



DIVISION OF
CORPORATION FINANCE

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

May 8, 2025

Kevin Greenslade
Hogan Lovells US LLP

Re: Dell Technologies Inc. (the "Company")
Incoming letter dated February 25, 2025

Dear Kevin Greenslade:

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

The Proposal requests that the board of directors conduct an assessment to determine if adding Bitcoin to the Company's treasury is in the best interests of shareholders.

There appears to be some basis for your view that the Company may exclude the Proposal under Rule 14a-8(i)(7). In our view, the Proposal relates to the Company's ordinary business operations. Accordingly, we will not recommend enforcement action to the Commission if the Company omits the Proposal from its proxy materials in reliance on Rule 14a-8(i)(7).

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: Ethan Peck
National Center for Public Policy Research



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February 25, 2025

Rule 14a-8(i)(7)

VIA ONLINE SHAREHOLDER PROPOSAL FORM

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

Re: ***Dell Technologies Inc. – Proposal Submitted by the National Center for Public Policy Research***

To the Staff of the Division of Corporation Finance:

On behalf of Dell Technologies Inc. (the “Company”), we are submitting this letter pursuant to Rule 14a-8(j) under the Securities Exchange Act of 1934, as amended, to notify the Securities and Exchange Commission (the “Commission”) of the Company’s intention to exclude a shareholder proposal (the “Proposal”), and a statement in support thereof (the “Supporting Statement”), submitted by the National Center for Public Policy Research (the “Proponent”) from the Company’s proxy statement and form of proxy (together, the “2025 Proxy Materials”) to be distributed to the Company’s shareholders in connection with its 2025 annual meeting of shareholders (the “2025 Annual Meeting”).

We also respectfully request confirmation that the staff of the Division of Corporation Finance (the “Staff”) will not recommend to the Commission that enforcement action be taken if the Company omits the Proposal from the 2025 Proxy Materials for the reasons discussed below.

In accordance with Staff guidance, this letter is being submitted using the Staff’s online Shareholder Proposal Form. Pursuant to Rule 14a-8(j), a copy of this submission also is being sent to the Proponent. Rule 14a-8(k) and Staff Legal Bulletin No. 14D provide that a shareholder proponent is required to send to the Company a copy of any correspondence the proponent elects

to submit to the Commission or the Staff. Accordingly, we hereby inform the Proponent that if the Proponent elects to submit additional correspondence to the Commission or the Staff relating to the Proposal, the Proponent should concurrently furnish a copy of that correspondence to the undersigned on behalf of the Company by e-mail.

Pursuant to the guidance provided in Section F of Staff Legal Bulletin No. 14F (October 18, 2011), we ask that the Staff provide its response to this request to the undersigned via e-mail at the e-mail address noted in the last paragraph of this letter.

The Company currently intends to file its definitive 2025 Proxy Materials with the Commission on or around May 16, 2025, more than 80 days after the date of this letter.

THE PROPOSAL

The Proposal sets forth the following resolution to be voted on by shareholders at the 2025 Annual Meeting:

Resolved: Shareholders request that the Board conduct an assessment to determine if adding Bitcoin to the Company's treasury is in the best interests of shareholders.

A copy of the Proponent's complete submission, including the Proposal and the Supporting Statement, is attached hereto as Exhibit A.

BASIS FOR EXCLUSION

The Company hereby respectfully requests that the Staff concur in its view that the Proposal may be excluded from the 2025 Proxy Materials pursuant to Rule 14a-8(i)(7) because the Proposal pertains to the ordinary business of the Company and seeks to impermissibly micromanage the Company.

Rule 14a-8(i)(7) – The Proposal Relates to the Company's Ordinary Business Operations and Seeks to Impermissibly Micromanage the Company

A. Overview of Rule 14a-8(i)(7)

A shareholder proposal may be excluded under Rule 14a-8(i)(7) if “the proposal deals with a matter relating to the company's ordinary business operations.” The term “ordinary business” refers to matters that are not necessarily “ordinary” in the common meaning of the word; instead, the term is “rooted in the corporate law concept of providing management with flexibility in directing certain core matters involving the company's business and operations.” *See* Securities Exchange Act Release No. 34-40018 (May 21, 1998) (the “1998 Release”). As discussed in the 1998 Release, the purpose of the ordinary business exclusion is “to confine the resolution of

ordinary business problems to management and the board of directors, since it is impracticable for shareholders to decide how to solve such problems at an annual shareholders meeting.”

