
November 29, 2020

Shareholder Proposal@sec.gov

U. S. Securities and Exchange Commission

Division of Corporate Finance

Office of the Chief Counsel

100 F Street NE

Washington, DC 20549

RE: AT&T Inc. Shareholder Proposal Submitted by Drs. Sheila and Kenneth Lawrence Being Improperly Blocked by AT&T Mis-statements and Flimsy Analysis

A. Voter Suppression of the Proxy Filings of Drs. Sheila and Ken Lawrence

1. This letter to the SEC is with regard to filing a complaint against the AT&T for using excessive corporate resources to willfully and purposefully exclude our ability to submit a proxy. AT&T's misleading tactics and the implementation of SEC Rule 14a-8 pages 2-6 and pages 7-8 of the November 19, 2020 email to the SEC by Mr. Wirtz on Shareholder Submissions is documented in various correspondence through their changing position on ownership policies for proxy submissions.

It is obvious AT&T uses a voter suppression. (This is just like counting the number of jelly beans in a jar to be able to legally vote or applying poll taxes on minorities to vote.) It appears that AT&T treats stockholders with massive number of shares distinctly different from stockholders who, while having the number of shares required to submit a proxy, forces them to hire an attorney and to go to federal court in order to submit a proxy. AT&T's practices are clearly improper and overly burden such stockholders.

- AT&T needs to be sanctioned for these inappropriate tactics of voter suppression by the SEC.
- AT&T should be forbidden from using corporate funds and resources against its eligible stockholders from submitting proxies. Clearly these practices are discriminatory.

B. Accusation of Our MicroManaging

AT&T improperly classifies the proxy issue of our executive compensation proxy as micromanagement. It appears that the law department of AT&T finds our proxy does not, in any fashion, manage the work of the AT&T Board or its executive compensation consultants. The law department of the AT&T uses court cases that have no bearing on the nature of our proxy. We, in no fashion, are directing the AT&T to manage its executive compensation activities; rather we want AT&T to fully and completely disclosure of its process of how AT&T uses market data from its executive compensation consultants (paid enormous sums) for the super-secret nature of its market data. This data is given to the AT&T Board, except in total vagueness, with no direct relationship, given as follows:

1-saying they analyze market data without specifications on how this data is analyzed. This is a totally misleading practice.

2-saying they used various operational ratios without saying specifically how these ratios influence executive compensation levels and composition.

- How does a large drop in the value of AT&T stock influence executive compensation? Are their claw backs on compensation or merely many early retirements?
- Does AT&T use claw backs of compensation for executive management that fails to perform as expected? For example, spending \$67.5B for DirectTV and being able to sell it for \$15B.

AT&T's legal group has a giant fog machine, full of gibberish and propaganda to hide its performance effectiveness from all of its stockholders.

C. Distortions of Our Proxy by the AT&T

In Mr. Wirtz's email to the SEC on November 19, 2020, the AT&T continually distorts the nature of our proxy; they use these distortions of our proxy, coupled with his misstatement of SEC Rule 14a-8 pages 2-8 with incorrect legal interpretation. AT&T is keeping this compensation process of its executives secret from the stockholders of AT&T as to how the Board of AT&T and its management decide on its executive compensation.

AT&T uses a propogandist point of view of its executive compensation process. We, in no manner or form, are dictating how AT&T determines its executive compensation. We are asking AT&T to disclose in a full manner other than by using the judgement of the AT&T Board.

Thus, AT&T states that our proxy micromanages the company is another complete misstatement of reality. They merely wants to protect the secret nature of AT&T executive compensation process from its stockholders. The ludicrous nature of the AT&T's statement that we require a report is without factual basis.

In AT&T's statement from the 2019 target compensation consultants from the applicable peer groupings give the stockholders no knowledge of what valid and reliable means were used to justify their analysis. Market data analysis is not based on management judgement or experience of its Board.

D. Another Mis-Statement by AT&T

Another mis-statement by AT&T is that our proxy limits the judgement and discretion of the Board. This is a total misstatement because our proxy asks the basis of the data analysis, a non-judgmental process basis on validity and reliability of this data analysis by its compensation consultants.

E. Improper Uses of Cases Not Involving Executive Compensation to Block Our Proxy

AT&T uses other proxy case types that do not involve executive compensation as case law when there is no applicable basis for such cases with regard to our proxy:

1-Exxon Mobile Corporation

2-Johnson and Johnson

3-Sea World Entertainment

to block our proxy.

Again AT&T is comparing apples to oranges. Their problem is that the number of executive compensation proxies is very very small, typically less than 1% of all proxies. Our proxy is not relevant to the cases cited by AT&T.

F. Issues

1-Why does AT&T want to keep secret the nature of the data analysis used by its compensation consultants?

There is no basis for their saying that analyzing market data, when it fails to show any analysis supporting this statement by its compensation consultants.

2-Why is AT&T depriving its stockholders from the validity and reliability of its so-called market data analysis by its data by its compensation consultants?

3-Also, Mr. Wirtz requests to speak with the SEC about our proxy. This is an unfair procedure for AT&T. Such a process denies its stockholders who are not massive holders of stock and are without corporate legal staff; we have more than met the minimum threshold of stock ownership for several decades.

4-Ownership of Stock Distortions by AT&T by Sheila and Kenneth Lawrence

Mis-statements by AT&T of the ownership of AT&T stock is clearly a form of voter suppression against us for other than stockholders of massive number of shares.

