



DIVISION OF
CORPORATION FINANCE

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

April 7, 2025

Julia A. Thompson
Latham & Watkins LLP

Re: Spok Holdings, Inc. (the "Company")
Incoming letter dated February 19, 2025

Dear Julia A. Thompson:

This letter is in response to your correspondence concerning the shareholder proposal (the "Proposal") submitted to the Company by Chris Mueller (the "Proponent") for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders.

There appears to be some basis for your view that the Company may exclude the Proposal under Rule 14a-8(f) because the Proponent did not comply with Rule 14a-8(b)(1)(i). As required by Rule 14a-8(f), the Company notified the Proponent of the problem, and the Proponent failed to correct it. Accordingly, we will not recommend enforcement action to the Commission if the Company omits the Proposal from its proxy materials in reliance on Rules 14a-8(b)(1)(i) and 14a-8(f).

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

Sincerely,

Rule 14a-8 Review Team

cc: Chris Mueller

February 19, 2025

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

Re: Spok Holdings, Inc. – Exclusion of Stockholder Proposal Submitted by Chris Mueller

To the addressee set forth above:

Spok Holdings, Inc. (the “Company” or “Spok”) respectfully submits this letter pursuant to Rule 14a-8(j) promulgated under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), to notify the Securities and Exchange Commission (the “Commission”) of the Company’s intention to exclude from the Company’s proxy materials for its 2025 annual meeting of stockholders (the “2025 Proxy Materials”) a stockholder proposal (the “Stockholder Proposal”) submitted to the Company by Chris Mueller (the “Proponent”). The Company requests confirmation that the staff of the Division of Corporation Finance (the “Staff”) will not recommend to the Commission that enforcement action be taken against the Company if the Company excludes the Stockholder Proposal from its 2025 Proxy Materials pursuant to:

- Rule 14a-8(b)(1)(i) 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); and
- Rule 14a-8(b)(i)(iii) and Rule 14a-8(f)(1), because the Proponent failed to provide the Company with an adequate written statement regarding his ability to meet with the Company to discuss the Stockholder Proposal.

By copy of this letter, we are advising the Proponent of the Company’s intention to exclude the Proposal. In accordance with Rule 14a-8(j)(2) and Staff Legal Bulletin No. 14D (Nov. 7, 2008) (“SLB 14D”), we are submitting electronically to the Staff:

- this letter, which sets forth our reasons for excluding the Proposal; and
- the Proponent’s letter submitting the Proposal.

The Company intends to file its definitive Proxy Materials with the Commission on April 29, 2025. This letter is being sent to the Staff fewer than 80 calendar days before such date and accordingly, as described below, the Company requests that the Staff waive the 80-day requirement with respect to this letter. Rule 14a-8(k) and SLB 14D provide that stockholder proponents are required to send companies a copy of any correspondence that the proponents elect to submit to the Commission or the Staff. Accordingly, we are taking this opportunity to inform the Proponent that if the Proponent elects to submit additional correspondence to the Commission or the Staff with respect to the Stockholder 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 Stockholder Proposal

On January 19, 2025, the Company received the following Stockholder Proposal from the Proponent for inclusion in the 2025 Proxy Materials:

Spok Holdings, Inc. should demand additional disclosures from our transfer agent for the benefit of our registered holders including:

- 1) Providing an update regarding alleged arbitrage opportunities that may be enabled through recurring DirectStock Plan purchases.
- 2) Disclosing how investor's registered shares used for "operational efficiency" (which title is legally owned by Cede & Co.) are protected (or insured). According to section 15 of our investment plan, securities held in DirectStock accounts are not insured.
- 3) Disclosing how Computershare determines what percentage of aggregate DSPP shares are held at DTC for operational efficiency.
- 4) Disclosing specifically why certificated shares (that are enrolled in DirectStock Plan) can not be held at DTC for operational efficiency.

A copy of the Stockholder Proposal, including the supporting statement, is attached hereto as Exhibit A.

