



April 20, 2020

By email to shareholderproposals@sec.gov

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

Re: Cass Information Systems, Inc. – Notification of Exclusion of Potential Shareholder Proposal

Ladies and Gentlemen:

I am writing on behalf of Cass Information Systems, Inc., a Missouri corporation (the “Company”), pursuant to Rule 14a-8(e)(2), 14a-8(f), and 14a-8(j)(1) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), to notify the Staff of the Division of Corporation Finance (the “Staff”) of the Securities and Exchange Commission of the Company’s exclusion, for the reasons stated below, of the potential shareholder proposal and supporting statement (the “Proposal”) submitted by Pro Cap NYC llc (“Pro Cap”) from the proxy materials distributed by the Company in connection with its 2020 Annual Meeting of Shareholders (the “2020 proxy materials”). The Company also has good cause for not submitting this notification within the 80-day filing requirement set forth in Rule 14a-8(j).

In accordance with staff Legal Bulletin No. 14D (November 7, 2008), this letter is being submitted by email to shareholderproposals@sec.gov. A copy of this letter is also being sent to Pro Cap as notice of the Company’s exclusion of the Proposal from the Company’s 2020 proxy materials.

THE PROPOSAL

The Proposal states, in part:

“For the following reasons, Pro Cap NYC, llc (“ProCap”), the ‘shareholders’ investment bank’, respectfully requests Cass Information Systems, Inc.’s Board of Directors (“Board”) to offer themselves up for re-election annually:

- *Each director has a fiduciary duty to oversee management on behalf of the shareholders. If only a minority of the directors are elected each year, the full Board’s accountability to the shareholders is reduced which impairs each director’s main purpose.*
- *The institutions that control a majority of Cass Information Systems, Inc.’s vote universally favor the annual election of all directors.*
- *Only a minority of Russell 3000 companies have classified Boards of Directors.*

- *The argument in support of a staggered board: that a board needs the ability to resist the wishes of a majority of shareholders makes little sense and, at, best is an affront to the skills and sophistication of the majority of Cass Information Systems, Inc. 's shareholder base.*

As it infringes on the choice of the shareholders without sufficient justification, ProCap believes that Cass Information Systems, Inc. should resolve to eliminate its classified board for the benefit of said shareholders.”

The Proposal concludes:

“If ProCap’s request is denied, we will consider submitting a resolution to the shareholders of Cass Information Systems, Inc. at its April 2020 Annual Meeting to declassify its Board along with an alternative slate of Director Nominees.”

Though the Proposal was dated September 7, 2019, it was postmarked January 28, 2020 and received by the Company on January 31, 2020. A copy of Pro Cap’s submission is attached as Exhibit A.

BASIS FOR EXCLUSION

The Company has excluded the Proposal from the 2020 proxy materials pursuant to Rule 14a-8(e)(2) because the Proposal was received at the Company’s principal executive offices after the deadline for submitting shareholder proposals to the Company.

ANALYSIS

Because the Proposal was received at the Company’s principal executive offices on January 31, 2020, approximately 83 days after the November 9, 2019 deadline to submit shareholder proposals, the Proposal may be excluded from the Company’s 2020 proxy materials under Rule 14a-8(e)(2).

The Company may exclude the Proposal under Rule 14a-8(e)(2) of the Exchange Act because the Company did not receive the Proposal at its principal executive offices before the deadline had passed for submitting shareholder proposals to the Company. Rule 14a-8(e)(2) of the Exchange Act provides that a proposal submitted with respect to a company’s regularly scheduled annual meeting “must be received at the company’s principal executive offices not less than 120 calendar days before the date of the company’s proxy statement released to shareholders in connection with the previous year’s annual meeting.” Rule 14a-8(f) permits a company to exclude a shareholder proposal that does not comply with the rule’s procedural requirements, including if a proponent fails to submit a proposal by a company’s properly determined deadline.

The proxy statement for the Company’s 2019 Annual Meeting of Shareholders was released to the shareholders on March 8, 2019. In accordance with the 120-calendar day rule, the deadline for submitting shareholder proposals for inclusion in the 2020 proxy materials was determined to be November 9, 2019, and that date was specified in the proxy statement for the Company’s 2019 annual meeting. Although the Proposal is dated September 7, 2019, it was postmarked January 28, 2020 and was not received at the Company’s principal executive offices until January 31, 2020, which is 83 days after the regulatory deadline. The Staff has repeatedly concurred that a proposal may be excluded in its entirety under Rule 14a-8(e)(2) when it is received after the applicable deadline for submitting a shareholder proposal. *See, e.g., Caterpillar, Inc.* (Apr. 4, 2019); *Comcast Corporation* (Apr. 4, 2019); *HollyFrontier Corporation* (Feb. 11, 2019); *DTE Energy Company* (Dec. 18, 2018); *Sprint Corporation* (Aug. 1, 2018); *PepsiCo, Inc.* (Jan. 3, 2014); *Newell Rubbermaid Inc.* (Jan. 24, 2012).