In the 1998 Release, the Commission explained that the ordinary business exclusion rests on two “central considerations,” the first of which relates to the subject matter of the proposal. According to the 1998 Release, “[c]ertain tasks are so fundamental to management’s ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight.” The second consideration relates to the degree to which the proposal seeks to micromanage the company by “probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment.” *Id.*

Framing a shareholder proposal in the form of a request for an assessment does not change the analysis under Rule 14a-8(i)(7). The Commission has stated that a proposal requesting the dissemination of a report may be excludable under Rule 14a-8(i)(7) if the subject matter of the proposed report involves a matter of ordinary business. *See* Securities Exchange Act Release No. 34-20091 (August 16, 1983); *see also GameStop Corporation* (April 24, 2024) (concurring with the exclusion of a proposal requesting that the company assess whether or not a new arrangement could be negotiated with its transfer agent on the basis that the subject matter of the assessment relates to the company’s ordinary business matters).

B. The Proposal May be Excluded Under Rule 14a-8(i)(7) Because it Relates to the Company’s Ordinary Business Operations

The Proposal requests that the Company’s board of directors assess whether adding Bitcoin to the Company’s treasury is in the best interests of shareholders. Determining how a company structures its investments and manages its cash is fundamental to management’s operation of a company. These are complex decisions that involve a wide array of business considerations, both long-term and short-term, and on a micro and macro level. Management may evaluate, among other factors, changing market conditions, risks and returns on alternative investments, and the availability and cost of alternative financing when making determinations concerning potential investments and sources of liquidity. Management also needs to consider the Company’s working capital needs and balance the benefit of investments in growth, research and development, personnel, and strategic investments in other companies, among other investment options. The Company’s board of directors committed to the payment of quarterly dividends for the past three fiscal year as well as repurchases of stock, both of which depend on minimum surplus requirements as determined by management. Weighing the multitude of considerations that may impact decisions concerning how much cash and liquidity is necessary or advisable, allocations of short-term financing, and how and when to invest surplus cash is inherently the type of ordinary business determinations that Rule 14a-8(i)(7) was intended to address. Management of the Company’s cash and investment strategy is highly complex and is “so fundamental to management’s ability to run a company on a day-to-day basis that [it] could not, as a practical matter, be subject to direct shareholder oversight.” *1998 Release.*

The Staff has long held that the manner in which a company manages its cash and invests its surplus falls within the ordinary business operations of the company. For example, in *General Dynamics Corp.* (March 23, 2000), the Staff concurred with the exclusion of a proposal that suggested the company obtain precious metals, either in the form of payment or by purchase on the open market. The company argued that the proposal related to the company's "determinations of how to manage its cash flows and invest its funds" and the Staff agreed that exclusion under Rule 14a-8(i)(7) was appropriate. Similarly, the Proposal seeks to require that the Company "consider replacing some, or at least some percentage, of its cash and bonds" with investments in a specific asset, Bitcoin, just as the proposal in *General Dynamics* sought to require investment in a specific asset, precious metals.

The Staff has also consistently concurred in the exclusion of proposals that relate to the manner in which a company manages its investment strategy on the basis that it relates to ordinary business matters. *See, e.g., Sempra Energy* (February 7, 2000) (concurring with the exclusion under Rule 14a-8(i)(7) of a proposal seeking to mandate investments in certain utilities because the proposal related to the company's "investment and operational decisions") and *California Real Estate Investment Trust* (July 6, 1988) (concurring with the exclusion under the predecessor to Rule 14a-8(i)(7) of a proposal requesting the company return to a policy of purchasing specific types of real estate and avoiding equity related loans because the proposal related to the company's ordinary business operations, "i.e., the determination of investment strategies"). The Staff has also concurred in exclusion when a proposal sought to dictate how much cash a company should hold. In *IEC Electronics Corp.* (November 3, 2011), the company argued that a proposal requesting that the company retain a minimum cash balance under certain circumstances "would deprive management of its discretion in managing sources and uses of cash, substituting a stockholder directive for professional, day-to-day management of funds, which is one of the most commonplace and important responsibilities of the financial executives of every company." The Staff concurred with the exclusion under Rule 14a-8(i)(7) as relating to the company's ordinary business operations, noting that the proposal "relates to the management of cash."