In Mr. Wirtz's e-mail to the SEC on November 19, 2020, he claims that there is a gap of ownership (a complete falsehood by AT&T) by Kenneth D. Lawrence and Sheila M. Lawrence; but in a letter from Moni J. DeWalt (who heads the AT&T/SEC group) stated in his letter, dated November 3, 2020, that we had 14 days from the date we had received his letter to prove our eligibility to submit a proxy. AT&T said they had received our response to their request. This request included a letter from Charles Schwab Inc., which confirms our AT&T stock ownership.

Thus, Mr. Wirtz and Mr. DeWalt do not seem to communicate well on matters relating to our proxy submission. Therefore, the SEC should investigate the total lack of quality management of the submission of stockholder proxies by AT&T stockholders, who do not have massive levels of AT&T stock but meet minimum requirements. This is clearly a discriminatory practice by AT&T.

Sincerely

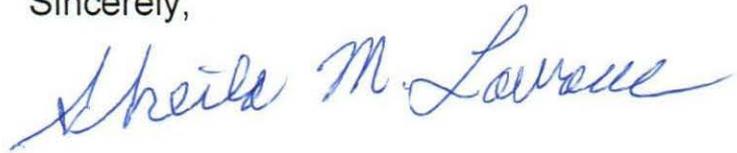


Kenneth D. Lawrence

AT&T Stockholders

with decades of
ownership, above the
levels needed to
submit proxies

Sincerely,



Sheila M. Lawrence

AT&T Stockholders

with decades of
ownership, above the
levels needed to
submit proxies



Wayne Wirtz
Vice President - Associate
General Counsel and
Assistant Secretary

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November 19, 2020

By email 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: AT&T Inc. – Shareholder Proposal Submitted by Drs. Kenneth and Sheila Lawrence

Ladies and Gentlemen:

Pursuant to Exchange Act Rule 14a-8(j), AT&T Inc. (“AT&T” or the “Company”) hereby notifies the Division of Corporation Finance of its intention to exclude a shareholder proposal (the “Proposal”) submitted by Drs. Kenneth and Sheila Lawrence (the “Proponents”) from AT&T’s proxy materials for its 2021 Annual Meeting of Stockholders (the “2021 Proxy Statement”), for the reasons stated below.

This letter, together with the Proposal and the related correspondence, are being submitted to the Staff of the Division of Corporation Finance (the “Staff”) via email in lieu of mailing paper copies. A copy of this letter and the attachments are being sent on this date to the Proponents. We respectfully remind the Proponents that if they elect to submit additional correspondence to the U.S. Securities and Exchange Commission (the “Commission”) or the Staff with respect to the Proposal, a copy of that correspondence should be furnished concurrently to the undersigned pursuant to Rule 14a-8(k).

The Proposal

“AT&T needs to disclose the complete and thorough role of how the Human Resources Committee approves and administers its executive compensation program.

1. How does the AT&T Human Resources Committee use the information that it gets from its unnamed, outside compensation consultants provide them in determining the amount to pay all forms of executive compensation for AT&T executives?
2. AT&T needs to describe in detail the underlying basis, in terms of decision analysis, used by the unnamed, consultants, given to the Human Resources Committee.

3. The investors in AT&T need to be fully informed about the complete process. The data analysis needs to describe, in full and complete detail, the operational measures of effectiveness used by compensation consultants delivered to the AT&T Human Resources Committee with regard to AT&T executive compensation.
4. The statements used in the proxy statement on Page 44 (Determining the Target AT&T Compensation, 2020) lack any specificity as to how the compensation consultants present market data that the Human Resources Committee uses this data to determine AT&T executive compensation levels.
5. What is the present methodological process used by the Human Resources Committee to determine the level of AT&T executive compensation other than vagaries and the Human Resources Committee Managers' judgement?
6. Currently the AT&T proxy material does not even state what operational and financial measures are included in the data given to the Human Resources Committee by the unnamed, outside compensation consultants."

A copy of the full Proposal and related correspondence, with the Proponents is attached to this letter as Exhibit A.

Analysis

A. The Proposal May Be Excluded Pursuant to Rule 14a-8(i)(7) Because It Seeks to Micromanage The Company

Rule 14a-8(i)(7) permits a company to omit from its proxy materials a shareholder proposal that relates to the company's "ordinary business" operations. According to the Commission's release accompanying the 1998 amendments to Rule 14a-8, the term "ordinary business" "refers to matters that are not necessarily 'ordinary' in the common meaning of the word," but instead the term "is rooted in the corporate law concept [of] providing management with flexibility in directing certain core matters involving the company's business and operations." Exchange Act Release No. 40018 (May 21, 1998) (the "1998 Release").