The November 9, 2019 deadline was calculated in accordance with Rule 14a-8(e)(2) and Staff Legal Bulletin No. 14 (July 13, 2001) (“SLB 14”), which provides that a shareholder proposal deadline should be calculated by starting with the release date disclosed in a previous year’s proxy statement, increase the year by one and count back 120 days. In accordance with this calculation method, November 9, 2019 is 120 days before the anniversary of the release date disclosed in the Company’s 2019 proxy statement.

Rule 14a-8(e)(2) provides that the 120-calendar day advance receipt requirement does not apply if the date of the current year’s annual meeting has been changed by more than 30 days from the date of the prior year’s meeting. The Company’s 2019 Annual Meeting of Shareholders was held on April 23, 2019, and the 2020 Annual Meeting of Shareholders is scheduled for April 21, 2020. As the date of the 2020 Annual Meeting of Shareholders has not been changed by more than 30 days from the date of the prior year’s meeting, the deadline for shareholder proposals for inclusion in the Company’s 2020 proxy statement remained November 9, 2019, as disclosed in the Company’s 2019 proxy statement.

In accordance with Rule 14a-8(f)(1) and Section C.6.c of the SLB 14, the Company has not provided Pro Cap with notice of Pro Cap’s deficiency because the deficiency cannot be remedied. As stated in Rule 14a-8(f)(1), “a company need not provide . . . notice of a deficiency if the deficiency cannot be remedied, such as if the [proponent] fail[s] to submit a proposal by the company’s properly determined deadline.” Accordingly, the Company is not required to provide notice under Rule 14a-8(f)(1) in order for the Proposal to be excluded under Rule 14a-8(e)(2).

The Company is therefore notifying the Staff that it has excluded the Proposal from the 2020 proxy materials because it was not received at the Company’s principal executive offices within the timeframe required by Rule 14a-8(e)(2).

Because the Proposal was not timely received by the Company prior to the deadline for submission of shareholder proposals, and due to sudden office closures in accordance with stay-at-home orders relating to the COVID-19 pandemic, the Company has good cause for not submitting notice within the 80-day filing requirement set forth in Rule 14a-8(j).

Rule 14a-8(j) requires that if a company “intends to exclude a proxy proposal from its proxy materials, it must file its reasons with the Commission no later than 80 calendar days before it files its definitive proxy statement and form of proxy with the Commission.” However, Rule 14a-8(j)(1) allows the Staff, in its discretion, to permit a company to make its submission later than 80 days before the filing of its definitive proxy statement if the company demonstrates good cause for missing the deadline. The Company has good cause for not filing this notice within the 80-day period referenced in Rule 14a-8(j)(1).

The Company typically files its definitive proxy statement in early March and holds its annual meeting of shareholders in late April. This year, the Company filed its definitive proxy statement on March 9, 2020, which resulted in a deadline of December 20, 2019 to submit its reasons for excluding the Proposal under Rule 14a-8(j)(1). As stated above, the Company did not receive the Proposal until January 31, 2020, which is 42 days after the filing deadline under Rule 14a-8(j). The Staff has consistently found good cause to waive the 80-day requirement where the untimely submission of a proposal prevents a company from satisfying the 80-day provision. *See* Staff Legal Bulletin No. 14B (Sept. 15, 2004) (indicating that the “most common basis for the company’s showing of good cause is that the proposal was not submitted timely and the company did not receive the proposal until after the 80-day deadline had passed”); *see also American Express Co.* (Mar. 14, 2014); *Sterling Financial Corp* (Mar. 27, 2013); *Barnes & Noble Inc.* (June 3, 2008); *DTE Energy Co.* (Mar. 24, 2008); *Alcoa Inc.* (Feb. 25, 2008); *General Electric Co.* (Mar. 7, 2006); and *General Electric Co.* (Feb. 10, 2005) (each waiving the 80-day requirement when the proposal was received by the company after the submission deadline).

Furthermore, it was the Company's intention to submit notice to the Staff regarding the exclusion of the Proposal after first attempting to correspond with Pro Cap regarding the Proposal. After an initial waiting period, the Company intended to proceed with notifying the Staff and Pro Cap of its intent to exclude the Proposal from the 2020 proxy materials. Unfortunately, at the same time, St. Louis City and St. Louis County (where the Company's headquarters are located) announced sudden stay-at-home orders, and the Company's administrative functions were significantly disrupted. The Company is submitting this notice to the Staff and Pro Cap on April 20, 2020. The 2020 Annual Meeting will be held on April 21, 2020.

