



DIVISION OF
CORPORATION FINANCE

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

May 6, 2025

Travis J. Wofford
Baker Botts L.L.P.

Re: SHF Holdings, Inc. (the "Company")
Incoming letter dated May 2, 2025

Dear Travis J. Wofford:

This letter is in regard to your correspondence concerning the shareholder proposal (the "Proposal") submitted to the Company by Jeffrey Blend and co-filer for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders. Your letter indicates that the Company withdraws its April 23, 2025 request for a no-action letter from the Division. Because the matter is now moot, we will have no further comment.

Copies of all of the correspondence related to this matter 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: Jeffrey Blend

April 23, 2025

Via Online Shareholder Proposal Portal

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

Re: **SHF Holdings, Inc. – Stockholder Proposal of Jeffrey Blend and Darlene Steil**

Ladies and Gentlemen:

We are writing on behalf of our client, SHF Holdings, Inc. (the “*Company*”), pursuant to Rule 14a-8(j) under the Securities Exchange Act of 1934, as amended, to inform the Staff of the Division of Corporation Finance (the “*Staff*”) of the Securities and Exchange Commission (the “*Commission*”) that, pursuant to Rule 14a-8(e)(2), the Company plans to omit from its proxy statement and form of proxy for the Company’s 2025 Annual Meeting of Stockholders (collectively, the “*2025 Proxy Materials*”) the stockholder proposal and the statements in support thereof (the “*Proposal*”) submitted by Jeffrey Blend and Darlene Steil (together, the “*Proponent*”) by e-mail on March 13, 2025. The Company respectfully requests that the Staff concur with the Company’s view that the Proposal may properly be excluded from the Company’s 2025 Proxy Materials pursuant to Rules 14a-8(e)(2), 14a-8(c), 14a-8(d), 14a-8(b)(1)(iii) and 14a-8(b)(2).

In accordance with relevant Staff guidance, we are submitting this letter and its attachments to the Staff through the Staff’s online Shareholder Proposal Form. Pursuant to Rule 14a-8(j), we are simultaneously sending by e-mail a copy of this letter and its attachments to the Proponent as notice of the Company’s intent to omit the Proposal from the 2025 Proxy Materials. This letter constitutes the Company’s statement of the reasons it deems the omission of the Proposal to be proper. We have been advised by the Company as to the factual matters set forth herein.

As detailed below, the Company believes the Proposal may be excluded from the Company’s 2025 Proxy Materials because the Proponent submitted the Proposal after the deadline provided in Rule 14a-8(e)(2).

In addition, even if the submission had been timely, the Company believes the Proposal may be excluded because the Proponent (i) failed to comply with the requirement under Rule 14a-8(c) that each person may submit no more than one proposal to a company for a particular shareholders’ meeting, (ii) failed to comply with the requirement under Rule 14a-8(d) that a shareholder proposal, including any accompanying supporting statement, not exceed 500 words, (iii) failed to comply with the requirement under Rule 14a-8(b)(1)(iii) that a shareholder proponent

provide the company with a written statement regarding its availability to discuss the proposal with the company and (iv) failed to provide proof of the Proponent's ownership of shares of the Company's common stock for the one-year period preceding and including the date that the Proposal was submitted, as required by Rule 14a-8(b)(2), even after being notified of such deficiencies and being provided an opportunity to remedy such deficiencies in accordance with Rule 14a-8(f)(1).

THE PROPOSAL

The Proposal requests that the Company's stockholders adopt the following resolution at the Company's 2025 Annual Meeting of Stockholders:

BE IT RESOLVED, that shareholders of SHF Holdings, Inc. ("SHFS" or the "Company") strongly urge the Board of Directors to take immediate action to:

1. Conduct a full and transparent review of board composition and governance practices to ensure: (a) that independent directors, including but not limited to the board chairman, are exercising proper oversight and acting in the best interest of all shareholders, and (b) that directors chairing or serving on a committee, including but not limited to the Company's Audit Committee and/or its Nominating and Corporate Governance Committee, are satisfactorily fulfilling the requirements of any such role; that such persons are doing so in a manner that is commercially reasonable and is in the best interest of the shareholders; and that such persons possess the requisite competence and sophistication to fulfill such requirements in the best interest of all shareholders.
2. Evaluate the qualifications and performance of the Company's leadership, including the CEO and management team, to determine whether they possess the strategic vision and financial acumen necessary to execute a turnaround plan.
3. Initiate an independent director search process, led by a third-party governance expert, to identify and nominate highly qualified, independent directors who will bring enhanced financial oversight, strategic discipline, and accountability to the Company.
4. Implement a formal shareholder engagement policy requiring independent directors to engage directly with shareholders, answer questions, and address concerns related to the Company's governance, financial performance, and strategic direction.

A copy of the Proponent's submission, including the Proposal and the statement in support of the Proposal, is attached as Exhibit A.

BACKGROUND

The Proponent submitted the Proposal to the Company by e-mail on March 13, 2025, and a representative of the Company acknowledged receipt of the Proposal on that date.

The Company sent a notice of deficiency (the "**Deficiency Notice**") to the Proponent on March 26, 2025, which date is within 14 days of its receipt of the Proposal in accordance with Rule 14a-8(f)(1). A copy of the Deficiency Notice is attached hereto as Exhibit B. The Deficiency Notice described the Proponent's failure to follow certain of the eligibility and procedural requirements under Rule 14a-8.¹ Since March 13, 2025, the Company has not received any communication or further correspondence from the Proponent concerning the Proposal or the Deficiency Notice.

ANALYSIS

The Proposal may be omitted pursuant to Rule 14a-8(e)(2) because the Company did not receive the Proposal until after the deadline for submitting shareholder proposals to the Company for inclusion in the 2025 Proxy Materials.

1. Background of Rule 14a-8(e)

Rule 14a-8(e) provides that, in order to be eligible for inclusion in a company's proxy statement, a shareholder proposal must be submitted prior to the applicable deadline, which is typically set forth in a company's proxy statement for the prior year's annual meeting. The applicable deadline is calculated in the manner prescribed in Rule 14a-8(e) and Staff Legal Bulletin No. 14 (July 13, 2001) ("**SLB 14**").

Based upon both Staff guidance and previous responses to no-action requests, the Staff has made it clear that the deadline for shareholder proposal submissions is to be strictly construed. *See, e.g., Tesla, Inc.* (avail. Mar. 23, 2023) (concurring that Rule 14a-8(e)(2) provides a basis to exclude a proposal received 61 days after the submission deadline); *Etsy, Inc.* (avail. Apr. 19, 2022) (concurring that Rule 14a-8(e)(2) provides a basis to exclude a proposal received one day after the submission deadline); *AT&T Inc.* (avail. Jan. 26, 2022) (concurring that Rule 14a-8(e)(2) provides a basis to exclude a proposal received six days after the submission deadline); *Walgreens Boots Alliance, Inc.* (avail. Oct. 12, 2021) (concurring that Rule 14a-8(e)(2) provides a

¹ In the Deficiency Notice, the Company informed the Proponent of (A) the requirement under Rule 14a-8(c) that each person may submit no more than one proposal, directly or indirectly, to a company for a particular shareholders' meeting, (B) the requirement under Rule 14a-8(d) that a shareholder proposal, including any accompanying supporting statement, not exceed 500 words, (C) the requirement under Rule 14a-8(b)(1)(iii) that a shareholder proponent provide the company with a written statement regarding its availability to discuss the proposal with the company and (D) the requirement under Rule 14a-8(b)(2) that a shareholder proponent properly demonstrate its eligibility to submit a proposal.

basis to exclude a proposal received two days after the submission deadline); *Hewlett Packard Enterprise Co.* (avail. Jan. 15, 2021) (concurring that Rule 14a-8(e)(2) provides a basis to exclude a proposal received two days after the submission deadline); *General Dynamics Corp.* (avail. Jan. 8, 2021, recon. denied Mar. 17, 2021) (concurring with exclusion of a proposal received four days after the submission deadline); *Verizon Communications, Inc.* (avail. Jan. 4, 2018) (concurring that Rule 14a-8(e)(2) provides a basis to exclude a proposal received one day after the submission deadline); *Wal-Mart Stores, Inc.* (avail. Feb. 13, 2017) (concurring that Rule 14a-8(e)(2) provides a basis to exclude a proposal received six days after the submission deadline); *Applied Materials, Inc.* (avail. Nov. 20, 2014) (concurring that Rule 14a-8(e)(2) provides a basis to exclude a proposal received one day after the submission deadline); *General Electric Co.* (GE Stockholder's Alliance) (avail. Jan. 24, 2013) (concurring that Rule 14a-8(e)(2) provides a basis to exclude a proposal received one day after the submission deadline); *Tootsie Roll Industries, Inc.* (avail. Jan. 14, 2008) (concurring that Rule 14a-8(e)(2) provides a basis to exclude a proposal received two days after the submission deadline). The Staff has also emphasized this point in SLB 14 by advising, “[t]o avoid exclusion on the basis of untimeliness, a shareholder should submit his or her proposal well in advance of the deadline.”

2. *The Company did not receive the Proposal before the December 30, 2024 deadline pursuant to Rule 14a-8(e)(2).*

Rule 14a-8(e)(2) provides that shareholder proposals must be received at a company's principal executive offices no less than 120 calendar days before the anniversary date of the company's proxy statement that was released to shareholders in connection with the previous year's regularly scheduled annual meeting. Under Rule 14a-8(e)(2), a meeting is “regularly scheduled” if it has not changed by more than 30 days from the date of the annual meeting held in the prior year. The Company's 2024 Annual Meeting of Stockholders was held on June 11, 2024. The Company's 2025 Annual Meeting of Stockholders is anticipated to be held on or around June 27, 2025, which is within 30 days of the date of the anniversary of the Company's 2024 Annual Meeting of Stockholders.

Section C.3.b of SLB 14 indicates that, to calculate the deadline, a company should “[i] start with the release date disclosed in the previous year's proxy statement; [ii] increase the year by one; and [iii] count back 120 calendar days.” The Company filed with the Commission and commenced distribution to its stockholders of the proxy statement for the Company's 2024 Annual Meeting of Stockholders (the “**2024 Proxy Statement**”) on April 29, 2024.

Consistent with this guidance and the example set forth in Section C.3.b of SLB 14, the deadline for receiving stockholder proposals submitted for the Company's 2025 Annual Meeting of Stockholders was December 30, 2024, calculated as follows:

- The release date disclosed in the Company's 2024 Proxy Statement was April 29, 2024.
- Increasing the year by one, the day to begin the calculation is April 29, 2025.
- “Day one” for purposes of the calculation is April 28, 2025.

- “Day 120” is December 30, 2024.
- The 120-day deadline for the 2025 Annual Meeting of Stockholders was December 30, 2024.
- A rule 14a-8 proposal received after December 30, 2024 would be untimely.