In the 1998 Release, the Commission stated that the underlying policy of the ordinary business exclusion is "to confine the resolution of ordinary business problems to management and the board of directors, since it is impracticable for shareholders to decide how to solve such problems at an annual shareholders meeting," and identified two central considerations that underlie this policy. The first is that "[c]ertain tasks are so fundamental to management's ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight." Examples of the tasks cited by the Commission include "management of the workforce, such as the hiring, promotion, and termination of employees, decisions on production quality and quantity, and the retention of suppliers." *Id.*

The second consideration is related to “the degree to which the proposal seeks to ‘micro-manage’ the company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment.” *Id.* The 1998 Release further states that “[t]his consideration may come into play in a number of circumstances, such as where the proposal involves intricate detail, or seeks to impose specific time-frames or methods for implementing complex policies.” In Staff Legal Bulletin No. 14J (Oct. 23, 2018), the Staff reaffirmed that the framework for evaluating whether a proposal micromanages a company “applies to proposals that call for a study or report.” Under that framework, if “the substance of the report relates to the imposition or assumption of specific time frames or methods for implementing complex policies,” it may properly be excluded under Rule 14a-8(i)(7) on micromanagement grounds. *Id.*

In Staff Legal Bulletin No. 14K (Oct. 16, 2019), the Staff further clarified that “a proposal, regardless of its precatory nature, that prescribes specific timeframes or methods for implementing complex policies . . . may be viewed as micromanaging the company.” Moreover, “the precatory nature of a proposal does not bear on the degree to which a proposal micromanages.” Instead, the Staff assesses the “level of prescriptiveness of the proposal,” and “if the method or strategy for implementing the action requested by the proposal is overly prescriptive, thereby potentially limiting the judgment and discretion of the board and management, the proposal may be viewed as micromanaging the company.”

As a threshold matter, although the Proposal is not structured as a typical shareholder proposal, in that it does not have a “Resolved” sentence or a “Supporting Statement,” we believe that the Proposal can fairly and reasonably be interpreted as calling for a report that provides additional information about how the Company’s Human Resources Committee makes decisions about executive compensation. Specifically, among other things, the Proposal would require the Company:

- “to describe in detail the underlying basis, in terms of decision analysis, used by the unnamed, consultants”;¹
- to provide a “data analysis” that “needs to describe, in full and complete detail, the operational measures of effectiveness used by the compensation consultants”;
- to provide “specificity as to how the compensation consultants present market data”;
- and
- to answer the question, “What is the present methodological process used by the Human Resources Committee to determine the level of AT&T executive compensation other than vagaries and the Human Resources Committee Managers’ judgement?”

¹ Contrary to the statements of the Proponent, the Company disclosed the name of its independent consultant on page 63 of its 2020 Proxy Statement. The consultant is Frederic W. Cook & Co., Inc., and the Company described the consultant’s duties and the Human Resources Committee’s determination that the consultant is independent.

The Proposal was preceded by email correspondence with the Proponents in September 2020, a copy of which is attached as Exhibit B. This correspondence helps to explain further what is at issue in the Proposal because the Proposal does not have a Resolved sentence and makes its points indirectly, through questions. In the Company's email dated September 14, 2020, the Company provided sections of its CD&A from the 2020 Proxy Statement to respond to Proponents' questions about the decision-making process for executive compensation. In response to the question, "Please provide us with the methodology that AT&T uses in determining the amount executive compensation based on the operational variables of the peer companies," the Company provided this disclosure from page 46 of its 2020 Proxy Statement:

"The Committee's Process for Establishing 2019 Target Compensation

The Committee's consultant reviewed market data from the applicable peer groups with members of management and the CEO (for Executive Officers other than himself) to confirm job matches and scoping of market data based on the relative value of each position and differences in responsibilities between jobs at AT&T and those in the applicable peer group. After completing this review, the consultant presented the market data to the Committee.

The Committee used the market data and the CEO's compensation recommendations for the other Executive Officers and then applied its judgment and experience to set Executive Officer target compensation for the coming year. While the Committee does consider peer group compensation information when setting executive compensation, it does not believe it appropriate to establish compensation amounts based solely on this data. The Committee believes that compensation decisions are multi-dimensional and require consideration of additional factors, including market competition for the position and the executive's:

- experience, performance, and contributions;
- long-term potential; and
- leadership." (emphasis added)

In their email response dated September 16, 2020 (the "September Email"), Proponents said: "I have reviewed your reply to our questions about how peer groups for executive compensation are made at AT&T. Instead of giving us a methodological basis, you give us a total set of vagaries. The process lacks any specifics[.]" In addition: "Your replies to our questions are quite vague and lack the selection process of how peer companies in any of AT&T's 3 list measures are compiled and use the following operational measures:

- 1-Corporate valuation measures
- 2-Profitability
- 3-Management effectiveness
- 4-Income statements
- 5-Balance sheet measure
- 6-Cash flow statements".

In sum, the September Email concludes, as "Actions to be Taken": "Please further detail how this process of Executive compensation are determined beyond mere vagaries lacking in data

analytics”; and “Please explain the precise methodological basis for these decisions to the stockholders of AT&T stockholders.”

The decision-making process for executive compensation actions is highly complex, taking into consideration not only the Company’s guiding pay principles, but also feedback from shareholders (in the form of annual engagement as well as the results from the annual say-on-pay vote), the evaluation of market trends, market data and market competition, and the Company’s business strategy and objectives for the near- and long-term. As the Company stated in its 2020 Proxy Statement, “the Committee believes that compensation decisions are multi-dimensional and require consideration of additional factors, including market competition for the position and the executive’s experience, performance, and contributions; long-term potential; and leadership.”

