

February 11, 2020

VIA E-MAIL (shareholderproposals@sec.gov)

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

Re: Community Trust Bancorp, Inc.
Withdrawal of No-Action Request
Regarding Shareholder Proposal Submitted by
Presbyterian Church (U.S.A.)

Ladies and Gentlemen:

We submit this letter on behalf of our client, Community Trust Bancorp, Inc., a Kentucky corporation (the “**Company**”), to notify the staff (the “**Staff**”) of the Division of Corporation Finance of the U.S. Securities and Exchange Commission (the “**Commission**”) that the Company hereby withdraws the no-action request submitted by the Company to the Staff on December 30, 2019 (the “**No-Action Request**”).

The No-Action Request sought confirmation that the Staff would not recommend enforcement action to the Commission if, in reliance on Rule 14a-8 under the Securities Exchange Act of 1934, the Company excluded from its proxy materials for its 2020 Annual Meeting of Shareholders a shareholder proposal (the “**Proposal**”) and statements in support thereof submitted by the Presbyterian Church (U.S.A.) (the “**Proponent**”). The Company is withdrawing the No-Action Request because the Proponent has withdrawn the Proposal via correspondence dated February 6, 2020 (the “**Withdrawal Letter**”). A copy of the Withdrawal Letter from the Proponent indicating the withdrawal of the Proposal is enclosed as **Exhibit A**.

Please contact the undersigned at (502) 587-3633 or christopher.w.d.jones@dentons.com if you should have any questions or need additional information. Thank you for your attention to this matter.

Sincerely,



Christopher W.D. Jones, Esq.

Enclosures

cc: Jean R. Hale, Community Trust Bancorp, Inc.
Rob Fohr, Presbyterian Church (U.S.A.)

EXHIBIT A



February 6, 2020

VIA EMAIL:

haleje@ctbi.com

CJones@bgdlegal.com

shareholderproposals@sec.gov

Ms. Jean R. Hale
Chariman, President and Chief Executive Officer
Community Trust Bancorp, Inc.
346 North Mayo Trail
P.O. Box 2947
Pikeville, KY 41501-1492

Christopher W.D. Jones, Esq.
Bingham Greenebaum Doll LLP
3500 PNC Tower, 101 South Fifth Street
Louisville, KY 40202

Re: Withdrawal of shareholder proposal filed with Community Trust Bancorp, Inc.

Dear Ms. Hale and Mr. Jones,

We wish to withdraw our shareholder proposal with Community Trust Bancorp, Inc. sent on December 2, 2019 and received on December 3, 2019. We recognize there were some procedural deficiencies that do not meet with SEC requirements. However, we believe that climate change and the associated risks are urgent matters for the broader investment community and disagree with the company's contention that these risks are vague or misleading. To that end, we would like to request a dialogue to further discuss these matters sometime in 2020 to avoid a future resolution.

Sincerely,

A handwritten signature in blue ink, appearing to read "Rob Fohr". The signature is stylized and written in a cursive-like font.

Rob Fohr
Director of Faith-Based Investing and Corporate Engagement
Presbyterian Church U.S.A.
502.569.5035
Rob.Fohr@pcusa.org



Presbyterian Church (U.S.A.)
Presbyterian Mission

100 Witherspoon Street | Louisville, KY 40202 | presbyterianmission.org

cc: Securities and Exchange Commission, Office of Chief Counsel
Joseph Kinard, Chair, Committee on Mission Responsibility Through Investment

Enc. Filed resolution with citations

Whereas: Banks play a critical role in meeting the Paris Agreement’s goal of limiting global temperature rise to well below 2 degrees Celsius. The Bank of England notes that the global financial system is currently supporting carbon-producing projects that will cause global temperature to rise of over 4 degrees Celsius – more than double the limit necessary to avoid catastrophic warming.¹

The 2018 Intergovernmental Panel report on climate warns that global warming above 1.5 degrees Celsius will create devastating impacts including loss of life, ecosystem destruction, infrastructure damage, supply chain dislocations, lost production, and water and energy disruptions, among others. If warming is kept to 1.5 degrees Celsius versus 2 degrees, studies point to a potential savings of \$20 trillion to the global economy by 2100.² Recently, just 215 of the biggest global companies reported almost \$1 trillion at risk from climate impacts, some within five years.³

A recent study estimates that the value of risk under business-as-usual scenarios may be equivalent to a permanent reduction of between 5 and 20 percent in portfolio value in just over a decade.⁴ There are increasing state and local regulations for energy projects, increased barriers to high carbon projects, and shifting market expectations related to the future US energy mix needs. In fact, a recent report put out by Carbon Tracker estimates that almost a third (\$2.3 trillion USD) of the potential capex to 2025 for oil and gas companies should not be deployed under the International Energy Agency’s (IEA) World Outlook 2016 450 scenario (which could be used as a proxy for well below 2-degree Celsius scenario).⁵ Community Trust Bancorp, Inc. also stands to benefit from contributing to the funding required for a successful low carbon transition by systematically seeking out green opportunities across all business functions. An estimated \$90 trillion of investment is required by 2030 to limit global warming to 2 degrees Celsius⁶ and the financial sector has a pivotal role to play in enabling the transition to a low-carbon future, including small and mid-cap banks in the US.

