



UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

DIVISION OF
CORPORATION FINANCE

April 25, 2025

Andrea L. Reed
Sidley Austin LLP

Re: Cannae Holdings, Inc. (the “Company”)
Incoming letter dated February 3, 2025

Dear Andrea L. Reed:

This letter is in response to your correspondence concerning the shareholder proposal (the “Proposal”) submitted to the Company by Special Opportunities Fund, Inc. for inclusion in the Company’s proxy materials for its upcoming annual meeting of security holders.

The Proposal recommends that the Company’s board of directors engage an investment banker to study options to maximize the value of its shares.

We are unable to concur in your view that the Company may exclude the Proposal under Rule 14a-8(i)(7). In our view, the Proposal focuses on an extraordinary transaction.

Copies of all of the correspondence on which this response is based will be made available on our website at <https://www.sec.gov/corpfin/2024-2025-shareholder-proposals-no-action>.

Sincerely,

Rule 14a-8 Review Team

cc: Phillip Goldstein
Special Opportunities Fund, Inc.



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February 3, 2025

Via Online Submission Form

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

Re: Cannae Holdings, Inc.
Stockholder Proposal of Special Opportunities Fund

Ladies and Gentlemen:

This letter is submitted by Cannae Holdings, Inc., a Nevada corporation (the “Company”) pursuant to Rule 14a-8(j) under the Securities Exchange Act of 1934, to request confirmation that the staff (the “Staff”) of the Securities and Exchange Commission (the “Commission” or the “SEC”) will not recommend enforcement action if, in reliance on Rule 14a-8, the Company excludes from the proxy materials (the “Proxy Materials”) for the Company’s 2025 Annual Meeting of Stockholders a proposal submitted by Special Opportunities Fund (the “Proponent”) on December 19, 2024 (the “Proposal”) and accompanying supporting statement (the “Supporting Statement”).

The Company intends to omit the Proposal from its Proxy Materials pursuant to Rule 14a-8(i)(7) on the basis that the Proposal relates to, and does not transcend, the Company’s ordinary business operations, and respectfully requests confirmation that the Staff will not recommend to the Commission that enforcement action be taken if the Company excludes the Proposal from its Proxy Materials for the reasons set forth below.

Pursuant to Rule 14a-8(j) of the Exchange Act, the Company is submitting this letter, together with the Proposal and related attachments, to the Commission electronically, with copies of this letter and the attachments provided concurrently to the Proponent. This submission is occurring no later than 80 calendar days before the Company intends to file its definitive Proxy Materials with the Commission.

Rule 14a-8(k) and *Staff Legal Bulletin No. 14D* (Nov. 7, 2008) (“SLB 14D”) provide that stockholder proponents are required to send companies a copy of any correspondence that the proponents elect to submit to the Commission or the Staff. Accordingly, we are taking this

opportunity to inform the Proponent that if the Proponent elects to submit additional correspondence to the Commission or the Staff with respect to the Proposal, a copy of that correspondence should be furnished concurrently to the undersigned pursuant to Rule 14a-8(k) and SLB 14D.

THE PROPOSAL

A copy of the Proposal and the corresponding Supporting Statement is attached hereto as Exhibit A. The Proposal reads as follows:

RESOLVED: The shareholders recommend that the Board of Directors of Cannae engage an investment banker to study options to maximize the value of its shares.

BASIS FOR EXCLUSION

The Company respectfully requests that the Staff concur in its view that the Proposal may be properly excluded from the Proxy Materials pursuant to Rule 14a-8(i)(7), on the basis that the Proposal relates to, and does not transcend, the Company’s ordinary business operations, as further described below.

ANALYSIS

The Proposal May be Excluded Pursuant to Rule 14a-8(i)(7) Because the Proposal Deals with Matters Relating to the Company’s Ordinary Business Operations.

Rule 14a-8(i)(7) permits the omission of a stockholder proposal dealing with matters relating to a company’s “ordinary business operations.” According to the Commission’s release accompanying the 1998 amendments to Rule 14a-8, 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.” *Release No. 34-40018* (May 21, 1998) (the “1998 Release”).

In the 1998 Release, the Commission identified the two central considerations underlying the general policy for the ordinary business exclusion. The first consideration relates to the subject matter of the proposal. The Commission stated 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.” *Id.* The second consideration relates 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.*; *see also Staff Legal Bulletin No. 14L* (Nov. 3, 2021) (“SLB 14L”). The term “ordinary business” is rooted in the fundamental “corporate law concept providing management with flexibility in directing certain core matters involving the company’s business and operations.” 1998 Release (citing *Release No. 12999* (Nov. 22, 1976)).