Ultimately, as the 2020 Proxy Statement indicates, the decision-making process depends on the “judgment and experience” of the five independent directors who comprise the Human Resources Committee, which met 8 times in 2019, the most of any Board committee other than the Audit Committee. And yet, this is precisely what the Proposal criticizes. At its core, the Proposal is asking shareholders to vote on supplanting the judgment of the Company’s Human Resources Committee with “methodological process,” “data analysis,” “decision analysis” and “operational measures of effectiveness” – all of which the Proposal wants the Company to disclose in “full and complete detail,” and with “specificity.” For this reason, we believe the Proposal is excludable under the micromanagement prong of Rule 14a-8(i)(7). As SLB 14K notes, “if the method or strategy for implementing the action requested by the proposal is overly prescriptive, thereby potentially limiting the judgment and discretion of the board and management, the proposal may be viewed as micromanaging the company” (emphasis added). Such is the case here. The Proposal seeks to dictate a specific process for determining executive compensation “other than vagaries and the Human Resources Committee Managers’ judgement.”

The Staff consistently has concurred that shareholder proposals attempting to micromanage a company by providing specific details for implementing a proposal as a substitute for the judgment of management are excludable under Rule 14a-8(i)(7). *See Exxon Mobil Corp.* (avail. Apr. 2, 2019) (concurring in the exclusion under Rule 14a-8(i)(7) of a proposal requesting annual reports that “would require the Company to adopt [greenhouse gas] targets aligned with the goals established by the Paris Climate Agreement” as “micromanag[ing] the Company by seeking to impose specific methods for implementing complex policies in place of the ongoing judgments of management as overseen by its board of directors”); *Johnson & Johnson* (avail. Feb. 14, 2019) (concurring in the exclusion under Rule 14a-8(i)(7) of a proposal requesting the adoption of a policy prohibiting adjustments of financial performance metrics that would exclude legal or compliance costs when determining the amount or vesting of any senior executive incentive compensation award as “micromanag[ing] the Company by seeking to impose specific methods for implementing complex policies”); *SeaWorld Entertainment, Inc.* (avail. Mar. 30, 2017, recon. denied Apr. 17, 2017) (concurring in the exclusion under Rule 14a-8(i)(7) of a proposal requesting the replacement of live orca exhibits with virtual reality experiences as “seek[ing] to micromanage the company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an

informed judgment”); and *Marriott International, Inc.* (avail. Mar. 17, 2010, recon. denied Apr. 19, 2010) (concurring in the exclusion of a proposal requiring the use of “specific technologies,” namely the installation of low-flow showerheads, at certain of the company’s hotels because “although the proposal raises concerns with global warming, the proposal seeks to micromanage the company to such a degree that exclusion of the proposal is appropriate”).

The extent to which the detailed requirements of the Proposal seek to micromanage the Company’s Human Resources Committee is comparable to the greenhouse gas targets required in *Exxon Mobil*, the financial performance metrics adjustment policy mandated in *Johnson & Johnson*, the virtual reality experiences proposed in *SeaWorld Entertainment*, and the “specific technologies” mandated in *Marriott International*. As discussed above, decisions about executive compensation involve the exercise and application of judgment and experience by the independent directors on the Human Resources Committee. That decision-making process and the resulting compensation actions are required to be disclosed in the Company’s proxy statement, which disclosures the Proponents have described, in their September Email, as a “total set of vagaries.”

Because the Proposal seeks to delve too deeply into these complex determinations by asking shareholders to vote on a report that would supplant the judgment of the Human Resources Committee and require such Committee to use “methodological process,” “data analysis,” “decision analysis” and “operational measures of effectiveness” – all of which would needed to be disclosed with “full and complete detail”, with nothing omitted because the “investors in AT&T need to be fully informed about the complete process” – the Proposal seeks to micromanage the Company’s business and therefore may be excluded under Rule 14a-8(i)(7).

B. The Proposal May Be Excluded Pursuant to Rule 14-8(b) and Rule 14a-8(f) Because The Proponents Did Not Provide Proper Proof of Eligibility

Rule 14a-8(b) requires that to be eligible to submit a proposal pursuant to Rule 14a-8, a shareholder “must have continuously held at least \$2,000 in market value, or 1% of the company’s securities . . . for at least one year by the date [the shareholder] submit[s] the proposal.” Rule 14a-8(b) also identifies proper methods for providing proof of ownership, including “to submit to the company a written statement from the ‘record’ holder of [the shareholder’s] securities (usually a broker or bank), verifying that, at the time [the shareholder] submitted [its] proposal, [it] continuously held the securities for at least one year.” Rule 14a-8(f) provides that the proponent’s response must be “postmarked, or transmitted electronically, no later than 14 days from the date [it] received the company’s notification.”

On October 24, 2020, the Proponents submitted the Proposal to the Company, via USPS certified mail. The Proponents’ submission did not include verification from the record owner of the Proponents’ shares verifying that the Proponents beneficially owned the requisite number of Company shares continuously for at least one year preceding and including October 24, 2020.

When notifying a shareholder proponent of eligibility or procedural defects, Staff Legal Bulletin No. 14 (July 14, 2001) requires that the company “send the notification by a means that

allows the company to determine when the shareholder received the letter. On November 3, 2020, after confirming that the Proponents were not stockholders of record, in accordance with Rule 14a-8(f)(1), the Company sent a letter to the Proponents via UPS (the “Deficiency Letter”) requesting a written statement from the record owner of Proponents’ shares verifying that the Proponents beneficially owned the requisite number of Company shares continuously for at least one year preceding and including October 24, 2020, the date of submission of the Proposal. Specifically, the Deficiency Letter stated:

- the ownership requirements of Rule 14a-8(b);
- that, according to the Company’s stock records, the Proponents were not record owners of sufficient shares;
- the type of statement or documentation necessary to demonstrate beneficial ownership under Rule 14a-8(b); and
- that any response had to be postmarked or transmitted electronically no later than 14 calendar days from the date the Proponent received the Deficiency Letter.