While Community Trust Bancorp acknowledges business might be “adversely impacted to the extent that weather-related events cause damage or disruption to properties or businesses,” it also states that climate change initiatives will also adversely impact business.⁷ The company has already seen the impacts of the declining coal industry in its market area and has had to

¹ https://www.theguardian.com/business/2019/oct/15/bank-of-england-boss-warns-global-finance-it-is-funding-climate-crisis?CMP=Share_iOSApp_Other

² https://www.nature.com/articles/s41586-018-0071-9.epdf?referrer_access_token=eELbUpZu30ES9BZ5nW-IO9RgN0iAjWel9jnR3ZoTv0OskypFEzLGji1pAcPpJpRUaGWQE4lx7PFk7egARc69rHFdME6PJOQVMoys1HbEajGubYyh-cFm3MRhg2s_l4sq46QiSTTapLjDvV_ZfQ9KGWA8erEPxeWaOCy4qkvcpBhNc54Z8P42aBiGNCzAlbv5yke0J5kD-SmaMHFGX5BldaElsLdP99o9n2q_t7mKL6bo-HzTh6kQ7MsxZ2fBRfoJOUWNO9sPfoBla_bvKByEeRaGJJGmvTt7OhAlFSI4IPK9yTGpptomAc2gdnMSzTNYhIU5LjqY5JMKXschCdYMQ%3D%3D&tracking_referrer=www.theguardian.com

³ <https://www.cdp.net/en/articles/media/worlds-biggest-companies-face-1-trillion-in-climate-change-risks>

⁴ Covington, Howard and Thamoheram, Raj (2015). The case for forceful stewardship. Available online at: https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2551478

⁵ Carbon Tracker: @ Degrees of Separation (2017). Available at: <https://www.carbontracker.org/reports/2-degrees-of-separation-transition-risk-for-oil-and-gas-in-a-low-carbon-world-2/>

⁶ Global Commission on the Economy and Climate: The Sustainable Infrastructure Imperative (2016). Available at: http://newclimateeconomy.report/2016/wp-content/uploads/sites/4/2014/08/NCE_2016Report.pdf

⁷ <http://investors.ctbi.com/Cache/396917846.pdf>

diversify its portfolio.⁸ Community Trust does not yet measure or disclose to investors its full carbon emissions, nor has it adopted targets to reduce its lending related greenhouse gas emissions. Banks that finance carbon intensive fossil fuel activities through their lending are putting themselves and society at risk of catastrophic climate impacts.

Resolved: Shareholders request that Community Trust Bancorp issue a report, at reasonable cost and omitting proprietary information, discussing the range of risks associated with maintaining its current levels of carbon-intensive lending.

Supporting Statement: Shareholders recommend the report include, among other issues at board and management discretion:

- Reputational risks associated with being a financier of fossil fuels;
- Risks to the bank associated with an unanticipated policy response from governments to address dramatic increases in harmful climate events;
- Risks to the bank associated with negative economic impacts of a 2, 3, or 4-degree Celsius rise in global temperatures.

⁸ <http://investors.ctbi.com/Cache/396917846.pdf>

December 30, 2019

VIA E-MAIL (shareholderproposals@sec.gov)

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

Re: Community Trust Bancorp, Inc. Intention to Omit Shareholder Proposal in Reliance on Rule 14a-8 under the Securities Exchange Act of 1934

Ladies and Gentlemen:

Our law firm represents Community Trust Bancorp, Inc., a Kentucky corporation (the “**Company**”). The Company respectfully requests confirmation that the staff (the “**Staff**”) of the Division of Corporation Finance of the U.S. Securities and Exchange Commission (the “**Commission**”) will not recommend enforcement action to the Commission if, in reliance on Rule 14a-8 under the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), the Company omits the enclosed shareholder proposal (the “**Proposal**”) and its accompanying supporting statement (the “**Supporting Statement**”) submitted by the Presbyterian Church (U.S.A.) (the “**Proponent**”) from the Company’s proxy materials for its 2020 Annual Meeting of Shareholders (the “**2020 Proxy Materials**”).

Pursuant to Rule 14a-8(j), this letter is being filed with the Commission, and a copy of this correspondence is being concurrently sent to the Proponent, no later than eighty (80) calendar days before the Company intends to file its definitive 2020 Proxy Materials with the Commission.

In accordance with Staff Legal Bulletin No. 14D (November 7, 2008) (“**SLB No. 14D**”) this submission is being delivered by e-mail to shareholderproposals@sec.gov. Pursuant to Rule 14a-8(j), we are also sharing a copy of this submission to the Proponent. Rule 14a-8(k) and SLB No. 14D provide that a shareholder proponent must send the company a copy of any correspondence the proponent submits to the Commission or the Staff with respect to its proposal. Accordingly, we hereby inform the Proponent that, if the Proponent elects to submit additional correspondence to the Commission or the Staff relating to the Proposal, the Proponent should

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concurrently furnish a copy of that correspondence to the undersigned, on behalf of the Company, pursuant to Rule 14a-8(k) and SLB No. 14D.

Pursuant to the guidance provided in Section F of Staff Legal Bulletin No. 14F (October 18, 2011), we ask that, if the Staff responds to this request in writing, the Staff provide its response to the undersigned via e-mail at the addresses noted in the last paragraph of this letter.

THE PROPOSAL

The full text of the Proposal, including the recitals, resolution, and Supporting Statement is as follows:

Whereas: Banks play a critical role in meeting the Paris Agreement's goal of limiting global temperature rise to well below 2 degrees Celsius. The Bank of England notes the global financial system supports carbon-producing projects that will cause global temperature to rise over 4 degrees Celsius - more than double the limit necessary to avoid catastrophic warming.

The 2018 Intergovernmental Panel report on climate warns that global warming above 1.5 degrees Celsius will create devastating impacts including loss of life, infrastructure damage, supply chain dislocations, lost production, and water and energy disruptions. If warming is kept to 1.5 degrees Celsius versus 2 degrees, studies indicate a potential savings of \$20 trillion to the global economy by 2100. Just 215 of the biggest global companies reported almost \$1trillion at risk from climate impacts, some within five years.

