



DIVISION OF
CORPORATION FINANCE

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

March 25, 2024

Lawton B. Way
McGuireWoods LLP

Re: Altria Group, Inc. (the "Company")
Incoming letter dated January 12, 2024

Dear Lawton B. Way:

This letter is in response to your correspondence concerning the shareholder proposal (the "Proposal") submitted to the Company by the New York City Carpenters Pension Fund for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders.

The Proposal asks that the board of directors take the necessary action to adopt specific director election resignation provisions in the Company's bylaws.

We are unable to concur in your view that the Company may exclude the Proposal under Rule 14a-8(i)(2) or 14a-8(i)(6). In our view, the Company has not met its burden of demonstrating that the proposal, if implemented, would cause the company to violate Virginia state law. *See* Staff Legal Bulletin No. 14B (Sept. 15, 2004).

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/2023-2024-shareholder-proposals-no-action>.

Sincerely,

Rule 14a-8 Review Team

cc: Edward J. Durkin
United Brotherhood of Carpenters and Joiners of
America



January 12, 2024

Via Online Shareholder Proposal Form

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

Re: Omission by Altria Group, Inc. of Shareholder Proposal Submitted by the New York City Carpenters Pension Fund

Ladies and Gentlemen:

We are writing on behalf of our client, Altria Group, Inc. (“Altria”), pursuant to Rule 14a-8(j)(1) promulgated under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), to notify the U.S. Securities and Exchange Commission (the “SEC”) of Altria’s intention to exclude a shareholder proposal and the related supporting statement (together, the “Proposal”) submitted by the New York City Carpenters Pension Fund (the “Proponent”) from its proxy solicitation materials (“Proxy Materials”) for its 2024 Annual Meeting of Shareholders (the “2024 Annual Meeting”). Altria requests confirmation that the staff of the SEC’s Division of Corporation Finance (the “Staff”) concurs with Altria’s view that the Proposal may be excluded from its 2024 Annual Meeting Proxy Materials or, alternatively, will not recommend to the SEC that enforcement action be taken if Altria omits the Proposal from its 2024 Annual Meeting Proxy Materials in reliance on Rule 14a-8(i)(2) and Rule 14a-8(i)(6) under the Exchange Act as described below.

This letter provides an explanation of why Altria believes that it may exclude the Proposal from its 2024 Annual Meeting Proxy Materials and includes the attachments required by Rule 14a-8(j). A copy of this letter and its attachments are also being sent concurrently to the Proponent in accordance with Rule 14a-8(j), informing the Proponent of Altria’s intention to omit the Proposal from its 2024 Annual Meeting Proxy Materials. In addition, we wish to take this opportunity to inform the Proponent that if it submits additional correspondence to the Staff with respect to the Proposal, a copy of that correspondence should also be furnished to the undersigned on behalf of Altria pursuant to Rule 14a-8(k) and Staff Legal Bulletin No. 14D (Nov. 7, 2008).

This letter is being submitted not less than 80 calendar days before the anticipated filing of Altria's definitive proxy statement for the 2024 Annual Meeting in accordance with Rule 14a-8(j).

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

I. The Proposal

The Proposal sets forth the following proposed resolution to be voted upon by Altria's shareholders at the 2024 Annual Meeting:

“Resolved: That the shareholders of Altria Group Inc. (‘Company’) hereby request that the board of directors take the necessary action to adopt a director election resignation bylaw that requires each director nominee to submit an irrevocable conditional resignation to the Company to be effective upon the director’s failure to receive the required shareholder majority vote support in an uncontested election. The proposed resignation bylaw shall require the Board to accept a tendered resignation absent the finding of a compelling reason or reasons to not accept the resignation. Further, if the Board does not accept a tendered resignation and the director remains as a “holdover” director, the resignation bylaw shall stipulate that should a “holdover” director fail to be re-elected at the next annual election of directors, that director’s new tendered resignation will be automatically effective 30 days after the certification of the election vote. The Board shall report the reasons for its actions to accept or reject a tendered resignation in a Form 8-K filing with the U.S. Securities and Exchange Commission.”

Copies of the Proposal and the accompanying correspondence from the Proponent are attached hereto as Exhibit A.

II. Basis for Exclusion

Altria hereby respectfully requests that the Staff concur with its view that the Proposal may be excluded from its 2024 Annual Meeting Proxy Materials pursuant to (i) Rule 14a-8(i)(2) because the Proposal would require Altria to violate Virginia law and (ii) Rule 14a-8(i)(6) because Altria lacks the power to implement the Proposal.