On November 12, 2020, the Company received from the Proponents, via USPS Priority Mail, a response to the Deficiency Letter that included a letter from Charles Schwab, dated November 9, 2020, verifying the Proponents’ ownership of the requisite amount of Company shares “for more than one year” prior to the date of the letter (the “Proof of Ownership”).

The Proof of Ownership does not constitute adequate documentary evidence of the Proponents’ ownership of Company shares to satisfy the requirements of Rule 14a-8(b). Specifically, the Proof of Ownership is deficient because it states the number of shares held by the Proponents as of November 9, 2020 and that the Proponents held such shares for “more than one year” prior to November 9, 2020. This leaves an uncovered period of over two weeks – from October 24, 2019 to November 8, 2019 – for which the Company cannot verify the Proponents’ ownership. In addition, the Company reviewed its stock records, which do not indicate that the Proponents are record owner of Company shares.

In SLB 14K, the Staff indicated that it generally does not find arguments applying a technical reading of proof of ownership letters as a basis for exclusion to be persuasive and that the Staff will take a “plain meaning” approach with respect to the proof of ownership requirements in the future. In SLB 14K, the Staff cited two letters as examples of its new approach to requests for no-action relief based on procedural deficiencies – *Amazon.com, Inc.* (Apr. 3, 2019) and *Gilead Sciences, Inc.* (Mar. 7, 2019).

The Proof of Ownership is distinguishable from the proofs of ownership at issue in *Amazon* and *Gilead*. The proposal at issue in *Amazon* was dated November 28, 2018. The proof of ownership letter was also dated November 28, 2018 but verified the proponent’s ownership only as of and for the one-year period preceding November 20, 2018. In view of proponent’s representation that it intended to hold its shares through the date of the shareholder meeting, we

believe that there was a reasonable basis for the Staff to conclude that the 8-day period between November 20 and November 28, 2018 could be deemed to be covered by such representation – and therefore, exclusion of the proposal on the basis of Rule 14a-8(b) was not warranted.

Similarly: the proposal at issue in *Gilead* was dated November 21, 2018. The proof of ownership letter was dated November 26, 2018 and stated that the shares had been held in the proponent’s account “continuously for at least one year prior to November 21, 2018.” Gilead argued that the ownership letter failed to address the actual date on which the proponent submitted the proposal and therefore exclusion under Rule 14a-8(b) was warranted. In view of proponent’s representation that it intended to hold its shares through the date of the shareholder meeting, we believe that there was a reasonable basis for the Staff to conclude that ownership on November 21, 2018 could be deemed to be covered by such representation.

Here, the Proof of Ownership is dated November 9, 2020, whereas the Proposal is dated October 24, 2020. This leaves a gap in proof of ownership from October 24, 2019 to November 9, 2019 that, unlike *Amazon* and *Gilead*, is not cured by the representation that the Proponents intend to hold their Company shares through the date of the shareholder meeting. Nor is this gap cured by the “more than one year” language in the Proof of Ownership, which could mean as little as one day. 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).

* * *

Based on the foregoing analysis, we respectfully request that the Staff concur that the Proposal may properly be omitted from the Company’s 2021 Proxy Statement pursuant to Rule 14a-8(i)(7) and Rule 14a-8(b) and Rule 14a-8(f)(1). We would be happy to provide you with any additional information and answer any questions that you may have regarding this subject. Correspondence regarding this letter should be sent to me at ww0118@att.com. If I can be of any further assistance in this matter, please do not hesitate to contact me (214) 757-3344.

Sincerely,

Wayne Wirtz

Attachments:

Exhibit A – Proposal and related correspondence

Exhibit B – September 2020 email correspondence

Cc: Drs. Kenneth and Sheila Lawrence

EXHIBIT A

K&S | response ...



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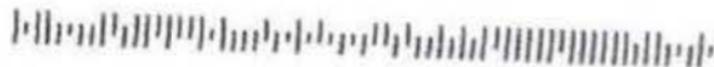
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Office of the Corporate Secretary
AT&T
1 AT&T Plaza
208 South Akward Street
Suite 2954
Dallas, Texas 75202

75202-421499



CERTIFIED MAIL
PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT
OF THE RETURN ADDRESS. FOLD AT DOTTED LINE.

U.S. POSTAGE PAID
FIRST CLASS PERMIT NO. 100
KENDALL PARK, NJ
OCT 24, 20
AMOUNT
\$6.95
R2305E125794-20

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:
 office of the Corporate Secretary
 AT&T 1 AT&T Plaza
 208 South Akward Street
 Suite 2954
 Dallas, Texas 75202



2. Art

Forc

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

- Agent
- Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? Yes
 if YES, enter delivery address below: No

3. Service Type

- Adult Signature
- Adult Signature Restricted Delivery
- Certified Mail®
- Certified Mail Restricted Delivery
- Collect on Delivery
- Priority Mail Express®
- Registered Mail™
- Registered Mail Restricted Delivery
- Return Receipt for Merchandise
- Signature Confirmation™
- Signature Confirmation Restricted Delivery

Delivery Restricted Delivery
Restricted Delivery

Domestic Return Receipt

October 23, 2020

Office of the Corporate Secretary, AT&T

1 AT&T Plaza

208 South Akward Street

Suite 2954

Dallas, Texas 75202

A. Proof of Ownership in AT&T Stock by Dr. Kenneth D. Lawrence and Dr. Sheila M. Lawrence for submitting a proposal

We have held well over \$2,000.00 worth of AT&T stock (200+ shares) for over a year in one account. We have records of dividend payments from AT&T since 2010. Additionally, we recently purchased an additional 700 shares of AT&T stock in another account.