Estimates indicate the value of risk under business-as-usual scenarios may be equivalent to a permanent reduction of 5 to 20 percent in portfolio value in just over a decade. There are increasing state and local regulations for energy projects, increased barriers to high carbon projects, and shifting market expectations related to future energy needs. A recent Carbon Tracker report estimates that almost a third (\$2.3 trillion USD) of potential capex to 2025 for oil and gas companies should not be deployed under the International Energy Agency's World Outlook 2016 450 scenario (a proxy for well below 2-degree Celsius scenario). Community Trust Bancorp, Inc. also stands to benefit from contributing to the funding required for a successful low carbon transition by seeking out green opportunities across all business functions. An estimated \$90 trillion of investment is required by 2030 to limit global warming to 2 degrees Celsius. The financial sector has a key role in enabling the transition to a low-carbon future, including small and mid-cap banks.

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While Community Trust Bancorp acknowledges business might be “adversely impacted to the extent that weather-related events cause damage or disruption to properties or businesses,” it also states climate change initiatives will adversely impact business. The company has seen the impacts of the declining coal industry in its market area and has had to diversify its portfolio. Community Trust does not yet measure or disclose to investors its carbon emissions, nor has it adopted targets to reduce its lending related to emissions. Banks that finance carbon intensive fossil fuel activities through lending are putting themselves and society at risk of catastrophic climate impacts.

Resolved: Shareholders request that Community Trust Bancorp issue a report, at reasonable cost and omitting proprietary information, discussing the range of risks associated with maintaining its current levels of carbon-intensive lending.

Supporting Statement: Shareholders recommend the report include, among other issues at board and management discretion:

- Reputational risks associated with being a financier of fossil fuels;
- Risks to the bank associated with an unanticipated policy response from governments to address dramatic increases in harmful climate events;
- Risks to the bank associated with negative economic impacts of a 2, 3, or 4-degree Celsius rise in global temperatures.

PROCEDURAL BACKGROUND

The Company received a letter dated December 2, 2019 (the “**Proposal Submission Date**”), from the Proponent (the “**Initial Letter**”), which included the Proposal. A copy of the Initial Letter is attached hereto as Exhibit A.

By letter dated December 13, 2019, as required by Rule 14a-8(f) under the Exchange Act, the Company notified the Proponent of certain eligibility and procedural defects in the Proposal (the “**Deficiency Notice**”), including (1) the Proponent’s failure to provide sufficient proof of the Proponent’s continuous ownership of the requisite number of Company shares for the one-year period preceding and including the Proposal Submission Date, and (2) the Proponent’s failure to state that the Proponent intends to continue ownership of the requisite Company securities through the date of the Company’s 2020 Annual Meeting of Shareholders. A copy of the Deficiency Notice is attached hereto as Exhibit B.

Mr. Rob Fohr, the Director of Faith-Based Investing and Corporate Engagement of the Proponent, responded to the Company’s Deficiency Notice by e-mail dated December 21, 2019 (the “**Deficiency Response**”), which attached a letter to the Company from The Northern Trust Company, dated December 19, 2019 (the “**Northern Trust Letter**”), stating that the Presbyterian

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Church Foundation (U.S.A.) (the “**Foundation**”) “is the beneficial owner of 57 shares of [the Company] as of December 4th, 2019, the day the filing letter was sent” and that such “stock position is valued at over \$2,508 and has been held continuously for over one year prior to the date of the filing.” The copy of the Deficiency Response, including the attached Northern Trust Letter, is attached hereto as Exhibit C.

BASIS FOR EXCLUSION

In accordance with Rule 14a-8, we respectfully request that the Commission concur in our view that the Proposal may be excluded from the 2020 Proxy Materials for the following, separately sufficient, reasons:

- I. The Proposal may be excluded pursuant to Rule 14a-8(f)(1) because the Proponent failed to supply, within fourteen (14) days after the Company’s delivery of the Deficiency Notice, documentary support evidencing satisfaction of the continuous ownership requirements of Rule 14a-8(b)(1);
- II. The Proposal may be excluded pursuant to Rule 14a-8(f)(1) because the Proponent failed to supply, within fourteen (14) days after the Company’s delivery of the Deficiency Notice, a written statement that the Proponent intends to continue ownership of the requisite Company securities through the date of 2020 Annual Meeting of Shareholders in accordance with Rule 14a-8(b)(2)(i);
- III. The Proposal may be excluded pursuant to Rule 14a-8(i)(7) because it deals with matters relating to the Company’s ordinary business operations; and
- IV. The Proposal may be excluded pursuant to Rule 14a-8(i)(3) because it violates Rule 14a-9 of the Exchange Act by making materially misleading and inherently vague statements.

ANALYSIS

- I. The Proposal may be excluded pursuant to Rule 14a-8(f)(1) because the Proponent failed to supply, within fourteen (14) days after the Company’s delivery of the Deficiency Notice, documentary support evidencing satisfaction of the continuous ownership requirements of Rule 14a-8(b)(1).**

A. Background

Under Rule 14a-8(f)(1), a company may exclude a shareholder proposal if the proponent fails to provide evidence that it meets the eligibility 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 time.

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Rule 14a-8(b)(1) of the Exchange Act provides that in order to be eligible to submit a proposal, each shareholder proponent must have continuously held at least \$2,000 in market value, or 1% of the company's securities entitled to vote on the proposal at the meeting for at least one year as of the date the shareholder proposal was submitted. If the proponent is not a registered holder, it must provide proof of beneficial ownership of the securities from the "record" holder of the securities.

