rule 14a-8(b), provided that the company timely notifies the proponent of the deficiency and the proponent fails to correct the deficiency within the required 14-day time period. Thus, the Staff consistently has concurred in the exclusion of proposals when proponents have failed, following a timely and proper request by a company, to furnish evidence of eligibility to submit the shareholder proposal in a timely manner to properly satisfy Rule 14a-8(b).

3 See ITC Holdings Corp. (avail. Feb. 9, 2016) (concurring with the exclusion of a proposal because the proponent failed to supply, in response to the company’s deficiency notice, sufficient proof that the proponent satisfied the minimum ownership requirement as required by Rule 14a-8(b) where the proponent supplied proof of ownership thirty-five days after receiving the timely deficiency notice); Prudential Financial, Inc. (avail. Dec. 28, 2015)

[Footnote continued on next page]
B. Application of Commission and Staff Precedent to the Proposal

The Proponent dated the submission as of December 1, 2019 and mailed the Proposal to the Company via FedEx Express on December 2, 2019, which the Company received on December 4, 2019. Under Rule 14a-8(b)(2)(1), the written statement must verify the securities were continuously held at the time the proposal was submitted. The written statement submitted by the Proponent is dated November 30, 2019, a day prior to the date the Proponent dated the submission of the Proposal on December 1, 2019 and was not submitted by a DTC Participant. The proof of ownership included with the Proponent’s Proposal was from BinckBank, which is not a DTC Participant.

In a letter dated and sent on December 16, 2019 via UPS Overnight and electronic mail, within fourteen calendar days of the date when the Company received the Proposal, the Company notified the Proponent of the Proposal’s procedural deficiencies as required by Rule 14a-8(f) (the “Deficiency Notice”). In the Deficiency Notice, attached hereto as Exhibit D along with related correspondence from the Company, the Company clearly informed the Proponents of the requirements of Rule 14a-8 and how the Proponents could cure the procedural deficiencies. Specifically, the Deficiency Notice stated:

- the ownership requirements of Rule 14a-8(b);
- the type of statement or documentation necessary to demonstrate beneficial ownership under Rule 14a-8(b); and
- that any response to the Deficiency Notice had to be postmarked or transmitted electronically no later than fourteen calendar days from the date the Proponent received the Deficiency Notice.

The Deficiency Notice also included a copy of Rule 14a-8 and of Staff Legal Bulletin No. 14F (Nov. 30, 2019) (“SLB 14F”). The Deficiency Notice was sent via UPS Overnight and via electronic mail to the Proponent on December 16, 2019 and delivered to the Proponent on December 18, 2019 (in the case of the mailed letter). See Exhibit E. As of the date of this letter,
the Company has not received a response to the Deficiency Notice with the requested proof of ownership.

The Company satisfied its obligation under Rule 14a-8 by transmitting to the Proponent in a timely manner the Deficiency Notice, which specifically set forth the information and instructions listed above, and attached a copy of both Rule 14a-8 and SLB 14F. However, the Proponent has not provided the proof of the Proponent’s ownership required by Rule 14a-8(b)(2) within the required 14-day time period after the Proponent received the Company’s timely Deficiency Notice, as described in the Deficiency Notice and in SLB 14F. As with the proposals cited above, the Proponents failed to substantiate their eligibility to submit the Proposal within the required 14-day time period after the Proponent received the Company’s timely Deficiency Notice, as required under Rule 14a-8. Accordingly, we ask that the Staff concur that the Company may exclude the Proposal under Rule 14a-8(b) and Rule 14a-8(f)(1).

Conclusion

On the basis of the foregoing, the Company respectfully requests the concurrence of the Staff that the Proposal may be excluded from the Company’s 2020 Proxy Materials.

Should the Staff disagree with the conclusions set forth in this letter, or should any additional information be desired in support of the Company’s position, we would appreciate the opportunity to confer with the Staff concerning these matters prior to the issuance of the Staff’s response.