III. The Proposal May Be Excluded Pursuant to Rule 14a-8(i)(2) Because the Proposal Would Require Altria to Violate Virginia Law

Rule 14a-8(i)(2) permits a company to exclude a shareholder proposal if implementation of the proposal would “cause the company to violate any state, federal, or foreign law to which it is subject.” The Staff has regularly concurred that a shareholder proposal may be excluded if it would cause a company to violate state law, if implemented. For example, the proposal in *CA, Inc.* (avail. July 17, 2008) sought to require the company to amend its bylaws to include a

provision that would require the company to reimburse any stockholder who waged a “short slate” proxy contest for related expenses if the contest was at least partially successful. The Staff concurred that the proposal could be excluded because its implementation would cause the company to violate Delaware law by requiring the company’s board to take a specified action without regard to whether the board had determined that action to be in the best interests of stockholders. In *Johnson & Johnson* (avail. Feb. 16, 2012), the Staff concurred with the exclusion under Rule 14a-8(i)(2) of a stockholder proposal requesting to limit the ability of the board of directors to re-appoint a director who received the highest number of “no” or “withhold” votes to the compensation committee for the two years following such vote. The proposal’s implementation would have violated New Jersey law by limiting the decision-making authority of the board to select such committee members in the exercise of its fiduciary duties and by interfering with the exclusive grant of authority given to the board of directors to appoint directors to committees of the board of directors. In *The Goldman Sachs Group, Inc.* (avail. Feb. 1, 2016), the Staff concurred with the exclusion under Rule 14a-8(i)(2) of a stockholder proposal that sought to reform the company’s compensation committee to include outside experts from the general public, because the proposal’s implementation would have violated Delaware law by requiring the company’s compensation committee to include members who are not also members of the company’s board of directors. *See also Oshkosh Corp.* (avail. Nov. 21, 2019) (concurring with the exclusion under Rule 14a-8(i)(2) of a stockholder proposal requiring the company to (i) amend its governing documents to adopt a majority voting standard in uncontested elections and (ii) remove directors “immediately” who received less than a majority vote in violation of Wisconsin law); *Sigma Designs, Inc.* (avail. Jun. 9, 2015) (concurring with the exclusion under Rule 14a-8(i)(2) of a stockholder proposal requiring the company to amend its governing documents to adopt a majority voting standard in uncontested elections which was not permitted under California law unless the company had also eliminated cumulative voting for directors, which the company had not done); *Dominion Resources, Inc.* (avail. Jan. 14, 2015) (concurring with the exclusion under Rule 14a-8(i)(2) of a shareholder proposal requiring the company to “appoint at least one expert independent director” upon the expiration of one or more of the current directors’ term of office in violation of Virginia law that provides that only the shareholders have the right to elect new directors upon the expiration of a director’s term at the time of the annual meeting of shareholders).

Altria’s Amended and Restated By-Laws (the “By-Laws”) currently provide that, in an uncontested election, each director is elected by a vote of the majority of the votes cast with respect to that director-nominee’s election. Altria’s Corporate Governance Guidelines require each director who is not re-elected in accordance with the foregoing majority vote standard to offer to submit his or her resignation to Altria’s Board of Directors (the “Board”). In making its decision whether or not to accept the director’s resignation, the Board is to consider all factors it deems relevant to the best interests of Altria and its shareholders. The Proposal requests that the Board amend the By-Laws to require that each director who fails to receive “the required shareholder majority vote support in an uncontested election” submit “an irrevocable conditional resignation.” The Proposal goes on to require that the Board accept such resignation “absent the finding of a compelling reason or reasons to not accept the resignation.”

Altria is incorporated under the laws of the Commonwealth of Virginia. Section 13.1-673B of the Virginia Stock Corporation Act (“VSCA”) provides that “[a]ll corporate powers shall be exercised by or under the authority of the board of directors, and the business and affairs of the corporation managed under the direction, and subject to the oversight, of the board of directors, subject to any limitation set forth in the articles of incorporation.” In managing the business and affairs of the corporation, Section 13.1-690A of the VSCA imposes a statutory standard of conduct for directors: each director must discharge his or her duties in accordance with his or her “good faith business judgment of the best interests of the corporation.”

The decision of whether or not to accept a director’s resignation is fundamentally a business decision. Under Virginia law, “the business and affairs of [Altria are] managed under the direction, and subject to the oversight, of [the Board].” Moreover, in managing Altria’s business and affairs, including deciding whether or not to accept a director’s resignation, each Altria director is required by Virginia law to discharge his or her duties in accordance with a statutory standard of conduct: his or her “good faith business judgment of the best interests of the corporation.”