The Proponent submitted the Proposal on the Proposal Submission Date. The Company determined that the Proposal was deficient because it was not accompanied by evidence that the Proponent had established continuous ownership of the requisite number of Company securities for the one-year period required by Rule 14a-8(b)(1). Accordingly, on December 13, 2019, the Company sent the Deficiency Notice to the Proponent via overnight courier. The Deficiency Notice, citing Rule 14a-8(b), requested from the Proponent "sufficient proof of [the Proponent's] continuous ownership of the requisite number of [Company] shares for the one-year period preceding and including December 2, 2019, the date the Proposal was submitted to [the Company]." In addition, the Company reminded the Proponent that the Commission's rules require that "any response to [the Deficiency Notice] be postmarked or transmitted electronically no later than 14 calendar days from the date you receive this letter."

On December 21, 2019, Mr. Rob Fohr, the Director of Faith-Based Investing and Corporate Engagement of the Proponent, delivered the Deficiency Response to the Company via e-mail. The Proponent attached to the Deficiency Notice the Northern Trust Letter, which confirmed that the *Foundation*, not the Proponent, had owned Company securities continuously for one year from December 4, 2019. The Foundation and the Proponent are two separate legal entities with different addresses and employment identification numbers: the Foundation has an address of 200 East 12th St., Jeffersonville IN 47130, whereas the Proponent has an address of 100 Witherspoon Street, Louisville KY 40202. Neither the Proponent nor Mr. Fohr have provided evidence that they have been authorized by the Foundation to file the Proposal on behalf of the Foundation, and the Company has never received any communication from the Foundation, or any authorized director or officer of the Foundation, with respect to the Proposal.

B. Grounds for Exclusion

The Proponent is not eligible to file the Proposal because the Proponent does not meet the securities ownership requirements of Rule 14a-8(b)(1) and has not provided any evidence that the Proponent holds securities of the Company. Additionally, the Proponent has not timely provided the Company evidence that the Proponent has been authorized to file the Proposal on behalf of the Foundation. Even if the Proponent were to provide evidence that the Foundation had authorized the Proponent to file the Proposal on the Foundation's behalf, it failed to do so on or before December 28, 2019, or fourteen (14) calendar days after the Proponent received the Deficiency Notice. By the same token, even if the Foundation were to file a new shareholder proposal on

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behalf of itself, the deadline for inclusion in the proxy statement for the Company's 2020 Annual Meeting of Shareholders has now expired for such shareholder to make any such request.

In addition, even if the Foundation had timely authorized the Proponent to file the Proposal, the Northern Trust Letter provided that the Foundation was the beneficial owner of Company securities for the year preceding December 4, 2019. Under Rule 14a-8(b)(1), if the Proponent were authorized to file the Proposal on behalf of the Foundation, the Proponent needs to have demonstrated that the Foundation was the beneficial owner of the Company securities for the year preceding December 2, 2019 – that is, “the date the shareholder proposal was submitted.” As such, the Foundation has failed to meet the securities ownership requirements of Rule 14a-8(b)(1) and is not eligible to file the Proposal.

For the foregoing reasons, the Company believes that the Proposal may be properly omitted from the 2020 Proxy Materials in reliance on Rule 14a-8(f)(1).

II. The Proposal may be excluded pursuant to Rule 14a-8(f)(1) because the Proponent failed to supply, within fourteen (14) days after the Company's delivery of the Deficiency Notice, a written statement that the Proponent intends to continue ownership of the requisite Company securities through the date of the 2020 Annual Meeting of Shareholders in accordance with Rule 14a-8(b)(2)(i).

A. Background

Under Rule 14a-8(f)(1), a company may exclude a shareholder proposal if the proponent fails to provide evidence that it meets the eligibility 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 time.

Rule 14a-8(b)(1) of the Exchange Act provides that in order to be eligible to submit a proposal, each shareholder proponent must not only have met the securities ownership requirements for at least one year from the date the shareholder proposal was submitted (as discussed in Section I above), but also *continue to hold such securities through the date of the shareholder meeting*.

Because the Proponent, in its Initial Letter, failed to demonstrate that it intended to continue to hold its Company securities through the date of the 2020 Annual Meeting of Shareholders, the Company in its Deficiency Notice requested “a written statement that the Proponent intends to continue ownership of the requisite [Company] securities through the date of [the Company]'s meeting of shareholders.” The Proponent failed to respond to this request in its Deficiency Response.

B. Grounds for Exclusion

Because the Proponent failed to respond to the Company's request for "a written statement that the Proponent intends to continue ownership of the requisite [Company] securities through the date of [the Company]'s meeting of shareholders" on or before December 28, 2019, or fourteen (14) calendar days after the Proponent received the Deficiency Notice, it does not meet the securities ownership requirements of Rule 14a-8(b)(2)(i) and is not eligible to file the Proposal.

For the foregoing reasons, the Company believes the Proposal may be properly omitted from the 2020 Proxy Materials in reliance on Rule 14a-8(f)(1) and (f)(2).

III. The Proposal may be excluded pursuant to Rule 14a-8(i)(7) because it deals with matters relating to the Company's ordinary business operations.

A. Background

Under Rule 14a-8(i)(7), a company may exclude a shareholder proposal if it "deals with a matter relating to the company's ordinary business operations." The Rule 14a-8(i)(7) exclusion has two considerations: (1) the subject matter of the proposal, or whether the proposal involves "tasks [that] 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"; and (2) the degree to which the proposal attempts 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." Release No. 34-40018 (May 21, 1998). Importantly, under Rule 14a-8(i)(7), if a proposal seeks to micro-manage a company's business operations, it is excludable even if it relates to a significant policy issue.

