

U.S. SECURITIES AND EXCHANGE COMMISSION

ROUNDTABLE ON THE PROXY PROCESS

Thursday, November 15, 2018

9:29 a.m.

U.S. Securities and Exchange Commission

100 F Street, N.E.

Washington, D.C.

Page 2

1	PARTICIPANTS:
2	
3	COMMISSIONERS:
4	Jay Clayton, Chairman
5	Robert Jackson
6	Hester Peirce
7	Elad Roisman
8	Kara Stein
9	
10	SEC STAFF:
11	Michelle Anderson
12	Tamara Brightwell
13	Paul Cellupica
14	David Fredrickson
15	William H. Hinman
16	Matt McNair
17	Ted Yu
18	
19	PANELISTS:
20	Jonathan Bailey
21	Ken Bertsch
22	Patti Brammer
23	Ray A. Cameron
24	Ning Chiu
25	John Coates

Page 4

1	PANELISTS: (Continued)
2	Dannette Smith
3	Darla Stuckey
4	John Tuttle
5	John A. Zecca
6	
7	
8	
9	
10	
11	
12	
13	
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	

Page 3

1	PANELISTS: (Continued)
2	Paul Conn Lawrence Conover
3	Scot Draeger
4	Sean Egan
5	Michael Garland
6	Maria Ghazal
7	Bruce H. Goldfarb
8	Phil Gramm
9	David A. Katz
10	John Kim
11	Adam Kokas
12	Jonas Kron
13	Rakhi Kumar
14	Alexander Lebow
15	Aeisha Mastagni
16	James McRitchie
17	Sherry Moreland
18	Tom Quaadman
19	Katherine "KT" Rabin
20	Brandon Rees
21	Gary Retelny
22	Edward Rock
23	Robert Schifellite
24	Brian L. Schor
25	Katie Sevcik

Page 5

1	CONTENTS	
2		PAGE
3	Opening Statements	12
4	Opening Remarks by Chairman Clayton and	
5	Commissioners	
6	Panel one -- Proxy Voting Mechanics and Technology	26
7	Ted Yu, Moderator	
8	David Fredrickson, Moderator	
9	Ken Bertsch, Executive Director, Council of	
10	Institutional Investors	
11	John Coates, John F. Cogan, Jr. Professor of	
12	Law and Economics, Harvard Law School	
13	Paul Conn, President, Global Capital Markets,	
14	Computershare	
15	Lawrence Conover, Vice President, Operations	
16	and Services Group, Fidelity Investments	
17	Bruce H. Goldfarb, Founder, President and	
18	Chief Executive Officer, Okapi Partners	
19	David A. Katz, Partner, Wachtell, Lipton,	
20	Rosen & Katz	
21	Alexander Lebow, Co-Founder and Chief Legal	
22	Officer, A Say Inc.	
23	Sherry Moreland, President and Chief Operating	
24	Officer, Mediant Communications	
25		