In order for the Proponent’s submission to be timely, it was required to be received by the Company on or before December 30, 2024. As noted above and as shown in Exhibit A, the Proposal was received by the Company via e-mail on March 13, 2025, and the document itself is dated March 13, 2025. The Proposal was therefore received by the Company 73 days after the Rule 14a-8(e)(2) deadline. The Staff has repeatedly concurred in the exclusion of stockholder proposals where proponents have, as here, failed to submit a proposal by the deadline specified in Rule 14a-8(e)(2).

3. *The Company did not receive the Proposal before the February 11, 2025 deadline disclosed in the Company’s 2024 Proxy Statement.*

The 2024 Proxy Statement, on page 29, included the following disclosure with respect to the deadline for submitting a proposal for inclusion in the Company’s 2025 Proxy Materials pursuant to Rule 14a-8:

Pursuant to Rule 14a-8 of the SEC’s proxy rules, a stockholder intending to present a proposal to be included in the proxy statement for our 2025 Annual Meeting of Stockholders must have delivered a proposal in writing to our principal executive offices no later than February 11, 2025 (or if we change the date of the 2024 Annual Meeting by more than 30 days from the date of this year’s 2024 Annual Meeting, a reasonable time before we begin to print and mail the proxy materials for the 2025 Annual Meeting). Proposals should be addressed to: Chief Legal Officer, SHF Holdings, Inc., 1526 Cole Blvd., Suite 250, Golden, Colorado 80401. Proposals from stockholders must also comply with the SEC’s rules regarding the inclusion of stockholder proposals in proxy materials, and we may omit any proposal from our proxy materials that does not comply with the SEC’s rules.

A copy of page 29 of the 2024 Proxy Statement is attached to this letter as Exhibit D.

The reference to the February 11, 2025 deadline in the 2024 Proxy Statement was calculated in error, based on the date of the Company’s 2024 Annual Meeting of Stockholders rather than the date that the 2024 Proxy Statement was released to stockholders. However, the Proponent failed to submit the Proposal by such date and therefore was not prejudiced by the disclosure. In fact, the Proposal was not received by the Company until March 13, 2025, which was 30 days after the deadline disclosed in the 2024 Proxy Statement.

The Proposal may be omitted pursuant to Rules 14a-8(c), 14a-8(d), 14a-8(b)(1)(iii) and 14a-8(b)(2) because the Company timely and adequately notified the Proponent of the applicable

eligibility and procedural requirements and the Proponent failed to correct the identified deficiencies within the 14-day period under Rule 14a-8(f).

- 1. The Proponent failed to comply with the requirement under Rule 14a-8(c) that it submit no more than one proposal to the Company for the Company's 2025 Annual Meeting of Stockholders.*

Under Rule 14a-8(c), a person may submit “no more than one proposal, directly or indirectly, to a company for a particular shareholders’ meeting.” As noted in the Deficiency Letter, the Proposal includes at least four separate proposals, which the Proponent numbered (1) through (4).

- 2. The Proponent failed to comply with the requirement under Rule 14a-8(d) that the Proposal and supporting statement not exceed 500 words.*

Under Rule 14a-8(d), a “proposal, including any accompanying supporting statement, may not exceed 500 words.” As noted in the Deficiency Letter, the Proposal and supporting statement appear to exceed 500 words. An annotated copy of the Proposal and supporting statement, showing the Company’s count of 535 words, is attached hereto as Exhibit C.

- 3. The Proponent failed to comply with the requirement under Rule 14a-8(b)(1)(iii) that the Proponent provide a written statement regarding its availability to discuss the Proposal with the Company.*

Under Rule 14a-8(b)(1)(iii), a proponent must provide “a written statement that [the proponent is] able to meet with the company in person or via teleconference no less than 10 calendar days, nor more than 30 calendar days, after submission of the shareholder proposal.” The proponent must include its contact information as well as the business days and specific times that it is available to discuss the proposal with the company. As noted in the Deficiency Letter, the Proponent failed to provide such a statement in any of its submission materials.

- 4. The Proposal may be omitted pursuant to Rule 14a-8(b)(2) because the Proponent failed to demonstrate its eligibility to submit the Proposal.*

Pursuant to Rule 14a-8(b), to be eligible to submit a shareholder proposal, a proponent must have “continuously held at least \$2,000, \$15,000, or \$25,000 in market value of the company's securities entitled to vote on the proposal for at least three years, two years, or one year, respectively.” For shareholders who are not registered shareholders of the company’s securities, Rule 14a-8(b)(2)(ii) provides two alternative methods for a proponent to prove its ownership.

Because the Proponent does not appear as a registered stockholder of the Company in the records of the Company or the transfer agent for shares of the Company’s common stock, the Proponent must prove its eligibility by complying with the requirements in Rule 14a-

8(b)(2)(ii). The e-mail transmission accompanying the Proposal included a copy of a broker statement reflecting the Proponent's ownership of shares of the Company's common stock as of February 28, 2025. As noted in the Deficiency Letter,² the broker letter submitted by the Proponent failed to prove the Proponent's eligibility to submit a proposal because it did not confirm the Proponent's continuous ownership of shares of the Company's common stock for any of the requisite periods preceding and including March 13, 2025, the date that the Proposal was submitted to the Company.

5. The Proponent failed to cure the eligibility and procedural deficiencies within 14 calendar days of receiving the Deficiency Notice.

Rule 14a-8(f)(1) permits exclusion of a shareholder proposal should the proponent fail to follow one of the eligibility or procedural requirements contained in Rule 14a-8. Generally, exclusion on this basis is permitted only after timely notification to the proponent of an applicable defect and a proponent's failure to timely and adequately correct the defect within 14 calendar days.³

As discussed above, the Company sent the Deficiency Notice to the Proponent on March 26, 2025, which was within 14 days of the Company's receipt of the Proposal in accordance with Rule 14a-8(f). The Deficiency Notice explicitly informed the Proponent of Rule 14a-8's requirements, including each of the above eligibility and procedural deficiencies. Pursuant to Rule 14a-8(f), the Proponent was required to respond to the Deficiency Notice no later than April 9, 2025, which was 14 days from the date that the Proponent received the Deficiency Notice. As of the date of this request to the Staff, the Company has not received a response from the Proponent. Accordingly, more than 27 days have elapsed since the Company delivered the Deficiency Notice to the Proponent.

Waiver of the 80-day requirement in Rule 14a-8(j)(1) is appropriate.

We further request that the Staff waive for good cause the 80-day filing requirement set forth in Rule 14a-8(j). Rule 14a-8(j)(1) requires that, if a company "intends to exclude a 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 to waive the deadline if a company can show "good cause." As the Commission noted in Staff Legal Bulletin No. 14B (Sept. 15, 2004), "[t]he most common basis for the company's showing of good cause is that the proposal was not

² In accordance with Staff Legal Bulletin No. 14G (October 16, 2012), the Deficiency Notice requested that the Proponent provide proof of ownership "verifying that, at the time the Proponent submitted its proposal, [the Proponent] continuously held at least \$2,000, \$15,000, or \$25,000 in market value of the company's securities entitled to vote on the proposal for at least three years, two years, or one year, respectively, preceding and including March 13, 2025."

³ A company "need not provide [the proponent] such notice of 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*" as per Rule 14a-8(f)(1) (emphasis added).

submitted timely and the company did not receive the proposal until after the 80-day deadline had passed.”

The Company currently intends to file its 2025 Proxy Materials with the Commission on or around April 29, 2025, which is less than 80 days from the date of this letter. As the correspondence in Exhibit A demonstrates, the Company did not receive the Proposal until March 13, 2025, which is less than 80 days before the date that the Company intends to file its 2025 Proxy Materials. The Staff previously has granted waivers in similar circumstances where the reason for the delayed submission of a request for “no action” was that the proposal was received after the deadline for submitting proposals. *See, e.g., Salesforce, Inc.* (avail. March 24, 2017); *TD Ameritrade Holding Corp.* (avail. Dec. 14, 2016); *Air Products & Chemicals, Inc.* (avail. Nov. 18, 2016); *General Electric Co.* (avail. March 3, 2016); *International Business Machines Corp.* (avail. Feb. 19, 2016); *RBC Life Sciences, Inc.* (avail. June 22, 2015). Accordingly, we believe that the Company has “good cause” for its inability to meet the 80-day requirement, and we respectfully request that the Staff waive the 80-day requirement with respect to this letter.

CONCLUSION

Based upon the foregoing analysis, it is respectfully submitted that the Proposal may be omitted from the Company’s 2025 Proxy Materials pursuant to Rules 14a-8(e)(2), 14a-8(c), 14a-8(d), 14a-8(b)(1)(iii) and 14a-8(b)(2). Your confirmation that the Staff will not recommend an enforcement action if the Proposal is omitted from the 2025 Proxy Materials is requested.

In the event the Staff disagrees with any conclusion expressed herein, or should any information in support or explanation of the Company’s position be required, we would appreciate an opportunity to confer with the Staff before issuance of its response. If the Staff determines that the Proposal complied with the procedural requirements of Rule 14a-8 and may not be excluded for any of the foregoing reasons, the Company requests the opportunity to supplement this letter to address the other bases on which it believes the Proposal may be excluded from the Company’s 2025 Proxy Materials.⁴ If the Staff has any questions regarding this request or requires additional information, please contact the undersigned at 713.229.1315.

We appreciate your attention to this request.

⁴ The Company believes that the Proposal may also be excludable on certain other bases set forth in Rule 14a-8(i).

Very truly yours,

BAKER BOTTS L.L.P.



By: _____
Travis J. Wofford

Enclosures

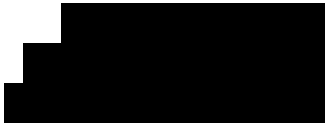
cc: *Via e-mail only*

Jeffrey Blend and Darlene Steil

Donnie Emmi, Corporate Secretary, SHF Holdings, Inc.

Exhibit A
Proposal

Jeffrey Blend and Darlene Steil



March 13, 2025

Donnie Emmi
Corporate Secretary
SHF Holdings, Inc.
1526 Cole Blvd, Ste. 250
Golden, CO 80401
Via Email to: donnie.emmi@shfinancial.org

Re: Submission of Shareholder Proposal for 2025 Annual Meeting

Dear Corporate Secretary,

Pursuant to Article II, Section 2.7(a) of the SHF Holdings, Inc. ("SHFS") Bylaws and Rule 14a-8 of the Securities Exchange Act of 1934, we hereby submit the enclosed shareholder proposal for inclusion in the proxy materials for the 2025 Annual Meeting of Shareholders. This proposal is submitted timely, as the submission window runs from February 11, 2025, through March 13, 2025, based on the date of last year's annual meeting.

SHAREHOLDER PROPOSAL:

Please see the enclosed Shareholder Proposal and Supporting Statement, each of which is incorporated by reference herein. As this submission meets all requirements, the Shareholder Proposal and Supporting Statement should be included in the company's proxy materials to be circulated to all SHFS shareholders in advance of the company's 2025 Annual Meeting of Shareholders.