As the Commission noted in the 1998 Release, proposals relating to ordinary business matters are distinguishable from those “focusing on sufficiently significant social policy issues,” which generally are not excludable under Rule 14a-8(i)(7) because “the proposals would transcend the day-to-day business matters and raise policy issues so significant that it would be appropriate for a shareholder vote.” The ordinary business exception therefore “recognize[s] the board’s authority over most day-to-day business matters,” while at the same time “preserving shareholders’ right to bring important issues before other shareholders by means of the company’s proxy statement.” *See SLB 14L, Part B.2.*

The Proposal Relates to Maximizing Stockholder Value, a Matter of Ordinary Business Operations.

The Proposal may be omitted pursuant to Rule 14a-8(i)(7) because it relates to general strategies to maximize stockholder value and thus addresses the Company’s ordinary business operations. The Company’s efforts to maximize stockholder value are inherent in ordinary business operations to manage the business and affairs of the Company and through the exercise of the Board’s fiduciary duties. As evidenced in the report to stockholders referenced by the Proponent in the Supporting Statement of the Proposal, the Board of Directors of the Company (the “Board”), together with management, “remain[s] focused on implementing [the Company’s] strategic plan... which should increase [the Company’s] stock price.” The implementation of such a strategic plan involves weighing and balancing many complex factors and considerations, including the input of internal and external experts and consultants as deemed appropriate by management. Decisions regarding the Company’s strategic plan to generally increase value implicates precisely the type of day-to-day business operations that are too impractical and too complex to be subject to direct stockholder oversight.

The Staff has consistently concurred with the omission of proposals calling for a company to engage an investment banker to generally seek opportunities to enhance stockholder value under Rule 14a-8(i)(7) because they relate to matters of ordinary business. For example, in *Analysts International Corp.* (Mar. 11, 2013), the Staff concurred with the exclusion of a proposal that requested that the board of directors of the company “engage the services of an investment banking firm to evaluate alternatives that could enhance shareholder value including, but not limited to, a merger or sale of the [c]ompany.” The company argued that the “enhancement of shareholder value is an ordinary business matter associated with the management and board of public companies.” The Staff concurred that the proposal could be excluded under Rule 14a-8(i)(7), stating, “In this regard, we note that the proposal appears to relate to both extraordinary transactions and non-extraordinary transactions. Proposals concerning the exploration of strategic alternatives for maximizing stockholder value which relate to both extraordinary and non-extraordinary transactions are generally excludable under rule 14a-8(i)(7).” *See also, e.g., Mid-Southern Bancorp, Inc.* (Jan. 28, 2021) (proposal requesting that the company hire an investment banking firm to investigate and make recommendations, including but not limited to selling or merging the company, was excludable under Rule 14a-8(i)(7)); *Bank of America Corporation* (Feb. 26, 2019) (permitting the exclusion of a proposal

requesting that the company retain advisors to study strategic alternatives to maximize stockholder value, as the proposal related to both extraordinary and non-extraordinary transactions); *Anchor Bancorp* (Jul. 11, 2013) (concurring with the exclusion of a proposal requesting that the company engage the services of an investment banking firm to evaluate available strategic alternatives to maximize stockholder value, including, but not limited to a sale, merger or other transaction, with a similar explanation that proposals concerning the exploration of strategic alternatives for maximizing stockholder value which relate to both extraordinary and non-extraordinary transactions are generally excludable under Rule 14a-8(i)(7)); *Donegal Group, Inc.* (Feb. 16, 2012) (concurring with the exclusion of a proposal requesting that the board of directors of the company appoint a committee to hire an investment banking firm and explore strategic alternatives to maximize stockholder value, as the proposal appears to relate to both extraordinary and non-extraordinary transactions and such proposals are generally excludable under Rule 14a-8(i)(7)); *Central Federal Corp.* (Mar. 8, 2010) (allowing the exclusion of a proposal requesting that an independent committee of the company retain an investment banking firm and explore strategic alternatives for maximizing stockholder value, including a sale or merger, under Rule 14a-8(i)(7) because the proposal appeared to relate to both extraordinary and non-extraordinary transactions); and *Medallion Financial Corp.* (May 11, 2004) (concurring with the exclusion of a proposal that requested that an investment banking firm be engaged to evaluate alternatives to maximize stockholder value including a sale of the company as excludable under Rule 14a-8(i)(7) because the proposal appeared to relate to both extraordinary and non-extraordinary transactions).