Please do not hesitate to contact me at (281) 293-2623 if you require any additional information relating to this matter.

Sincerely,

Shannon B. Kinney

Enclosures

cc: Follow This
    Alana L. Griffin – King & Spalding, LLP
Shareholder Resolution

Follow This
Hillegomstraat 15
1058 LN Amsterdam
Netherlands
+31 6 22 42 45 42

Kelly B. Rose
Senior Vice President, Legal, General Counsel, and Corporate Secretary
ConocoPhillips
925 N. Eldridge Parkway
Houston, Texas 77079
United States
Phone: +1-281-293-1000
E-mail: kelly.rose@conocophillips.com

Amsterdam, 1 December, 2019

Subject: Requisition for shareholder resolution

Dear Kelly B. Rose,

Please find attached a shareholder resolution for inclusion in the proxy statement in accordance with Rule 14a-8 of the general rules and regulations of the Securities Exchange Act of 1934.

Follow This is a group of responsible shareholders originating from The Netherlands.

We or a representative will attend the annual meeting to move the resolution as required by SEC rules.

We are the beneficial owner of 50 shares of ConocoPhillips common stock. Please, find proof by BinckBank N.V. of this ownership enclosed. We have held the requisite amount of stock for over a year and intend to maintain ownership through the annual meeting of 2020.

In the attachments BinckBank declares that it has held, continuously, on behalf of Follow This 50 shares of common stock of ConocoPhillips since November 23, 2018 through this day.

Please, do not hesitate to contact us in case you have any questions. In case of missing or incomplete documents please let us know immediately so we can arrange this by return.

We are looking forward to receive your confirmation of the receipt of this requisition.

Yours sincerely,

Mark van Baal, Follow This

Signature

1 December 2019
Date

Attachments:
1. Shareholder resolution signed by Follow This
2. Position statement of Follow This at BinckBank NV
3. Proof of ownership of Follow This at BinckBank NV
Shareholder Resolution

Climate Targets Resolution
Shareholders support the company to set and publish targets that are aligned with the goal of the Paris Climate Agreement to limit global warming to well below 2°C above pre-industrial levels.

These targets need to cover the greenhouse gas (GHG) emissions of the company’s operations and the use of its energy products (Scope 1, 2, and 3), to be short-, medium-, and long-term, and to be reviewed regularly in accordance with best available science.

We request that the company base these targets on quantitative metrics such as GHG intensity metrics (GHG emissions per unit of energy) or other quantitative metrics that the company deems suitable to align their targets with a well-below-2°C pathway.

Shareholders request that annual reporting include information about plans and progress to achieve these targets (at reasonable cost and omitting proprietary information).

You have our support.

Supporting statement
The oil and gas industry can make or break the goal of the Paris Climate Agreement. Therefore, oil and gas companies need the support of their shareholders to (1) align their targets with the Paris Climate Agreement, and (2) to invest accordingly in the energy transition to a net-zero emissions energy system.

Fiduciary duty
We, the shareholders, understand this support to be part of our fiduciary duty. A growing international consensus has emerged among financial institutions that climate-related risks are a source of financial risk, and therefore achieving the goals of Paris is essential to risk management and responsible stewardship of the economy. Institutional investors foresee that they cannot make a decent return on capital in a world economy disrupted by devastating climate change.

Scope 3
Reducing absolute emissions from the use of energy products (Scope 3) is crucial to achieving the goal of the Paris Climate Agreement. This climate targets resolution reflects our belief that we need targets for all emissions (Scope 1, 2, and 3) across the whole energy sector.

Emissions reductions
The goal of the Paris Climate Agreement is to limit global warming to well below 2°C above pre-industrial levels, to aim for a global net-zero emissions energy system, and to pursue efforts to limit the temperature increase to 1.5°C.

To reach that goal, the IPCC special report Global Warming of 1.5°C, 2018, suggests that absolute net energy-related emissions should be reduced by approximately 70% (2°C) (median of the IPCC Lower-2°C pathway group) to 100% (1.5°C) by 2050, relative to 2016.