Thus we are eligible to submit a proxy for Executive Compensation of AT&T Executives for the Annual Report of AT&T.

Thank you.

Sincerely,



Dr. Kenneth D. Lawrence

AT&T Stockholder

Sincerely,



Dr. Sheila M. Lawrence

AT&T Stockholder

B. Proxy for Executive Compensation by Dr. Kenneth D. Lawrence, Stockholder, and Dr. Sheila M. Lawrence, Stockholder

Shareholder Proposal

AT&T needs to disclose the complete and thorough role of how the Human Resources Committee approves and administers its executive compensation program.

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Moni J. DeWalt
Manager – SEC Compliance

One AT&T Plaza
208 S. Akard Street
Dallas, TX 75202

T: 214.757.3264
md075v@att.com

November 3, 2020

Via UPS Tracking Number: ***

Drs. Kenneth and Sheila Lawrence

Dear Drs. Lawrence and Lawrence:

We are in receipt of your letter postmarked October 24, 2020 (the “submission date”), which included a proposal. We consider this to be a stockholder proposal for inclusion in the proxy statement for AT&T Inc.’s 2021 annual meeting of stockholders.

Under Securities and Exchange Commission Rule 14a-8, in order to be eligible to submit a proposal, a stockholder must have continuously held at least \$2,000 in market value of shares of AT&T Inc. common stock for at least one year by the date the proposal is submitted and must continue to hold the shares through the date of the Annual Meeting. Therefore, in accordance with Rule 14a-8, please provide us with a written statement that you intend to hold the shares through the date of the 2021 annual meeting of stockholders.

You do not appear in our records as a registered stockholder. Therefore, in accordance with Rule 14a-8, you must submit to us a written statement from the record holder of the shares (usually a broker or bank) verifying that the required amount of shares were continuously held for at least the one-year period preceding and including the above submission date.

To be considered a record holder, a broker or bank must be a Depository Trust Company (“DTC”) participant. Stockholders can confirm whether a 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>. If the broker or bank is not on DTC’s participant list, the stockholder will need to obtain proof of ownership from the DTC participant through which the shares are held. The stockholder should be able to find out who this DTC participant is by asking the broker or bank.

If the DTC participant knows the broker or bank’s holdings, but does not know the stockholder’s holdings, the stockholder 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

Drs. Kenneth and Sheila Lawrence

November 3, 2020

Page 2

submitted, the required amount of shares were continuously held for at least one year – one from the stockholder's broker or bank confirming the stockholder's ownership, and the other from the DTC participant confirming the broker or bank's ownership.

Your response must be postmarked, or transmitted electronically, no later than 14 days from the date you received this letter. Please note that, even if you satisfy the eligibility requirements described above, we may still seek to exclude the proposal from our proxy materials on other grounds in accordance with Rule 14a-8.

Sincerely,

A handwritten signature in blue ink, appearing to read "Neil J. Quatt". The signature is written in a cursive style with a large, stylized initial "N".

Proof of Delivery

Dear Customer,

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

Tracking Number

Weight

1.00 LBS

Service

UPS Next Day Air Saver®

Shipped / Billed On

11/02/2020

Delivered On

11/04/2020 2:48 P.M.

Delivered To

Front Door

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: 11/04/2020 5:15 P.M. EST

PRESS FIRMLY TO SEAL



PRESS FIRMLY



1007



75202

U.S. POSTAGE PAID
PME 1-Day
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08824
NOV 12 20
AMOUNT

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R2303S102681-04

PRIORITY MAIL

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PRIORITY MAIL EXPRESS®



CUSTOMER USE ONLY

FROM: (PLEASE PRINT) PH
Drs Kenneth and Sheila Lawrence

PAYMENT BY ACCOUNT (if applicable)

USPS® Corporate Acct. No. Federal Agency Acct. No. or Postal Service™ Acct. No.

Name: DEWALT, MONICA
Building: 208 S AKARD ST
Floor: 29
Office: 2900.07
Arrived Damaged: No



DELIVERY OPTIONS (Customer Use Only)

SIGNATURE REQUIRED Note: The mailer must check the "Signature Required" box if the mailer: 1) Requires the addressee's signature; OR 2) Purchases additional insurance; OR 3) Purchases COD service; OR 4) Purchases Return Receipt service. If the box is not checked, the Postal Service will leave the item in the addressee's mail receptacle or other secure location without attempting to obtain the addressee's signature on delivery.

Delivery Options

- No Saturday Delivery (delivered next business day)
 - Sunday/Holiday Delivery Required (additional fee, where available*)
 - 10:30 AM Delivery Required (additional fee, where available*)
- *Refer to USPS.com or local Post Office for availability.