In its recent Staff Legal Bulletin No. 14K (October 16, 2019), the Commission provided that when considering whether a shareholder proposal "micro-manages" a company, it looks at "whether the proposal seeks intricate detail or *imposes a specific strategy*, method, action, outcome, or *timeline* for addressing an issue, thereby supplanting the judgment of the management of the board." The Commission has consistently concurred in excluding shareholder proposals when they seek to impose such specific strategies or timelines. Furthermore, many of these concurrences have occurred with respect to global-warming or climate change related proposals. *See, e.g., Devon Energy Corp.* (Mar. 4, 2019) (the shareholder proposal required adoption of time-bound targets (short, medium, and long-term greenhouse gas targets) that imposed specific methods and timelines for implementing complex policies, and therefore was excludable); *Apple Inc.* (Dec. 5, 2016) (the shareholder proposal asked the company to reach net-zero greenhouse gas emissions by 2030, and therefore was excludable).

Furthermore, framing a shareholder proposal in the form of a request for a report does not change the nature of whether a proposal "micro-manages" a company. The Commission has stated

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that a proposal requesting the dissemination of a report may be excludable under Rule 14a-8(i)(7) if the subject matter of the report is within the ordinary business of the company or if it seeks an intricately detailed study or report. *See, e.g., PayPal Holdings, Inc.* (Mar. 6, 2018) (the shareholder proposal asked the company to produce a report on how to reach net-zero greenhouse gas emissions by 2030, and was therefore excludable); *Ford Motor Co.* (Mar. 2, 2004) (the shareholder proposal requested a report including details such as measured temperature at certain locations and the method of measurement, the effect on temperature increases or decreases in certain atmospheric gases, the effects of radiation from the sun on global warming/cooling, carbon dioxide production and absorption, and a discussion of certain costs and benefits). Importantly, the Commission recently concurred in excluding, on micro-management grounds, a shareholder proposal that requested a report on the reputational, financial, and climate risks associated with a company's lending, financing, and investment activities with respect to the tar sand industry. *JPMorgan Chase & Co. (The Christensen Fund)* (Mar. 30, 2018).

B. Grounds for Exclusion.

Here, the Proposal includes specific strategies and timelines for addressing the Company's lending and investing operations. Specifically, the Proposal asks the Company to produce a report "discussing the range of risks associated with maintaining its current levels of carbon-intensive lending." The Supporting Statement, however, then goes on to identify the methods of producing such a report, including focusing on "reputational risks" and anticipating government policy responses to climate change. In particular, the requirement to anticipate government policy responses to climate change is so vague and broad as to be overly burdensome, and as a result, the Company would be forced to continuously dedicate significant time, effort, and resources to satisfy the Proposal's requirements. Perhaps the most onerous example of micro-management is when the Proposal asks the Company to assess the economic impacts of "2, 3, or 4-degree Celsius rise in global temperatures" – which are effectively time-bound targets similar to those proposed in *Devon Energy Corp.* (Mar. 4, 2019), which the Commission concurred in excluding.

Furthermore, the fact that the Proposal is disguised as a request for a risk assessment report does not mean that the Proponent is not attempting to micro-manage the Company or intrude upon the ordinary business of the Company. Although the Proposal specifically requests that the Company produce a report on risks with respect to carbon-intensive lending, misleadingly buried in the recitals are statements suggesting that the Company not only produce a report but also invest in "green opportunities" and to cease "finance[ing] carbon intensive fossil fuel activities." (We discuss these confusingly misleading statements in Section IV below.) These topics are within the "ordinary business" of the Company.

The Proposal in this case is similar to the proposal in *JPMorgan Chase*, in that the Proposal aims to indirectly restrict the Company's decision-making regarding its loan and investment portfolios by forcing the Company to produce an arbitrary and burdensome report. For the

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foregoing reasons, the Company believes that the Proposal may be omitted from the 2020 Proxy Materials in reliance on Rule 14a-8(i)(7).

IV. The Proposal may be excluded pursuant to Rule 14a-8(i)(3) because it violates Rule 14a-9 of the Exchange Act by making materially misleading and inherently vague statements.

A. Background

Under Rule 14a-8(i)(3), a company may exclude a shareholder proposal if the proposal or supporting statement is contrary to any of the Commission's proxy rules, including Rule 14a-9, which prohibits materially false or misleading statements in proxy soliciting materials. Staff Legal Bulletin No. 14B (September 15, 2004) ("**SLB No. 14B**") further provides that exclusion may be appropriate pursuant to Rule 14a-8(i)(3) when "substantial portions of the supporting statement are irrelevant to a consideration of the subject matter of the proposal, such that there is a strong likelihood that a reasonable shareholder would be uncertain as to the matter on which the shareholder is being asked to vote" or when "the company demonstrates objectively that a factual statement is materially false or misleading."

SLB No. 14B further instructs that exclusion may be appropriate when "the resolution contained in the proposal is so inherently vague or indefinite that neither the stockholders voting on the proposal, nor the company in implementing the proposal (if adopted), would be able to determine with any reasonable certainty exactly what actions or measures the proposal requires." The Commission routinely concurs in the exclusion of shareholder proposals pursuant to Rule 14a-8(i)(3) when the proposal is "vague and indefinite." *See, e.g., Ebay, Inc.* (April 10, 2019) ("neither the shareholders nor the Company would be able to determine with any reasonable certainty the nature of the 'reform' the Proposal is requesting. Thus, the Proposal, taken as a whole, is so vague and indefinite that it is rendered materially misleading"); *The Boeing Company* (March 2, 2011) (the proposal failed to explain the meaning of "executive pay rights"); *Amazon.com, Inc.* (March 22, 2010, *recon. granted* April 7, 2010) (the proposal failed to specify the type of shareholder rights that should be preserved at shareholder meetings).

