

## COMMENT LETTER

September 13, 2022

# ICI Comment Letter on the SEC's Rule 14a-8 Proposal

In July 2022, the SEC proposed amendments to Rule 14a-8 (the shareholder proposal rule) by a 3-2 vote. The proposal would narrow three bases upon which companies may exclude shareholder proposals from their proxy statements: the “substantial implementation,” “duplication,” and “resubmission” exclusions.

On October 12, ICI filed a comment letter in response on behalf of the regulated investment company (“fund”) industry.

The proposal follows other recent changes to the shareholder proposal rule and how the SEC staff is interpreting it. In 2020, the SEC amended the shareholder proposal rule to raise the eligibility requirements for submitting and resubmitting shareholder proposals. In November 2021, the SEC staff moved in a very different direction, rescinding prior guidance and issuing new guidance making it more difficult for companies to exclude certain shareholder proposals. Collectively, these changes appear to have contributed to a sizable increase in shareholder proposals appearing on company proxy statements during the 2022 proxy season, which also has been accompanied by a decrease in average shareholder support for shareholder proposals.

Read more in the [comment letter](#).