The amendment to the By-Laws requested by the Proposal would mandate that the Board make decisions regarding whether or not to accept a director’s resignation not based on each director’s “good faith business judgment of the best interest of the corporation” as required by Virginia law.¹ Instead, the amendment to the By-Laws requested by the Proposal would impose a new, different standard – one requiring the Board to accept a resignation unless there are “compelling reasons” not to do so without taking into account the standard of conduct mandated by Virginia law that the Board must follow when making decisions. As a result, the new, different standard imposed by the Proposal could require the Board to accept a director’s resignation even when the Board members believe, in their respective “good faith business judgment of the best interests of the corporation,” that accepting the resignation is not in Altria’s best interests. Accordingly, the Proposal would require the Board to accept a resignation in circumstances where the proper, lawful application of each Board member’s statutorily mandated duties would preclude the acceptance of such a resignation.

As Virginia counsel to Altria, in our opinion, the Proposal, if adopted, would violate Virginia law because it would require the Board members to discharge their duties as directors based on a “compelling reasons” standard, as opposed to the “good faith business judgment of the best interests of the corporation” standard of conduct for directors set forth in Section 13.1-690A of the VSCA.

For the avoidance of doubt, this letter also serves as the opinion of McGuireWoods LLP pursuant to Rule 14a-8(j).

¹ As noted above, under Altria’s current director resignation policy, the Board is to consider all factors it deems relevant to the best interests of Altria and its shareholders in making its decision whether or not to accept a director’s resignation. The “best interests” standard in Altria’s current director resignation policy is the same “best interests” standard found in Virginia law.

IV. The Proposal May Be Excluded Pursuant to Rule 14a-8(i)(6) Because Altria Lacks the Power to Implement the Proposal

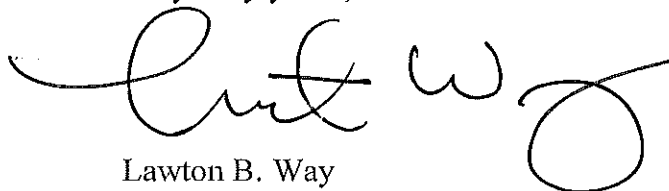
Rule 14a-8(i)(6) permits a company to exclude a shareholder proposal “[i]f the company would lack the power or authority to implement the proposal.” As discussed above, the Proposal, if implemented, would cause Altria to violate Virginia law. Accordingly, Altria lacks the power to implement the Proposal. The Staff has regularly concurred that a shareholder proposal may be excluded under Rule 14a-8(i)(6) if a proposal, if implemented, would cause the company to violate the law of the jurisdiction of its incorporation. *See Arlington Asset Investment Corp.* (avail. April 23, 2021) (concurring with the exclusion under Rule 14a-8(i)(6) of a shareholder proposal requesting that the company liquidate the company’s entire investment portfolio in violation of Virginia law); *eBay Inc.* (avail. April 1, 2020) (concurring with the exclusion under Rule 14a-8(i)(6) of a stockholder proposal that would require the company to reform the structure of its board of directors to allow the company’s employees to elect at least 20% of the board members in violation of Delaware law); *Ball Corp.* (avail. Jan. 25, 2010) (concurring with the exclusion under Rule 14a-8(i)(6) of a stockholder proposal requesting that the company reorganize its board of directors into a single class in violation of Indiana law); *Boeing Co.* (avail Feb. 20, 2008) (concurring with exclusion under Rule 14a-8(i)(6) of a stockholder proposal requesting that the board of directors adopt cumulative voting in violation of Delaware law).

V. Conclusion

Based on the foregoing, we respectfully request that the Staff concur with Altria’s view or, alternatively, not recommend enforcement action to the SEC if Altria excludes the Proposal from its 2024 Annual Meeting Proxy Materials pursuant to Rule 14a-8(i)(2) and Rule 14a-8(i)(6).

Should the Staff have any questions regarding this matter or need any additional information, please do not hesitate to contact me at (804) 775-4711 or by email at lway@mcguirewoods.com.

Very truly yours,

A handwritten signature in black ink, appearing to read "Lawton B. Way". The signature is fluid and cursive, with a large initial "L" and a distinct "W".