Page 6

1

2 Panel one (Continued)

3 Robert Schifellite, President, Investor

4 Communication Solutions, Broadridge

5 Financial Solutions

6 Brian L. Schorr, Chief Legal Officer and

7 Partner, Trian Fund Management, L.P.

8 Katie Sevcik, Executive Vice President and

9 Chief Operating Officer, EQ

10 Darla Stuckey, President and Chief Executive

11 Officer, Society of Corporate Governance

12 John Tuttle, Chief Operating Officer and

13 Global Head of Listings, NYSE Group

14 John A. Zecca, Senior Vice President, General

15 Counsel North America and Chief Regulatory

16 Officer, NASDAQ

17

18 Panel two - Shareholder Proposals: Exploring

19 Effective Shareholder Engagement 116

20 Tamara Brightwell, Moderator

21 Matt McNair, Moderator

22 Ray A. Cameron, Head of Investment Stewardship

23 Team for the Americas Region, Blackrock, Inc.

24 Ning Chiu, Counsel, Capital Markets Group,

25 Davis Polk & Wardwell LLP

Page 8

1

2 Panel three -- Proxy Advisory Firms: The Current

3 and Future Landscape 183

4 Paul Cellupica, Moderator

5 Michelle Anderson, Moderator

6 Jonathan Bailey, Managing Director and Head

7 of ESG Investing, Neuberger Berman, LLC

8 Patti Brammer, Corporate Governance Officer,

9 Ohio Public Employees Retirement System

10 Scot Draeger, Vice President, Director of

11 Wealth Management, General Counsel and Chief

12 Compliance Officer, R.M. Davis Private Wealth

13 Management

14 Sean Egan, President and Founding Partner,

15 Egan-Jones Proxy Services

16 Phil Gramm, Visiting Scholar, American

17 Enterprise Institute

18 John Kim, Securities Counsel, General Motors

19 Adam Kokas, Executive Vice President, General

20 Counsel, and Secretary, Atlas Air Worldwide

21 Rakhi Kumar, Senior Managing Director, Head

22 of ESG Investments and Asset Stewardship,

23 State Street Global Advisors

24 Katherine "KT" Rabin, Chief Executive Officer,

25 Glass, Lewis & Co.

Page 7

1

2 Panel two (Continued)

3 Michael Garland, Assistant Comptroller,

4 Corporate Governance and Responsible

5 Investment, Office of the Comptroller,

6 New York City

7 Maria Ghazal, Senior Vice President and

8 Counsel, Business Roundtable

9 Jonas Kron, Senior Vice President and

10 Director of Shareholder Advocacy, Trillium

11 Asset Management

12 Aeisha Mastagni, Portfolio Manager, Corporate

13 Governance Unit, California State Teachers'

14 Retirement System

15 James McRitchie, Publisher, CorpGov.net

16 Tom Quaadman, Executive Vice President,

17 U.S. Chamber of Commerce Center for Capital

18 Markets Competitiveness

19 Brandon Rees, Deputy Director of Corporations

20 and Capital Markets, American Federation of

21 Labor and Congress of Industrial Organizations

22 Dannette Smith, Secretary to the Board of

23 Directors and Senior Deputy General Counsel,

24 UnitedHealth Group

25

Page 9

1

2 Panel three (Continued)

3 Gary Retelny, President and Chief Executive

4 Officer, Institutional Shareholder Services

5 Inc.

6 Edward Rock, Martin Lipton Professor of Law

7 and Director, Institute for Corporate

8 Governance

9 & Finance, New York University School of Law

10

11 Concluding remarks 260

12

13

14

15

16

17

18

19

20

21

22

23

24

25

PROCEEDINGS

MR. HINMAN: Good morning. Thank you for joining us, either in person or whether on webcast. We're delighted to have you here and to be hosting this proxy roundtable. I'm Bill Hinman, the Director of the Division of Corporation Finance. We have a full day planned, and I look forward to what I think will be a very robust and helpful discussion for us all.

Before going further, I'd like to note that the views you hear today are those of the SEC Staff, including those of the moderators. And these are our own. They don't necessarily reflect the views of the Commission or other members of the Staff. We will, though, have Staff moderators ask questions that even won't reflect their own views but are designed to elicit spirited dialogue.

A quick overview of the day: Our first panel is on the proxy voting process. It will be moderated by David Fredrickson, the Chief Counsel in the Division of Corporation Finance, and Ted Yu, the Chief of the Division's Office of Mergers and Acquisitions.

We'll break after that panel for lunch around 11:40 and reconvene at 1:15. Panel Two after lunch will be on shareholder proposals. That will be moderated by Tamara Brightwell, our Division's Deputy Chief Counsel, and Matt

McNair, our Special Senior Counsel, who as many of you know has headed our Division's proxy task force for the last few years.

After a short break, Panel Two will resume. At 3:00, for Panel Three, which will focus on proxy advisory firms. That panel will be moderated by Michelle Anderson, an Associate Director in the Division, and Paul Cellupica, Deputy Director of the Division of Investment Management. Michelle, our moderators, and a number of sort of have put a lot of hard work in today's event. I hope you join me in thanking them if you see them throughout the day.

As Chairman Clayton announced in July, we are also seeking written comment on all aspects of the proxy process. Each topic we discuss today could easily be a day-long roundtable all on its own, so we'll benefit greatly from having detailed written comments to supplement and to expand on today's work.

We have a spotlight page on the SEC website dedicated to this roundtable. There's a link there where you can submit those comments. We've already received a number of very helpful comments, and I encourage you to keep that process moving forward.

With that, let me introduce Chairman Clayton to make some opening remarks, after which we'll hear from each of

the Commissioners. And then I'll have some opening remarks, and we'll get underway with the panels. Thank you.

OPENING REMARKS

CHAIRMAN CLAYTON: Thank you, Bill, and good morning, everyone. My fellow Commissioners and I have agreed to keep our remarks brief so we can move forward promptly with this important program. I'm going to highlight four items.

First, a thank you to Bill, Michelle Anderson, and the Staff from the Divisions of Corporation Finance and Investment Management. You are doing what we should do, getting important issues in our markets on the table in a transparent and fair manner. I also want to thank the panelists, who graciously have given their time, given up the time from their busy schedules to be here with us today.

Second, please remember that our capital market system, a system that is built on a combination of state corporate law and federal securities regulation, is one of America's greatest strengths. And its contributions flow far beyond our borders. This is a ubiquitous and unquestionable fact. Perhaps that is why we sometimes fail to remember it.

Third, that system has in large part effectively

addressed the principal agent problems that are inherent in pooling capital. Moreover, we have done so in a way that fosters broad investor participation and nimble flows of capital and labor, relying on the bedrock principles of transparency, materiality, clarity of law, and efficient decision-making. It is these important principal agent and participation issues that we are discussing today. The question on the table is: Can we improve that system?

Fourth, a related question: Who are we improving it for? I believe the answer is our long-term Main Street investors. I hope you will approach these important issues with them in mind, those who are putting or have put 50, 100, \$200 a month away for years and years.

I look forward to a productive discussion. Thank you.

COMMISSIONER STEIN: I want to join the Chairman in saying good morning to everyone and for braving the elements to get here. I also want to thank the Staff for organizing the roundtable, in particular Michelle Anderson, Julie Davis, and the entire SEC team, who worked so hard to bring the roundtable to fruition.

Indeed, it's been eight years since the Commission sought comment on the proxy system. As the Chair mentioned, I think underlying all of our work is the

1 Commission's mission, which is to protect investors,
 2 maintain fair, orderly, and efficient markets, and
 3 facilitate capital formation.
 4 And central to this mission are the laws and rules
 5 that govern a shareholder's ability to engage with the
 6 company that he or she owns. The Commission's proxy
 7 rules allow an investor to actively participate in a
 8 company's governance structure, and it can afford even a
 9 single investor a powerful voice. This is not an
 10 abstract value. Shareholders often fight for corporate
 11 values that empirically have positive, direct, and long-
 12 term effects on the corporate bottom line.
 13 The effects of our proxy rules are not confined to
 14 just shareholder/company communications. They allow our
 15 capital markets to continue to be among the most vibrant
 16 and stable in the world. Unfortunately, our current
 17 proxy regime is arcane at best. Some of this is due to
 18 the manner in which proxy materials are distributed and
 19 votes are processed.
 20 In addition, the way in which many investors hold
 21 their shares through broker dealers or other
 22 intermediaries introduces further complexity into an
 23 already opaque system. As a result, the proxy system
 24 does not just involve a company and its shareholders.
 25 It involves an array of third parties such as broker