B. Grounds for Exclusion

First, significant portions of the recitals to the Proposal are irrelevant and would confuse a reasonable shareholder on the matter on which the shareholder is being asked to vote. The Proposal clearly asks the Company to adopt risk assessment policies with respect to carbon investment and lending. However, the recitals contain statements that suggest that the shareholders are not voting on whether the Company should adopt risk assessment policies, but *in or to what businesses the Company should invest or lend*. Statements such as "Community Trust Bancorp, Inc. also stands to benefit from contributing to the funding required for a successful low carbon transition by *seeking out green opportunities across all business functions*" and "Banks that *finance carbon intensive fossil fuel activities* through lending are putting themselves and society

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at risk of catastrophic climate impacts” improperly suggest that the shareholders are voting on whether the Company should invest in or finance fossil fuel activities – not whether the Company should adopt risk assessment policies with respect to such activities.

Second, the recitals in the Proposal contain such hyperbolic yet unsupported claims as to be intentionally false and misleading. The Proposal uses melodramatic terms to induce emotional reactions from shareholders to persuade them to support the Proposal, including “catastrophic warming,” “catastrophic climate impacts,” “devastating impacts,” and “loss of life.” The Proponent also attempts to use the logical fallacy of appeal to authority. For example, the Proponent cites The Bank of England to support its statement that “the global financial system supports carbon-producing projects that will cause global temperature to rise over 4 degrees Celsius - more than double the limit necessary to avoid catastrophic warming.” This statement, however, is misleading because it does not identify the context in which the Bank of England made such a note, nor does it identify the scope or types of “carbon-producing projects” at issue, even though carbon-producing activities are the heart of the Proposal. As another example, the Proponent cites “estimates,” “state and local regulations,” and “shifting market expectations,” but fails to identify precise sources. By appealing to authority or not providing any authority at all despite the Proposal’s dire claims, the Proponent attempts to materially mislead shareholders of the Company.

Finally, the Proposal fails to define certain critical terms, rendering significant portions of the Proposal “inherently vague and indefinite.” The Proposal paradoxically asks the Company to anticipate the risks of “unanticipated policy response[s]” from governments with respect to “harmful climate events,” but no reasonable shareholder nor the Company could know the intended meaning or scope of “unanticipated policy response[s]” or “harmful climate events.” The Proposal asks for the Company to issue reports on risks associated with “carbon-intensive lending,” but fails to identify any relevant carbon-related activities. Similarly, the Proposal asks for the Company to assess “reputational risks” but fails to identify scope and type of “reputational risks.”

The Proposal is intentionally and materially misleading in its unsubstantiated claims and in making statements that imply the shareholders are voting on different matters. Furthermore, the Proposal’s lack of specificity and loose language in certain sections would confuse shareholders attempting to ascertain the scope of the Proposal or, if passed, the Company attempting to implement the Proposal. For the foregoing reasons, the Company believes that the Proposal may be omitted from the 2020 Proxy Materials in reliance on Rule 14a-8(i)(3).

CONCLUSION

Based upon the foregoing analysis, we respectfully request that the Commission concur that it will take no action if the Company excludes the Proposal from its 2020 Proxy Materials.

BINGHAM GREENEBAUM DOLL LLP

Office of Chief Counsel
Division of Corporation Finance
December 30, 2019
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We are happy to provide you with any additional information and answer any questions that you may have regarding this subject. Please send any correspondence regarding this letter to the individuals at the e-mail addresses listed below. If we can be of further assistance in this matter, please do not hesitate to call either of the individuals at the numbers listed below.

Jean R. Hale,
Chairman, President, and Chief
Executive Officer,
Community Trust Bancorp, Inc.

haleje@ctbi.com (606) 437-3294

Christopher W.D. Jones, Esq.,
Bingham Greenebaum Doll LLP

CJones@bgdlegal.com (502) 587-3633

BINGHAM GREENEBAUM DOLL LLP

Office of Chief Counsel
Division of Corporation Finance
December 30, 2019
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Sincerely,

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

Christopher W.D. Jones, Esq.

Enclosures

cc: Jean R. Hale, Community Trust Bancorp, Inc.
Rob Fohr, Presbyterian Church (U.S.A.)

EXHIBIT A

Initial Letter

See attached.



Presbyterian Mission
**Mission Responsibility
Through Investment**

100 Witherspoon Street | Louisville, KY 40202 | presbyterianmission.org

December 2, 2019

VIA OVERNIGHT DELIVERY

Ms. Jean R. Hale
Chairman, President and Chief Executive Officer
Community Trust Bancorp, Inc.
346 North Mayo Trail
P.O. Box 2947
Pikeville, KY 41501-1492

Dear Ms. Hale,

The Presbyterian Church (U.S.A.), is a major Protestant denomination with nearly 1.6 million members. Our General Assembly believes the church's investments should promote its mission goals and reflect its ethical values such as caring for the environment. The Committee on Mission Responsibility Through Investment (MRTI) was created almost 50 years ago to implement this policy and has worked on climate change since 1990, calling for the reduction of emissions in our church buildings, international agreements and adoption of reduction targets by corporations.

The Foundation of the Presbyterian Church (USA) is the beneficial owner of 251 shares of Community Trust Bancorp common stock, \$2,500 of which will be designated for the filing of this resolution.