We believe that the company could thrive in the energy transition. We therefore encourage you to set Paris-aligned targets, allowing the company to meet increasing demand for energy while reducing GHG emissions to levels compatible with the global intergovernmental consensus specified by the Paris Climate Agreement.

You have our support.

Signature
Mark van Baal, Follow This

1 December 2019
Date
Amsterdam, November 30, 2019

Herewith BinckBank declares that it has held, continuously, on behalf of Follow This 50 shares of common stock of ConocoPhillips since November 23, 2018 through this day. These shares are held by Pershing Limited in account number ***.

Pershing Limited, as BinckBank's DTC provider, has held, continuously, on behalf of BinckBank in Amsterdam, at least 50 shares of common stock of ConocoPhillips since November 23, 2018 through this day.

Please find attached the current position.

With regards,

Jules van Gassel
Senior Broker - Orderdesk
T +31 (0)20 606 2666 W binck.nl
A Barbara Strozzielaan 310, 1083 HN Amsterdam
January 9, 2020

Dear Customer:

The following is the proof-of-delivery for tracking number 777115940806.

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Signature image is available. In order to view image and detailed information, the shipper or payor account number of the shipment must be provided.

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Recipient:
HOUSTON, TX US

Shipper:
AMSTERDAM, NH NL

Reference:
Resolution ConocoPhillips 2020

Thank you for choosing FedEx.
Delivered
Wednesday 12/04/2019 at 10:28 am

DELIVERED
Signed for by: C.MERRITT

GET STATUS UPDATES
OBTAIN PROOF OF DELIVERY

FROM
AMSTERDAM, NH NL

TO
HOUSTON, TX US

Shipment Facts

Tracking Number
777115940806

Service
FedEx International Priority

Weight
1.1 lbs / 0.5 kgs

Clearance Detail Link
CLEARANCE DETAIL

Delivered To
Shipping/Receiving

Total Pieces
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TOTAL SHIPMENT WEIGHT
1.1 lbs / 0.5 kgs

Terms
Shipper

Shipper Reference
Resolution ConocoPhillips 2020

Packaging
FedEx Envelope

SPECIAL HANDLING SECTION
Deliver Weekday

Standard Transit
12/03/2019 by 10:30 am

Ship Date
Mon 12/02/2019

Actual Delivery
Wed 12/04/2019 10:28 am

Travel History

Wednesday, 12/04/2019

10:28 am
HOUSTON, TX
Delivered

9:18 am
HOUSTON, TX
On FedEx vehicle for delivery

7:30 am
HOUSTON, TX
At local FedEx facility

https://www.fedex.com/apps/fedextrack/?tracknumbers=777115940806
Track your package or shipment with FedEx Tracking

At destination sort facility

Departed FedEx location

International shipment release - Import

Arrived at FedEx location

Departed FedEx location

In transit

Arrived at FedEx location

Left FedEx origin facility

In transit

International shipment release - Export

Picked up

Shipment information sent to FedEx

https://www.fedex.com/apps/fedextrack/?tracknumbers=777115940806
Submission of Future Stockholder Proposals and Nominations

Rule 14A-8 Stockholder Proposals

Under SEC rules, if you want us to include a proposal in our proxy statement for the 2020 Annual Meeting of Stockholders, our Corporate Secretary must receive the proposal by December 3, 2019. Any such proposal should comply with the requirements of Rule 14a-8 promulgated under the Securities Exchange Act.

Proxy Access Nominations

Under our proxy access By-Law, a stockholder or a group of up to twenty stockholders, owning at least three percent of our stock continuously for at least three years and complying with the other requirements set forth in the By-Laws, may nominate up to two individuals (or 20 percent of the Board, if greater) for election as a director at an annual meeting and have those nominees included in our proxy statement. Any proxy access nomination notice for our 2020 proxy statement must be delivered to the Corporate Secretary between November 3, 2019, and December 3, 2019.