1 dealers, banks, custodians, transfer agents, and proxy
 2 advisors, to name a few. While this tangled web has
 3 helped to create a plethora of cottage industries, it has
 4 not necessarily helped to provide transparency to either
 5 the companies or their investors.
 6 Today's roundtable will focus on three areas within
 7 the proxy regime: proxy voting mechanics and technology,
 8 shareholder proposals, and proxy advisors. Each of these
 9 areas is a spoke in the overall proxy wheel. They form a
 10 framework through which shareholders ultimately
 11 communicate with the companies they own.
 12 As far as this morning's first panel is concerned,
 13 I'm interested in hearing how technology can help proxy
 14 mechanics. For example, should companies be able to use
 15 distributed ledger technology or blockchain technology to
 16 identify and reach their shareholder bases more
 17 efficiently? Would standing voting instructions allow
 18 companies to hear from their retail investors more
 19 effectively?
 20 With respect to shareholder proposals, I would like
 21 to hear about the broad shareholder proposal process, and
 22 in particular, the numerous pieces of guidance that the
 23 SEC Staff have issued over the years, from no action
 24 letters to Staff legal bulletins. Has the Staff guidance
 25 remained true to the Commission's rules? Or is the

1 guidance having the effect of silencing proposals that
 2 could enhance company value?
 3 Finally, with respect to proxy advisors, I'd like to
 4 better understand the role of a proxy advisor in the
 5 overall proxy architecture. Just yesterday a bipartisan
 6 bill was introduced in the Senate that would require the
 7 Commission to regulate proxy advisors under the
 8 Investment Advisors Act.
 9 As one Senator noted, millions of hardworking
 10 Americans rely on the guidance provided by proxy advisors
 11 for safeguarding their retirement savings. Should proxy
 12 advisors be regulated, and if so, how? How would this
 13 help or harm investors of all sizes?
 14 So hopefully today's roundtable will be a new start
 15 to a longstanding conversation. Thank you, And I look
 16 forward to today's discussion.
 17 COMMISSIONER JACKSON: Well, thank you, Mr.
 18 Chairman. I want to begin by congratulating Director
 19 Hinman and you, Mr. Chairman, on the extraordinary
 20 leadership necessary to convene this important
 21 conversation. And I just want to make two points.
 22 First of all, my experience in this first nine or
 23 ten months on the job working with Director Hinman and
 24 his staff has taught me a great deal about all of the
 25 issues we're going to discuss today. And one of the

1 things I've learned is that the Corp Fin Staff has been
 2 thinking about these issues for years.
 3 In fact, one of the panels will be moderated today
 4 by David Fredrickson, a tremendous staffer in Corp Fin.
 5 David, among other things, is a fan of the Oakland As.
 6 (Laughter.)
 7 COMMISSIONER JACKSON: And this requires two things
 8 that I think are relevant to keep in mind today. First,
 9 hope can triumph over experience. And second, the arc of
 10 history is long but it bends toward justice.
 11 (Laughter.)
 12 COMMISSIONER JACKSON: And that's why it's so
 13 important that we've having this conversation today.
 14 First, I have said, as I mentioned before, there's broad
 15 agreement, folks, that the way investors' votes are being
 16 counted in America needs to be fixed.
 17 And that's why I'm so pleased that the first panel
 18 will be discussing that issue. Every one of the
 19 participants here today, as the Chairman pointed out, is
 20 extremely thoughtful, took time from their busy schedule
 21 to be here. And I'm grateful.
 22 Finally, the third panel today is going to discuss
 23 the role of proxy advisory firms. And there have been a
 24 number of recent proposals that make clear that there is
 25 a bipartisan and clear path forward to address the issues

1 raised in that area.

2 This suggests to me that today's conversation is an

3 important start down the road of getting things done in

4 this area. I'm delighted to be here. I congratulate the

5 Chairman and Director Hinman on the leadership necessary

6 to bring this conversation together, and I look forward

7 to the debate.

8 COMMISSIONER PEIRCE: Thank you all for being here

9 today. Thank you to all the panelists for making the

10 trip to be here and taking the time. And I also want to

11 thank the people who have written letters in. There are

12 already a number of letters in the file and those are

13 very useful, and we look forward to others as well.

14 I want to thank Bill and the Staff for putting

15 together a roundtable, which takes a lot of work. We

16 know that, so we're grateful for the effort that you've

17 put in. And also, Chair Clayton, thank you for your work

18 and your leadership in making this issue one that we're

19 looking at today.

20 As Chairman Clayton mentioned, principal agent

21 problems run through the discussion that we're going to

22 have today. And I look forward to hearing your thoughts

23 on how we can manage the conflicts that come out of that.

24 Obviously, the whole point of the proxy process is to

25 give shareholders the opportunity to weigh in on how

1 their companies are -- how their agents are working in

2 their behalf.

3 But we also have another principal agent problem,

4 which is that funds, many shareholders are funds, and the

5 people managing those funds also are agents of the funds.

6 And sometimes they're acting in ways that look more

7 consistent with their own preferences and perhaps not

8 those of the fund. So I think that's another area that

9 we'll consider today.

10 And then we have a manufactured principal agent

11 problem, which is that sometimes we allow one or a small

12 number of shareholders to act as an agent on behalf of

13 other shareholders. And I think we need to examine

14 whether that is the right thing to do and whether there

15 are protections that we can put in place to make sure

16 that the idiosyncratic preferences of one shareholder

17 aren't driving what companies do at the expense of other

18 shareholders.