Lawton B. Way

Office of Chief Counsel

January 12, 2024

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Enclosures

cc: Michael Piccirillo, New York City District Council of Carpenters
Edward J. Durkin, New York City District Council of Carpenters
W. Hildebrandt Surgner, Jr., Altria Group, Inc.
Mary C. Bigelow, Altria Client Services LLC
W. Lake Taylor, Jr., McGuireWoods LLP

EXHIBIT A

(Copy of the Proposal and Accompanying Correspondence)

UNITED BROTHERHOOD OF CARPENTERS AND JOINERS OF AMERICA
NEW YORK CITY & VICINITY DISTRICT COUNCIL OF CARPENTERS

JOSEPH A. GEIGER
Executive Secretary - Treasurer

PAUL CAPURSO
President /Asst EST

DAVID CARABALOSO
Vice President /Asst EST



395 HUDSON STREET - 9TH FLOOR
NEW YORK, N.Y. 10014

SENT VIA EMAIL ([REDACTED])

December 6, 2023

W. Hildebrandt Surgner, Jr.
Vice President, Corporate Secretary and
Associate General Counsel
Altria Group, Inc.
6601 West Broad Street
Richmond, VA 23230

Dear Mr. Hildebrandt:

I hereby submit the enclosed shareholder proposal ("Proposal") on behalf of the New York City Carpenters Pension Fund ("Fund"), for inclusion in the Altria Group Inc. ("Company") proxy statement to be circulated in conjunction with the next annual meeting of shareholders. The Proposal relates to the issue of director resignations and is submitted under Rule 14(a)-8 (Proposals of Security Holders) of the U.S. Securities and Exchange Commission proxy regulations.

The Fund is the beneficial owner of shares of the Company's common stock, with a market value of at least \$25,000, which shares have been held continuously for more than a year prior to and including the date of the submission of the Proposal. Verification of this ownership by the record holder of the shares, BNY Mellon, will be sent under separate cover. The Fund intends to hold the shares through the date of the Company's next annual meeting of shareholders. Either the undersigned or a designated representative will present the Fund's Proposal for consideration at the annual meeting of shareholders.

If you would like to discuss the Proposal, please contact Michael Piccirillo at [REDACTED]. Mr. Piccirillo will be available to discuss the proposal on Tuesday, December 19, or Tuesday, December 26, from 1:00PM to 5:00PM (ET) either day or other mutually agreeable date and time. Please forward any correspondence related to the proposal to Mr. Piccirillo, New York City District Council of Carpenters, 395 Hudson Street, 9th Floor, New York, NY 10014 or at the email address above.

Sincerely,

Joseph A. Geiger
Fund Co-Chair - Trustee

cc. Michael Piccirillo
Edward J. Durkin
Enclosure

Director Election Resignation Bylaw Proposal

Resolved: That the shareholders of Altria Group Inc. (“Company”) hereby request that the board of directors take the necessary action to adopt a director election resignation bylaw that requires each director nominee to submit an irrevocable conditional resignation to the Company to be effective upon the director’s failure to receive the required shareholder majority vote support in an uncontested election. The proposed resignation bylaw shall require the Board to accept a tendered resignation absent the finding of a compelling reason or reasons to not accept the resignation. Further, if the Board does not accept a tendered resignation and the director remains as a “holdover” director, the resignation bylaw shall stipulate that should a “holdover” director fail to be re-elected at the next annual election of directors, that director’s new tendered resignation will be automatically effective 30 days after the certification of the election vote. The Board shall report the reasons for its actions to accept or reject a tendered resignation in a Form 8-K filing with the U.S. Securities and Exchange Commission.

Supporting Statement: The Proposal requests that the Board establish a director resignation bylaw to enhance director accountability. The Company has established in its bylaws a majority vote standard for use in an uncontested director election, an election in which the number of nominees equal the number of open board seats. Under applicable state corporate law, a director’s term extends until his or her successor is elected and qualified, or until he or she resigns or is removed from office. Therefore, an incumbent director who fails to receive the required vote for election under a majority vote standard continues to serve as a “holdover” director until the next annual meeting. A Company governance policy currently addresses the continued status of an incumbent director who fails to be re-elected by requiring such director to tender his or her resignation for Board consideration.

The new director resignation bylaw will set a more demanding standard of review for addressing director resignations than that contained in the Company’s resignation governance policy. The resignation bylaw will require the reviewing directors to articulate a compelling reason or reasons for not accepting a tendered resignation and allowing an unelected director to continue to serve as a “holdover” director. Importantly, if a director’s resignation is not accepted and he or she continues as a “holdover” director but again fails to be elected at the next annual meeting of shareholders, that director’s new tendered resignation will be automatically effective 30 days following the election vote certification. While providing the Board latitude to accept or not accept the initial resignation of an incumbent director that fails to receive majority vote support, the amended bylaw will establish the shareholder vote as the final word when a continuing “holdover” director is not re-elected. The Proposal’s enhancement of the director resignation process will establish shareholder voting in director elections as a more consequential governance right.