Other Proposals/Nominations Under the Advance Notice By-Law

Under our By-Laws and as SEC rules permit, stockholders must follow certain procedures to nominate a person for election as a director (other than proxy access nominations) at an annual or special meeting or to introduce an item of business at an annual meeting.

These procedures require proposing stockholders to submit the proposed nominee or item of business by delivering a notice to the Corporate Secretary. Assuming our 2019 Annual Meeting convenes as currently scheduled, we must receive notices for the 2020 Annual Meeting between January 15, 2020 and February 14, 2020.

How to Reach our Corporate Secretary

Any notice or request that you wish to deliver to our Corporate Secretary should be sent to the following address: Corporate Secretary, ConocoPhillips, P.O. Box 4783, Houston, TX 77210-4783.

As required by Article II of our By-Laws, a notice of a proposed nomination must include information about the nominating stockholder(s) and the nominee, as well as a written consent of the proposed nominee to serve if elected. A notice of a proposed item of business must include a description of and the reasons for bringing the proposed business to the meeting, any material interest of the stockholder in the business, and certain other information about the stockholder. You can obtain a copy of ConocoPhillips’ By-Laws by writing the Corporate Secretary or on our website under “Investors > Corporate Governance.”
Mark,

Please find attached a Notice of Deficiency informing you of a defect in your submission.

Thanks,
Shannon

Shannon Weinberg Kinney
Deputy General Counsel, Governance, Corporate and Employment and Chief Compliance Officer
ConocoPhillips Company
925 N. Eldridge Parkway
Houston, TX 77079
Phone: 281-293-2623
E-Mail: shannon.kinney@conocophillips.com

This information is protected from disclosure and may be PRIVILEGED & CONFIDENTIAL. If you received this email in error, please contact me immediately. Thank you.
Re: Notice of Deficiency – Proposal for 2020 Annual Meeting

Dear Mr. van Baal:

I am writing to acknowledge receipt on December 4, 2019 of your shareholder proposal (the “Proposal”) dated December 1, 2019 submitted to ConocoPhillips on behalf of Follow This. In order to properly consider your request, and in accordance with Rule 14a-8 of the Securities Exchange Act of 1934, as amended, we hereby inform you of a defect in your submission, as described below. For your convenience we are transmitting a copy of Rule 14a-8 with this letter.¹

Under Rule 14a-8(b), in order to be eligible to submit a proposal, a stockholder must submit sufficient proof that the stockholder has continuously held at least $2,000 in market value, or 1%, of the company’s securities entitled to be voted on the proposal for at least one year preceding and including the date the stockholder submits the proposal. When a stockholder’s proposal does not satisfy this procedural requirement, the stockholder has the opportunity to revise the proposal to adequately correct the problem within 14 days following notice of such deficiency.

To date, we have not received proof that Follow This satisfies this ownership requirement as the evidence of ownership was not dated as of the time of the Proposal and was not from a Depository Trust Company (“DTC”) Participant. Under Rule 14a-8(b)(2)(1), the written statement must verify the securities were continuously held at the time the proposal was submitted. The written statement submitted by Follow This is dated

¹ An electronic version of Rule 14a-8 is available at: http://www.ecfr.gov/cgi-bin/text-idx?SID=16d6add098f493d27ee9fe18083cedf8&node=se17.4.240_114a_68&rgn=div8.
November 30, 2019, a day prior to the submission of the Proposal on December 1, 2019, and was not submitted by a DTC Participant.

If you are not a registered holder, you must provide sufficient proof of your ownership of ConocoPhillips shares through one of the following:

1. A written statement from the “record” holder of your shares verifying that Follow This owned and had continuously held at least $2,000 in market value, or 1%, of ConocoPhillips shares for at least one year preceding and including November 23, 2018; or

2. A copy of a Schedule 13D, Schedule 13G, Form 3, Form 4 or Form 5, or amendments to those documents or updated forms, filed with the Securities and Exchange Commission (“SEC”) reflecting Follow This’s ownership of the required number or amount of ConocoPhillips shares as of or before the date on which the one year eligibility period referenced in clause (1) above begins, as well as a written statement that Follow This continuously held the required number or amount of ConocoPhillips shares for such one-year period as of the date of the statement.