19 So I look forward to hearing the discussion today.

20 And thank you again for your willingness to be here.

21 COMMISSIONER ROISMAN: Good morning. I want to echo

22 what all the Commissioners have said in welcoming

23 everyone. And thank you for your time and insights. And

24 thank the Divisions of Corporation Finance and Investment

25 Management for your work on this roundtable.

1 I hope that everyone will take this opportunity to

2 engage in a thoughtful, meaningful discussion on the

3 proxy process. If the process were perfect, we wouldn't

4 be here today. People tend to get really passionate

5 about these topics, and trust me, we know where most of

6 you, if not all of you, are on them. So you have a

7 platform today, and I hope you use it to provide us with

8 specific examples, data, and facts rather than

9 generalities or anecdotes.

10 With the knowledge you gather today, you can then

11 submit data to the comment file based on these

12 discussions. We look forward to these submissions and your

13 recommendations on how the SEC can make changes to

14 improve the process.

15 I'll be posting a longer statement to the SEC

16 website with lots of questions that I think are important

17 and relevant, and I'll look forward to further engagement

18 on all those topics. But again, thank you very much, and

19 I look forward to today's discussions.

20 MR. HINMAN: Well, thank you, Chairman Clayton and

21 Commissioners. Let me just add a couple of things.

22 For each panel, we've tried to bring together a

23 balanced assortment of balanced and experienced

24 viewpoints. The topics we will discuss are familiar

25 ones, and the panels assembled today have been

1 thoughtfully considering these issues for some time.

2 As regulators, we are continually seeking to enhance

3 our rules. But in many instances, we find that the

4 private market solutions can be faster, more flexible,

5 and less intrusive. And when a regulatory change is

6 needed, we at the SEC benefit greatly from those who have

7 engaged with one another, seeking feedback from one

8 another and seeking consensus to the issues at hand.

9 The discussions today and the comments we will

10 receive will help us develop recommendations for change.

11 I would encourage all the stakeholders to continue to

12 work together and to find market-driven solutions. But

13 we also need your thoughts when a regulatory answer is

14 needed.

15 The proxy voting process, as folks have pointed out,

16 is our first panel. Obtaining a shareholder vote is

17 simple in concept, but as our panelists and all the

18 audience here know, it's complex in execution. Issuers,

19 brokers, banks, proxy service providers, transfer agents,

20 tabulators, many others, all have to work together in a

21 carefully choreographed process to enable a vote to be

22 cast by a shareholder, and importantly, for that vote to

23 be accurately counted.

24 While the process works well for the majority of

25 public company meetings, legitimate concerns exist about

Page 22

1 the accuracy, transparency, and efficiency of our voting
 2 processes.

3 The Commission raised these issues in the 2010
 4 Concept Release, and some of the complicated questions
 5 that that Concept Release covered still present
 6 challenges. Overvoting/undervoting of securities
 7 continued to be a concern.

8 Many say the confirmation of whether investors'
 9 shares are accurately voted in accordance with their
 10 wishes continues to be more difficult than it need be.

11 And we continue to hear concerns about the costs and
 12 challenges of distributing proxy and other materials to
 13 beneficial owners who hold in street name and challenges
 14 communicating with those shareholders.

15 We've also seen some real-life examples where the
 16 proxy process did not work as well as we would hope,
 17 particularly in some contests. Getting to accurate
 18 results has sometimes been slow, costly, and cumbersome.

19 Yet there are reasons to be optimistic about finding
 20 solutions. New ideas like blockchain technology are
 21 increasingly being embraced by participants in the
 22 financial system, from NASDAQ to Broadridge, DTC, and
 23 Wall Street. The Main Street investor has a strong
 24 interest as well.

25 Recently one of our registered companies completed

Page 23

1 its first use of blockchain technology for voting at an
 2 annual general meeting. We're interested in hearing the
 3 panelists discuss how innovation and technology can
 4 present a path forward to modernizing and improving the
 5 integrity and the effectiveness of our proxy
 6 infrastructure.

7 Shareholder proposals will be the focus of our
 8 second panel. Engagement between companies and their
 9 shareholders has increased in recent years. The
 10 shareholder proposal process under our rules, though
 11 frequently and often discussed, is just one avenue for
 12 that engagement.

13 Today shareholders can engage with their companies
 14 and with other shareholders through a variety of means,
 15 including social media. This can provide a more
 16 instantaneous and wider platform upon which to engage and
 17 get a message out. The Commission's shareholder proposal
 18 rules predate these developments and engagement. And we
 19 should explore what the implications of that are for the
 20 process.

21 For example, in light of today's communication
 22 tools, does a non-majority vote that exceeds our current
 23 resubmission threshold mean the same thing as it did five
 24 or ten years ago? I know the panelists joining us today,
 25 as well as many others, have given careful thought to how

Page 24

1 our rules work now and whether changes are needed in
 2 light of developments in communication and business
 3 practices.

4 I expect today's dialogue will include discussion of
 5 SEC Staff guidance in the shareholder proposal area. We
 6 welcome that. We, as you know, assist both management
 7 and proponents each year. The Staff puts together a
 8 proxy team that looks at whether a particular proposal
 9 can be excluded from the company's proxy material.

10 While our responses reflect only the Staff's
 11 informal views that are not binding on the Commission or
 12 a court, we take our role in that process very seriously.