The Company is aware that the Staff distinguishes between proposals calling for the maximization of stockholder value generally and those proposals exclusively seeking value by means of an extraordinary corporate transaction, such as the sale or merger of the company. No-action letters regarding proposals seeking to increase value solely through extraordinary transactions have not been granted relief. *See, e.g., Hampden Bancorp, Inc.* (Sept. 5, 2012) (declining to concur with the exclusion of a proposal to enhance stockholder value through an “extraordinary” transaction, including the sale or merger of the company, as “the proposal focuses on an extraordinary business transaction”); and *Mercury Real Estate Advisors LLC* (Mar. 23, 2007) (declining to concur with the exclusion of a proposal requesting that the board of directors engage an investment banking firm and specifically pursue a sale or liquidation of the company).

In *Cerus Corporation* (Apr. 13, 2018), the Staff considered the language in the proposal’s supporting statement in determining whether the proposal specifically called for an extraordinary transaction. While the proposal language requested generally that the company retain advisors to study strategic alternatives to maximize stockholder value, the supporting statement’s language that “Cerus ultimately belongs to be a part of a larger firm” indicated that the proposal was truly a request for the company to consider an extraordinary transaction resulting in a change of control of the company, such as a sale or acquisition. Accordingly, the Staff declined to concur with the exclusion of the proposal because it “focuses on an extraordinary transaction.”

Here, neither the Proposal nor the Supporting Statement is focused on requesting an extraordinary transaction, and accordingly the Proposal may be excluded pursuant to Rule 14a-8(i)(7). The Proposal’s “Resolved” clause broadly states that the Company should “study options” proposed by an investment banker to maximize the value of its shares, without specifying any particular options. The Supporting Statement does not provide further clarification of these options beyond stating that “one of which may be an orderly windup of the Company.” In similar instances where the Proponent presented extraordinary transactions only as options, the Staff consistently concurred in excluding those proposals (*see, Anchor Bancorp* (Jul. 11, 2013); *Analysts International Corp.* (Mar. 11, 2013); *Central Federal Corp.* (Mar. 8, 2010); and *Medallion Financial Corp.* (May 11, 2004)). For example, in *Mid-Southern Bancorp, Inc.* the Proponent proposed strategic alternatives “*including but not limited to* selling or merging” the company (*emphasis added*). There, the company noted that such language provides “wide latitude for the investment banking firm to make recommendations for the company, many of which would be well within the Company’s ordinary business operations.” The Staff concurred in the exclusion of the proposal under Rule 14a-8(i)(7). Here, the Supporting Statement similarly provides wide latitude for the investment banking firm to present other options to the Company beyond an orderly wind-up, including non-extraordinary alternatives. Most of the Supporting Statement simply describes the Proponent’s dissatisfaction with the Company’s current strategy to increase value.

The Proposal relates to general strategies to maximize stockholder value, which may include both extraordinary and non-extraordinary transactions. Accordingly, the Proposal seeks to circumvent management’s expert judgment in maximizing stockholder value and substitute a stockholder’s directive for this fundamental business decision in a way that the Staff has repeatedly deemed to qualify as inappropriate. As such, the Proposal is excludable under Rule 14a-8(i)(7) because it addresses the Company’s ordinary business and does not focus on a significant policy issue that transcends such day-to-day business matters.

CONCLUSION

For the foregoing reasons, the Company requests your confirmation that the Staff will not recommend any enforcement action to the Commission if the Proposal is omitted from the Proxy Materials.

We would be happy to provide any additional information and answer any questions regarding this matter. Should you have any questions, please contact the undersigned at andrea.reed@sidley.com or (312) 853-7881.

Sincerely,



Andrea L. Reed

Office of Chief Counsel
Division of Corporation Finance
U.S. Securities and Exchange Commission
February 3, 2025
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Enclosures

cc: Michael Gravelle, Executive Vice President, General Counsel and Corporate Secretary of
Cannae Holdings, Inc.
Phillip Goldstein, Chairman, Special Opportunities Fund

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Division of Corporation Finance
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February 3, 2025
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EXHIBIT A

December 19, 2024

Cannae Holdings, Inc.
1701 Village Center Circle
Las Vegas, Nevada 89134.