If you intend to demonstrate ownership by submitting a written statement from the “record” holder of Follow This’s shares as set forth in clause (1) above, please note that most large U.S. brokers and banks deposit their customers’ securities with, and hold those securities through, the DTC, a registered clearing agency that acts as a securities depository (DTC is also known through the account name of Cede & Co.). Under SEC Staff Legal Bulletin No. 14F, only DTC participants are viewed as record holders of securities that are deposited at DTC.

The proof of ownership included with Follow This’s Proposal was from BinckBank. BinckBank is not a DTC participant. Follow This holds shares through a bank or broker that is not a DTC participant, you will need to obtain proof of ownership from the DTC participant through which Follow This’s bank or broker holds the shares. You should be able to find out the name of this DTC participant by asking Follow This’s broker or bank. If the DTC participant that holds Follow This’s shares knows the broker or bank’s holdings, but does not know Follow This’s holdings, you may satisfy the proof of ownership requirements by submitting two proof of ownership statements—one from the broker or bank confirming Follow This’s ownership and the other from the DTC participant confirming the bank or broker’s ownership. Please review SEC Staff Legal Bulletin No. 14F carefully before submitting proof of ownership to ensure that it is compliant.

Under Rule 14a-8(f)(1), your response must be postmarked, or transmitted electronically within 14 calendar days of your receipt of this letter. Please note that, because the

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2 You can confirm whether the Fund’s 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/-/media/Files/Downloads/client-center/DTC/alpha.ashx.
submission has not satisfied the procedural requirements described above, we have not yet determined whether the submission could be omitted from the ConocoPhillips proxy statement on other grounds, including, without limitation, pursuant to Rule 14a-8(e)(2) (the proposal was received by ConocoPhillips after the deadline for submitting shareholder proposals for inclusion in the ConocoPhillips 2020 proxy statement). If you adequately correct the procedural deficiencies within the 14-day time frame, we reserve the right to omit your proposal pursuant to Rule 14a-8(i) on other valid grounds for such action.

Please send the requested documentation to our Corporate Secretary with a copy to me:

Kelly B. Rose  
Corporate Secretary  
ConocoPhillips Company  
P.O. Box 4783  
Houston, TX 77210-4783

Shannon B. Kinney  
Assistant Corporate Secretary  
ConocoPhillips Company  
P.O. Box 4783  
Houston, TX 77210-4783

Alternatively, you may transmit any response by email to our Corporate Secretary with a copy to me:

kelly.b.rose@conocophillips.com

shannon.kinney@conocophillips.com

If you have any questions or would like to speak with a representative from ConocoPhillips about your proposal, please contact me at (281) 293-2623.

Best regards,

Shannon B. Kinney  
Deputy General Counsel, Chief Compliance Officer and Assistant Corporate Secretary

Attachment

cc: Kelly B. Rose
§ 240.14a-8

Information after the termination of the solicitation.

(e) The security holder shall reimburse the reasonable expenses incurred by the registrant in preparing the acts requested pursuant to paragraph (a) of this section.

NOTE 1 TO §240.14a-7. Reasonably prompt methods of distribution to security holders may be used instead of mailing. If an alternative distribution method is chosen, the costs of that method should be considered where necessary rather than the costs of mailing.

NOTE 2 TO §240.14a-7 When providing the information required by §240.14a-7(a)(1)(ii), if the registrant has received affirmative written or implied consent to delivery of a single copy of proxy materials to a shared address in accordance with §240.14a-6(e)(1), it shall exclude from the number of record holders those to whom it does not have to deliver a separate proxy statement.