As in the letters cited above, the Proposal deals with a matter relating to the company's ordinary business operations, i.e., the determination of how to manage its cash and invest its funds. Further, while a proposal that relates to the ordinary business operations of a company might not be excludable if the proposal "raise[s] policy issues so significant that it would be appropriate for a shareholder vote" (*1998 Release*), this Proposal does not focus upon, or even touch upon, a significant social policy, much less a significant social policy that has particular salience to the Company. For example, the Company has not received appreciable feedback concerning the topic of Bitcoin during the course of its annual shareholder engagement activity, and the decision of whether to hold Bitcoin as an investment or source of liquidity is a purely secular financial decision, rather than a political or social one. As a result, the Proposal is properly excludable under Rule 14a-8(i)(7).

C. The Proposal May be Excluded Under Rule 14a-8(i)(7) Because it Seeks to Micromanage the Company

As stated by the Commission, proposals that impermissibly micromanage a company “by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment” are excludable under Rule 14a-8(i)(7). 1998 Release. Further, when analyzing a proposal to determine its underlying concern or central purpose, the Staff will look to the proposal in its entirety such that, “if a supporting statement ... effectively requires some action in order to achieve the proposal’s central purpose as set forth in the resolved clause, we take that into account in determining whether the proposal seeks to micromanage the company.” Staff Legal Bulletin No. 14K (October 16, 2019) as reinstated by Staff Legal Bulletin No. 14M (February 12, 2025) (“*SLB Nos. 14K and 14M*”). SLB Nos. 14K and 14M further provide that “[w]hen a proposal prescribes specific actions that the company’s management or the board must undertake without affording them sufficient flexibility or discretion in addressing the complex matter presented by the proposal, the proposal may micromanage the company to such a degree that exclusion of the proposal would be warranted.” *Id.*

The Staff has consistently concurred in exclusion of proposals that seek to micromanage a company by addressing the company’s investment activities. For example, in *Tesla, Inc.* (May 6, 2022), the proponent requested that the company adopt a policy to immediately liquidate newly acquired cryptocurrency assets, and fully divest from existing cryptocurrency assets within one year. The company argued that “[d]etermining where, how and when a company makes investments is fundamental to management’s ability to oversee a company’s financial condition” and that the proposal was “an inappropriate limitation on the discretion of the board of directors and management of the [c]ompany in managing the financial condition of the [c]ompany.” The Staff concurred with exclusion, noting that “the [p]roposal micromanages the [c]ompany.” Similarly, in *The Goldman Sachs Group, Inc.* (Mar. 12, 2019), the Staff concurred with the exclusion of a proposal requesting that the company manage its lending and investment activities in alignment with the goals of the 2015 Paris Climate Agreement, noting that “the [p]roposal would micromanage the [c]ompany by seeking to impose specific methods for implementing complex policies in place of the ongoing judgments of management as overseen by its board of directors.”

The Supporting Statement to the Proposal clearly indicates the Proponent’s intent to impermissibly micromanage management’s discretion in managing the Company’s cash and structuring its investments. Specifically, the Supporting Statement asserts that “Dell should – and perhaps has a fiduciary duty to – consider replacing some, or at least some percentage, of its cash and bonds with assets that outpace inflation” (i.e., Bitcoin). However, as the Staff has previously noted, dictating the form of investments a Company must make inappropriately limits management’s discretion with respect to an ordinary business matter. Whether a proposal attempts to require investment in cryptocurrency assets, or divestiture of those assets, just as in *Tesla, Inc.*, the Proposal inappropriately limits management’s and the board of directors’ discretion with respect to the management of the Company’s cash and investments and seeks to impermissibly micromanage the Company.

CONCLUSION

For the reasons discussed above, the Company believes that it may omit the Proposal from its 2025 Proxy Materials. We request the Staff's concurrence in our view or, alternatively, confirmation that the Staff will not recommend any enforcement action if the Company excludes the Proposal.

If the Staff has any questions with respect to the foregoing, or if for any reason the Staff does not agree that the Company may exclude the Proposal from its Proxy Materials, please do not hesitate to contact me at kevin.greenslade@hoganlovells.com or (703) 610-6189.