Basis for Exclusion

We respectfully request that the Staff concur in our view that the Stockholder Proposal may be excluded from the 2025 Proxy Materials pursuant to:

- Rule 14a-8(b)(1)(i) 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); and
- Rule 14a-8(b)(1)(iii) and Rule 14a-8(f)(1), because the Proponent failed to provide the Company with an adequate written statement regarding his ability to meet with the Company to discuss the Stockholder Proposal.

Background

On January 19, 2025, the Company received the Stockholder Proposal via certified mail. The initial Stockholder Proposal did not contain any information concerning the Proponent's stock ownership, as required under Rule 14a-8(b)(1)(i), or the Proponent's availability to meet with the Company, as required under Rule 14a-8(b)(1)(iii), however it did note that the Proponent is "an individual investor with a registered ownership position." The Company reviewed its internal records regarding the Proponent's direct ownership and 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 accuracy of which was separately confirmed by the Company's transfer agent, the Company determined that the Proponent's registered holdings of the Company's securities did not satisfy the requirements of 14a-8(b)(1)(i).

On January 31, 2025 (which was within 14 calendar days of the Company's receipt of the Stockholder Proposal), the Company sent a letter of deficiency to the Proponent via e-mail (the "Deficiency").

Notice”), identifying two procedural deficiencies, as described below. The Deficiency Notice notified the Proponent of the requirements of Rule 14a-8 and explained how the Proponent could cure these two procedural deficiencies. A copy of the Deficiency Notice is attached hereto as Exhibit C.

More specifically, the Deficiency Notice (1) acknowledged the receipt of the Stockholder Proposal, (2) informed the Proponent of the stock ownership requirements of Rule 14a-8(b), (3) indicated the methods by which the Proponent could cure this eligibility deficiency, and (4) included a copy of (i) Rule 14a-8 and (ii) Staff Legal Bulletin No. 14F, dated October 18, 2011. In addition, the Deficiency Notice informed the Proponent of his failure to provide the Company with a written statement of availability to engage with the Company, as required under Rule 14a-8(b)(1)(iii), and included instructions on how to remedy the deficiency.

The Proponent acknowledged receipt of the Deficiency Notice on January 31, 2025 (the “Proponent Acknowledgement”). A copy of the Proponent Acknowledgement is attached hereto as Exhibit D.

The Proponent’s deadline for responding to the Deficiency Notice was February 14, 2025, which is 14 calendar days from January 31, 2025, the date the Proponent received the Deficiency Notice. As of the date of this letter, the Company has not received any additional correspondence from the Proponent other than the Proponent Acknowledgement.

Analysis

I. The Stockholder Proposal May Be Excluded Pursuant to Rule 14a-8(b)(1)(i) and Rule 14a-8(f)(1) Because the Proponent Failed to Establish the Requisite Eligibility to Submit the Stockholder Proposal

Rule 14a-8(b)(1)(i) provides that, to be eligible to submit a stockholder proposal in connection with a stockholder meeting, a stockholder must have continuously held:

1. At least \$2,000 in market value of the company’s securities entitled to vote on the proposal for at least three years; or
2. At least \$15,000 in market value of the company’s securities entitled to vote on the proposal for at least two years; or
3. At least \$25,000 in market value of the company’s securities entitled to vote on the proposal for at least one year.

Pursuant to Rule 14a-8(b)(2)(ii)(A), if a proponent is not the registered holder of securities entitled to vote, the proponent must submit to the company a written statement from the record holder of such securities verifying that, at the time the proposal was submitted, the proponent held enough of the company’s securities to satisfy the ownership threshold requirements of Rule 14a-8(b)(1)(i). 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)(i). As a result, additional proof of the Proponent’s stock ownership is required in order to demonstrate that the Proponent satisfies the ownership threshold requirements of Rule 14a-8(b)(1)(i).

According to Staff Legal Bulletin No. 14L (Nov. 3, 2021) (“SLB 14L”), 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. SLB 14L 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 stockholder submitted the proposal. Under Rule 14a-8(f)(1), a company may exclude a stockholder proposal if the proponent fails to provide evidence that it satisfies the relevant ownership threshold.