§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 “proposal” as used in this section refers both to your proposal, and to your corresponding 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.

(2) If you are the registered holder of your securities, which means that your name appears in the company’s records as a shareholder, the company can verify your eligibility on its own, although you will still have to provide the company with a written statement that you intend to continue to hold the 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:

(1) 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

(2) The second way to prove ownership applies only if you have filed a Schedule 13D (§240.13d-101), Schedule 13G (§240.13g-102), Form 3 (§249.103 of this chapter), Form 4 (§249.104 of this chapter) and/or Form 5 (§249.105 of this chapter) and/or Form 5 (§249.105 of this chapter)
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.

(c) 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.

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

(e) 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 (§240.308a of this chapter), or in shareholder reports of investment companies under §20a.307-1 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 130 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.

(f) 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(2).

(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.

(g) 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.

(h) 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 representa-tive, follow the proper state law procedures for attending the meeting and/or presenting your proposal.

(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.

(1) 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 (1)(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 (1)(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:
(1) Would disqualify a nominee who is standing for election;
(1) Would remove a director from office before his or her term expired;
(1) Questions the competence, business judgment, or character of one or more nominees or directors;
(1) Seeks to include a specific individual in the company's proxy materials for election to the board of directors;
(1) Otherwise could affect the outcome of the upcoming election of directors;

(9) Confl icts 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 (1)(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 (1)(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
§ 240.14a-8

Securities and Exchange Commission

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 fre­
quency of say-on-pay votes, provided that in
the most recent shareholder vote required by
§240.14a-8(b) of this chapter a single year
(i.e., one, two, or three years) received ap­
proval of a majority of votes cast on the
matter and the company has adopted a pol­
y to 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-8(b) of this chap­
ter.

(11) Duplication: If the proposal sub­
stantially duplicates another proposal
previously submitted to the company
by another proponent that will be in­
cluded in the company’s proxy mate­
rials for the same meeting;

(12) Resubmissions: If the proposal
deals with substantially the same sub­
ject matter as another proposal or pro­
posals that has or have been previously
included in the company’s proxy mate­
rials within the preceding 5 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 re­
ceived:

(i) Less than 3% of the vote if pro­
posed once within the preceding 5 cal­
der years;

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

(iii) Less than 10% of the vote on its
last submission to shareholders if pro­
posed 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 ex­
clude my proposal? (1) If the company
intends to exclude a proposal from its
proxy materials, it must file its rea­
sions with the Commission no later
than 80 calendar days before it 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 com­
pany believes that it may exclude the
proposal, which should, if possible,
refer to the most recent applicable au­
thority, such as prior Division letters
issued under the rule; and

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

(k) Question 11: May I submit my own
statement to the Commission respond­
ing 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 submis­
sion. This way, the Commission staff
will have time to consider fully your
submission before it issues its re­
sponse. You should submit six paper
copies of your response.

(l) Question 12: If the company in­
cludes 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. How­
ever, instead of providing that informa­
tion, the company may instead include
a statement that it will provide the in­
tormation to shareholders promptly
upon receiving an oral or written re­
quest.

(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 state­
ment reasons why it believes share­
holders should not vote in favor of my
proposal, and I disagree with some of
its statements?

(1) The company may elect to in­
clude in its proxy statement reasons why it
believes shareholders should not 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:

1. 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
2. In all other cases, the company must provide you with a copy of its opposition statements no later than 30 calendar days after the company receives a copy of your revised proposal.

§240.14a-9 False or misleading statements.

(a) No solicitation subject to this regulation shall be made by means of any proxy statement, form of proxy, notice of meeting or other communication, written or oral, containing any statement which, at the time and in the light of the circumstances under which it is made, is false or misleading with respect to any material fact, or which omits to state any material fact necessary in order to make the statements therein not false or misleading or necessary to correct any statement in any earlier communication with respect to the solicitation of a proxy for the same meeting or subject matter which has become false or misleading.