Sincerely,



Kevin Greenslade

Enclosures

cc: Christopher Garcia, Dell Technologies Inc.
Ethan Peck, National Center for Public Policy Research

Exhibit A

Proponent's Submission



January 23, 2025

Via FedEx to:

Corporate Secretary
Dell Technologies Inc.
One Dell Way, RR1-33
Round Rock, Texas 78682

Dear Corporate Secretary,

I hereby submit the enclosed shareholder proposal (“Proposal”) for inclusion in the Dell Technologies Inc. (the “Company”) proxy statement to be circulated to Company shareholders in conjunction with the next annual meeting of shareholders. The Proposal is submitted under Rule 14(a)-8 (Proposals of Security Holders) of the United States Securities and Exchange Commission’s proxy regulations.

I submit the Proposal as the Deputy Director of the Free Enterprise Project of the National Center for Public Policy Research, which has continuously owned Company stock with a value exceeding \$2,000 for at least 3 years prior to and including the date of this Proposal and which intends to hold these shares through the date of the Company’s 2025 annual meeting of shareholders. Proof of ownership documents will be forthcoming.

Pursuant to interpretations of Rule 14(a)-8 by the Securities & Exchange Commission staff, I initially propose as a time for a video conference to discuss this proposal February 12 or 13, 2025 from 2-5 p.m. ET. If that proves inconvenient, I hope you will suggest some other times to talk. Please feel free to contact me at [REDACTED] so that we can determine the mode and method of that discussion.

Copies of correspondence or a request for a “no-action” letter should be sent to me at the National Center for Public Policy Research, 2005 Massachusetts Ave. NW, Washington, DC 20036 and emailed to [REDACTED].

Sincerely,

A handwritten signature in black ink, appearing to read "Ethan Peck". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

Ethan Peck

cc: Stefan Padfield, FEP Director
Enclosure: Shareholder Proposal

Bitcoin Treasury Assessment

Supporting Statement:

Dell was an early Bitcoin adopter. Over 10 years ago, in July 2014, Dell became the world's largest e-commerce business to accept Bitcoin as a form of payment.¹ The price of Bitcoin was only \$622.

The Company ended that policy in October 2017² when the price of Bitcoin was \$5,709.

Last year, Dell founder, CEO and Chairman Michael Dell tweeted “Fascinating #Bitcoin” in response to a video of Larry Fink admitting that his previous skepticism of Bitcoin was wrong.³ The price of Bitcoin was \$62,965.

As of January 23, 2025, the price of Bitcoin is \$105,697.

The lesson here is simple: it pays to take a long-term approach to Bitcoin, and Dell should not have given up on it so soon. Because with enough time, Bitcoin will always increase in value against the dollar since there's no indication that the century-long trend of increasing the money supply will change anytime soon.

Since cash is constantly being debased, and bond yields are lower than the true inflation rate,⁴ that means that cash and bonds are harming shareholder value simply by sitting on the Company's balance sheet.

Thus, Dell should – and perhaps has a fiduciary duty to – consider replacing some, or at least some percentage, of its cash and bonds with assets that outpace inflation, even if those assets are more volatile short-term.

Due to its verifiable fixed supply, Bitcoin is the most inflation-resistant store of value in history. This is especially true compared to other liquid assets, making Bitcoin the best option to replace at least some of the Company's cash and bonds.

¹ <https://x.com/MichaelDell/status/490160329733586947>; <https://www.dell.com/en-us/blog/we-re-now-accepting-bitcoin-on-dell-com/>

² <https://www.dell.com/en-us/blog/we-re-now-accepting-bitcoin-on-dell-com/>

³ <https://x.com/MichaelDell/status/1812895900068442621>

⁴ https://ycharts.com/indicators/5_year_treasury_rate; https://ycharts.com/indicators/10_year_treasury_rate; https://ycharts.com/indicators/moodys_seasoned_aaa_corporate_bond_yield; <https://www.marketwatch.com/story/true-inflation-may-have-peaked-in-late-2022-at-18-and-still-hovers-around-8-cc89ea6b>

As of January 23, 2025, the price of Bitcoin increased by 164% over the previous year,⁵ outperforming bonds by roughly 159% on average.⁶ Over the past five years, the price of Bitcoin increased by 1,157%,⁷ outperforming bonds by roughly 1,154% on average.⁸

Corporate and institutional Bitcoin adoption is becoming more commonplace and is proving to be an effective strategy. For example, MicroStrategy stock has outperformed Dell stock by 2,191% over the past five years;⁹ more public companies are adding Bitcoin to their treasuries;¹⁰ BlackRock's Bitcoin ETF is the fastest growing ETF in history;¹¹ and the US federal government and some state governments may form Bitcoin strategic reserves in 2025.¹²

Dell's second largest institutional shareholder, BlackRock, advised that a 2% Bitcoin allocation is reasonable.¹³ The reasoning behind that recommendation holds true for Dell's treasury as well.