For purposes of the Rule 14a-8(b)(1)(i) 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 January 6, 2025, the date the Proponent submitted the Stockholder Proposal, the highest selling price for Spok's common stock was \$16.80 per share. Based on the Ownership Record, the value of the Proponent's holdings in Spok for purposes of submitting the Stockholder Proposal is \$16.80, which is below the each of the ownership thresholds set forth in Rule 14a-8(b)(1)(i).

The Company satisfied its obligation under Rule 14a-8(f) by sending the Deficiency Notice to the Proponent 12 calendar days after receipt of the Stockholder Proposal, stating that the Proponent had not met the eligibility requirements of Rule 14a-8(b)(1)(i) and requesting verification of the Proponent's sufficient stock ownership. The Deficiency Notice clearly informed the Proponent of the eligibility requirements of Rule 14a-8(b)(1)(i), 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 Notice. As discussed above, the Proponent failed to timely provide documentary evidence of his eligibility to submit a stockholder proposal in response to the Company's proper and timely Deficiency Notice. The Proponent failed to respond to the Deficiency Notice, and as of the date of this letter, the Company has not received any further correspondence from the Proponent other than the Proponent Acknowledgement.

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., *Bank of America Corp.* (avail. Feb. 20, 2024) (concurring with the exclusion of a proposal where the proponent failed to timely provide proof of requisite stock ownership after receiving notice of such deficiency); *RTX Corp.* (avail. Feb. 20, 2024); *Allegheny Technologies Inc.* (avail. Feb. 27, 2018) (concurring with the exclusion of a proposal where the proponent held 70 shares and the market value of these shares was not at least \$2,000); and *QEP Resources, Inc.* (avail. Dec. 27, 2017).

Consistent with the precedent cited above, the Proponent has failed to demonstrate his eligibility to submit a Rule 14a-8 proposal under Rule 14a-8(b)(1)(i). Accordingly, the Company intends to exclude the Stockholder Proposal under Rule 14a-8(f)(1), because the Proponent has not demonstrated that he is eligible to submit the Stockholder Proposal under Rule 14a-8(b)(1)(i).

II. The Stockholder Proposal May Be Excluded Pursuant to Rule 14a-8(b)(1)(iii) and Rule 14a-8(f)(1) Because the Proponent Failed to Provide the Company with a Written Statement Regarding His Ability to Meet with the Company

Rule 14a-8(b)(1)(iii) requires a proponent to provide a written statement that he or she 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 stockholder proposal. This written statement must include the proponent's contact information as well as business days and specific times that the proponent is available to discuss the proposal with the company. The proponent must identify times that are within the regular business hours of the company's principal executive office. The Commission has indicated that proponents must identify specific dates and times rather than providing a general statement of the proponent's availability, as the former approach increases the likelihood of engagement because the company knows the proponent's availability in advance. See SEC Release No. 34-89964, 85 Fed. Reg. 70240, 70253-4. (Sept. 23, 2020). Under Rule 14a-8(f)(1), a company may exclude a stockholder proposal if the proponent

fails to provide evidence that it meets any of the eligibility requirements of Rule 14a-8(b) following a timely and proper request by the Company.

As noted above, the initial Stockholder Proposal did not contain specific information concerning the Proponent's availability to meet with the Company, as required under Rule 14a-8(b)(1)(iii), other than to note the proponent can meet with the board to discuss the Stockholder Proposal "at any time." The Company satisfied its obligation under Rule 14a-8(f) by sending the Deficiency Notice to the Proponent 12 calendar days after receipt of the Stockholder Proposal, which informed the Proponent of his failure to provide the Company with a written statement of availability to engage with the Company, as required under Rule 14a-8(b)(1)(iii), and included instructions on how to remedy the deficiency.

Despite the information and instructions provided by the Company in the Deficiency Notice, the Proponent failed to remedy this defect because he failed to respond to the Deficiency Notice with a written statement that included the business days and specific times of availability to discuss the Stockholder Proposal.

