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VIA ELECTRONIC SUBMISSION

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

Ladies and Gentlemen:

On behalf of McDonald's Corporation, a Delaware corporation (the "**Company**"), and in accordance with Rule 14a-8(j) under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), we are filing this letter with respect to the shareholder proposal (the "**Proposal**") submitted by the National Center for Public Policy Research (the "**Proponent**") for inclusion in the proxy materials the Company intends to distribute in connection with its 2025 Annual Meeting of Shareholders (the "**2025 Proxy Materials**"). The Proposal is attached hereto as Exhibit A.

We hereby request confirmation that the Staff of the Division of Corporation Finance (the "**Staff**") will not recommend any enforcement action if, in reliance on Rule 14a-8, the Company omits the Proposal from the 2025 Proxy Materials.

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

THE PROPOSAL

The Proposal states:

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

REASONS FOR EXCLUSION OF THE PROPOSAL

The Company believes that the Proposal may be properly omitted from the 2025 Proxy Materials pursuant to Rule 14a-8(i)(7) because the Proposal deals with matters related to the Company's ordinary business operations.

The Proposal May Be Excluded Under Rule 14a-8(i)(7) Because the Proposal Deals with Matters Related to the Company's Ordinary Business Operations.

Rule 14a-8(i)(7) allows a company to omit a shareholder proposal from its proxy materials if such proposal deals with a matter relating to the company's ordinary business operations. The general policy underlying 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." *See* Exchange Act Release No. 34-40018 (May 21, 1998) (the "**1998 Release**"). The 1998 Release also identified two central considerations that underlie this policy: (i) that "[c]ertain tasks are so fundamental to management's ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight" and (ii) 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." *See* Staff Legal Bulletin No. 14L (Nov. 3, 2021) ("**SLB 14L**"). As demonstrated below, the Proposal implicates the first consideration.

A. The Proposal Relates to the Company's Investment Decisions.

With respect to the first policy consideration, the Staff has repeatedly determined that proposals focused on a company's own general finance matters and policies can be excluded pursuant to Rule 14a-8(i)(7) as relating to the company's ordinary business operations. *See, e.g.*, *Texas Pacific Land Corp.* (Sept. 18, 2024) (proposal requesting that the board commission a third-party report to determine the feasibility and potential benefits of engaging with recognized options exchanges to initiate the listing of options on company stock); and *General Electric Company* (Jan. 30, 1990) (proposal requesting that the company discontinue "Program Trading" under existing rules).

In particular, the Staff has concurred that proposals that impose on a company's determination of its own investment strategies is a matter that relates to the conduct of a company's ordinary business operations. In *Western Union Company* (Mar. 6, 2009), the Staff concurred on the exclusion of a proposal requesting a report on the company's policies on investment in the communities in which it does business, separate from and beyond any philanthropic or charitable efforts, with a view to incorporating criteria to work with local stakeholders and organizations to identify community needs, and to develop long-term reinvestment that reflects those needs. In its response, the Staff noted that investment decisions relate to a company's ordinary business operations. *See also General Dynamics Corp.* (Mar. 23, 2000) (proposal requesting that the issuer obtain precious metals without relinquishing its current cash and mineral resources was excludable as ordinary business); *Sempra Energy* (Feb. 7, 2000) (proposal seeking to mandate utility investments was excludable as ordinary business with the Staff response noting that the proposal related to investment and operational decisions); *California Real Estate Investment Trust* (July 6, 1988) (proposal requesting the company adopt a policy of purchasing triple net leased commercial and industrial real estate, and avoiding equity-related loans, was excludable as ordinary business with the Staff response noting that the proposal related to the company's determination of investment strategies).

Similarly, the Proposal relates to the Company's own investment strategies by requesting that the Board assess whether to add Bitcoin to the Company's treasury, and the supporting statement recommends that the Company include Bitcoin in order to diversify its balance sheet. Determining how the company makes

its own investments is fundamental to management's ability to oversee a company's financial condition. These decisions 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. Weighing these considerations is inherently the type of ordinary business determinations that Rule 14a-8(i)(7) was intended to address. The determination of how to diversify the Company's own investment portfolio can properly be made only by management, to whom these routine business decisions have been properly delegated by shareholders. The management of investments is clearly 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.

B. The Proposal Does Not Raise Significant Social Policy Issues That Transcend the Company's Ordinary Business Operations.