Dell should evaluate the benefits of exchanging some – even just a few percent – of its cash and bonds for Bitcoin.

Resolved: Shareholders request that the Board conduct an assessment to determine if adding Bitcoin to the Company's treasury is in the best interests of shareholders.

⁵ <https://www.google.com/finance/quote/BTC-USD?window=1Y>

⁶ https://ycharts.com/indicators/us_corporate_aaa_effective_yield; https://ycharts.com/indicators/moodys_seasoned_aaa_corporate_bond_yield; https://ycharts.com/indicators/1_year_treasury_rate

⁷ <https://www.google.com/finance/quote/BTC-USD?window=5Y>

⁸ https://ycharts.com/indicators/us_corporate_aaa_effective_yield; https://ycharts.com/indicators/moodys_seasoned_aaa_corporate_bond_yield; https://ycharts.com/indicators/5_year_treasury_rate

⁹ <https://www.google.com/finance/quote/MSTR:NASDAQ?window=5Y>; <https://www.google.com/finance/quote/DELL:NYSE?window=5Y>

¹⁰ <https://bitcointreasuries.net/>

¹¹ <https://x.com/EricBalchunas/status/1864654448858935524>

¹² <https://www.washingtonexaminer.com/policy/finance-and-economy/3237933/lummis-renewed-push-strategic-bitcoin-reserve/>; <https://finance.yahoo.com/news/texas-proposes-strategic-bitcoin-fight-200000765.html>; <https://cointelegraph.com/news/ohio-house-rep-introduces-bitcoin-reserve-bill>; <https://x.com/SenLummis/status/1882454483852255605>

¹³ <https://www.bloomberg.com/news/articles/2024-12-12/blackrock-says-up-to-2-bitcoin-allocation-is-reasonable-range>



March 11, 2025

Via Online Shareholder Proposal Form

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

Re: No-Action Request from Dell Technologies Inc. Regarding a Shareholder Proposal by the National Center for Public Policy Research (“Proponent” or “NCPPR”)

Ladies and Gentlemen:

This correspondence is in response to the letter of Kevin Greenslade on behalf of Dell Technologies Inc. (the “Company”) dated February 25, 2025, requesting that your office (the “Commission” or “Staff”) take no action if the Company omits Proponent’s shareholder proposal (the “Proposal”) from its 2025 proxy materials for its 2025 annual shareholder meeting.

I. The Proposal Does Not Impermissibly Interfere with the Company’s Ordinary Business

According to the 1998 Release: “The general underlying policy of this [ordinary business] exclusion is consistent with the policy of most state corporate laws: to confine the resolution of ordinary business problems to management and the board of directors, since it is impracticable for shareholders to decide how to solve such problems at an annual shareholders meeting.” Put another way: “Certain tasks are so fundamental to management's ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight.”

Applying the foregoing, it is clear the Proposal does not impermissibly interfere with the Company’s ordinary business because the Proposal does not raise an issue that is “impracticable for shareholders to decide how to solve.” Given how much Bitcoin has been in the news, shareholders are more than sufficiently well-informed to decide whether the board should conduct an assessment to determine if adding Bitcoin to the Company’s treasury is in the best interests of shareholders. Notably, the passage of the Proposal would not strip management or the board of decision-making authority regarding whether and, if so, to what extent to invest in Bitcoin. In fact,

passage of the Proposal would not even strip management or the board of decision-making authority regarding whether to conduct the assessment at all, given that the Proposal merely requests such an assessment.

The Company argues that the fact of a request makes no difference, but this appears to confuse the role of a report with the role of a request. Certainly, a proponent may not avoid analysis of the subject matter of a proposal simply by seeking a report. However, a request is clearly different than, for example, a proposal seeking a bylaw amendment requiring investment in Bitcoin. In fact, the presence of a request is so material that it can be dispositive in determining whether a proposal amounts to a violation of state law. See, Rule 14a-8, NOTE TO PARAGRAPH (i)(1). The Company's apparent error on this point is perhaps best demonstrated by the fact that the only no-action decision it cites in support is *GameStop Corporation* (April 24, 2024) [Jeremy Sandau], wherein the proposal is *not* framed as a request:

On October 19, 2023, Larry Cheng, member of the GameStop Board of Directors, made a post on X.com in which said he stated "Renegotiate everything." In the spirit of that post by Larry Cheng, I would like to make the following proposal: GameStop should conduct an evaluation of the current relationship with the current transfer agent Computershare, and assess whether or not a new arrangement could be negotiated with this transfer agent or a different transfer agent that would better suit the needs of the company. This assessment should also include consideration of the advantages and disadvantages of GameStop becoming its own transfer agent.