Attn: Michael L. Gravelle, Corporate Secretary

Dear Mr. Gravelle:

I am Chairman of Special Opportunities Fund, Inc. (SPE) and a managing partner of Bulldog Investors, LLP, SPE's investment advisor. SPE has beneficially owned shares of Cannae Holdings, Inc. (CNNE) valued at more than \$25,000 continuously for more than one year and plans to hold them through the next annual meeting of stockholders of CNNE. (I am enclosing a verification letter from U.S. Bank Global Fund Services, SPE's custodian.)

Pursuant to Rule 14a-8 of the Securities Exchange Act of 1934, SPE hereby submits the following proposal and supporting statement for inclusion in management's proxy materials for the next meeting of stockholders of CNNE for which this proposal is timely submitted. I am available to discuss this proposal at any mutually agreeable time. Please call me or email me at pgoldstein@bulldoginvestors.com to arrange a meeting.

RESOLVED: *The shareholders recommend that the Board of Directors of Cannae engage an investment banker to study options to maximize the value of its shares.*

SUPPORTING STATEMENT

The home page of Cannae's website proclaims in large bold letters: "A History of Victory -- A Culture of Performance." Building on that theme, in its most recent report to stockholders, management of Cannae stated the following:

We remain focused on implementing our strategic plan designed to increase the net asset value of our portfolio of businesses, which should increase our stock price. The plan includes rebalancing our portfolio away from our public investments to primarily private company investments, improving the operational performance of our current portfolio companies and returning capital to our shareholders. We believe that we are successfully executing on all aspects of the strategy.

Unfortunately, as stockholders are painfully aware, the results have not matched the rhetoric. From its peak of about \$45 per share four years ago, the stock price has fallen to about \$20 and Cannae's shares trade at a massive discount of around 40% below their net asset value despite a strong bull market in equities and number of measures management has taken in a thus far futile effort to increase stockholder value.

We think that management's plan to increase the percentage of private company investments Cannae holds is counterproductive because, absent a pre-established windup of the

company, investors will likely perceive the lack of transparency in the valuation of such investments as a negative.

In sum, we believe management has had sufficient time to demonstrate that it can create stockholder value and that its recently announced strategy to focus on private company investing is unlikely to succeed. Consequently, we think the board should face reality and engage an investment banker to propose options to maximize stockholder value, one of which may be an orderly windup of the Company.

Very sincerely yours,



Phillip Goldstein

February 6, 2025

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

Re: Reference No. 644096
Cannae Holdings, Inc. Stockholder Proposal

Ladies and Gentlemen:

Pursuant to Rule 14a-8 of the Securities Exchange Act of 1934, Special Opportunities Fund, Inc., a shareholder of Cannae Holdings, Inc., (“Cannae”) submitted the following proposal for inclusion in management’s proxy materials for the next meeting of stockholders of Cannae for which it is timely submitted.

RESOLVED: The shareholders recommend that the Board of Directors of Cannae engage an investment banker to study options to maximize the value of its shares.

In a letter to you dated February 3, 2025, Cannae has requested “that the Staff concur in its view that the Proposal may be properly excluded from the Proxy Materials pursuant to Rule 14a-8(i)(7), on the basis that the Proposal relates to, and does not transcend, the Company’s ordinary business operations.” In support of its position, Cannae cites a number of no action letters that it claims stand for the proposition that a proposal to hire an investment banker to explore options to maximize shareholder value may “relate to both extraordinary and non-extraordinary transactions” and is therefore “generally excludable under rule 14a-8(i)(7).”

To put it bluntly, that is nonsense. Ordinary business includes routine decisions about what products or services a company should sell, what prices it should charge, how it should market them, how to deal with suppliers and customers, employee compensation and policies, etc. As everyone who has even casual knowledge of investment banking knows, an investment bank is never tasked with making recommendations about such matters. Instead, a company hires an investment bank solely to advise it about extraordinary financial matters like raising capital, mergers, acquisitions, and divestitures. In other words, the *sine qua non* of an investment banker is to advise a company about extraordinary financial transactions. If there anyone working at the SEC that does not know that, that person should not be assigned to reviewing no action requests like the one submitted by Cannae.

In sum, engaging an investment banker is, by its very nature, an extraordinary action. Consequently, the Staff should reject Cannae's specious argument that it may exclude the proposal in question from its proxy material because it allegedly "relates to" its "ordinary business operations."

Very sincerely yours,



Phillip Goldstein, Chairman
Special Opportunities Fund, Inc.