CERTIFICATION OF SHAREHOLDER ELIGIBILITY:

Jointly, we are the beneficial owners of 127,245 shares of common stock of SHFS and have continuously held such shares, representing at least \$25,000 market value, over a period in excess of one year, as required in accordance with Rule 14a-8(b). We intend to hold these shares through the date of the 2025 Annual Meeting. The foregoing facts are certified in the attached Certification of Shareholder Eligibility.

Submitted concurrently with this letter and in support of such Certification of Shareholder Eligibility is a statement from Charles Schwab verifying my ownership of SHFS stock as required by SEC Rule 14a-8(b)(2).

STATEMENT OF INTENT:

We, directly or appearing through a duly authorized representative, intend to appear in person or by proxy at the 2025 Annual Meeting of Shareholders to present this proposal, as required by the SHFS Bylaws.

REQUEST FOR CONFIRMATION OF RECEIPT:

Please confirm receipt of this proposal in writing at your earliest convenience. If SHFS believes this submission is deficient in any way, we request prompt notification so that I may address any concerns and ensure inclusion of this Shareholder Proposal in the company's forthcoming proxy materials.

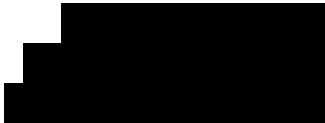
Thank you for your attention to this matter. We look forward to your response.

Sincerely,

/s/ Jeffrey Blend and Darlene Steil

Jeffrey Blend and Darlene Steil, Jointly
Record Holders of 127,245 Shares of SHFS Common Stock

Jeffrey Blend and Darlene Steil



March 13, 2025

Donnie Emmi
Corporate Secretary
SHF Holdings, Inc.
1526 Cole Blvd, Ste. 250
Golden, CO 80401
Via Email to: donnie.emmi@shfinancial.org

Re: Submission of Shareholder Proposal for 2025 Annual Meeting - Certification of Shareholder Eligibility

Dear Corporate Secretary,

We, Jeffrey Blend and Darlene Steil, certify that we jointly are the beneficial owner of 127,245 shares of common stock of SHFS and further certify that we have continuously held such shares, representing at least \$25,000 market value, over a period in excess of one year, as required in accordance with Rule 14a-8(b). Finally, we certify that we intend to hold these shares through the date of the 2025 Annual Meeting and submit the enclosed shareholder proposal in good faith, intending to appear at such Annual Meeting, directly or via a representative, in order to present such proposal.

We have attached a statement from our personal brokerage account at Charles Schwab confirming the aforesaid ownership.

Sincerely,

/s/ Jeffrey Blend and Darlene Steil

Jeffrey Blend and Darlene Steil, Jointly
Record Holders of 127,245 Shares of SHFS Common Stock

PROPOSAL BY CONCERNED SHAREHOLDERS OF SHF HOLDINGS, INC., TO EVALUATE THE PERFORMANCE OF THE COMPANY'S MANAGEMENT AND BOARD OF DIRECTORS, TO EVALUATE THE INDEPENDENCE OF THE COMPANY'S DIRECTORS, AND TO STRENGTHEN THE COMPANY'S CORPORATE GOVERNANCE

BE IT RESOLVED, that shareholders of SHF Holdings, Inc. ("SHFS" or the "Company") strongly urge the Board of Directors to take immediate action to:

1. Conduct a full and transparent review of board composition and governance practices to ensure: (a) that independent directors, including but not limited to the board chairman, are exercising proper oversight and acting in the best interest of all shareholders, and (b) that directors chairing or serving on a committee, including but not limited to the Company's Audit Committee and/or its Nominating and Corporate Governance Committee, are satisfactorily fulfilling the requirements of any such role; that such persons are doing so so in a manner that is commercially reasonable and is in the best interest of the shareholders; and that such persons possess the requisite competence and sophistication to fulfill such requirements in the best interest of all shareholders.
2. Evaluate the qualifications and performance of the Company's leadership, including the CEO and management team, to determine whether they possess the strategic vision and financial acumen necessary to execute a turnaround plan.
3. Initiate an independent director search process, led by a third-party governance expert, to identify and nominate highly qualified, independent directors who will bring enhanced financial oversight, strategic discipline, and accountability to the Company.
4. Implement a formal shareholder engagement policy requiring independent directors to engage directly with shareholders, answer questions, and address concerns related to the Company's governance, financial performance, and strategic direction.

STATEMENT IN SUPPORT OF PROPOSAL BY CONCERNED SHAREHOLDERS OF SHF HOLDINGS, INC., TO EVALUATE THE PERFORMANCE OF THE COMPANY'S MANAGEMENT AND BOARD OF DIRECTORS, TO EVALUATE THE INDEPENDENCE OF THE COMPANY'S DIRECTORS, AND TO STRENGTHEN THE COMPANY'S CORPORATE GOVERNANCE

SHFS is at a critical inflection point. The Company faces imminent Nasdaq delisting risk, financial instability, and a failure to articulate a clear strategic plan. While recent shareholder communications have been a step in the right direction, they lacked meaningful strategic direction or a clearly-articulated vision for sustainably improving the Company's financial and operational performance.

Shareholders need confidence that the Company's leadership team has both the competence and credibility to steer the Company toward long-term success. However, the Board's failure to ensure that the CEO and management team possess the necessary expertise has only exacerbated investor uncertainty.

The Board must take immediate and decisive action to restore investor confidence in the Company by ensuring:

- That the CEO and leadership team are fully qualified to execute a strategic turnaround.
- That the Board is reconstituted with truly independent, competent directors who are committed to shareholder value.
- That shareholders are given a clear roadmap for how the Company intends to address its financial, operational, and legal challenges.

This proposal does not dictate specific nominees but instead requires the Board to conduct a transparent and independent governance review that ensures the right leadership and board structure are in place to maximize shareholder value.

This proposal is submitted by a qualifying shareholder on behalf of a committee of concerned shareholders. We urge all shareholders to vote in favor of this proposal.

Exhibit B
Deficiency Notice



March 26, 2025

Via Email and overnight delivery service

Jeffrey Blend and Darlene Steil


Re: Stockholder Proposal – SHF Holdings, Inc.

Dear Mr. Blend:

SHF Holdings, Inc. (“SHF”) has received your letter dated March 13, 2025, which includes a stockholder proposal (the “Proposal”) submitted by you and Darlene Steil (together, the “Proponent”) for inclusion in SHF’s proxy statement for SHF’s 2025 annual meeting of stockholders.

A. COMPLIANCE WITH RULE 14A-8

Rule 14a-8 under Regulation 14A of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), sets forth the requirements for inclusion of a stockholder proposal in a company’s proxy statement. A copy of the rule is enclosed with this letter as Annex A.

Your letter requests that SHF notify you of any deficiencies in the submission so that you may address any concerns with respect to inclusion of the Proposal in SHF’s proxy materials for the 2025 annual meeting of stockholders. As set forth below, the Proposal contains certain procedural deficiencies, some of which Securities Exchange Commission (“SEC”) regulations require us to bring to your attention. Please note that SHF reserves the right to object to the Proponent’s proposal for any other reason permitted under Rule 14a-8.

1. Proof of Continuous Ownership

Rule 14a-8(b) under the Exchange Act specifies that in order to submit a proposal, a stockholder must have continuously held at least \$2,000, \$15,000, or \$25,000 in market value of the company’s securities entitled to vote on the proposal for at least three years, two years, or one year, respectively, of the date on which the proposal is submitted, and the stockholder must continue to hold the requisite amount of securities through the date of the annual meeting.

Since the Proponent does not appear in the records of SHF or Continental Stock Transfer & Trust Company, the transfer agent for shares of SHF’s common stock, as a registered stockholder of SHF, the Proponent needs to submit proof of its eligibility to submit a proposal. The Proponent must prove its eligibility in one of two ways:

- By submitting a written statement from the “record” holder of its securities (usually a broker or bank) verifying that, at the time the Proponent submitted its proposal, it

continuously held at least \$2,000, \$15,000, or \$25,000 in market value of the company's securities entitled to vote on the proposal for at least three years, two years, or one year, respectively, preceding and including March 13, 2025; or

- By submitting a copy of a filed Schedule 13D, Schedule 13G, Form 3, Form 4 and/or Form 5, or amendments to those documents or updated forms, demonstrating that the Proponent meets at least one of the share ownership requirements set forth above. If the Proponent has filed one or more of these documents with the SEC, it may demonstrate its eligibility to submit a proposal by submitting to the company:
 - a copy of the schedule(s) and/or form(s) and any subsequent amendments reporting a change in its ownership level;
 - its written statement that it continuously held at least \$2,000, \$15,000, or \$25,000 in market value of the company's securities entitled to vote on the proposal for at least three years, two years or one year, respectively, preceding and including March 13, 2025; and
 - its written statement that it intends to continue to hold the requisite amount of securities through the date of SHF's 2025 annual meeting of stockholders.

If the Proponent is submitting proof through the first alternative above and it holds its securities through a bank or broker that is listed as a participant in the Depository Trust Company ("DTC"), that bank or broker will be considered the "record" holder of the Proponent's securities. The Proponent may determine if its bank or broker is a participant in DTC by checking the website at <https://www.dtcc.com/client-center/dtc-directories>. If the Proponent's bank or broker is a DTC participant, it should obtain and provide SHF with one letter from that bank or broker containing all of the information indicated above, in addition to the Proponent's own statement as to its intent with regards to continued ownership through the date of SHF's 2025 annual meeting of stockholders. However, if the Proponent's bank or broker is not listed as a participant in DTC, the Proponent will need to obtain proof of ownership from the DTC participant through which its securities are held. The Proponent should be able to find out who the DTC participant is by asking its bank or broker. In that case, as is most likely, if the DTC participant knows the Proponent's bank's or broker's holdings but does not know the Proponent's holdings, the Proponent may satisfy the requirements by obtaining and submitting two proof of ownership statements – one from its bank or broker confirming its ownership and the other from the DTC participant confirming the bank's or broker's ownership – in addition to the Proponent's own statement as to the Proponent's intent with regards to continued ownership through the date of SHF's 2025 annual meeting of stockholders. A copy of the SEC's Staff Legal Bulletin 14F (October 18, 2011), which describes these requirements, is also enclosed with this letter as Annex B. Please note, however, that the ownership requirement for purposes of Rule 14a-8(b) was amended by the SEC in 2020. A copy of updated Rule 14a-8 is enclosed with this letter as Annex A.

In accordance with Rule 14a-8(f)(1), the Proponent's response and all proof of eligibility as indicated above must be postmarked or transmitted electronically to me within 14 calendar days after the date this letter is received. If the Proponent does not provide its response and this proof within the time period set forth above, SHF intends to make a submission to the SEC pursuant to

Rule 14a-8(j) to omit the Proponent's proposal from SHF's proxy statement relating to its 2025 annual meeting of stockholders on this basis, as permitted by Rule 14a-8.