In fact, an honest assessment of what the Proposal is seeking undermines the remaining bulk of the Company's ordinary business and micromanagement arguments. The Proposal does not:

- "require investment in a specific asset" or
- "mandate investments" or
- "dictate how much cash a company should hold" or
- "dictat[e] the form of investments a Company must make" or
- "require investment in cryptocurrency assets."

The fact that the Company has apparently concluded it must repeatedly mischaracterize the Proposal so brazenly suggests strongly that it recognizes that an honest assessment of the Proposal would deem it non-excludable.

II. The Proposal Raises a Significant Social Policy Issue That Transcends the Company's Ordinary Business

The Proposal expressly focuses on the social significance of Bitcoin. First, the Proposal explicitly references the fact that "the US federal government and some state governments may form Bitcoin

strategic reserves in 2025.”¹ Second, the Proposal also explicitly mentions, in defense of the Company potentially adding Bitcoin to its treasury, that: “Corporate and institutional Bitcoin adoption is becoming more commonplace.” In addition to the foregoing, the subsequent paragraphs will unpack the social significance of Bitcoin and the Proposal.

First, Bitcoin itself is a significant social issue – it is daily the subject of all forms of media coverage (and has been for years), it was a significant part of President Trump’s campaign and changes to policies related to Bitcoin are already the focus of some of his first actions as President, and over 100 million people, including 22% of Americans, own Bitcoin.²

Second, corporate Bitcoin adoption specifically or, even more specifically, this Proposal, is on its own a significant social issue. The proof of that is the fact that a similar proposal, which was first submitted to Microsoft a few months ago,³ was perhaps the most viral shareholder proposal in history. As just one example of this, Michael Saylor’s supporting statement generated over 3.6 million views on X.⁴ Does massive public interest, resulting in millions of views and the subject of hundreds of articles and podcasts, not constitute social significance? That mere fact by itself should be enough to completely dispel any claim that this proposal does not raise a social policy issue. Not only does the Proposal raise a significant social issue, the Proposal *is* a significant social issue.

While the argument should end there, here are a few additional reasons why Bitcoin is a significant social policy issue, and why corporate Bitcoin adoption, specifically, is too:

In the first week of his presidency, President Trump issued an Executive Order on Bitcoin, “to promote United States leadership in digital assets and financial technology while protecting economic liberty.”⁵

In addition to that, Senator Lummis, who introduced the BITCOIN Act “to establish a Strategic Bitcoin reserve,”⁶ was recently named as the Chair of the Senate Banking Subcommittee on Digital Assets.⁷ This is relevant because the Proposal explicitly makes mention of the fact that “the US federal government ... may form Bitcoin strategic reserves in 2025,” and already, in the few weeks since the Proposal was submitted, significant steps have been taken to advance that effort.

¹ Cf. Ben Walsh, *Trump’s Crypto Reserve Is Really Happening*, THE ATLANTIC (Mar. 7, 2025), available at <https://www.theatlantic.com/technology/archive/2025/03/trump-crypto-reserve-executive-order/681977/>

² <https://bitbo.io/how-many-users/>

³ https://view.officeapps.live.com/op/view.aspx?src=https://cdn-dynmedia-1.microsoft.com/is/content/microsoftcorp/2024_Proxy_Statement

⁴ <https://x.com/saylor/status/1863323760511627565>

⁵ <https://www.whitehouse.gov/presidential-actions/2025/01/strengthening-american-leadership-in-digital-financial-technology/>

⁶ <https://www.lummis.senate.gov/press-releases/lummis-introduces-strategic-bitcoin-reserve-legislation/>

⁷ <https://x.com/SenLummis/status/1882454483852255605>

Also since the Proposal was submitted, the SEC rescinded SAB 121.⁸ This has a significant impact on corporate Bitcoin adoption because it permits institutions to more easily custody Bitcoin for clients and will permit banks to more easily custody Bitcoin, which will drastically increase the financial integration of Bitcoin.⁹ And this is relevant to the Proposal because the Proposal is (1) directly about corporate Bitcoin adoption and (2) explicitly mentions, in defense of the Company potentially adding Bitcoin to its treasury, that: “Corporate and institutional Bitcoin adoption is becoming more commonplace.” The repeal of SAB 121 absolutely will increase institutional and corporate Bitcoin adoption even further and moves the world closer in the direction of widespread corporate Bitcoin adoption, including, potentially, at the Company.