In accordance with SEC Regulation 14A-8 of the Securities and Exchange Commission Guidelines, we are enclosing a shareholder resolution and supporting statement for consideration and action at your 2020 Annual Meeting. We request that it be included in the proxy statement. The resolution calls for a report on the range of risks associated with maintaining current levels of carbon-intensive lending.

The Presbyterian Foundation has continuously held Community Trust Bancorp shares for at least one year prior to the date of this filing. Proof of ownership from Northern Trust, the master custodian, will be forwarded separately. The Foundation will maintain the SEC-required ownership position of Community Trust stock through the date of the Annual Meeting where our shares will be represented.



Presbyterian Mission
**Mission Responsibility
Through Investment**

100 Witherspoon Street | Louisville, KY 40202 | presbyterianmission.org

Sincerely,

A handwritten signature in black ink, appearing to read "Rob Fohr".

Rob Fohr
Director of Faith-Based Investing and Corporate Engagement
Presbyterian Church U.S.A.
502.569.5035
rob.fohr@pcusa.org

Cc: Lindley DeGarmo, Committee on Mission Responsibility Through Investment

Whereas: Banks play a critical role in meeting the Paris Agreement’s goal of limiting global temperature rise to well below 2 degrees Celsius. The Bank of England notes the global financial system supports carbon-producing projects that will cause global temperature to rise over 4 degrees Celsius – more than double the limit necessary to avoid catastrophic warming.

The 2018 Intergovernmental Panel report on climate warns that global warming above 1.5 degrees Celsius will create devastating impacts including loss of life, infrastructure damage, supply chain dislocations, lost production, and water and energy disruptions. If warming is kept to 1.5 degrees Celsius versus 2 degrees, studies indicate a potential savings of \$20 trillion to the global economy by 2100. Just 215 of the biggest global companies reported almost \$1 trillion at risk from climate impacts, some within five years.

Estimates indicate the value of risk under business-as-usual scenarios may be equivalent to a permanent reduction of 5 to 20 percent in portfolio value in just over a decade. There are increasing state and local regulations for energy projects, increased barriers to high carbon projects, and shifting market expectations related to future energy needs. A recent Carbon Tracker report estimates that almost a third (\$2.3 trillion USD) of potential capex to 2025 for oil and gas companies should not be deployed under the International Energy Agency’s World Outlook 2016 450 scenario (a proxy for well below 2-degree Celsius scenario). Community Trust Bancorp, Inc. also stands to benefit from contributing to the funding required for a successful low carbon transition by seeking out green opportunities across all business functions. An estimated \$90 trillion of investment is required by 2030 to limit global warming to 2 degrees Celsius. The financial sector has a key role in enabling the transition to a low-carbon future, including small and mid-cap banks.

While Community Trust Bancorp acknowledges business might be “adversely impacted to the extent that weather-related events cause damage or disruption to properties or businesses,” it also states climate change initiatives will adversely impact business. The company has seen the impacts of the declining coal industry in its market area and has had to diversify its portfolio. Community Trust does not yet measure or disclose to investors its carbon emissions, nor has it adopted targets to reduce its lending related to emissions. Banks that finance carbon intensive fossil fuel activities through lending are putting themselves and society at risk of catastrophic climate impacts.

Resolved: Shareholders request that Community Trust Bancorp issue a report, at reasonable cost and omitting proprietary information, discussing the range of risks associated with maintaining its current levels of carbon-intensive lending.

Supporting Statement: Shareholders recommend the report include, among other issues at board and management discretion:

- Reputational risks associated with being a financier of fossil fuels;
- Risks to the bank associated with an unanticipated policy response from governments to address dramatic increases in harmful climate events;
- Risks to the bank associated with negative economic impacts of a 2, 3, or 4-degree Celsius rise in global temperatures.

EXHIBIT B

Deficiency Notice

See attached.



346 North Mayo Trail
P. O. Box 2947
Pikeville, Kentucky 41501

building communities...built on trust®

606-432-1414

December 13, 2019

VIA OVERNIGHT MAIL

Presbyterian Church (U.S.A.)
Attn: Rob Fohr, Director of Faith-Based Investing and Corporate Engagement
100 Witherspoon Street
Louisville, KY 40202

Dear Mr. Fohr:

I am writing on behalf of Community Trust Bancorp, Inc. (“CTBI”), which received the shareholder proposal that the Presbyterian Church (U.S.A.) (the “Proponent”) submitted and postmarked to CTBI on December 2, 2019, pursuant to Securities and Exchange Commission (“SEC”) Rule 14a-8 for inclusion in the proxy statement for CTBI’s 2020 Annual Meeting of Shareholders (the “Proposal”).

The Proposal contains certain eligibility and procedural deficiencies, which SEC regulations require us to bring to your attention. Rule 14a-8(b)(1) of the Securities Exchange Act of 1934, as amended, provides that in order to be eligible to submit a proposal, each shareholder proponent must have continuously held at least \$2,000 in market value, or 1% of the company’s securities entitled to vote on the proposal at the meeting for at least one year as of the date the shareholder proposal was submitted. CTBI’s stock records do not indicate that the Proponent is a record owner of sufficient shares to satisfy this requirement. In addition, to date, CTBI has not received proof that the Proponent has satisfied Rule 14a-8’s ownership requirements as of the date that the Proposal was submitted to CTBI.