2. Number of Proposals

Pursuant to Rule 14a-8(c) under the Exchange, a person may submit no more than one proposal, directly or indirectly, to a company for a particular shareholders' meeting. In addition, under the rule, a person may not rely on the securities holdings of another person for the purpose of meeting the eligibility requirements and submitting multiple proposals for a single shareholders' meeting. The SEC has stated this means that a stockholder-proponent is not permitted to submit one proposal in his or her own name and simultaneously serve as a representative to submit a different proposal on another stockholder's behalf for consideration at the same meeting.

SHF received the following proposals from you pursuant to SEC Rule 14a-8 for inclusion in the proxy statement for SHF's 2025 annual meeting of stockholders:

- (1) Conduct a full and transparent review of board composition and governance practices to ensure: (a) that independent directors, including but not limited to the board chairman, are exercising proper oversight and acting in the best interest of all shareholders, and (b) that directors chairing or serving on a committee, including but not limited to the Company's Audit Committee and/or its Nominating and Corporate Governance Committee, are satisfactorily fulfilling the requirements of any such role; that such persons are doing so so in a manner that is commercially reasonable and is in the best interest of the shareholders; and that such persons possess the requisite competence and sophistication to fulfill such requirements in the best interest of all shareholders.
- (2) Evaluate the qualifications and performance of the Company's leadership, including the CEO and management team, to determine whether they possess the strategic vision and financial acumen necessary to execute a turnaround plan.
- (3) Initiate an independent director search process, led by a third-party governance expert, to identify and nominate highly qualified, independent directors who will bring enhanced financial oversight, strategic discipline, and accountability to the Company.
- (4) Implement a formal shareholder engagement policy requiring independent directors to engage directly with shareholders, answer questions, and address concerns related to the Company's governance, financial performance, and strategic direction.

We believe these facts demonstrate that you have submitted more than one proposal for consideration at SHF's 2025 annual meeting of stockholders in violation of Rule 14a-8(c). This deficiency can be remedied by notifying SHF which of the proposals you wish to withdraw.

In accordance with Rule 14a-8(f)(1), the Proponent's response must be postmarked or transmitted electronically to me within 14 calendar days after the date this letter is received. If the Proponent does not provide its response within the time period set forth above, SHF intends to make a submission to the SEC pursuant to Rule 14a-8(j) to omit the Proponent's proposal from SHF's proxy statement relating to its 2025 annual meeting of stockholders on this basis, as permitted by Rule 14a-8.

3. Proposal Word Limit

In addition, Rule 14a-8(d) under the Exchange Act specifies that any shareholder proposal, including any accompanying supporting statement, may not exceed 500 words. We believe your submission contains more than 500 words. An annotated copy the Proposal and supporting statement, counting the number of words, is enclosed with this letter as Annex C. To remedy this defect, you must revise the Proposal and supporting statement so that they do not exceed 500 words.

In accordance with Rule 14a-8(f)(1) under the Exchange Act, the Proponent's response must be postmarked or transmitted electronically to me within 14 calendar days after the date this letter is received. If the Proponent does not provide its response within the time period set forth above, SHF intends to make a submission to the SEC pursuant to Rule 14a-8(j) to omit the Proponent's proposal from SHF's proxy statement relating to its 2025 annual meeting of stockholders on this basis, as permitted by Rule 14a-8.

4. Engagement Availability

Rule 14a-8(b)(1)(iii) under the Exchange Act requires a shareholder proponent to provide the company with a written statement that it is able to meet with the company in person or via teleconference no less than 10 calendar days, nor more than 30 calendar days, after submission of the shareholder proposal, which information must include "contact information as well as business days and specific times" during the company's regular business hours that the shareholder proponent is available to discuss the proposal with the company.

We did not see such a statement regarding the Proponent's availability for an engagement meeting in your submission. To remedy this defect, the Proponent must provide a statement to the Company that includes such information, and the time(s) must be between 9:00 a.m. and 5:30 p.m. Mountain Time.

In accordance with Rule 14a-8(f)(1), the Proponent's response must be postmarked or transmitted electronically to me within 14 calendar days after the date this letter is received. If the Proponent does not provide its response within the time period set forth above, SHF intends to make a submission to the SEC pursuant to Rule 14a-8(j) to omit the Proponent's proposal from SHF's proxy statement relating to its 2025 annual meeting of stockholders on this basis, as permitted by Rule 14a-8.

5. Timeliness of Proposal

Rule 14a-8(f) under the Exchange Act permits a company to exclude a stockholder proposal that does not comply with the rule's procedural requirements, including if a proponent

“fail[s] to submit a proposal by the company’s properly determined deadline.” For a regularly scheduled annual meeting, Rule 14a-8(e)(2) under the Exchange Act requires that a proposal “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.” The Proposal was submitted on March 13, 2025, after the December 30, 2024 deadline, and therefore was untimely.

The December 30, 2024 deadline was calculated in accordance with Rule 14a-8(e)(2), as it is 120 days before April 29, 2025, the anniversary of the release date of SHF’s 2024 proxy materials. Rule 14a-8(e)(2) provides that the 120-calendar day deadline does not apply if the current year’s annual meeting has been changed by more than 30 days from the date of the prior year’s meeting. That is not applicable here, as SHF intends to hold its 2025 annual meeting of stockholders within 30 days of June 11, 2025, the anniversary of the 2024 annual meeting of stockholders.

Because the Proposal was not timely submitted by the Proponent, the Proposal may be excluded from the 2025 proxy materials. Please note that, pursuant to Rule 14a-8(f)(1), the failure to submit the Proposal by the deadline is a deficiency that cannot be remedied.

B. COMPLIANCE WITH BYLAWS

Separately, for the protection of SHF and its stockholders, SHF’s By Laws (the “Bylaws”) include an “advance notice provision,” set forth in Section 2.7(a) of the Bylaws. Section 2.7(a) of the Bylaws provides that “[n]o business may be transacted at an annual meeting of stockholders, other than business that is . . . properly brought before the annual meeting by any stockholder of [SHF] . . . *who complies with the notice procedures set forth in this Section 2.7(a)*” (emphasis added). We believe that the submission does not constitute valid notice of business to be transacted for SHF’s 2025 annual meeting of stockholders because the submission appears to fail to satisfy the requirements set forth in Section 2.7(a) of the Bylaws in several ways, including (but not limited to) the following:

1. Section 2.7(a)(ii)(D) of the Bylaws requires the submission to include “a description of all arrangements or understandings between such stockholder and the beneficial owner, if any, on whose behalf the proposal is made and any other person or persons (including their names) in connection with the proposal of such business by such stockholder.” It appears that the submission fails to specify such arrangements or understandings.
2. Section 2.7(a)(ii)(E) of the Bylaws requires the submission to include “any material interest of such stockholder and the beneficial owner, if any, on whose behalf the proposal is made in such business.” It appears that the submission fails to specify such material interests.

As set forth in SHF’s proxy statement filed with the SEC on April 29, 2024, the window under the Bylaws for delivering notice of intention to transact business at the 2025 annual meeting of stockholders was February 11, 2025 through March 13, 2025. As noted above, your submission, which was dated March 13, 2025, appears on its face to have failed to satisfy the Bylaw requirements. The deadline for a timely and proper notice of intention to transact business at the 2025 annual meeting of stockholders has passed.

SHF expressly reserves any and all rights and defenses that it may have with respect to this matter. In particular, this letter should not be construed as confirmation that your submission otherwise complies with the Bylaws and applicable law.

Should you have any questions regarding any of the foregoing, please do not hesitate to contact me.

Very truly yours,

Donnie Emmi

Donnie Emmi
Corporate Secretary / Chief Legal
Officer

cc: *Via Email only*

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Enclosures

§240.14a-8 Shareholder proposals.

This section addresses when a company must include a shareholder's proposal in its proxy statement and identify the proposal in its form of proxy when the company holds an annual or special meeting of shareholders. In summary, in order to have your shareholder proposal included on a company's proxy card, and included along with any supporting statement in its proxy statement, you must be eligible and follow certain procedures. Under a few specific circumstances, the company is permitted to exclude your proposal, but only after submitting its reasons to the Commission. We structured this section in a question-and-answer format so that it is easier to understand. The references to “you” are to a shareholder seeking to submit the proposal.

(a) *Question 1:* What is a proposal? A shareholder proposal is your recommendation or requirement that the company and/or its board of directors take action, which you intend to present at a meeting of the company's shareholders. Your proposal should state as clearly as possible the course of action that you believe the company should follow. If your proposal is placed on the company's proxy card, the company must also provide in the form of proxy means for shareholders to specify by boxes a choice between approval or disapproval, or abstention. Unless otherwise indicated, the word “proposal” as used in this section refers both to your proposal, and to your corresponding statement in support of your proposal (if any).

(b) *Question 2:* Who is eligible to submit a proposal, and how do I demonstrate to the company that I am eligible? (1) To be eligible to submit a proposal, you must satisfy the following requirements:

(i) You must have continuously held:

(A) At least \$2,000 in market value of the company's securities entitled to vote on the proposal for at least three years; or

(B) At least \$15,000 in market value of the company's securities entitled to vote on the proposal for at least two years; or

(C) At least \$25,000 in market value of the company's securities entitled to vote on the proposal for at least one year; or

(D) The amounts specified in paragraph (b)(3) of this section. This paragraph (b)(1)(i)(D) will expire on the same date that §240.14a-8(b)(3) expires; and

(ii) You must provide the company with a written statement that you intend to continue to hold the requisite amount of securities, determined in accordance with paragraph (b)(1)(i)(A) through (C) of this section, through the date of the shareholders' meeting for which the proposal is submitted; and

(iii) You must provide the company with a written statement that you are able to meet with the company in person or via teleconference no less than 10 calendar days, nor more than 30 calendar days, after submission of the shareholder proposal. You must include your contact information as well as business days and specific times that you are available to discuss the proposal with the company. You must identify times that are within the regular business hours of the company's principal executive offices. If these hours are not disclosed in the company's proxy statement for the prior year's annual meeting, you must identify times that are between 9 a.m. and 5:30 p.m. in the time zone of the company's principal executive offices. If you elect to co-file a proposal, all co-filers must either:

(A) Agree to the same dates and times of availability, or

(B) Identify a single lead filer who will provide dates and times of the lead filer's availability to engage on behalf of all co-filers; and

(iv) If you use a representative to submit a shareholder proposal on your behalf, you must provide the company with written documentation that:

(A) Identifies the company to which the proposal is directed;

(B) Identifies the annual or special meeting for which the proposal is submitted;

(C) Identifies you as the proponent and identifies the person acting on your behalf as your representative;

(D) Includes your statement authorizing the designated representative to submit the proposal and otherwise act on your behalf;

(E) Identifies the specific topic of the proposal to be submitted;

(F) Includes your statement supporting the proposal; and

(G) Is signed and dated by you.