The issues raised in the Proposal are so socially significant, that they are already more significant today – due to the policy changes made in the last few days – than they were a few weeks ago when the Proposal was submitted.

Regarding the social significance of Bitcoin itself, a very common saying among Bitcoiners is “fix the money, fix the world.” The concept is simple: when the money is broken, corrupt and can be tampered with by politicians and bureaucrats, like many people believe the US dollar is, that impacts every person who uses and saves in that money.

Bitcoin fixes that in a number of ways, but mainly, by removing the need for a trusted third-party intermediary and by operating in a completely decentralized fashion, such that Bitcoin is able to ensure that the money supply is fixed and cannot be tampered with. Bitcoin allows people to store and protect their hard-earned savings without worrying if it will lose value over time or be confiscated.

Inflation has many serious social and political ramifications. Look no further than countries whose currencies have completely collapsed, like Venezuela or Lebanon, for example. While inflation of the US dollar is not nearly as bad as some other currencies, it is still very much a serious problem that impacts each and every American, and therefore American society more broadly.

As the most inflation-resistant money in history, Bitcoin has the potential to improve all of the problems that arise from or are impacted by inflation.

There’s also the issue that fiat currency is not permissionless and censorship-resistant like Bitcoin is. Debanking, for example, is a serious and growing problem. So too is the threat of the implementation of a CCP style social credit system. Therefore, the possibility of not being able to use your own money because of your political opinion is a very real and rising concern. Bitcoin fixes that too.

There’s also the issue of government spending. When governments can just “print” money, it doesn’t require the same level of public approval in order to fund their its endeavors. And what the

⁸ <https://www.sec.gov/rules-regulations/staff-guidance/staff-accounting-bulletins/staff-accounting-bulletin-122>; <https://bitcoinmagazine.com/business/sec-rescinds-sab-121-permitting-banks-to-custody-bitcoin>

⁹ <https://bitcoinmagazine.com/markets/preston-pysh-explains-why-sab-121-beats-a-strategic-bitcoin-reserve>

government funds is definitely considered a significant social policy issue. Bitcoin has the potential to completely revamp the relationship between government spending and public approval of government spending.

Because Bitcoin has the potential to address all of those problems (and many more) that are prominent in fiat currency systems, furthering Bitcoin adoption addresses many significant social policy issues at once.

And while the Proposal does not expressly tackle each one of those problems individually, what it does do is attempt to advance Bitcoin adoption (which would address all those issues) by attempting to advance Bitcoin adoption at the corporate level. Additionally, just like individuals do, corporations, including the Company, suffer or can potentially suffer from the ills of inflation and the many other problems arising from fiat currencies.

So, asking the Company to take the first step towards Bitcoin adoption – which would be to assess if the Company should buy some Bitcoin (which is exactly what the Proposal requests) – is a completely rational request, touching on many significant social policy issues.

III. Conclusion

The arguments presented by the Company for excluding the Proposal are not convincing. The Proposal should be included in the proxy materials for the 2025 annual meeting.

A copy of this correspondence has been timely provided to the Company. If I can provide additional materials to address any queries the Commission may have with respect to this letter, please do not hesitate to call me at (202) 507-6398 or email me at spadfield@nationalcenter.org.

Rule 14a-8(k) and Section E of Staff Legal Bulletin No. 14D (Nov. 7, 2008) provide that companies are required to send proponents a copy of any correspondence that they elect to submit to the Commission or the Staff. Accordingly, we remind the Company that if it were to submit correspondence to the Commission or the Staff or individual members thereof with respect to our Proposal or this proceeding, a copy of that correspondence should concurrently be furnished to us.

Sincerely,

A handwritten signature in black ink, appearing to read 'Stefan Padfield', with a stylized flourish at the end.

Stefan Padfield, JD
Executive Director
Free Enterprise Project
National Center for Public Policy Research

cc: Kevin Greenslade