TO: (PLEASE PRINT) PHONE **214 757 3264**

**Moni J. DeWalt
Manager SEC Compliance AT&T
One AT&T Plaza
208 S. Akard Street
Dallas, Texas**

ZIP + 4® (U.S. ADDRESSES ONLY)

7 5 2 0 2

- For pickup or USPS Tracking™, visit USPS.com or call 800-222-1811.
- \$100.00 insurance included.

PEEL FROM THIS CORNER

ORIGINAL POSTAL SERVICE USE ONLY

<input checked="" type="checkbox"/> 1-Day	<input type="checkbox"/> 2-Day	<input type="checkbox"/> Military	<input type="checkbox"/> DPO
Post ZIP Code	Schedule Delivery Date (MM/DD/YY)	Postage	
08824	11/13/20	\$ 26.35	
Date Accepted (MM/DD/YY)	Schedule Delivery Time	Insurance Fee	COD Fee
11/2/20	<input type="checkbox"/> 10:30 AM <input type="checkbox"/> 3:00 PM <input checked="" type="checkbox"/> NOON	\$	\$
Time Accepted	10:30 AM Delivery Fee	Return Receipt Fee	Live Animal Transportation Fee
10:09 AM	\$	\$	\$
Special Handling/Prohib	Sunday/Holiday Premium Fee	Total Postage & Fees	
\$	\$	\$ 26.35	
Weight	Rate	Acceptance Employee Initials	
2.2		[Signature]	
DELIVERY (POSTAL SERVICE USE ONLY)			
Delivery Attempt (MM/DD/YY)	Time	Employee Signature	
	<input type="checkbox"/> AM <input type="checkbox"/> PM		
Delivery Attempt (MM/DD/YY)	Time	Employee Signature	
	<input type="checkbox"/> AM <input type="checkbox"/> PM		

LABEL 11-B, MARCH 2019

PSN 7690-02-000-9986

USPS.COM/PICKUP



PS10001000006

EP13F May 2020
OD: 12 1/2 x 9 1/2



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45 Lawrence
- ...

Monte J. DeWalt
Manager SEC Compliance ATOT
One AT&T Plaza
208 South Akard Street
Dallas, Texas 75202

November 10, 2020

Mr. Moni J. DeWalt
Manager SEC Compliance
AT&T
One AT&T Plaza
208 South Akard Street
Dallas, Texas 75202

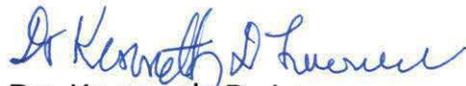
Dear Mr. DeWalt,

We are furnishing you with proof from our broker, Charles Schwab, in the form of a letter from Suzanne Niedhammer of Charles Schwab, dated November 9, 2020. The letter states that we have held 206.7918 shares of AT&T continuously in our account ****-' *** for more than one year.

We will continue to hold this AT&T stock shares through the date of the AT&T annual meeting date in 2021. Thus, we have satisfied the Securities and Exchange Commission Rule 14a-8 in order to be eligible to submit our proxy for inclusion in the proxy statement for AT&T Inc.'s 2021 annual meeting of stockholders.

Please confirm receipt of this message.

Sincerely,



Dr. Kenneth D. Lawrence

AT&T Stockholder

Sincerely,



Dr. Sheila M. Lawrence

AT&T Stockholder

Attachment: Confirmation of stockholder owners from Charles Schwab

Cc: Mr. John Stankey, CEO, AT&T via certified mail

charles
SCHWAB

November 9, 2020

Kenneth Donald Lawrence &
Sheila M Lawrence
Designated Beneficiary Plan/TOD

Account #: *****.***
Questions: +1 877-561-1918
x53673

I am writing in response to your request for information on the above referenced account.

Dear Kenneth Lawrence and Sheila Lawrence,

I'm writing in regards to your request for confirmation of ownership of AT&T, T (CUSIP 00206R102) in the above referenced account.

As of the writing of this letter you hold 206.7918 shares of AT&T. The security has been continuously held in this account for more than one year.

This letter is for informational purposes only and is not an official record. Please refer to your statements and trade confirmations as they are the official record of your transactions.

Thank you for choosing Schwab. We appreciate your business and look forward to serving you in the future. If you have any questions, please call me or any Client Service Specialist at +1 877-561-1918 x53673.

Sincerely,

Suzanne Niedhammer

Suzanne Niedhammer
Escalation Support
3000 Schwab Way
Westlake, TX 76262

EXHIBIT B

From: [WIRTZ, WAYNE A \(Legal\)](#)
To: ***
Bcc: [WILSON, PAUL M \(Legal\)](#); [WILSON, DANIELLE](#); [DEWALT, MONI \(Legal\)](#)
Subject: Compensation questions
Date: Monday, September 14, 2020 2:13:06 PM
Attachments: [image001.png](#)
[image002.png](#)
[image003.png](#)

Thank you for your email asking about compensation.

I have copied your email below and included my responses after each of your questions.

Dear Mr Wirtz,

We are in receipt of your letter dated August 26, 2020. I guess the postmaster general did not remove sorting devices from your location.

We have over \$2,000 of AT&T stock, that we have held for decades.