(v) The requirements of paragraph (b)(1)(iv) of this section shall not apply to shareholders that are entities so long as the representative's authority to act on the shareholder's behalf is apparent and self-evident such that a reasonable person would understand that the agent has authority to submit the proposal and otherwise act on the shareholder's behalf.

(vi) For purposes of paragraph (b)(1)(i) of this section, you may not aggregate your holdings with those of another shareholder or group of shareholders to meet the requisite amount of securities necessary to be eligible to submit a proposal.

(2) One of the following methods must be used to demonstrate your eligibility to submit a proposal:

(i) If you are the registered holder of your securities, which means that your name appears in the company's records as a shareholder, the company can verify your eligibility on its own, although you will still have to provide the company with a written statement that you intend to continue to hold the requisite amount of securities, determined in accordance with paragraph (b)(1)(i)(A) through (C) of this section, through the date of the meeting of shareholders.

(ii) If, like many shareholders, you are not a registered holder, the company likely does not know that you are a shareholder, or how many shares you own. In this case, at the time you submit your proposal, you must prove your eligibility to the company in one of two ways:

(A) The first way is to submit to the company a written statement from the "record" holder of your securities (usually a broker or bank) verifying that, at the time you submitted your proposal, you continuously held at least \$2,000, \$15,000, or \$25,000 in market value of the company's securities entitled to vote on the proposal for at least three years, two years, or one year, respectively. You must also include your own written statement that you intend to continue to hold the requisite amount of securities, determined in accordance with paragraph (b)(1)(i)(A) through (C) of this section, through the date of the shareholders' meeting for which the proposal is submitted; or

(B) The second way to prove ownership applies only if you were required to file, and filed, a Schedule 13D (§240.13d-101), Schedule 13G (§240.13d-102), Form 3 (§249.103 of this chapter), Form 4 (§249.104 of this chapter), and/or Form 5 (§249.105 of this chapter), or amendments to those documents or updated forms, demonstrating that you meet at least one of the share ownership requirements under paragraph (b)(1)(i)(A) through (C) of this section. If you have filed one or more of these documents with the SEC, you may demonstrate your eligibility to submit a proposal by submitting to the company:

(1) A copy of the schedule(s) and/or form(s), and any subsequent amendments reporting a change in your ownership level;

(2) Your written statement that you continuously held at least \$2,000, \$15,000, or \$25,000 in market value of the company's securities entitled to vote on the proposal for at least three years, two years, or one year, respectively; and

(3) Your written statement that you intend to continue to hold the requisite amount of securities, determined in accordance with paragraph (b)(1)(i)(A) through (C) of this section, through the date of the company's annual or special meeting.

(3) If you continuously held at least \$2,000 of a company's securities entitled to vote on the proposal for at least one year as of January 4, 2021, and you have continuously maintained a minimum investment of at least \$2,000 of such securities from January 4, 2021 through the date the proposal is submitted to the company, you will be eligible to submit a proposal to such company for an annual or special meeting to be held prior to January 1, 2023. If you rely on this provision, you must provide the company with your written statement that you intend to continue to hold at least \$2,000 of such securities through the date of the shareholders' meeting for which the proposal is submitted. You must also follow the procedures set forth in paragraph (b)(2) of this section to demonstrate that:

(i) You continuously held at least \$2,000 of the company's securities entitled to vote on the proposal for at least one year as of January 4, 2021; and

(ii) You have continuously maintained a minimum investment of at least \$2,000 of such securities from January 4, 2021 through the date the proposal is submitted to the company.

(iii) This paragraph (b)(3) will expire on January 1, 2023.

(c) *Question 3:* How many proposals may I submit? Each person may submit no more than one proposal, directly or indirectly, to a company for a particular shareholders' meeting. A person may not rely on the securities holdings of another person for the purpose of meeting the eligibility requirements and submitting multiple proposals for a particular shareholders' meeting.

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

(e) *Question 5:* What is the deadline for submitting a proposal? (1) If you are submitting your proposal for the company's annual meeting, you can in most cases find the deadline in last year's proxy statement. However, if the company did not hold an annual meeting last year, or has changed the date of its meeting for this year more than 30 days from last year's meeting, you can usually find the deadline in one of the company's quarterly reports on Form 10-Q (§249.308a of this chapter), or in shareholder reports of investment companies under §270.30d1 of this chapter of the Investment Company Act of 1940. In order to avoid controversy, shareholders should submit their proposals by means, including electronic means, that permit them to prove the date of delivery.

(2) The deadline is calculated in the following manner if the proposal is submitted for a regularly scheduled annual meeting. The proposal must be received at the company's principal executive offices not less than 120

calendar days before the date of the company's proxy statement released to shareholders in connection with the previous year's annual meeting. However, if the company did not hold an annual meeting the previous year, or if the date of this year's annual meeting has been changed by more than 30 days from the date of the previous year's meeting, then the deadline is a reasonable time before the company begins to print and send its proxy materials.

(3) If you are submitting your proposal for a meeting of shareholders other than a regularly scheduled annual meeting, the deadline is a reasonable time before the company begins to print and send its proxy materials.

(f) *Question 6:* What if I fail to follow one of the eligibility or procedural requirements explained in answers to Questions 1 through 4 of this section? (1) The company may exclude your proposal, but only after it has notified you of the problem, and you have failed adequately to correct it. Within 14 calendar days of receiving your proposal, the company must notify you in writing of any procedural or eligibility deficiencies, as well as of the time frame for your response. Your response must be postmarked, or transmitted electronically, no later than 14 days from the date you received the company's notification. A company need not provide you such notice of a deficiency if the deficiency cannot be remedied, such as if you fail to submit a proposal by the company's properly determined deadline. If the company intends to exclude the proposal, it will later have to make a submission under §240.14a-8 and provide you with a copy under Question 10 below, §240.14a-8(j).

(2) If you fail in your promise to hold the required number of securities through the date of the meeting of shareholders, then the company will be permitted to exclude all of your proposals from its proxy materials for any meeting held in the following two calendar years.

(g) *Question 7:* Who has the burden of persuading the Commission or its staff that my proposal can be excluded? Except as otherwise noted, the burden is on the company to demonstrate that it is entitled to exclude a proposal.

(h) *Question 8:* Must I appear personally at the shareholders' meeting to present the proposal? (1) Either you, or your representative who is qualified under state law to present the proposal on your behalf, must attend the meeting to present the proposal. Whether you attend the meeting yourself or send a qualified representative to the meeting in your place, you should make sure that you, or your representative, follow the proper state law procedures for attending the meeting and/or presenting your proposal.

(2) If the company holds its shareholder meeting in whole or in part via electronic media, and the company permits you or your representative to present your proposal via such media, then you may appear through electronic media rather than traveling to the meeting to appear in person.

(3) If you or your qualified representative fail to appear and present the proposal, without good cause, the company will be permitted to exclude all of your proposals from its proxy materials for any meetings held in the following two calendar years.

(i) *Question 9:* If I have complied with the procedural requirements, on what other bases may a company rely to exclude my proposal? (1) Improper under state law: If the proposal is not a proper subject for action by shareholders under the laws of the jurisdiction of the company's organization;

NOTE TO PARAGRAPH (i)(1): Depending on the subject matter, some proposals are not considered proper under state law if they would be binding on the company if approved by shareholders. In our experience, most proposals that are cast as recommendations or requests that the board of directors take specified action are proper under state law. Accordingly, we will assume that a proposal drafted as a recommendation or suggestion is proper unless the company demonstrates otherwise.

(2) *Violation of law:* If the proposal would, if implemented, cause the company to violate any state, federal, or foreign law to which it is subject;

NOTE TO PARAGRAPH (i)(2): We will not apply this basis for exclusion to permit exclusion of a proposal on grounds that it would violate foreign law if compliance with the foreign law would result in a violation of any state or federal law.

(3) *Violation of proxy rules*: If the proposal or supporting statement is contrary to any of the Commission's proxy rules, including §240.14a-9, which prohibits materially false or misleading statements in proxy soliciting materials;

(4) *Personal grievance; special interest*: If the proposal relates to the redress of a personal claim or grievance against the company or any other person, or if it is designed to result in a benefit to you, or to further a personal interest, which is not shared by the other shareholders at large;

(5) *Relevance*: If the proposal relates to operations which account for less than 5 percent of the company's total assets at the end of its most recent fiscal year, and for less than 5 percent of its net earnings and gross sales for its most recent fiscal year, and is not otherwise significantly related to the company's business;

(6) *Absence of power/authority*: If the company would lack the power or authority to implement the proposal;

(7) *Management functions*: If the proposal deals with a matter relating to the company's ordinary business operations;

(8) *Director elections*: If the proposal:

(i) Would disqualify a nominee who is standing for election;

(ii) Would remove a director from office before his or her term expired;

(iii) Questions the competence, business judgment, or character of one or more nominees or directors;

(iv) Seeks to include a specific individual in the company's proxy materials for election to the board of directors; or

(v) Otherwise could affect the outcome of the upcoming election of directors.

(9) *Conflicts with company's proposal*: If the proposal directly conflicts with one of the company's own proposals to be submitted to shareholders at the same meeting;

NOTE TO PARAGRAPH (i)(9): A company's submission to the Commission under this section should specify the points of conflict with the company's proposal.

(10) *Substantially implemented*: If the company has already substantially implemented the proposal;

NOTE TO PARAGRAPH (i)(10): A company may exclude a shareholder proposal that would provide an advisory vote or seek future advisory votes to approve the compensation of executives as disclosed pursuant to Item 402 of Regulation S-K (§229.402 of this chapter) or any successor to Item 402 (a "say-on-pay vote") or that relates to the frequency of say-on-pay votes, provided that in the most recent shareholder vote required by §240.14a-21(b) of this chapter a single year (*i.e.*, one, two, or three years) received approval of a majority of votes cast on the matter and the company has adopted a policy on the frequency of say-on-pay votes that is consistent with the choice of the majority of votes cast in the most recent shareholder vote required by §240.14a-21(b) of this chapter.

(11) *Duplication*: If the proposal substantially duplicates another proposal previously submitted to the company by another proponent that will be included in the company's proxy materials for the same meeting;

(12) *Resubmissions*. If the proposal addresses substantially the same subject matter as a proposal, or proposals, previously included in the company's proxy materials within the preceding five calendar years if the most recent vote occurred within the preceding three calendar years and the most recent vote was:

- (i) Less than 5 percent of the votes cast if previously voted on once;
- (ii) Less than 15 percent of the votes cast if previously voted on twice; or
- (iii) Less than 25 percent of the votes cast if previously voted on three or more times.

(13) *Specific amount of dividends*: If the proposal relates to specific amounts of cash or stock dividends.

(j) *Question 10*: What procedures must the company follow if it intends to exclude my proposal? (1) If the company intends to exclude a 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. The company must simultaneously provide you with a copy of its submission. The Commission staff may permit the company to make its submission later than 80 days before the company files its definitive proxy statement and form of proxy, if the company demonstrates good cause for missing the deadline.