13 And we encourage your commentary on our process and how
 14 we're doing.

15 As we discuss shareholder proposals, it's probably
 16 quite appropriate to pay some tribute to Evelyn Y. Davis.

17 She passed away this month at age 89. Evelyn was a
 18 well-known and colorful shareholder proponent. As you
 19 know, she attended shareholder meetings religiously for
 20 decades, championing proposals, asking a lot of tough
 21 questions, all at a time when it took courage and
 22 fortitude to do so. Of course, as a Holocaust survivor,
 23 Evelyn had plenty of those characteristics.

24 Our third panel will talk about proxy advisory
 25 firms, and that will close out the day. Both the

Page 25

1 Divisions of Corporation Finance and Investment
 2 Management have a strong interest in hearing more in this
 3 area.

4 We've heard the concerns from issuers and their
 5 representatives relating to process, such as whether
 6 issuers are given adequate opportunity to respond to
 7 adverse recommendations. And we've heard concerns as to
 8 substance -- for example, issuers have asserted that the
 9 recommendations of firms can too often be premised on
 10 factual errors or misunderstandings.

11 There are also frequent calls for more efficacy and care
 12 regarding the recommendation process and potential
 13 conflicts of interest. At the same time, we know that
 14 many institutional investors find great value in the
 15 proxy advisory firms' recommendations as they consider
 16 their voting decisions on so many matters presented at so
 17 many portfolio company meetings.

18 We hope this panel will have a constructive dialogue
 19 on these concerns and help us set a thoughtful course
 20 forward. It will be particularly interesting to hear
 21 what the panelists think of the legislation Commissioner
 22 Stein mentioned, introduced just yesterday by six
 23 Senators, three Republicans and three Democrats. As she
 24 mentioned, this bipartisan effort would also require,
 25 among other things, that proxy advisory firms register

1 under the Investment Advisory Act.
 2 Again, I encourage everyone to keep what we hope
 3 will be a very productive process going through
 4 submission of comment letters, even after today's event
 5 is over. We greatly appreciate your engagement.
 6 With that, let me turn it over to David Fredrickson
 7 and Ted Yu, who will lead our first panel. Thank you.
 8 PANEL ONE -
 9 PROXY VOTING MECHANICS AND TECHNOLOGY
 10 MR. YU: Good morning. I'd like to welcome all the
 11 panelists and the Commissioners and everybody in the
 12 audience, as well as watching on the webcast, to the
 13 first panel of the day. We have a very ambitious agenda
 14 for today and a very impressive set of panelists. So
 15 we'll keep the introductions brief, but you can certainly
 16 go to our website, where the full biographies are
 17 available.
 18 So let me start with Ken Bertsch on my left from the
 19 Council of Institutional Investors; Professor John Coates
 20 from Harvard Law School; Paul Conn from Computershare;
 21 Lawrence Conover from Fidelity; Bruce Goldfarb from Okapi
 22 Partners; David Katz from Wachtell Lipton; Alex Lebow
 23 from A Say; Sherry Moreland from Mediant Communications;
 24 Bob Schifellite from Broadridge; Brian Schorr from Trian
 25 Investment; Katie Sevcik from EQ; Darla Stuckey from the

1 Society of Corporate Governance; John Tuttle from NYSE;
 2 and last but not least, John Zecca from NASDAQ.
 3 So we would like to start off with a couple of
 4 housekeeping matters. One, as you speak, please press
 5 the button the mikes. There will be a big red light.
 6 And when you are done, please turn it off so that we
 7 don't have technical problems. And also, I expect that
 8 we'll have a very lively discussion with back and forth.
 9 So to the extent you want to respond to comments, please
 10 put your card on the side if we don't see you and
 11 recognize you.
 12 So with that, I think a good way of sort of teeing
 13 up the issue is to mention that the SEC's Investor
 14 Advisory Committee recently held a meeting on the proxy
 15 infrastructure. Professor John Coates, as a member of
 16 the committee, was in attendance. And we would like to
 17 start off the conversation with a summary of what was
 18 discussed.
 19 PROFESSOR COATES: Great. Thank you, Ted, and
 20 thanks to the Commission for having this event. And
 21 thanks for inviting me, on behalf of the IAC, to
 22 summarize some of what we heard.
 23 Some of the members of the panel that we had are
 24 here, so I'm probably going to try to stay away from what
 25 I'm anticipating they may or may not have an opportunity

1 to say today, but summarize some of the other themes that
 2 we heard.
 3 I should emphasize this is my take on what we heard,
 4 and the IAC as a whole hasn't really deliberated on these
 5 issues yet, but we probably will. And so that's another
 6 reason why I'm delighted to be here today, to take in the
 7 further views of the panel, which is quite impressive.
 8 So let me echo a couple of the remarks from Bill
 9 Hinman and the Commissioners. This topic, the one for
 10 the morning panel, I think is the most boring of the
 11 three.
 12 (Laughter.)
 13 PROFESSOR COATES: The least partisan. And
 14 honestly, the most important, from my perspective and
 15 from, I think, the perspective of the panelists that we
 16 heard at the IAC. There's room for improvement; no one,
 17 I think, has ever said publicly that they would create
 18 the system that we have today if they were doing it from
 19 scratch.
 20 It's one that's accreted over time, and virtually
 21 everyone agrees that there are some significant ways in
 22 which it can be improved. The difficulty is one of
 23 willpower, frankly -- do we have the willpower to improve
 24 the system, recognizing, and let me just acknowledge, the
 25 interests, legitimate interests, of a variety of private