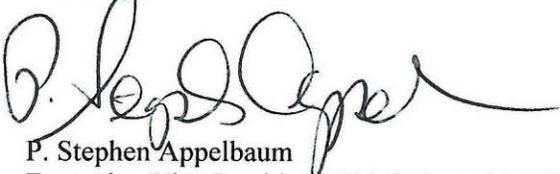
Accordingly, because the Proposal was not received until January 31, 2020, 42 days after the 80-day filing deadline, and in light of the significant disruptions caused by COVID-19 stay-at-home orders, the Company was not able to file its reasons for exclusion until after the deadline had passed. As a result, the Company believes it has good cause for its inability to meet the 80-day requirement.

Conclusion

The Company believes that the Proposal may be omitted in its entirety from the Company's 2020 proxy materials under Rule 14a-8(e)(2) because Pro Cap failed to timely submit the Proposal. Additionally, the Company has good cause for not submitting this notice prior to expiration of the 80-day filing deadline imposed by Rule 14a-8(j)(1) because the Proposal was not received until 42 days after the filing deadline when giving effect to the Company's typical timeline for filing its definitive proxy statement and holding its annual meeting of shareholders, and in light of the significant disruptions caused by the sudden imposition of stay-at-home orders in response to the COVID-19 pandemic.

If you have any questions with respect to this matter, please contact me at (314) 506-5500 or by email at sappelbaum@cassinio.com.

Sincerely,



P. Stephen Appelbaum
Executive Vice President, Chief Financial Officer & Secretary

cc: Herbert A. Denton
Pro Cap NYC llc
1392 Madison Avenue #111
New York, NY 10029

EXHIBIT A

Proposal Materials

See attached.

Pro Cap NYC llc
1392 Madison Avenue #111
New York, NY 10029
+1-347-215-1406

Mr. Franklin D. Wicks, Jr.
Attn: P. Stephen Appelbaum, Secretary
Cass Information Systems, Inc.
12444 Powerscourt Drive, Suite 550
St. Louis, Missouri 63131

09/07/19

Dear Mr. Franklin D. Wicks, Jr.,

For the following reasons, Pro Cap NYC llc ("ProCap"), the 'shareholders' investment bank', respectfully requests Cass Information Systems, Inc.'s Board of Directors ("Board") to offer themselves up for re-election annually:

- Each director has a **fiduciary duty** to oversee management on behalf of the shareholders. If only a minority of the directors are elected each year, the full Board's accountability to the shareholders is reduced which impairs each director's main purpose.
- The institutions that control a **majority** of Cass Information Systems, Inc.'s vote universally favor the annual election of all directors.
- Only a minority of Russell 3000 companies have classified Boards of Directors.
- The argument in support of a staggered board: that a board needs the ability to resist the wishes of a majority of shareholders makes little sense and, at, best, is an affront to the skills and sophistication of the majority of Cass Information Systems, Inc.'s shareholder base.

As it infringes on the choice of the shareholders without sufficient justification, ProCap believes that Cass Information Systems, Inc. should resolve to eliminate its classified board for the benefit of said shareholders.

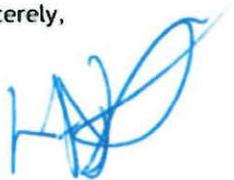
Along with the members of Jefferies Group's M&A Department, I founded Providence Capital, Inc. in 1991 to represent the interests of shareholders. While at Jefferies and, later, at Providence Capital and now, at ProCap, I accomplished numerous results for the benefit of the shareholders, including:

- Managed three dozen proxy contests, as well as certain precursors, including Aetna, Campbell Soup, COMSAT, ICN Pharmaceuticals (twice due to its classified Board), Lockheed Martin, Time Warner (for CalPERS) and US Steel-Marathon Oil (for Carl C. Icahn).
- Challenged seven NYSE-listed companies' "poison pills" including Aetna, Toys 'R Us and Navistar. All seven challenges were successful.

- Served as a director of ten publicly listed companies and placed over 60 individuals as directors on over 30 Boards of Directors.

If ProCap's request is denied, we will consider submitting a resolution to the shareholders of Cass Information Systems, Inc. at its April 2020 Annual Meeting to declassify its Board along with an alternative slate of Director Nominees.

Sincerely,

A handwritten signature in blue ink, appearing to read 'H.A. Denton', with a large, stylized flourish extending from the end.

Herbert A. Denton
President
Pro Cap NYC llc

Cc: B. McNew, Cooch and Taylor P.A.