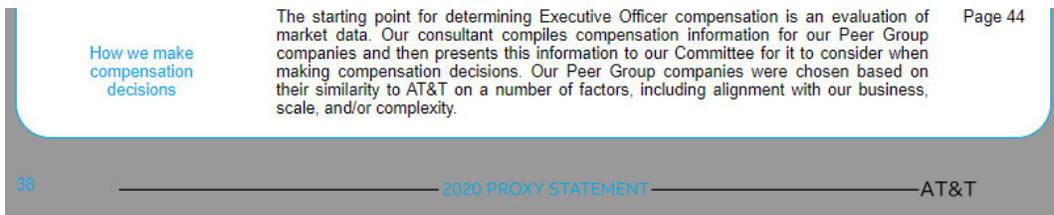
We will be attending the annual meeting electronically.

Please provide us with details of this process to attend the annual meeting electronically.

Details for attending the 2021 annual meeting will be included in next year's proxy statement. No decision has been made yet about the location or whether it will be virtual.

Please provide us with the methodology that AT&T uses in the selection of peer group companies in determining executive compensation.

The peer group is determined based upon recommendations of the independent consultant. Note the following disclosures in the 2020 proxy statement from pages 38 and 44.



How the peer groups were chosen

The Committee evaluated compensation against three peer groups in 2019: the Corporate Peer Group, the Media Peer Group, and the Large Cap Peer Group.

The Corporate Peer Group is used for corporate roles. It is based on the following criteria, with input from both the independent consultant and management, to ensure the peer group includes companies that:

- Mirror AT&T's strategic business mix by including telecom, media, and technology companies,
- Are substantially similar to AT&T in terms of organizational or business complexity and/or industry,
- Have global operations and/or diversified product lines,
- Are able to compete with AT&T for business, executive talent, and/or investor capital, and
- Have similar jobs in terms of complexity and scope.

44 ————— 2020 PROXY STATEMENT ————— AT&T

COMPENSATION DISCUSSION AND ANALYSIS

Due to the unique pay practices in the media and entertainment industry, the consultant created a separate Media Peer Group, comprised of key organizations in the media and entertainment industry, against which to evaluate Mr. Stankey's compensation. Similarly, because of the significant scope of Mr. McElfresh and Mr. Donovan's jobs, their compensation was evaluated relative to a Large Cap Peer Group, comprised of companies having positions that closely resemble the scale and scope of AT&T Communications.

Please provide us with the methodology that AT&T uses in determining the amount executive compensation based on the operational variables of the peer companies.

Please see comments from page 46 of the proxy statement for an explanation of the process by which market values provided by the independent consultant are used to determine compensation.

The Committee's Process for Establishing 2019 Target Compensation

The Committee's consultant reviewed market data from the applicable peer groups with members of management and the CEO (for Executive Officers other than himself) to confirm job matches and scoping of market data based on the relative value of each position and differences in responsibilities between jobs at AT&T and those in the applicable peer group. After completing this review, the consultant presented the market data to the Committee.

The Committee used the market data and the CEO's compensation recommendations for the other Executive Officers and then applied its judgment and experience to set Executive Officer target compensation for the coming year. While the Committee does consider peer group compensation information when setting executive compensation, it does not believe it appropriate to establish compensation amounts based solely on this data. The Committee believes that compensation decisions are multi-dimensional and require consideration of additional factors, including market competition for the position and the executive's:

- experience, performance, and contributions;
- long-term potential; and
- leadership.

From: [KENNETH LAWRENCE](#)
To: [WIRTZ, WAYNE A \(Legal\)](#)
Cc: [KENNETH LAWRENCE](#); ***
Subject: Lack of Specifics in the Process of Determining the Target Compensation of AT&T Executives
Date: Wednesday, September 16, 2020 10:41:43 AM

Mr. Wirtz,

I. Lack of Specifics in the Process of Determining the Target Compensation of AT&T Executives

I have reviewed your reply to our questions about how peer groups for executive compensation are made at AT&T. Instead of giving us a methodological basis, you give us a total set of vagaries. The process lacks any specifics

For example, on page 44 of the 2020 Proxy Statement, in the first paragraph "Determine 2019 Target Compensation, AT&T States the Committee uses market data as the starting point for determining Executive Officer Compensation.

The independent consultant (please identify) compiles data from peer companies using both proxy data and third-party compensation surveys (which ones?)

On page 46 of the 2020 Proxy Statement, The Committee Process for Establishing 2019 Target Compensation. The Committee consultant reviewed market data from applicable peer groups with members of the management and CEO.

II. Criteria Needed for Selecting Peer Companies

Your replies to our questions are quite vague and lack the selection process of how peer companies in any of AT&T's 3 list measures are compiled and use the following operational measures:

- 1-Corporate valuation measures
- 2-Profitability
- 3-Management effectiveness
- 4-Income statements
- 5-Balance sheet measure
- 6-Cash flow statements

III. Mere Conversations (Not a Real Process)

What is presented is a set of conversations among the Committee, AT&T Management and the unnamed consultants

who appear to be an extraordinarily well paid to insure that meaningful measures of managerial performance are as vagaries presented as a basis for executive compensation of AT&T management and not based on the objective criteria of operational measures of effectiveness.

IV. Actions to Be Taken

1-Please further detail how this process of Executive compensation are determined beyond mere vagaries lacking in data analytics.

2-Please explain the precise methodological basis for these decisions to the stockholders of AT&T stockholders.

Sincerely
Dr. Kenneth D. Lawrence
Lawrence

Sincerely,
Dr. Sheila M.