1 actors who are already actively working in this system to
 2 make sure that their interests are appropriately
 3 reflected in any changes? Having said that, I still
 4 think that there are ways that we can make improvement
 5 despite the risk that some people may resist change, for
 6 private reasons.
 7 The main topics that I think we heard, themes, at
 8 our panels that could lend themselves to regulatory
 9 adjustments or industry-driven change in cooperation with
 10 SEC flexibility -- because of course regulation works in
 11 both an affirmative sense and also a restraining sense.
 12 I think Commissioner Peirce often makes that point, and I
 13 think it's a fair one.
 14 And I think there were some aspects of the system
 15 where regulatory change is needed, not because of the
 16 desire to impose new regulatory burdens, but rather to
 17 create space for change.
 18 So the themes are, roughly speaking, these. First,
 19 I think there's a general concern that retail
 20 participation is down. Retail investor ownership is
 21 down. But even within that space, participation in the
 22 voting system is down, difficult to achieve, even in
 23 settings where the vote really will potentially have a
 24 pivotal role in proxy fights.
 25 One reason for that, not the only reason but one

1 reason, is that the OBO/NOBO system creates difficulties
2 in in communication with retail that's maybe more acute
3 than communication with institutional. And there, there
4 is a system of rules that create the faults for the
5 selection that could be revisited, I think appropriately
6 so.

7 Connected to that, I would suggest, the SEC could
8 play a role here in just trying to verify through a
9 survey of some sort why people who do not choose to be
10 NOBOs don't do so. Are they confused, possibly, about
11 the difference between anonymity as an investor, which
12 they might want for other reasons, and anonymity within
13 the voting system, which actually doesn't exist even if
14 they don't know it, but it only exists up to a certain
15 point in the process.

16 Are there other ways to address legitimate reasons
17 they might have for choosing to not be NOBOs? And could
18 the industry respond to more flexibility on that? One of
19 those points nudges, for example, towards creating more
20 non-objecting owners. So that's one.

21 A second one would be see-through voting. Investors
22 would like the ability to know whether their votes have
23 been counted. We see this in Florida at the moment and
24 Georgia, but it's equally true in the corporate setting,
25 if not more so, because of the many layers of

1 intermediation making it actually harder in a practical
2 sense to verify votes, or voting instructions, accurately
3 be carried out.

4 There, retail can make mistakes, which are innocent
5 and could be fixed. And institutional owners can
6 inadvertently end up with problems due to share lending
7 and other kinds of intermediary information flows that
8 they don't have in easy access currently to fix.

9 There are solutions that exist. I would think that
10 Broadridge could to think hard about how to make their
11 approaches simpler. And for the other participants in
12 the system to ask hard questions about whether they're in
13 fact more of a problem than a solution at the moment.

14 Third, and then I'll have a fourth and I'll subside
15 -- third theme would be around, in fact, the many layers
16 of intermediation, producing mismatches in information
17 which can lead to disqualification of votes. I think
18 it's a common theme that, between custodians, transfer
19 agents, sub-custodian/sub-custodian, sub-custodian often
20 three layers.

21 There's ample room for mismatch in information in
22 the underlying records to create problems when we get to
23 a contested vote. That could be fixed outside the
24 context of a high-profile proxy fight. That could be
25 fixed on an ongoing and regular basis if there was an

1 ever-so-slight nudge or set of incentives one way or the
2 other for the participants in that system to take thought
3 task more seriously than they have up till now.

4 Finally, universal proxy, which has been around for
5 a while. And the IAC put out a recommendation on it
6 several years ago; and frankly, we having done that and
7 not having had it taken up, didn't think this was likely
8 to come back.

9 But in fact, at the panels we heard more positivity
10 about that concept from an array of speakers, including
11 speakers who, in the past, have resisted it. I think
12 people have thought it through in a more careful way
13 today, and I again recommend that the Commission think
14 about that going forward.

15 So with that, I will subside. Thank you.

16 MR. YU: Thank you very much. That was a perfect
17 start to the first question of the day, which we're going
18 to focus on accuracy in the voting process. Recently the
19 Securities Transfer Association estimated that out of
20 approximately 183 meetings that its members tabulated
21 this past year, about 130 or so had suspected overvoting.
22 Obviously, most of them were reconciled, but it does
23 continue to raise questions about why these problems
24 continue to pop up.

25 We thought maybe we could start with Katie and Ken,

1 with their view on sort of the causes of overvoting and
2 undervoting and voting inaccuracy problems, whether it's
3 sort of more common on the street side versus the
4 register side in terms of ownership; and sort of what
5 steps can we take to address this first problem?

6 MS. SEVCIK: Thank you, Ted. I'll go ahead and
7 start. I actually have had the opportunity in my career
8 to have managed the proxy process from both the DTC
9 participant side as well as the transfer agent side,
10 tabulator.

11 And so for me, the first time I thought I realized
12 that something was happening with the system was when I
13 was on the side of the DTC participant. So I had income
14 collections, corporate actions, mutual funds, and proxy.

15 And the manager of the proxy area came to me and said,
16 "Oh, we just overvoted. I don't know what to do."

17 And I thought, wow. How does this happen? Again,
18 you're thinking of income collections, corporate actions,
19 how you balance, how this happened. And it turned out to
20 be it was the suspense account. There was a trade that
21 happened. The trade settled fine on the marketplace.
22 But the system suspended out.