(2) The company must file six paper copies of the following:

- (i) The proposal;
- (ii) An explanation of why the company believes that it may exclude the proposal, which should, if possible, refer to the most recent applicable authority, such as prior Division letters issued under the rule; and
- (iii) A supporting opinion of counsel when such reasons are based on matters of state or foreign law.

(k) *Question 11*: May I submit my own statement to the Commission responding to the company's arguments?

Yes, you may submit a response, but it is not required. You should try to submit any response to us, with a copy to the company, as soon as possible after the company makes its submission. This way, the Commission staff will have time to consider fully your submission before it issues its response. You should submit six paper copies of your response.

(l) *Question 12*: If the company includes my shareholder proposal in its proxy materials, what information about me must it include along with the proposal itself?

(1) The company's proxy statement must include your name and address, as well as the number of the company's voting securities that you hold. However, instead of providing that information, the company may instead include a statement that it will provide the information to shareholders promptly upon receiving an oral or written request.

(2) The company is not responsible for the contents of your proposal or supporting statement.

(m) *Question 13*: What can I do if the company includes in its proxy statement reasons why it believes shareholders should not vote in favor of my proposal, and I disagree with some of its statements?

(1) The company may elect to include in its proxy statement reasons why it believes shareholders should vote against your proposal. The company is allowed to make arguments reflecting its own point of view, just as you may express your own point of view in your proposal's supporting statement.

(2) However, if you believe that the company's opposition to your proposal contains materially false or misleading statements that may violate our anti-fraud rule, §240.14a-9, you should promptly send to the Commission staff and the company a letter explaining the reasons for your view, along with a copy of the company's statements opposing your proposal. To the extent possible, your letter should include specific factual information demonstrating the inaccuracy of the company's claims. Time permitting, you may wish to try to work out your differences with the company by yourself before contacting the Commission staff.

(3) We require the company to send you a copy of its statements opposing your proposal before it sends its proxy materials, so that you may bring to our attention any materially false or misleading statements, under the following timeframes:

(i) If our no-action response requires that you make revisions to your proposal or supporting statement as a condition to requiring the company to include it in its proxy materials, then the company must provide you with a copy of its opposition statements no later than 5 calendar days after the company receives a copy of your revised proposal; or

(ii) In all other cases, the company must provide you with a copy of its opposition statements no later than 30 calendar days before its files definitive copies of its proxy statement and form of proxy under §240.14a-6.

[63 FR 29119, May 28, 1998; 63 FR 50622, 50623, Sept. 22, 1998, as amended at 72 FR 4168, Jan. 29, 2007; 72 FR 70456, Dec. 11, 2007; 73 FR 977, Jan. 4, 2008; 76 FR 6045, Feb. 2, 2011; 75 FR 56782, Sept. 16, 2010; 85 FR 70294, Nov. 4, 2020]

**Division of Corporation Finance
Securities and Exchange Commission**

Shareholder Proposals

Staff Legal Bulletin No. 14F (CF)

Action: Publication of CF Staff Legal Bulletin

Date: October 18, 2011

Summary: This staff legal bulletin provides information for companies and shareholders regarding Rule 14a-8 under the Securities Exchange Act of 1934.

Supplementary Information: The statements in this bulletin represent the views of the Division of Corporation Finance (the “Division”). This bulletin is not a rule, regulation or statement of the Securities and Exchange Commission (the “Commission”). Further, the Commission has neither approved nor disapproved its content.

Contacts: For further information, please contact the Division’s Office of Chief Counsel by calling (202) 551-3500 or by submitting a web-based request form at https://www.sec.gov/forms/corp_fin_interpretive.

A. The purpose of this bulletin

This bulletin is part of a continuing effort by the Division to provide guidance on important issues arising under Exchange Act Rule 14a-8. Specifically, this bulletin contains information regarding:

- Brokers and banks that constitute “record” holders under Rule 14a-8(b)(2)(i) for purposes of verifying whether a beneficial owner is eligible to submit a proposal under Rule 14a-8;
- Common errors shareholders can avoid when submitting proof of ownership to companies;
- The submission of revised proposals;
- Procedures for withdrawing no-action requests regarding proposals submitted by multiple proponents; and
- The Division’s new process for transmitting Rule 14a-8 no-action responses by email.

You can find additional guidance regarding Rule 14a-8 in the following bulletins that are available on the Commission’s website: [SLB No. 14](#), [SLB No. 14A](#), [SLB No. 14B](#), [SLB No. 14C](#), [SLB No. 14D](#) and [SLB No. 14E](#).

B. The types of brokers and banks that constitute “record” holders under Rule 14a-8(b)(2)(i) for purposes of verifying whether a beneficial owner is eligible to submit a proposal under Rule 14a-8

1. Eligibility to submit a proposal under Rule 14a-8

To be eligible to submit a shareholder proposal, a shareholder must have continuously held at least \$2,000 in market value, or 1%, of the company’s securities entitled to be voted on the proposal at the shareholder meeting for at least one year as of the date the shareholder submits the proposal. The shareholder must also continue to hold the required amount of securities through the date of the meeting and must provide the company with a written statement of intent to do so.¹

The steps that a shareholder must take to verify his or her eligibility to submit a proposal depend on how the shareholder owns the securities. There are two types of security holders in the U.S.: registered owners and beneficial owners.² Registered owners have a direct relationship with the issuer because their ownership of shares is listed on

the records maintained by the issuer or its transfer agent. If a shareholder is a registered owner, the company can independently confirm that the shareholder's holdings satisfy Rule 14a-8(b)'s eligibility requirement.

The vast majority of investors in shares issued by U.S. companies, however, are beneficial owners, which means that they hold their securities in book-entry form through a securities intermediary, such as a broker or a bank. Beneficial owners are sometimes referred to as "street name" holders. Rule 14a-8(b)(2)(i) provides that a beneficial owner can provide proof of ownership to support his or her eligibility to submit a proposal by submitting a written statement "from the 'record' holder of [the] securities (usually a broker or bank)," verifying that, at the time the proposal was submitted, the shareholder held the required amount of securities continuously for at least one year.³

2. The role of the Depository Trust Company

Most large U.S. brokers and banks deposit their customers' securities with, and hold those securities through, the Depository Trust Company ("DTC"), a registered clearing agency acting as a securities depository. Such brokers and banks are often referred to as "participants" in DTC.⁴ The names of these DTC participants, however, do not appear as the registered owners of the securities deposited with DTC on the list of shareholders maintained by the company or, more typically, by its transfer agent. Rather, DTC's nominee, Cede & Co., appears on the shareholder list as the sole registered owner of securities deposited with DTC by the DTC participants. A company can request from DTC a "securities position listing" as of a specified date, which identifies the DTC participants having a position in the company's securities and the number of securities held by each DTC participant on that date.⁵

3. Brokers and banks that constitute "record" holders under Rule 14a-8(b)(2)(i) for purposes of verifying whether a beneficial owner is eligible to submit a proposal under Rule 14a-8

In *The Hain Celestial Group, Inc.* (Oct. 1, 2008), we took the position that an introducing broker could be considered a "record" holder for purposes of Rule 14a-8(b)(2)(i). An introducing broker is a broker that engages in sales and other activities involving customer contact, such as opening customer accounts and accepting customer orders, but is not permitted to maintain custody of customer funds and securities.⁶ Instead, an introducing broker engages another broker, known as a "clearing broker," to hold custody of client funds and securities, to clear and execute customer trades, and to handle other functions such as issuing confirmations of customer trades and customer account statements. Clearing brokers generally are DTC participants; introducing brokers generally are not. As introducing brokers generally are not DTC participants, and therefore typically do not appear on DTC's securities position listing, *Hain Celestial* has required companies to accept proof of ownership letters from brokers in cases where, unlike the positions of registered owners and brokers and banks that are DTC participants, the company is unable to verify the positions against its own or its transfer agent's records or against DTC's securities position listing.

In light of questions we have received following two recent court cases relating to proof of ownership under Rule 14a-8⁷ and in light of the Commission's discussion of registered and beneficial owners in the Proxy Mechanics Concept Release, we have reconsidered our views as to what types of brokers and banks should be considered "record" holders under Rule 14a-8(b)(2)(i). Because of the transparency of DTC participants' positions in a company's securities, we will take the view going forward that, for Rule 14a-8(b)(2)(i) purposes, only DTC participants should be viewed as "record" holders of securities that are deposited at DTC. As a result, we will no longer follow *Hain Celestial*.

We believe that taking this approach as to who constitutes a "record" holder for purposes of Rule 14a-8(b)(2)(i) will provide greater certainty to beneficial owners and companies. We also note that this approach is consistent with Exchange Act Rule 12g5-1 and a 1988 staff no-action letter addressing that rule,⁸ under which brokers and banks that are DTC participants are considered to be the record holders of securities on deposit with DTC when calculating the number of record holders for purposes of Sections 12(g) and 15(d) of the Exchange Act.

Companies have occasionally expressed the view that, because DTC's nominee, Cede & Co., appears on the shareholder list as the sole registered owner of securities deposited with DTC by the DTC participants, only DTC or Cede & Co. should be viewed as the "record" holder of the securities held on deposit at DTC for purposes of Rule

14a-8(b)(2)(i). We have never interpreted the rule to require a shareholder to obtain a proof of ownership letter from DTC or Cede & Co., and nothing in this guidance should be construed as changing that view.

How can a shareholder determine whether his or her broker or bank is a DTC participant?

Shareholders and companies can confirm whether a particular broker or bank is a DTC participant by checking DTC's participant list, which is currently available on the Internet at <http://www.dtcc.com/~media/Files/Downloads/client-center/DTC/alpha.ashx>.

What if a shareholder's broker or bank is not on DTC's participant list?

The shareholder will need to obtain proof of ownership from the DTC participant through which the securities are held. The shareholder should be able to find out who this DTC participant is by asking the shareholder's broker or bank.⁹

If the DTC participant knows the shareholder's broker or bank's holdings, but does not know the shareholder's holdings, a shareholder could satisfy Rule 14a-8(b)(2)(i) by obtaining and submitting two proof of ownership statements verifying that, at the time the proposal was submitted, the required amount of securities were continuously held for at least one year – one from the shareholder's broker or bank confirming the shareholder's ownership, and the other from the DTC participant confirming the broker or bank's ownership.

How will the staff process no-action requests that argue for exclusion on the basis that the shareholder's proof of ownership is not from a DTC participant?

The staff will grant no-action relief to a company on the basis that the shareholder's proof of ownership is not from a DTC participant only if the company's notice of defect describes the required proof of ownership in a manner that is consistent with the guidance contained in this bulletin. Under Rule 14a-8(f)(1), the shareholder will have an opportunity to obtain the requisite proof of ownership after receiving the notice of defect.

C. Common errors shareholders can avoid when submitting proof of ownership to companies

In this section, we describe two common errors shareholders make when submitting proof of ownership for purposes of Rule 14a-8(b)(2), and we provide guidance on how to avoid these errors.

