



March 4, 2025

VIA ONLINE SHAREHOLDER PROPOSAL FORM

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

Re: Microsoft Corporation – Notice of Intent to Exclude from Proxy Materials Shareholder Proposal Submitted by Chris Mueller

Ladies and Gentlemen:

Microsoft Corporation (“we” or the “Company”) hereby submits this letter pursuant to Rule 14a-8(j) promulgated under the Securities Exchange Act of 1934, as amended, to request that the Staff of the Division of Corporation Finance (the “Staff”) of the U.S. Securities and Exchange Commission (the “Commission”) concur with our view that, for the reasons stated below, we may exclude the shareholder proposal and supporting statement (the “Proposal”) submitted by Chris Mueller (the “Proponent”) from the proxy materials to be distributed by the Company in connection with its 2025 annual meeting of shareholders (the “2025 Proxy Materials”).

Pursuant to Rule 14a-8(j), we have:

- submitted this letter and its attachments to the Commission via the online Shareholder Proposal Form located on the Commission’s website no later than 80 calendar days before the Company intends to file its 2025 Proxy Materials with the Commission; and
- concurrently a copy of this correspondence to the Proponent as notification of the Company’s intention to exclude the Proposal from its 2025 Proxy Materials.

Rule 14a-8(k) and the Commission’s *Staff Legal Bulletin No. 14D* (Nov. 7, 2008) (“SLB 14D”) provide that shareholder proponents are required to send companies a copy of any correspondence that the proponent elects to submit to the Commission or the Staff. Accordingly, we are taking this opportunity to inform the Proponent that if the Proponent elects to submit additional correspondence to the Commission or the Staff with respect to the Proposal, a copy of that correspondence should be furnished concurrently to the undersigned on behalf of the Company pursuant to Rule 14a-8(k) and SLB 14D.

THE PROPOSAL

On October 24, 2024, the Company received the Proposal from the Proponent for inclusion in the 2025 Proxy Materials. A copy of the Proposal is attached hereto as Exhibit A.

BASIS FOR EXCLUSION

We believe that the Proposal may be properly excluded from the 2025 Proxy Materials pursuant to Rule 14a-8(b)(1) and Rule 14a-8(f)(1) because the Proponent failed to provide the Company with sufficient evidence that he satisfies the ownership threshold requirements of Rule 14a-8(b)(1)(i).

BACKGROUND

On October 18, 2024, the Proponent sent the Proposal via certified mail to the Company. The Company received the Proposal on October 24, 2024. The initial Proposal did not contain any information concerning the Proponent's stock ownership, as required under Rule 14a-8(b)(1); however, it did note that the Proponent is "an individual investor with a directly registered ownership position in our company." Based on the Company's review of the records of the Company's transfer agent, Computershare Trust Company, N.A., regarding the Proponent's direct ownership of the common stock of the Company, the Company determined that the Proponent held one registered share of common stock of the Company. A copy of this ownership record (the "Ownership Record") is attached hereto as Exhibit B. Based on the Ownership Record, the Company determined that the Proponent's registered holdings of the Company's securities did not satisfy the requirements of Rule 14a-8(b)(1).

On November 4, 2024, the Company sent the Proponent a letter of deficiency via email (the "Deficiency Letter") identifying the procedural deficiency, as described below. The Proponent confirmed receipt of the Deficiency Letter on November 5, 2024. The Deficiency Letter also explained the proof of ownership requirements and how the Proponent may satisfy those requirements. A copy of the Deficiency Letter is attached hereto as Exhibit C. A copy of the receipt confirmation from the Proponent is attached hereto as Exhibit D.

The deadline for the Proponent to respond to the Deficiency Letter was November 19, 2024, which is 14 calendar days from November 5, 2024, the date the Proponent confirmed receipt of the Deficiency Letter. As of the date of this letter, the Proponent has not responded to the deficiency noted in the Deficiency Letter. Additional correspondence from the date of the Deficiency Letter to the date of this letter between the Company and the Proponent related to the Proposal are attached hereto as Exhibit E.