23 Unfortunately, the information on record date, the
24 information was sent to the intermediary. And so the
25 information then was sent out to the beneficial

1 shareholder. When I called the intermediary to say, "We
 2 had an overvote. How do we correct it?" The response
 3 was, "It's a fungible mass. It's at DTC. Don't worry
 4 about it."
 5 So as I pushed more and more and more, I was able to
 6 get the name of the tabulator, contacted the tabulator,
 7 and the exact same response was, "It's a fungible mass.
 8 Don't worry about it. It's all in CD and code. Not
 9 everybody votes." So obviously, for me it was, "No, I
 10 want this corrected. Correct it."
 11 Then I moved ahead again to the transfer agent side.
 12 And remembering what I had seen on the DTC participant,
 13 I asked the team, my proxy group, "Do you ever see any
 14 overvoting situations?" Again, I was surprised that
 15 before, it just didn't seem to make a difference.
 16 I said, "Do you see this?" And what they did is
 17 they provided me, so some specific examples -- what they
 18 did was they provided me with one particular meeting and
 19 with detail of the top ten broker overvotes. And every
 20 single one of them were in the millions of shares of
 21 overvoting for this particular meeting.
 22 So contracting the corporate secretary of that
 23 company, the corporate secretary had urged us to go to
 24 the NYSC -- at the time, the NYSC was the regulatory body
 25 -- and present some of the findings. At that point in

1 time, the NYSC did actually do some investigation, and
 2 you can go back and look at that to see what happened.
 3 But a lot of those were dealt with. These larger
 4 ones were really more for the securities lending, where
 5 the shares were out on loan and yet the information that
 6 went to the intermediary included -- the investor that
 7 had loaned it out included it as a long position for
 8 them. So I think at that point in time, again, a lot
 9 more focus, thankfully. I mean, a lot of focus by the
 10 brokerage community and the bank custodian community to
 11 look at it.
 12 And fast forward a number of years after that. A
 13 more recent example was the team came in and said -- and
 14 this is maybe two hours or so before the polls closed -- and
 15 said, "We have a huge overvote for one particular DTC
 16 participant." And I don't remember, but it was something
 17 like 250 million or 350 million. And at that point,
 18 contacted the intermediary to say, "I need to get
 19 involved. Please give me the name of the contact at the
 20 broker."
 21 And in dealing with questions about what exactly
 22 happened, the first thing they said was, "Well, we're not
 23 in an overvote situation." And I said, "Well, here's
 24 your DTC position. It's X, and you voted Y." And he
 25 said, "No, no. I'm just -- I'm looking at it. It's

1 fine." And I said, "What are you looking at?"
 2 "Well, we're looking at the overvote system. They
 3 had signed up for the overvote. And in asking further
 4 questions, found out that they had taken the DTC position
 5 and then added to it what they thought were shares that
 6 they could vote. And it turned out, this case, it was a
 7 certificate located in their vault, and they actually
 8 were voting the certificated registered person through the
 9 intermediary.
 10 When we found out how it was registered -- it was
 11 not in firm name; it was actually registered an investor
 12 -- went and found out that they already had voted their
 13 registered shares. And so then the matter was, which
 14 votes do I take out? Was the last vote that you sent in
 15 that caused you to go over, was that the vote for this
 16 individual? Or was it the earlier vote that you sent in,
 17 and having to reconcile those positions?
 18 On the registered side, the registered side aspect
 19 on it, the tabulator transfer agent does have to give a
 20 registered, certified list to the issuer as to all or
 21 those shareholders at the date of that record date for
 22 that meeting. So on the registered side, you do have the
 23 full detail on who is eligible to vote as of that date,
 24 and being able to send out the material.
 25 MR. FREDRICKSON: Thanks, Katie. And I think that

1 illustrates pretty well that there are continuing
 2 problems that relate to the complexity of the system and
 3 to the basis, the fundamental basis, on which we're
 4 operating. There has been very good work by various
 5 parties to try to be more true to the actual vote
 6 intention of beneficial owners over the years, but I
 7 think it's a patched-together system to some extent.
 8 So our view at this point is that it is time for a
 9 fundamental rethink. In terms of bill regulation versus
 10 market forces, we think that there has to be at least a
 11 thought process led by the SEC to really work through
 12 what makes sense.
 13 So to back up a little bit, number one, thank you.
 14 Thanks, Ted and David and Michelle, for your great work,
 15 great questions. I was telling people the kind of scary
 16 questions that they provided this panel, and I assume the
 17 others as well -- although this one has some technical
 18 aspects that get very difficult.
 19 But our view is that there needs to be real
 20 consideration of fundamental change right now, partly
 21 because technology is clearly available that could be
 22 very appropriate for this area. But we also need to look
 23 at some short-term fixes.
 24 A fundamental rethink is going to take time, if we
 25 do have the will to do it. And there are some things we

1 can fix in the meantime. I'm not sure that nudges alone
 2 are really going to get us to where we need to go, but
 3 they could help in the short term.
 4 So the SDA statement is disturbing. We believe that
 5 the most important reasons for inaccuracies are
 6 fundamental, the current system of share immobilization
 7 with a fungible share mass, which Katie referred to, with
 8 no traceable link to a specific holder.
 9 Clearly there are a number of factors within that;
 10 share lending's probably the most important in terms of
 11 causing a lot of the noise. I pick up that there's a
 12 continuing view on the broker bank community that these
 13 are their votes, the way it's talked about, like, "If we
 14 overvoted the position," whereas our members feels the
 15 vote belongs to them as beneficial owner.
 16 And in effect, I think it has to belong to the
 17 beneficial owner or the incentives are all wrong. The
 18 brokers and banks actually don't have an interest in
 19 making this work right. So time to tackle fundamental
 20 reform. I think we may come back around to that with
 21 some blockchain questions.
 22 Within the context of the current system, we can
 23 improve with some near-term steps that we believe the SEC
 24 does need to take steps to make happen. One is routine
 25 and reliable vote confirmation. That's the most