First, Rule 14a-8(b) requires a shareholder to provide proof of ownership that he or she has “continuously held at least \$2,000 in market value, or 1%, of the company's securities entitled to be voted on the proposal at the meeting for at least one year by the date you submit the proposal” (emphasis added).¹⁰ We note that many proof of ownership letters do not satisfy this requirement because they do not verify the shareholder's beneficial ownership for the entire one-year period preceding and including the date the proposal is submitted. In some cases, the letter speaks as of a date *before* the date the proposal is submitted, thereby leaving a gap between the date of the verification and the date the proposal is submitted. In other cases, the letter speaks as of a date *after* the date the proposal was submitted but covers a period of only one year, thus failing to verify the shareholder's beneficial ownership over the required full one-year period preceding the date of the proposal's submission.

Second, many letters fail to confirm continuous ownership of the securities. This can occur when a broker or bank submits a letter that confirms the shareholder's beneficial ownership only as of a specified date but omits any reference to continuous ownership for a one-year period.

We recognize that the requirements of Rule 14a-8(b) are highly prescriptive and can cause inconvenience for shareholders when submitting proposals. Although our administration of Rule 14a-8(b) is constrained by the terms of the rule, we believe that shareholders can avoid the two errors highlighted above by arranging to have their broker

or bank provide the required verification of ownership as of the date they plan to submit the proposal using the following format:

“As of [date the proposal is submitted], [name of shareholder] held, and has held continuously for at least one year, [number of securities] shares of [company name] [class of securities].”¹¹

As discussed above, a shareholder may also need to provide a separate written statement from the DTC participant through which the shareholder’s securities are held if the shareholder’s broker or bank is not a DTC participant.

D. The submission of revised proposals

On occasion, a shareholder will revise a proposal after submitting it to a company. This section addresses questions we have received regarding revisions to a proposal or supporting statement.

1. A shareholder submits a timely proposal. The shareholder then submits a revised proposal before the company’s deadline for receiving proposals. Must the company accept the revisions?

Yes. In this situation, we believe the revised proposal serves as a replacement of the initial proposal. By submitting a revised proposal, the shareholder has effectively withdrawn the initial proposal. Therefore, the shareholder is not in violation of the one-proposal limitation in Rule 14a-8(c).¹² If the company intends to submit a no-action request, it must do so with respect to the revised proposal.

We recognize that in Question and Answer E.2 of SLB No. 14, we indicated that if a shareholder makes revisions to a proposal before the company submits its no-action request, the company can choose whether to accept the revisions. However, this guidance has led some companies to believe that, in cases where shareholders attempt to make changes to an initial proposal, the company is free to ignore such revisions even if the revised proposal is submitted before the company’s deadline for receiving shareholder proposals. We are revising our guidance on this issue to make clear that a company may not ignore a revised proposal in this situation.¹³

2. A shareholder submits a timely proposal. After the deadline for receiving proposals, the shareholder submits a revised proposal. Must the company accept the revisions?

No. If a shareholder submits revisions to a proposal after the deadline for receiving proposals under Rule 14a-8(e), the company is not required to accept the revisions. However, if the company does not accept the revisions, it must treat the revised proposal as a second proposal and submit a notice stating its intention to exclude the revised proposal, as required by Rule 14a-8(j). The company’s notice may cite Rule 14a-8(e) as the reason for excluding the revised proposal. If the company does not accept the revisions and intends to exclude the initial proposal, it would also need to submit its reasons for excluding the initial proposal.

3. If a shareholder submits a revised proposal, as of which date must the shareholder prove his or her share ownership?

A shareholder must prove ownership as of the date the original proposal is submitted. When the Commission has discussed revisions to proposals,¹⁴ it has not suggested that a revision triggers a requirement to provide proof of ownership a second time. As outlined in Rule 14a-8(b), proving ownership includes providing a written statement that the shareholder intends to continue to hold the securities through the date of the shareholder meeting. Rule 14a-8(f)(2) provides that if the shareholder “fails in [his or her] promise to hold the required number of securities through the date of the meeting of shareholders, then the company will be permitted to exclude all of [the same shareholder’s] proposals from its proxy materials for any meeting held in the following two calendar years.” With these provisions in mind, we do not interpret Rule 14a-8 as requiring additional proof of ownership when a shareholder submits a revised proposal.¹⁵

E. Procedures for withdrawing no-action requests for proposals submitted by multiple proponents

We have previously addressed the requirements for withdrawing a Rule 14a-8 no-action request in SLB Nos. 14 and 14C. SLB No. 14 notes that a company should include with a withdrawal letter documentation demonstrating that a shareholder has withdrawn the proposal. In cases where a proposal submitted by multiple shareholders is withdrawn, SLB No. 14C states that, if each shareholder has designated a lead individual to act on its behalf and the company is able to demonstrate that the individual is authorized to act on behalf of all of the proponents, the company need only provide a letter from that lead individual indicating that the lead individual is withdrawing the proposal on behalf of all of the proponents.

Because there is no relief granted by the staff in cases where a no-action request is withdrawn following the withdrawal of the related proposal, we recognize that the threshold for withdrawing a no-action request need not be overly burdensome. Going forward, we will process a withdrawal request if the company provides a letter from the lead filer that includes a representation that the lead filer is authorized to withdraw the proposal on behalf of each proponent identified in the company's no-action request.¹⁶

F. Use of email to transmit our Rule 14a-8 no-action responses to companies and proponents

To date, the Division has transmitted copies of our Rule 14a-8 no-action responses, including copies of the correspondence we have received in connection with such requests, by U.S. mail to companies and proponents. We also post our response and the related correspondence to the Commission's website shortly after issuance of our response.

In order to accelerate delivery of staff responses to companies and proponents, and to reduce our copying and postage costs, going forward, we intend to transmit our Rule 14a-8 no-action responses by email to companies and proponents. We therefore encourage both companies and proponents to include email contact information in any correspondence to each other and to us. We will use U.S. mail to transmit our no-action response to any company or proponent for which we do not have email contact information.

Given the availability of our responses and the related correspondence on the Commission's website and the requirement under Rule 14a-8 for companies and proponents to copy each other on correspondence submitted to the Commission, we believe it is unnecessary to transmit copies of the related correspondence along with our no-action response. Therefore, we intend to transmit only our staff response and not the correspondence we receive from the parties. We will continue to post to the Commission's website copies of this correspondence at the same time that we post our staff no-action response.

¹ See Rule 14a-8(b).

² For an explanation of the types of share ownership in the U.S., see Concept Release on U.S. Proxy System, Release No. 34-62495 (July 14, 2010) [75 FR 42982] ("Proxy Mechanics Concept Release"), at Section II.A. The term "beneficial owner" does not have a uniform meaning under the federal securities laws. It has a different meaning in this bulletin as compared to "beneficial owner" and "beneficial ownership" in Sections 13 and 16 of the Exchange Act. Our use of the term in this bulletin is not intended to suggest that registered owners are not beneficial owners for purposes of those Exchange Act provisions. See Proposed Amendments to Rule 14a-8 under the Securities Exchange Act of 1934 Relating to Proposals by Security Holders, Release No. 34-12598 (July 7, 1976) [41 FR 29982], at n.2 ("The term 'beneficial owner' when used in the context of the proxy rules, and in light of the purposes of those rules, may be interpreted to have a broader meaning than it would for certain other purpose[s] under the federal securities laws, such as reporting pursuant to the Williams Act.").

³ If a shareholder has filed a Schedule 13D, Schedule 13G, Form 3, Form 4 or Form 5 reflecting ownership of the required amount of shares, the shareholder may instead prove ownership by submitting a copy of such filings and providing the additional information that is described in Rule 14a-8(b)(2)(ii).

⁴ DTC holds the deposited securities in “fungible bulk,” meaning that there are no specifically identifiable shares directly owned by the DTC participants. Rather, each DTC participant holds a pro rata interest or position in the aggregate number of shares of a particular issuer held at DTC. Correspondingly, each customer of a DTC participant – such as an individual investor – owns a pro rata interest in the shares in which the DTC participant has a pro rata interest. See Proxy Mechanics Concept Release, at Section II.B.2.a.

⁵ See Exchange Act Rule 17Ad-8.

⁶ See Net Capital Rule, Release No. 34-31511 (Nov. 24, 1992) [57 FR 56973] (“Net Capital Rule Release”), at Section II.C.

⁷ See *KBR Inc. v. Chevedden*, Civil Action No. H-11-0196, 2011 U.S. Dist. LEXIS 36431, 2011 WL 1463611 (S.D. Tex. Apr. 4, 2011); *Apache Corp. v. Chevedden*, 696 F. Supp. 2d 723 (S.D. Tex. 2010). In both cases, the court concluded that a securities intermediary was not a record holder for purposes of Rule 14a-8(b) because it did not appear on a list of the company’s non-objecting beneficial owners or on any DTC securities position listing, nor was the intermediary a DTC participant.

⁸ *Techne Corp.* (Sept. 20, 1988).

⁹ In addition, if the shareholder’s broker is an introducing broker, the shareholder’s account statements should include the clearing broker’s identity and telephone number. See Net Capital Rule Release, at Section II.C.(iii). The clearing broker will generally be a DTC participant.

¹⁰ For purposes of Rule 14a-8(b), the submission date of a proposal will generally precede the company’s receipt date of the proposal, absent the use of electronic or other means of same-day delivery.

¹¹ This format is acceptable for purposes of Rule 14a-8(b), but it is not mandatory or exclusive.

¹² As such, it is not appropriate for a company to send a notice of defect for multiple proposals under Rule 14a-8(c) upon receiving a revised proposal.

¹³ This position will apply to all proposals submitted after an initial proposal but before the company’s deadline for receiving proposals, regardless of whether they are explicitly labeled as “revisions” to an initial proposal, unless the shareholder affirmatively indicates an intent to submit a second, *additional* proposal for inclusion in the company’s proxy materials. In that case, the company must send the shareholder a notice of defect pursuant to Rule 14a-8(f)(1) if it intends to exclude either proposal from its proxy materials in reliance on Rule 14a-8(c). In light of this guidance, with respect to proposals or revisions received before a company’s deadline for submission, we will no longer follow *Layne Christensen Co.* (Mar. 21, 2011) and other prior staff no-action letters in which we took the view that a proposal would violate the Rule 14a-8(c) one-proposal limitation if such proposal is submitted to a company after the company has either submitted a Rule 14a-8 no-action request to exclude an earlier proposal submitted by the same proponent or notified the proponent that the earlier proposal was excludable under the rule.

¹⁴ See, e.g., Adoption of Amendments Relating to Proposals by Security Holders, Release No. 34-12999 (Nov. 22, 1976) [41 FR 52994].

¹⁵ Because the relevant date for proving ownership under Rule 14a-8(b) is the date the proposal is submitted, a proponent who does not adequately prove ownership in connection with a proposal is not permitted to submit another proposal for the same meeting on a later date.