The Staff has consistently permitted the exclusion of stockholder proposals where a proponent fails to provide a written statement of the proponent's availability to discuss the proposal after receiving a timely deficiency notice from the company under Rule 14a-8(b)(1)(iii) and Rule 14a-8(f)(1). See *Chevron Corp.* (avail. Apr. 4, 2023); *CDW Corp.* (avail. Mar. 28, 2023); *The Allstate Corp.* (avail. Jan. 23, 2023); *Textron, Inc.* (avail. Jan. 23, 2023); *Molina Healthcare, Inc.* (avail. Jan. 17, 2023); and *AmerisourceBergen Corp.* (avail. Jan. 12, 2023).

Consistent with the precedent cited above, the Company intends to exclude the Stockholder Proposal under Rule 14a-8(b)(1)(iii) and Rule 14a-8(f)(1) because, despite receiving timely and proper notice of this deficiency pursuant to Rule 14a-8(f)(1), the Proponent has not provided a written statement regarding his ability to meet with the Company, as required by Rule 14a-8(b)(1)(iii).

Request for Waiver under Rule 14a-8(j)(1)

The Company further requests that the Staff waive the 80-day filing requirement set forth in Rule 14a-8(j) for good cause. 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, in its discretion, to permit a company to make its submission later than 80 days before the filing of its definitive proxy statement if the company demonstrates good cause for missing the deadline.

The Staff previously has granted waivers in similar circumstances where the reason for the delayed submission of a request for "no action" was that the company had been waiting for a response from the proponent to correct deficiencies in the proponent's submission. See, e.g., *Toll Brothers, Inc.* (avail. Jan. 10, 2006); *Toll Brothers, Inc.* (avail. Jan. 5, 2006); *E*TRADE Group, Inc.* (avail. Oct. 31, 2000); and *PHP Healthcare Corp.* (avail. Aug. 25, 1998).

Additionally, the Company did not receive the Stockholder Proposal until January 19, 2025, because the Stockholder Proposal was sent to the Company's old mailing address and the mail forwarding process delayed delivery by almost two weeks. See Exhibit A for proof of receipt.

As discussed above, the Company sent the Deficiency Notice to the Proponent on January 31, 2025, 12 calendar days after receipt of the Stockholder Proposal, and provided the Proponent the opportunity to cure the two deficiencies. However, despite acknowledging receipt of the Deficiency Notice on January 31,

2025, the Proponent failed, within 14 calendar days of receiving the Deficiency Notice, to (i) provide the additional proof of ownership requested by the Company and demonstrate his eligibility to submit a Rule 14a-8 proposal under Rule 14a-8(b)(1), and (ii) provide a written statement regarding his ability to meet with the Company, as required by Rule 14a-8(b)(1)(iii). As of the date of this letter, the Company has not received any further correspondence from the Proponent other than the Proponent Acknowledgement.

The Company is submitting this request for no-action relief promptly after the expiration of the 14-day deadline for the Proponent to respond to the Deficiency Notice. Accordingly, we believe that there is “good cause” for not satisfying the 80-day requirement, and we respectfully request that the Staff waive the 80-day requirement with respect to this letter, and concur in our view that the Proponent did not satisfy the requirements of Rule 14a-8(b)(i), Rule 14a-8(b)(1)(iii) and Rule 14a-8(f)(1).

Conclusion

For the foregoing reasons, we respectfully request that the Staff concur that the Stockholder Proposal may be excluded from the Company’s 2025 Proxy Materials pursuant to Rule 14a-8(b)(i), Rule 14a-8(b)(1)(iii), and Rule 14a-8(f)(1). If the Staff has any questions regarding this request or requires additional information, please contact the undersigned by phone at (202) 637-1073 or by email at Julia.Thompson@lw.com.

Sincerely,



Julia A. Thompson
OF LATHAM & WATKINS LLP

cc: Chris Mueller
Vince Kelly (Spok Holdings, Inc.)
Sharon Woods-Keisling (Spok Holdings, Inc.)

Exhibit A

Stockholder Proposal from the Proponent

January 6, 2025

Spok Holdings, Inc.
5911 Kingstowne Village Parkway, 6th floor
Alexandria, VA 22315

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 registered ownership position. I intend to hold my position through the 2025 annual shareholder meeting. I can meet with the board to discuss my proposal at any time.