(b) The fact that a proxy statement, form of proxy or other soliciting material has been filed with or examined by the Commission shall not be deemed a finding by the Commission that such material is accurate or complete or not false or misleading, or that the Commission has passed upon the merits of or approved any statement contained therein or any matter to be acted upon by security holders. No representation contrary to the foregoing shall be made.

(c) No nominee, nominating shareholder or nominating shareholder group, or any member thereof, shall cause to be included in a registrant's proxy materials, either pursuant to the Federal proxy rules, an applicable state or foreign law provision, or a registrant's governing documents as they relate to including shareholder nominees for director in a registrant's proxy materials, include in a notice on Schedule 14N (§240.14n-101), or include in any other related communication, any statement which, at the time and in the light of the circumstances under which it is made, is false or misleading with respect to any material fact, or which omits to state any material fact necessary in order to make the statements therein not false or misleading or necessary to correct any statement in any earlier communication with respect to a solicitation for the same meeting or subject matter which has become false or misleading.

Note: The following are some examples of what, depending upon particular facts and circumstances, may be misleading within the meaning of this section.

a. Predictions as to specific future market values.

b. Material which directly or indirectly impugns character, integrity or personal reputation, or directly or indirectly makes charges concerning improper, illegal or immoral conduct or associations, without factual foundation.
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 having 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. 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/~/media/Files/Downloads/client-center/DTC/alpha.ashx](http://www.dtcc.com/~/media/Files/Downloads/client-center/DTC/alpha.ashx).

**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.15

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.16

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.

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 II.C.(iii). The clearing broker will generally be a DTC participant.
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.

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

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.

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.


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.

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.
Dear Customer,

This notice serves as proof of delivery for the shipment listed below.

**Tracking Number**
1ZEOW6036693156235

**Weight**
0.00 LBS

**Service**
UPS Worldwide Express®

**Shipped / Billed On**
12/16/2019

**Delivered On**
12/18/2019 9:28 A.M.

**Delivered To**
AMSTERDAM, NL

**Received By**
DRIVER RELEASE

**Left At**
Mailbox

**Reference Number(s)**
E0W603TH3LB, NH014

Thank you for giving us this opportunity to serve you. Details are only available for shipments delivered within the last 120 days. Please print for your records if you require this information after 120 days.

Sincerely,

UPS

Tracking results provided by UPS: 01/09/2020 12:36 P.M. EST
Shipment Receipt

Transaction Date: 16 Dec 2019

1 Address Information

Ship To:
FOLLOW THIS
MARK VAN BAAL
HILLEGOMSTRAAT 15
1038LN AMSTERDAM
Netherlands
Telephone: 31622424542

Ship From:
CONOCOPHILLIPS COMPANY
16030 PARK ROW DRIVE
HOUSTON TX 77084
United States
Telephone: 2812932623

Return Address:
CONOCOPHILLIPS COMPANY
CHARLOTTE O. MCLANE
16030 PARK ROW DRIVE
HOUSTON TX 77084
United States
Telephone: 2812931741

2 Shipment Information

Shipment ID: EOW603TH01B
Total Billable Weight: 0.85
Description of Goods:
BUSINESS DOCUMENTS
Reference #1: PO or Cost Center - NH014

Package Information

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3 UPS Shipping Service and Shipping Options

Service: UPS Worldwide Express
Shipping Fees Subtotal: 66.96 USD
Fuel Surcharge: 5.10 USD
Quantum View Notify E-mail Notifications: No Charge
Transportation: 61.86 USD

4 Payment Information

Bill Shipping Charges to: Shipper's Account EOW603

Shipping Charges: 66.96 USD
Subtotal Shipping Charges: 66.96 USD
Total Charged: 66.96 USD

Note: This document is not an invoice. Your final invoice may vary from the displayed reference rates.
* For delivery and guarantee information, see the UPS Service Guide ([0]). To speak to a customer service representative, call 1-800-PICK-UPS for domestic services and 1-800-762-7892 for international services.