ANALYSIS

Rule 14a-8(b)(1) provides that, in order to be eligible to submit a proposal, a proponent must have continuously held:

- at least \$2,000 in market value of the company's common stock for at least three years,

preceding and including the date that the proposal was submitted;

- at least \$15,000 in market value of the company's common stock for at least two years, preceding and including the date that the proposal was submitted; or
- at least \$25,000 in market value of the company's common stock for at least one year, preceding and including the date that the proposal was submitted.

If the proponent is not a registered holder, he or she must provide proof of beneficial ownership of the securities. Under Rule 14a-8(f)(1), a company may exclude a shareholder proposal if the proponent fails to provide evidence that it meets the eligibility requirements of Rule 14a-8(b), provided that the company notifies the proponent of the deficiency within 14 calendar days of receiving the proposal and the proponent fails to correct the deficiency within 14 days of receiving such notice.

In this case, while the Proponent is in fact a registered holder of the Company's securities, his direct ownership is insufficient to satisfy the ownership threshold requirements of Rule 14a-8(b)(1). As a result, additional proof of the Proponent's stock ownership is required to demonstrate that the Proponent satisfies the ownership threshold requirements of Rule 14a-8(b)(1).

According to SEC Release No. 34-89964 (Sept. 23, 2020) (the "2020 Release"), to calculate whether a proponent satisfied the relevant ownership threshold, the proponent should determine whether, on any date within the 60 calendar days before the date the proponent submitted the proposal, the proponent's investment had a market value at the relevant threshold or greater. The 2020 Release further provides that the market value is calculated by multiplying the number of securities the proponent continuously held for the relevant period by the highest selling price during the 60 calendar days before the proponent submitted the proposal. Under Rule 14a-8(f)(1), a company may exclude a shareholder proposal if the proponent fails to provide evidence that it satisfies the relevant ownership threshold.

For purposes of the Rule 14a-8(b)(1) calculation, it is important to note that a security's highest selling price is not necessarily the same as its highest closing price. During the 60 calendar days preceding and including October 18, 2024, the date the Proponent submitted the Proposal, the highest selling price for the Company's common stock was \$441.85 per share. Based on the Ownership Record, the value of the Proponent's holdings in the Company for purposes of submitting the Proposal is \$441.85, which is below the \$2,000 ownership threshold set forth in Rule 14a-8(b)(1).

The Company satisfied its obligation under Rule 14a-8(f) by sending the Deficiency Letter to the Proponent no more than 14 calendar days after receipt of the Proposal, stating that the Proponent had not met the eligibility requirements of Rule 14a-8(b)(1) and requesting verification of the Proponent's sufficient stock ownership. The Deficiency Letter informed the Proponent of the eligibility requirements of Rule 14a-8(b)(1), how to cure the eligibility deficiency, and the need to respond to the Company to cure the deficiency within 14 days from the receipt of the Deficiency Letter. As discussed above, the Proponent failed to provide timely documentary evidence of his

eligibility to submit a shareholder proposal in response to the Company's proper and timely Deficiency Letter.

The Staff has consistently concurred in the exclusion of Proposals under Rule 14a-8(f)(1) where the proponent has failed to provide satisfactory evidence of continuous ownership of the Company's securities, as required by Rule 14a-8(b). See, e.g., Dow Inc. (Jan. 27, 2025) (concurring with the exclusion of a proposal submitted by the same proponent, where the proponent was the registered owner of a single share of the company's stock and failed to provide proof of additional ownership); Westrock Coffee Company (Jan. 24, 2025) (same); Kosmos Energy Ltd. (Jan. 21, 2025) (same); SL Green Realty Corp. (Jan. 21, 2025) (same); First Watch Restaurant Group, Inc. (Jan. 19, 2025) (same); General Motors Co. (Jan. 19, 2025) (same); Bank of America Corp. (Jan. 13, 2025) (same); Kenvue Inc. (Jan. 13, 2025) (same); Hanesbrands Inc. (Jan. 9, 2025) (same); Levi Strauss & Co. (Jan. 9, 2025) (same); Enzo Biochem, Inc. (Sep. 30, 2024) (same); Culp, Inc. (Apr. 23, 2024) (same).