I also submitted a shareholder proposal for the 2024 meeting. My proposal included a reference to the arbitrage exposure that allegedly occurs with recurring purchases made through Computershare's DirectStock Plan. It has been 11 months since I submitted my proposal, and Computershare has not provided an update. According to the FAQ page on Computershare's website:

"We are looking into the concern from investors about the predictable schedule DirectStock Plan open market purchases open up arbitrage opportunities. The orders are being executed on exchanges and there is a concern being raised that third parties can anticipate an order arriving in the market."

My proposal: Spok Holdings, Inc. should demand additional disclosures from our transfer agent for the benefit of our registered holders including:

- 1) **Providing an update regarding alleged arbitrage opportunities that may be enabled through recurring DirectStock Plan purchases.**
- 2) **Disclosing how investor's registered shares used for "operational efficiency" (which title is legally owned by Cede & Co.) are protected (or insured). According to section 15 of our investment plan, securities held in DirectStock accounts are not insured.**
- 3) **Disclosing how Computershare determines what percentage of aggregate DSPP shares are held at DTC for operational efficiency.**
- 4) **Disclosing specifically why certificated shares (that are enrolled in DirectStock Plan) can not be held at DTC for operational efficiency.**

It is important to note that last year the SEC updated the "holding your securities" page on their website. Unfortunately, the bulletin is missing an important disclosure. The bulletin states that securities purchased through the transfer agent are not DRS and must be moved from "the issuer plan" to become DRS form. **What is missing, however, is a disclosure stating that when book-entry DRS form shares are enrolled in "the issuer plan" that the title to the shares is no longer owned by the investor.**

Our investors deserve to know who owns the title to "their" securities, and how their investment may or may not be protected or insured. Without the disclosures listed above, our investors do not have the necessary information to make the best decisions for holding their investments.

I believe that our company may have a fiduciary responsibility to provide answers to the concerns above. A hypothetical custodial insolvency could negatively affect our shareholders which could

negatively affect our company. Please demand the disclosures above that Computershare and the SEC have not provided to help protect our investors and our company.

I would prefer correspondence through email to limit the resource expenditure necessary for responding to my proposal.

Thank you,



Chris Mueller

PII



PII

Chris Mueller

PII

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT
OF THE RETURN ADDRESS, FOLD AT DOTTED LINE

CERTIFIED MAIL®



PII

Retail



22315

U.S. POSTAGE PAID
FCM LETTER
TAMPA, FL 33607
JAN 07, 2025

\$5.58

S2324P501993-15

RDC 99

FWJ

Spok Holdings, Inc.
Attention: Corporate Secre
5911 Kingstowne Village Pa
Alexandria, VA 22315

SW

* 231 NDE 1 924C0201/19/25
NOTIFY SENDER OF NEW ADDRESS
SPOK INC
3800 TECHNOLOGY DR STE 400
PLANO TX 75074-7488

BC: 75074748800 *2701-03231-07-3

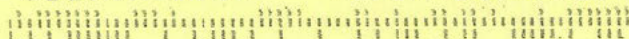


Exhibit B

Company Records of Proponent's Share Ownership

Holder Snapshot for CHRIS MUELLER

As of 2/18/2025

ADD TO HOLDER LISTS

Current Balances

Share Class	Register	Balance	Price	Value
Grouped by: SPOK (CUSIP 84863T106)				
COMMON STOCK	Book Entry	0	17.20	0.00
COMMON STOCK	Certificated	1	17.20	17.20
DIRECTSTOCK	Plan Holdings	0.048516	17.2000000	0.8344752
	Total	1.048516	-	18.03

View all balance information

Exhibit C

Deficiency Notice, dated January 31, 2025

FIRM / AFFILIATE OFFICES

Austin	Milan
Beijing	Munich
Boston	New York
Brussels	Orange County
Century City	Paris
Chicago	Riyadh
Dubai	San Diego
Düsseldorf	San Francisco
Frankfurt	Seoul
Hamburg	Silicon Valley
Hong Kong	Singapore
Houston	Tel Aviv
London	Tokyo
Los Angeles	Washington, D.C.
Madrid	

January 31, 2025

BY ELECTRONIC MAIL

Chris Mueller

PII

Re: Stockholder Proposal to Spok Holdings, Inc.