To remedy such defect, you must submit sufficient proof of your continuous ownership of the requisite number of CTBI shares for the one-year period preceding and including December 2, 2019, the date the Proposal was submitted to CTBI. As explained in Rule 14a-8(b) and in SEC staff guidance, sufficient proof must be in the form of:

(i) A written statement from the “record” holder of your shares (usually a broker or bank) verifying that you continuously held the requisite number of CTBI shares for the one-year period preceding and including December 2, 2019; or

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

If you intend to demonstrate your ownership by submitting a written statement from the “record” holder of your shares as set forth in (i) above, please note that 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 that acts as a securities depository (DTC is also known through the account name of Cede & Co.), or an affiliate thereof. Under SEC Staff Legal Bulletin Nos. 14F and 14G, only DTC participants, or affiliates of DTC participants, are viewed as record holders of securities. You can confirm whether your broker or bank is a DTC participant or an affiliate of a DTC participant by asking your broker or bank or, in the case of DTC participants, by checking DTC’s participant list, which is available at <http://www.dtcc.com/client-center/dtc-directories>. In these situations, shareholders need to obtain proof of ownership from the DTC participant or affiliate of a DTC participant through which the securities are held, as follows:

(i) If the broker or bank is a DTC participant or an affiliate of a DTC participant, then you need to submit a written statement from the broker or bank verifying that you continuously held the requisite number of CTBI shares for the one-year period preceding and including December 2, 2019.

(ii) If the broker or bank is not a DTC participant or an affiliate of a DTC participant, then you need to submit proof of ownership from the DTC participant or affiliate of a DTC participant through which the shares are held verifying that you continuously held the requisite number of CTBI shares for the one-year period preceding and including December 2, 2019. If your broker is an introducing broker, you may also be able to learn the identity and telephone number of the DTC participant or affiliate of a DTC participant through your account statements, because the clearing broker identified on the account statements generally will be a DTC participant or an affiliate of a DTC participant. If the DTC participant or affiliate of a DTC participant that holds your shares is not able to confirm your individual holdings but is able to confirm the holdings of your broker or bank, then you need to satisfy the proof of ownership requirements by obtaining and submitting two proof of ownership statements verifying that, for the one-year period preceding and including December 2, 2019, the requisite number of CTBI

shares were continuously held: (1) one from your broker or bank confirming your ownership; and (2) the other from the DTC participant or affiliate of a DTC participant confirming the broker or bank's ownership.

Additionally, Rule 14a-8(b) of the Securities Exchange Act of 1934, as amended, provides that the Proponent must provide a written statement that the Proponent intends to continue ownership of the securities through the date of the meeting of shareholders. CTBI has not received a written statement from the Proponent that the Proponent intends to continue ownership of the securities through the date of CTBI's meeting of shareholders. In the Proposal, the Proponent provided that the Presbyterian Church (U.S.A.) Foundation, Inc., a separate entity from the Proponent, "will maintain the SEC-required ownership position of Community Trust stock through the date of the Annual Meeting where our shares will be represented."

To remedy this defect, the Proponent must provide a written statement that the Proponent intends to continue ownership of the requisite CTBI securities through the date of CTBI's meeting of shareholders.

The SEC's rules require that any response to this letter be postmarked or transmitted electronically no later than 14 calendar days from the date you receive this letter. Please address any response to me at Community Trust Bancorp, Inc., 346 North Mayo Trail, P.O. Box 2947, Pikeville, KY 41501 and haleje@ctbi.com.

For your reference, I am enclosing copies of Rule 14a-8 and Staff Legal Bulletin No. 14F and 14G.

Sincerely,

A handwritten signature in black ink, appearing to read "Jean R. Hale". The signature is fluid and cursive, with a large initial "J" and "H".

Jean R. Hale
Chairman, President
and Chief Executive Officer

Enclosures

EXHIBIT C

Deficiency Response

See attached.

Subject: FW: **EXTERNAL**Verification Letter--Presbyterian Foundation (INTERNAL)
Attachments: CTBI-- Proposal Receipt Confirmation.pdf; CTBI Stock Verification Letter 12.4.pdf

From: Rob Fohr <rob.fohr@pcusa.org>
Date: Saturday, Dec 21, 2019, 1:39 PM
To: Jean Hale
Subject: **EXTERNAL**Verification Letter--Presbyterian Foundation

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Dear Ms. Hale,

I am writing in response to your letter dated December 13, 2019 (see attached). I have received verification that Northern Trust, the master custodian for the Presbyterian Foundation, sent you an ownership verification letter via traditional mail (I have also attached an e-version).

I will be out of the office until Monday, January 6th, however, I would certainly welcome an opportunity for a phone conversation to discuss a possible withdrawal of the shareholder proposal we filed. Please let me know if you are interested in such a conversation, and perhaps we can work to get something scheduled during the week of January 6th or January 13th?

Please let me know if you have any questions, or need any additional information.

All the best,

Rob

Rob Fohr
Director of Faith-Based Investing and Corporate Engagement

Office: 502.569.5035
100 Witherspoon St | Louisville, KY 40202
Rob.Fohr@pcusa.org
www.presbyterianmission.org



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The Northern Trust Company
50 South LaSalle Street
Chicago, Illinois 60603

12/19/19



Ms. Jean R. Hale
Chairman, President and Chief Executive Officer
Community Trust Bancorp, Inc.
346 North Mayo Trail
P.O. Box 2947
Pikeville, KY 41501-1492

Dear Ms. Hale:

This letter is to verify that the Presbyterian Church Foundation (U.S.A.) is the beneficial owner of 57 shares of Community Trust Bancorp as of December 4th, 2019 the day the filing letter was sent. This stock position is valued at over \$2,508 and has been held continuously for over one year prior to the date of the filing of the shareholder resolution. Please note that resolution is being filed under the name of the Presbyterian Church Foundation (U.S.A.), 200 E. 12th St, Jeffersonville, IN 47130

Security Name	Cusip	Ticker
Community Trust Bancorp	204149108	CTBI

Sincerely,

Mazen Khader
Officer
Client Service Manager