The Proponent has failed to demonstrate his eligibility to submit a Rule 14a-8 proposal under Rule 14a-8(b)(1). Accordingly, we intend to exclude the Proposal under Rule 14a-8(f)(1), because the Proponent has not demonstrated that he is eligible to submit the Proposal under Rule 14a-8(b)(1).

CONCLUSION

Based upon the foregoing analysis, we respectfully request that the Staff concur that the Company may exclude the Proposal from the 2025 Proxy Materials. Should the Staff disagree with the conclusions set forth in this letter, or should you require any additional information in support of our position, we would welcome the opportunity to discuss these matters with you as you prepare your response. Please direct any questions or further comments regarding this response letter to the undersigned at (425) 882-8080.

Very truly yours,

MICROSOFT CORPORATION

By: 
Keith Dolliver (CELA) (Mar 3, 2025 10:20 PST)

Name: Keith Dolliver

Title: Deputy General Counsel and Corporate Secretary

Attachments

cc: Chris Mueller

Microsoft Corporation
One Microsoft Way
Redmond, WA 98052-6399

Tel 425 882 8080
Fax 425 706 7329
www.microsoft.com



Exhibit A

Proposal

October 18, 2024

Microsoft Corp.
One Microsoft Way
Redmond, WA 98052

Members of the board.

My name is Chris Mueller, and I would like to submit a shareholder proposal for the 2025 annual shareholder meeting. I am an individual investor with a directly registered ownership position in our company. I intend to hold my position through the date of the meeting, and I'm available to discuss my proposal with the board at any time.

My proposal: Microsoft Corp. should allow our shareholders the option to hold their shares in certificated form by utilizing the "print on demand" service that Computershare offers called QuickCert.

Hundreds of issuers use Computershare's QuickCert service including: Tesla, Nvidia, Walmart, Yelp, MGM, United Airlines, Harley, Starbucks, Papa Johns, TopGolf, Citizens, Icahn, JP Morgan, Goldman Sachs, Nasdaq, Hasbro, Cisco, Paypal, Foot Locker, Domino's, Wayfair, Colgate, Amex, PNC, Pepsico, Campbell's, Manitowoc, Warner Bros, BNY Mellon, K-Force, JetBlue, Carnival, AGNC, Nokia, Mattel, Funko.

Based on my own holdings, MOST issuers, that use Computershare as a transfer agent, continue to offer the option for certificated holdings. A majority of those issuers use QuickCert. The service is low cost, and the fee to the investor is \$25 per certificate.

Holding book-entry shares with the transfer agent already adds a layer of protection for the investor, however, there are still risks with holding uncertificated shares. According to Computershare's FAQ, book-entry shares (enrolled in certain investment plans) are held by Computershare's nominee Dingo & Co. "A portion" of those shares are held "at DTC for operational efficiency". Computershare has not provided information regarding how they determine what portion of those shares are held at DTC, however, Computershare has stated that certificated shares are not included in the aggregate total of DSPP shares held at DTC. Allowing investors to certificate their shares enables investors to enroll in certain investment plans while eliminating the ability for Computershare to hold a portion of those shares at DTC.

It is also worth mentioning is that transfer agents are not immune to negligence nor cyber attacks. On 8/20/24, the SEC announced settled charges with Equiniti for failing to assure that client securities and funds were protected from cyber intrusions against theft or misuse. Personally, I was not able to log into dozens of accounts at AST for MONTHS in 2023. Without holding many of my securities in certificated form, I was limited in my ability to prove that I owned those shares during that time.

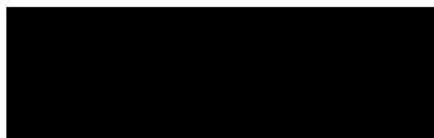
Although this added layer of protection may not be a priority to everyone, it is worth the additional \$25 investment to me personally. I encourage our company to take my proposal seriously. **Issuers that refuse to offer the certificated holding option are denying our investors the ability to incorporate this extra layer of protection for their shares.**

I would appreciate correspondence through email (if possible) to limit the resource expenditure necessary for responding to my proposal.