Dear Mr. Mueller,

On January 19, 2025, Spok Holdings, Inc. (the “Company”) received a stockholder proposal from you by certified mail (the “Proposal”) dated January 6, 2025 (the “Submission Date”) for inclusion in the Company’s proxy statement for its 2025 annual meeting of stockholders.

In accordance with the regulations of the U.S. Securities and Exchange Commission (the “SEC”), we are required to notify you of any eligibility or procedural deficiencies related to the Proposal.

This notice is to inform you that the Proposal fails to meet the requirements of Rule 14a-8 of the Securities Exchange Act of 1934, as amended (“Rule 14a-8”), because (i) you did not provide specific business days and times (during the company’s regular business hours) not less than 10 calendar days nor more than 30 calendar dates after submission of the proposal when you are able to meet with the Company to discuss the proposal in violation of Rule 14a-8(b)(1)(iii), and (ii) our records demonstrate that as a registered holder of the Company’s common stock, you do not meet continuous ownership requirements under 14a-8(b), as you only own one share of the Company. Per Rule 14a-8(b) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), in order to be eligible to submit the Proposal under Rule 14a-8, you must have continuously held as of the Submission Date (A) at least \$2,000 in market value of the Company’s securities entitled to vote on the Proposal for at least three years, (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.

As a result, the Proposal has not been properly submitted. In order for the Proposal to be properly submitted, you must remedy each of these two procedural deficiencies no later than 14 calendar days from the date you receive this notice.

I. AVAILABILITY TO ENGAGE WITH THE COMPANY.

Rule 14a-8(b)(1)(iii) requires a stockholder to provide the Company with a written statement that the stockholder 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 stockholder proposal, including the stockholder's contact information and the business days and specific times during the Company's regular business hours that such stockholder is available to discuss the Proposal with the Company. In the Proposal, you fail to provide specific business dates and specific times during the Company's regular business hours where you are available to discuss the Proposal with the Company.

II. PROOF OF SHARE OWNERSHIP.

Rule 14a-8(b)(1)(i) provides that, in order to be eligible to submit a proposal to the Company, you must have continuously held as of the Submission Date:

- at least \$2,000 in market value of the Company's securities entitled to vote on the Proposal for at least three years; or
- at least \$15,000 in market value of the Company's securities entitled to vote on the Proposal for at least two years; or
- at least \$25,000 in market value of the Company's securities entitled to vote on the Proposal for at least one year.

The Proposal indicates that you are an individual investor with a directly registered ownership position in the Company. The Company reviewed its records, and determined you are a registered holder holding one registered share of the Company. Based on our records, your ownership of the Company's securities are not sufficient to meet Rule 14a-8(b)(1)(i) requirements.

In order to establish your eligibility to submit the Proposal under Rule 14a-8, you are required to provide the Company with documentation regarding your ownership of Company securities, or you must direct your broker or bank to send such documentation to the Company. Rule 14a-8(b) provides that you may demonstrate eligibility to the Company in two ways. You may either submit:

1. a written statement from the "record" holder of your securities (usually a broker or bank) verifying that, at the Submission Date, you continuously held the required share value for an applicable period of time as determined in accordance with Rule 14a-8(b)(1)(i) (i.e., for the applicable period preceding and including the Submission Date); or
2. if applicable, a copy of a Schedule 13D, Schedule 13G, Form 3, Form 4, Form 5, or amendments to those documents or updated forms, reflecting your ownership of the required share value as of or before the date on which the applicable eligibility period under Rule 14a-8(b)(1)(i) began.

To help stockholders comply with the requirement to prove ownership by providing a written statement from the “record” holder of the shares, the staff of the SEC’s Division of Corporation Finance (the “SEC Staff”) published Staff Legal Bulletin No. 14F (“SLB 14F”). In SLB 14F, the SEC Staff stated that only brokers or banks that are Depository Trust Company (“DTC”) participants will be viewed as “record” holders for the purposes of Rule 14a-8. DTC is a registered clearing agency that acts as a securities depository (DTC is also known through the account name of Cede & Co.). Thus, stockholders must obtain the required written statement from the DTC participant through which their shares are held.