¹⁶ Nothing in this staff position has any effect on the status of any shareholder proposal that is not withdrawn by the proponent or its authorized representative.

Word Count for Proposal

PROPOSAL BY CONCERNED SHAREHOLDERS OF SHF HOLDINGS, INC., TO EVALUATE THE PERFORMANCE OF THE COMPANY’S MANAGEMENT AND BOARD OF DIRECTORS, TO EVALUATE THE INDEPENDENCE OF THE COMPANY’S DIRECTORS, AND TO STRENGTHEN THE COMPANY’S CORPORATE GOVERNANCE

BE IT RESOLVED, that shareholders of SHF Holdings, Inc. (“SHFS” or the “Company”) strongly urge the Board of Directors to take immediate action to:

1. Conduct a full and transparent review of board composition and governance practices to ensure: (a) that independent directors, including but not limited to the board chairman, are exercising proper oversight and acting in the best interest of all shareholders, and (b) that directors chairing or serving on a committee, including but not limited to the Company’s Audit Committee and/or its Nominating and Corporate Governance Committee, are satisfactorily fulfilling the requirements of any such role; that such persons are doing so in a manner that is commercially reasonable and is in the best interest of the shareholders; and that such persons possess the requisite competence and sophistication to fulfill such requirements in the best interest of all shareholders.
2. Evaluate the qualifications and performance of the Company’s leadership, including the CEO and management team, to determine whether they possess the strategic vision and financial acumen necessary to execute a turnaround plan.
3. Initiate an independent director search process, led by a third-party governance expert, to identify and nominate highly qualified, independent directors who will bring enhanced financial oversight, strategic discipline, and accountability to the Company.
4. Implement a formal shareholder engagement policy requiring independent directors to engage directly with shareholders, answer questions, and address concerns related to the Company’s governance, financial performance, and strategic direction.

STATEMENT IN SUPPORT OF PROPOSAL BY CONCERNED SHAREHOLDERS OF SHF HOLDINGS, INC.,
TO EVALUATE THE PERFORMANCE OF THE COMPANY'S MANAGEMENT AND BOARD OF
DIRECTORS, TO EVALUATE THE INDEPENDENCE OF THE COMPANY'S DIRECTORS, AND TO
STRENGTHEN THE COMPANY'S CORPORATE GOVERNANCE

SHFS is at a critical inflection point. The Company faces imminent Nasdaq delisting risk, financial instability, and a failure to articulate a clear strategic plan. While recent shareholder communications have been a step in the right direction, they lacked meaningful strategic direction or a clearly-articulated vision for sustainably improving the Company's financial and operational performance.

Shareholders need confidence that the Company's leadership team has both the competence and credibility to steer the Company toward long-term success. However, the Board's failure to ensure that the CEO and management team possess the necessary expertise has only exacerbated investor uncertainty.

The Board must take immediate and decisive action to restore investor confidence in the Company by ensuring:

- That the CEO and leadership team are fully qualified to execute a strategic turnaround.
- That the Board is reconstituted with truly independent, competent directors who are committed to shareholder value.
- That shareholders are given a clear roadmap for how the Company intends to address its financial, operational, and legal challenges.

This proposal does not dictate specific nominees but instead requires the Board to conduct a transparent and independent governance review that ensures the right leadership and board structure are in place to maximize shareholder value.

This proposal is submitted by a qualifying shareholder on behalf of a committee of concerned shareholders. We urge all shareholders to vote in favor of this proposal.

Exhibit C
Word Count for Proposal

Word Count for Proposal

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 PROPOSAL BY CONCERNED SHAREHOLDERS OF SHF HOLDINGS, INC., TO EVALUATE THE
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 PERFORMANCE OF THE COMPANY'S MANAGEMENT AND BOARD OF DIRECTORS, TO EVALUATE
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 THE INDEPENDENCE OF THE COMPANY'S DIRECTORS, AND TO STRENGTHEN THE COMPANY'S
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 CORPORATE GOVERNANCE

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 of Directors to take immediate action to:

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 1. Conduct a full and transparent review of board composition and governance practices to ensure: (a) that
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 independent directors, including but not limited to the board chairman, are exercising proper oversight and acting in
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 the best interest of all shareholders, and (b) that directors chairing or serving on a committee, including but not
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 limited to the Company's Audit Committee and/or its Nominating and Corporate Governance Committee, are
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 satisfactorily fulfilling the requirements of any such role; that such persons are doing so so in a manner that is
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 commercially reasonable and is in the best interest of the shareholders; and that such persons possess the requisite
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 competence and sophistication to fulfill such requirements in the best interest of all shareholders.

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 2. Evaluate the qualifications and performance of the Company's leadership, including the CEO and management
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STATEMENT IN SUPPORT OF PROPOSAL BY CONCERNED SHAREHOLDERS OF SHF HOLDINGS, INC.,
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TO EVALUATE THE PERFORMANCE OF THE COMPANY'S MANAGEMENT AND BOARD OF
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DIRECTORS, TO EVALUATE THE INDEPENDENCE OF THE COMPANY'S DIRECTORS, AND TO
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STRENGTHEN THE COMPANY'S CORPORATE GOVERNANCE

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SHFS is at a critical inflection point. The Company faces imminent Nasdaq delisting risk, financial instability, and a
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failure to articulate a clear strategic plan. While recent shareholder communications have been a step in the right
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- That the Board is reconstituted with truly independent, competent directors who are committed to shareholder
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- That shareholders are given a clear roadmap for how the Company intends to address its financial, operational, and
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This proposal does not dictate specific nominees but instead requires the Board to conduct a transparent and
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independent governance review that ensures the right leadership and board structure are in place to maximize
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shareholder value.

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This proposal is submitted by a qualifying shareholder on behalf of a committee of concerned shareholders. We urge
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all shareholders to vote in favor of this proposal.

Exhibit D
2024 Proxy Statement Excerpt

STOCKHOLDERS MATTERS

Stockholder Communications with the Board of Directors

Any stockholder may communicate by mail with the Board of Directors or individual directors by contacting our Chief Legal Officer at SHF Holdings, Inc., 1526 Cole Blvd., Suite 250, Golden, Colorado 80401. The Board of Directors has instructed the Chief Legal Officer to review this correspondence and determine, in his discretion, whether matters submitted are appropriate for Board consideration. The Chief Legal Officer may also forward certain communications to others at the Company for review and possible response. Communications such as customer or commercial inquiries or complaints, job inquiries, surveys and business solicitations or advertisements or patently offensive or otherwise inappropriate material will not be forwarded to the Board of Directors.

Stockholder Proposals for Inclusion in 2025 Proxy Statement

Pursuant to Rule 14a-8 of the SEC's proxy rules, a stockholder intending to present a proposal to be included in the proxy statement for our 2025 Annual Meeting of Stockholders must have delivered a proposal in writing to our principal executive offices no later than February 11, 2025 (or if we change the date of the 2024 Annual Meeting by more than 30 days from the date of this year's 2024 Annual Meeting, a reasonable time before we begin to print and mail the proxy materials for the 2025 Annual Meeting). Proposals should be addressed to: Chief Legal Officer, SHF Holdings, Inc., 1526 Cole Blvd., Suite 250, Golden, Colorado 80401. Proposals from stockholders must also comply with the SEC's rules regarding the inclusion of stockholder proposals in proxy materials, and we may omit any proposal from our proxy materials that does not comply with the SEC's rules.

Other Stockholder Proposals for Presentation at 2025 Annual Meeting

Stockholder proposals intended to be presented at, but not included in the proxy materials for, our 2025 Annual Meeting of Stockholders, including director nominations for election to our Board of Directors, must be timely received by us in writing at our principal executive offices, addressed to the Chief Legal Office of the Company as indicated above. Under our Bylaws, to be timely, a stockholder's notice must be delivered to or mailed and received at our principal executive offices not less than 90 days, nor more than 120 days, prior to the meeting; provided, however, that in the event that the 2025 Annual Meeting of Stockholders is more than 30 days before or more than 60 days after the anniversary of the 2024 Annual Meeting, notice by the stockholder to be timely must be so delivered not earlier than the close of business on the 120th day before the 2025 Annual Meeting of Stockholders and not later than the later of (x) the close of business on the 90th day before the 2025 Annual Meeting of Stockholders or (y) the close of business on the 10th day following the day on which public announcement of the date of the annual meeting is first made by us. A stockholder's notice to the Chief Legal Officer must set forth the following information as to each matter the stockholder proposes to bring before the annual meeting:

- A brief description of the business desired to be brought before the annual meeting and the reasons for conducting such business at the annual meeting,
- The name and record address of the stockholder proposing such business,
- The class and number of shares beneficially owned by the stockholder, and
- Any material interest of the stockholder in such business.

The SEC's rules permit our management to vote proxies on a proposal presented by a stockholder as described above, in the discretion of the persons named as proxy, if:

- We receive timely notice of the proposal and advise our stockholders in that year's proxy materials of the nature of the matter and how management intends to vote on the matter; or
- We do not receive timely notice of the proposal in compliance with our Bylaws.

Interests of officers and directors in matters to be acted upon.

Except in the election of Mr. Fagan, Ms. Seefried, and/or Mr. Carroll under Proposal 1, none of the Company's officers or directors has any interest in any of the matters to be acted upon at the 2024 Annual Meeting.

May 2, 2025

Via Online Shareholder Proposal Portal

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

Re: ***SHF Holdings, Inc. – Withdrawal of No-Action Request Relating to Exclusion of Stockholder Proposal from 2025 Proxy Materials Pursuant to Rule 14a-8***

Ladies and Gentlemen:

This letter is submitted on behalf of SHF Holdings, Inc. (the “**Company**”), which received a stockholder proposal (the “**Proposal**”) from Jeffrey Blend and Darlene Steil (together, the “**Proponent**”) for inclusion in the Company’s proxy materials for the Company’s 2025 Annual Meeting of Stockholders (the “**2025 Proxy Materials**”).

In a letter to the staff of the Division of Corporation Finance of the U.S. Securities and Exchange Commission (the “**Staff**”) dated April 23, 2025 (the “**Company Letter**”), the Company requested that the Staff confirm that it would not recommend any enforcement action if the Company excluded the Proposal from its 2025 Proxy Materials. The Company has further considered the Proposal and has determined to include it in the 2025 Proxy Materials. As a result, the Company hereby withdraws the no-action request relating to the Company’s exclusion of the Proposal pursuant to Rule 14a-8 under the Securities Exchange Act of 1934, as amended, set forth in the Company Letter.

If the Staff has any questions regarding this letter or requires additional information, please do not hesitate to contact the undersigned at 713.229.1315. The Company is sending a copy of this letter to the Proponent.

Very truly yours,

BAKER BOTTS L.L.P.

By: 
Travis J. Wofford

cc: Via e-mail only
Jeffrey Blend and Darlene Steil
Donnie Emmi, Corporate Secretary, SHF Holdings, Inc.