Thank you for your time,



Chris Mueller



Microsoft Corporation
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Exhibit B

Ownership Record

MICROSOFT CORPORATION

Date selected 11/26/2024
Document created 11/26/2024 12:18 PM

Holder
[Redacted]

Address
[Redacted]

ID
C0002458691

Share Class	Register	Balance	Price	Value
Grouped by: MSFT (CUSIP 594918104)				
COMMON STOCK	Book Entry	1.000000	USD 425.85	USD 425.85

Market data for Publicly Traded Securities provided by Xignite Ltd.

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Exhibit C

Deficiency Letter



November 4, 2024

BY EMAIL

Chris Mueller
[REDACTED]

Re: Notice of Deficiency

Dear Mr. Muller:

We are writing to acknowledge receipt on October 24, 2024, of the shareholder proposal (the ***"Proposal"***) submitted to Microsoft Corporation (the ***"Company"***) by Chris Mueller (the ***"Proponent"***) pursuant to Rule 14a-8 under the Securities Exchange Act of 1934, as amended (the ***"Exchange Act"***) for inclusion in the Company's proxy materials for the 2025 Annual Meeting of Shareholders (the ***"Annual Meeting"***). We have reviewed the Proposal and bring to your attention the following deficiency regarding eligibility in accordance with Rule 14a-8 of the Exchange Act.

Under the proxy rules of the Securities and Exchange Commission, in order to be eligible to submit a proposal for the Annual Meeting, Rule 14a-8(b)(1)(i) of the Exchange Act requires proponents to 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. Further, Rule 14a-8(b)(1)(vi) of the Exchange Act provides that 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.

Our records indicate that you are not a registered holder of a requisite number of shares of the Company's common stock pursuant to the requirements of Rule 14a-8(b). Please provide a written statement from the record holder of your shares (usually a bank or broker) and a participant in the Depository Trust Company (***"DTC"***) verifying that, at the time you submitted the Proposal, you had beneficially held the requisite number of shares of the Company's common stock pursuant to the requirements of Rule 14a-8(b). For your reference, a copy of Rule 14a-8 is attached to this letter as Exhibit A.

In order to determine if the bank or broker holding your shares is a DTC participant, you can check the DTC's participant list, which is currently available on the Internet at <https://www.dtcc.com/client-center/dtc-directories>. If the bank or broker holding your shares is not a DTC participant, you also will need to obtain proof of ownership from the DTC participant through which the shares are held. You should be able to find out who this DTC participant is by asking your broker or bank. If the DTC participant knows your broker or bank's holdings, but does not know your holdings, you can satisfy Rule 14a-8 by obtaining and submitting two letters – one

from your broker or bank confirming your ownership, and the other from the DTC participant confirming the broker or bank's ownership - verifying that, at the time the Proposal was submitted, the required amount of shares were continuously held for at least three years. For additional information regarding the acceptable methods of proving your ownership of the minimum number of shares of the Company's common stock, please see Rule 14a-8(b)(2) in Exhibit A.

Rule 14a-8(f) of the Exchange Act requires you to correct the deficiency noted above in order to have the Proposal included in the Company's proxy materials for the Annual Meeting. The response to this letter and the appropriate documentation noted above must be postmarked or transmitted electronically to us no later than 14 calendar days from the date you receive this letter. Once we receive this documentation, we will be in a position to determine whether the Proposal is eligible for inclusion in the proxy materials for the Annual Meeting. Even if you remedy the defects noted above in a timely manner, the Company reserves the right to raise any substantive objections it has to your Proposal at a later date.

Very truly yours,

MICROSOFT CORPORATION

By: *Julia Stark*
Julia Stark (Nov 1, 2024 10:08 PDT)

Name: Julia Stark

Title: Senior Corporate Counsel


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One Microsoft Way
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Exhibit A

Rule 14a-8

☐ Displaying title 17, up to date as of 7/01/2024. Title 17 was last amended 7/01/2024. 