In the 1998 Release, the Commission expressed that while proposals relating to ordinary business matters "but focusing on sufficiently significant social policy issues generally would not be excludable" under Rule 14a-8(i)(7), the Staff has indicated that proposals that relate to both ordinary business matters and significant social policy issues may be excludable if the proposals do not "transcend the day-to-day business matters." SLB 14L states that in making a determination on whether a proposal raises a significant social policy issue, the Staff will "focus on the social policy significance of the issue that is the subject of the shareholder proposal" and "consider whether the proposal raises issues with a broad societal impact, such that they transcend the ordinary business of the company."

Given that the Proposal is focused solely on how the Company should manage its own investment strategies, the Proposal does not raise a social policy issue.

CONCLUSION

Because the Proposal relates to the ordinary business operations of the Company, the Company believes that the Proposal may be excluded from its 2025 Proxy Materials pursuant to Rule 14a-8(i)(7).

Respectfully yours,

Ning Chiu

Attachment

cc w/ att: Jeffrey Pochowicz, McDonald's Corporation

Ethan Peck, National Center for Public Policy Research

Exhibit A

Proposal

Bitcoin Treasury Assessment

Supporting Statement:

McDonald's is widely considered – including by former CFO and President Harry Sonneborn – a real estate company that happens to sell burgers.[1] And for good reason: as of September 30, 2024, 46%, or $25.8 billion, of the Company's $56.2 billion of total assets is property.[2] Additionally, in defiance of the norms of most other S&P 500 companies, McDonald's is prudent enough not to hold any US government or foreign government bonds on its balance sheet[3] (since bond yields are lower than the true inflation rate[4]). And only 2.2%, or $1.2 billion, of the Company's total assets is cash and cash equivalents.[5]

In short, McDonald's seems to have long ago understood what many other corporations have yet to: that a company's value, especially during inflationary times, is measured not only by how profitable its primary business is, but also by how wisely it invests its assets and protects its profits from debasement.

While, in this regard, McDonald's has been a step ahead of many others, its current strategy alone likely won't hold up in the 21st century. Real estate has been a much more reliable store of value than cash and bonds, but won't appreciate over time nearly as much as Bitcoin will and it's not liquid like Bitcoin is. As more and more companies add Bitcoin to their balance sheets, if McDonald's doesn't follow suit, it will fall behind where it once led.

McDonald's should – and perhaps has a fiduciary duty to – consider adding assets to its treasury that appreciate enough to negate the debasement of its cash and outpace the appreciation of its real estate.

As of December 9, 2024, the price of Bitcoin increased by 119% over the previous year[6] and 1,252% over the past 5 years.[7]

MicroStrategy – which holds Bitcoin on its balance sheet – has had its stock outperform McDonald's stock by 2,360% over the past 5 years.[8] And they're not alone. Institutional and corporate Bitcoin adoption is becoming more commonplace: more public companies such as Tesla and Block have added Bitcoin to their balance sheets;[9] McDonald's second largest institutional shareholder, BlackRock, offers its clients a Bitcoin ETF; and the US government may form a Bitcoin strategic reserve in 2025.[10]

Though Bitcoin is currently a volatile asset, companies have a responsibility to serve shareholders'

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[1] https://www.wallstreetsurvivor.com/mcdonalds-beyond-the-burger/

[2] https://d18rn0p25nwr6d.cloudfront.net/CIK-0000063908/3accd283-9ef6-475d-8001-f6e28bb64327.pdf

[3] *Id.*

[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

[5] https://d18rn0p25nwr6d.cloudfront.net/CIK-0000063908/3accd283-9ef6-475d-8001-f6e28bb64327.pdf

[6] https://www.google.com/finance/quote/BTC-USD?window=1Y

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

[8] https://www.google.com/finance/quote/MSTR:NASDAQ?window=5Y; https://www.google.com/finance/quote/ MCD:NYSE?window=5Y

[9] https://x.com/HODL15Capital/status/1864785674362069024

[10] https://www.washingtonexaminer.com/policy/finance-and-economy/3237933/lummis-renewed-push-strategic- bitcoin-reserve/

long-term interests in addition to their short term-interests. Diversifying the balance sheet by including *some* Bitcoin solves this problem without taking on too much short- term risk from volatility. At minimum, McDonald's should evaluate the benefits of adding some Bitcoin to its treasury.

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