If you intend to demonstrate ownership by submitting a written statement from the “record” holder of your shares as set forth in paragraph (1) above, please note that most large U.S. brokers and banks deposit their customers’ securities with, and hold those securities through DTC. If you are not certain whether your broker or bank is a DTC participant, you may check DTC’s participant list, which is currently available on the Internet at:

<https://www.dtcc.com/-/media/Files/Downloads/client-center/DTC/DTC-participant-in-Alphabetical-Listing-1.pdf>

If your broker is an introducing broker, you may also locate the identity and telephone number of the DTC participant through your account statements, because the clearing broker identified on your account statements will generally be a DTC participant.

If your broker or bank is not on DTC’s participant list, you will need to obtain proof of ownership from the DTC participant through which your securities are held. You should be able to find out who the DTC participant is by asking your broker or bank. If the DTC participant knows of the holdings of your broker or bank, but does not know your holdings, you may satisfy the proof of ownership requirement by obtaining and submitting two proof of ownership statements verifying that, at the time the Proposal Submission Date, the required value of securities was continuously held by you for the applicable period of time as provided in Rule 14a-8(b)(1)(i) – with one statement from the broker or bank confirming your ownership, and the other statement from the DTC participant confirming the broker or bank’s ownership.

Please see the enclosed copy of SLB 14F for further information. For your information, we have also attached a copy of Rule 14a-8 regarding stockholder proposals.

Please note that the documentation must establish your ownership of the required share value for at least the minimum period required by Rule 14a-8(b)(1)(i) by the Proposal Submission Date. In order for the Proposal to be properly submitted, you must provide the Company with the proper verification of your share ownership as described above.

Your response to this letter, which must remedy each of the two deficiencies described above, must be postmarked or transmitted no later than 14 calendar days from the date you receive this notice. Please address any response to me by email at Julia.Thompson@lw.com. As this notice is being transmitted to you electronically on January 31, 2025, your response must be transmitted

LATHAM & WATKINS LLP

electronically no later than February 14, 2025. For your information, we have attached a copy of Rule 14a-8 regarding stockholder proposals.

Please note that the Company has made no inquiry as to whether or not the Proposal, if properly submitted, may be excluded pursuant to Rule 14a-8(i) or for any other reason. The Company will make such a determination once the Proposal has been properly submitted.

Thank you for your attention to this matter.

Sincerely,



Julia A. Thompson
OF LATHAM & WATKINS LLP

Enclosures



U.S. Securities and Exchange Commission

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://tts.sec.gov/cgi-bin/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/downloads/membership/directories/dtc/alpha.pdf>.

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.

<http://www.sec.gov/interps/legal/cfslb14f.htm>

[Home](#) | [Previous Page](#)

Modified: 10/18/2011

§ 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 (usu-

ally 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 cal-

endar 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

Securities and Exchange Commission

§ 240.14a-8

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 re-

sponse. 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:

Securities and Exchange Commission

(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]

Exhibit D

Proponent's Acknowledgement of Deficiency Notice, dated January 31, 2025

Tang, Grace (DC)

From: Chris Mueller [REDACTED] PII
Sent: Friday, January 31, 2025 3:41 PM
To: Tang, Grace (DC)
Subject: Re: Spok Holdings, Inc. || Notice of Procedural Deficiencies

Received. Thank you Grace.

Chris

On Fri, Jan 31, 2025 at 3:34 PM <Grace.Tang@lw.com> wrote:

Dear Mr. Mueller,

Attached please find correspondence related to the stockholder proposal that you submitted to Spok Holdings, Inc. dated January 6, 2025, and received by the company by certified mail on January 19, 2024.

In compliance with Staff Legal Bulletin 14L, please respond to this email to confirm receipt.

Best regards,

Grace

Grace Tang

LATHAM & WATKINS LLP

555 Eleventh Street, NW

Suite 1000

Washington, D.C. 20004-1304

Direct Dial: +1.202.637.1047

Email: grace.tang@lw.com

<https://www.lw.com>