Title 17 —Commodity and Securities Exchanges
Chapter II —Securities and Exchange Commission
Part 240 —General Rules and Regulations, Securities Exchange Act of 1934
Subpart A —Rules and Regulations Under the Securities Exchange Act of 1934
Regulation 14A: Solicitation of Proxies

EDITORIAL NOTE ON PART 240

Editorial Note: Nomenclature changes to part 240 appear at 57 FR 36501, Aug. 13, 1992, and 57 FR 47409, Oct. 16, 1992.

⦿ **§ 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.

- (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 § 270.30d-1 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]

Microsoft Corporation
One Microsoft Way
Redmond, WA 98052-6399

Tel 425 882 8080
Fax 425 706 7329
www.microsoft.com



Exhibit D

Confirmation of Receipt

From: [Chris Mueller](#)
To: [Julia Stark \(CELA\)](#)
Subject: [EXTERNAL] Re: MSFT - Notice of Deficiency (C. Mueller)
Date: Tuesday, November 5, 2024 4:11:51 AM
Attachments: [image001.png](#)

Received. Thank you Julia

On Mon, Nov 4, 2024 at 7:44 PM Julia Stark (CELA) <juliastark@microsoft.com> wrote:

Mr. Mueller,

Attached please find correspondence regarding the shareholder proposal you submitted. We would appreciate you confirming receipt of the attached.

Best,

Julia

Julia Stark (CELA)
Senior Corporate Counsel
Office: (425) 703-2525
juliastark@microsoft.com



Microsoft Corporation
One Microsoft Way
Redmond, WA 98052-6399

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Fax 425 706 7329
www.microsoft.com



Exhibit E

All Other Communication

From: [Chris Mueller](#)
To: [Julia Stark \(CELA\)](#)
Subject: [EXTERNAL] Re: MSFT - Request to Withdraw (C. Mueller)
Date: Tuesday, November 26, 2024 6:36:30 PM
Attachments: [image001.png](#)

Hi Julia,

Thank you for your email. The one time fee to set up certificates is less than \$500 from my understanding and it can be done in just a few days. This would allow me (and other shareholders) the ability to certificate our securities which would resolve the concerns referenced in my proposal. Please let me know if we can do that, and if so, I will withdraw my proposal.

Thank you again,

Chris

On Tue, Nov 26, 2024 at 5:50 PM Julia Stark (CELA) <juliastark@microsoft.com> wrote:

Mr. Mueller,

I am writing to advise you that we have not received your proof of ownership in response to the deficiency notice provided to you on November 4, which you acknowledged on November 5, with regard to the proposal you have submitted to Microsoft Corporation. As the 14-day deadline to respond to the notice has passed, we are in the process of preparing a no-action letter to the SEC staff seeking the staff's concurrence in our intent to exclude the shareholder proposal from our 2025 proxy statement.

We kindly request that you withdraw your shareholder proposal. In an effort to avoid the costs of preparing and submitting a no-action request to the SEC, we ask that you withdraw your request now, prior to Microsoft incurring such costs and filing the appropriate documents with the SEC.

We appreciate your consideration. We note your request to correspond through email, so we ask that you respond via email with your notice to withdraw.

Best,

Julia

Julia Stark (CELA)

Senior Corporate Counsel

Office: (425) 703-2525

juliastark@microsoft.com



From: Chris Mueller [REDACTED]
Sent: Tuesday, November 5, 2024 4:12 AM
To: Julia Stark (CELA) <juliastark@microsoft.com>
Subject: [EXTERNAL] Re: MSFT - Notice of Deficiency (C. Mueller)

Received. Thank you Julia

On Mon, Nov 4, 2024 at 7:44 PM Julia Stark (CELA) <juliastark@microsoft.com> wrote:

Mr. Mueller,

Attached please find correspondence regarding the shareholder proposal you submitted.
We would appreciate you confirming receipt of the attached.

Best,

Julia

Julia Stark (CELA)

Senior Corporate Counsel

Office: (425) 703-2525

juliastark@microsoft.com