1 important part for the institutional investor community.
 2 Second, guidance that leads to pre-reconciliation of
 3 discrepancies between broker dealer and DTC positions to
 4 minimize the differences. And third, which is slightly
 5 off of this question, universal proxy -- but I'm glad
 6 John addressed that -- which we think is a very
 7 straightforward way to improve another aspect of this.
 8 Any solution should recognize the principle that
 9 beneficial owners, not intermediaries, are the
 10 shareholders whose voting intent is critical to the
 11 legitimacy of the systems.
 12 Even as instances of overvoting have decreased, some
 13 broker dealers still cap their beneficial owners'
 14 aggregate shares to match DTC records. So we hear
 15 continuing issues. And share voting becomes disconnected
 16 from share ownership.
 17 An automatic system of vote confirmation ideally
 18 would be instantaneous. But at least prior to vote
 19 deadlines, the investors should see exactly how many
 20 shares were voted that they beneficially own and which
 21 way they were voted.
 22 As a short-term fix to this problem, we believe the
 23 SEC should, through guidance or rulemaking, require all
 24 intermediaries to cooperate and transmit the necessary
 25 information to enable vote confirmation. Broadridge and

1 tabulators have worked on a protocol.
 2 It hasn't actually been put in place in practice
 3 other than on an experimental basis. Bob and others may
 4 speak to it later, but I'm not sure it's sufficient, but
 5 it would be helpful if that's enabled. And I don't think
 6 that's going to happen without the leadership of the
 7 Commission.
 8 So I'll leave it there for now.
 9 MR. YU: Well, vote confirmation's actually an
 10 excellent area where perhaps we could explore a little
 11 bit in terms of what the problem is, but also what
 12 confirmation is one where I think, as you mentioned,
 13 there were some private market attempts to deal with
 14 this. I know Bob, Broadridge had worked with a group of
 15 folks back in '12, to do a roundtable and also to work
 16 out some protocols.
 17 Perhaps you can start with just sort of the basic
 18 question. Is vote confirmation possible today? And if
 19 not, what are the problems? And perhaps maybe even share
 20 some of your experience from the private sector attempts
 21 to deal with this.
 22 MR. SCHIFELLITE: Sure. Thank you, Ted, and thank
 23 you to the Commission and the Staff for putting this
 24 together. And thank you for allowing us to participate.
 25 I do want to share as much as possible of other

1 people's comments, not just Broadridge comments, that
 2 have been stated because I think it'll be looked at maybe
 3 a little bit more objectively. And I know that's
 4 important; it was stated by the Commissioner.
 5 First I would say, just in a couple of comments, the
 6 overreporting process, we've come a long way. All right?
 7 So several years ago, when this really was an issue, we
 8 had, Broadridge had, an overvoting service that not many
 9 is used.
 10 Today most use -- not all -- but most use. And with
 11 that process, right after record date, one can determine
 12 the number of shares and whether they're in an overvote
 13 or not situation. Very, very helpful. That's what's
 14 caused the dramatic improvement. We want to get
 15 everybody onto that process. It's a free service.
 16 There's no charge for that service.
 17 But to the point Ken made, if we can reconcile --
 18 and you can, the capability exists today -- to reconcile
 19 right after record date, that gives tabulators,
 20 inspectors, 35, 40 days on average to be able to decipher
 21 if there's an issue that needs to get resolved. And it
 22 will and can get resolved.
 23 To your question of vote confirmation, there's been
 24 so much work, and I think we're all in violent agreement
 25 that we should have vote confirmations because that would

1 eliminate a lot of the noise, a lot of the concerns, and
 2 make more investors feel very comfortable about the
 3 process and its reliability.
 4 So I have a document here -- I have lots of stuff
 5 here, audits, props; that's why my back hurts a lot --
 6 but we have a document here, and the transfer agents and
 7 Broadridge worked together I thought extraordinarily well
 8 to attack this problem.
 9 And the conclusion was over two years -- and this
 10 goes back to 2015/2016 -- that we did I think it was 25
 11 or so meetings where we did a pilot where we did end-to-
 12 end confirmation. This paper, which I will submit
 13 subsequent to this meeting, says as follows, and the
 14 author -- the co-chairs were Mario Passudetti, who at the
 15 time was Bank of New York Mellon, and Maryellen Andersen
 16 from Broadridge.
 17 It says, "The Securities Industry End-to-End Vote
 18 Confirmation Steering Committee has concluded that the
 19 projects and pilots in which it has been engaged have
 20 demonstrated the viability of vote confirmation." So
 21 we've done it. We've proven that it works. Right?
 22 And this is a committee of lots of participants. It
 23 included brokers, issuers, transfer agents, Broadridge.
 24 It works. I think we've been at this for years. We,
 25 Broadridge, confirm when we are the tabulator. But this

1 is documented, and there were things that we had to do
 2 and others had to do to make the confirmation process as
 3 effective as it could be.
 4 We can't get participation. I do agree with Ken we
 5 need leadership from the Commission to give more
 6 guidance. Maybe it's rule. I know we tried to do this
 7 without regulatory rule. But if people are still
 8 concerned about this process and the accuracy, I think we
 9 have to do something to ensure that there is a vote
 10 confirmation process.
 11 And again, I am going to submit these. I'll give
 12 you one other example. The so-called omnibus
 13 confirmation process, we all know that's complicated.
 14 It's difficult. We all know that. Several years ago, in
 15 anticipation of doing this pilot, there were still paper
 16 omnibus reports that were being issued.
 17 The committee said, "Broadridge, everything has to
 18 be electronic." We agree. So this is like 2012. It is
 19 now all electronic. Every tabulator has access and can
 20 get it. Often, not everyone will take it nicely. We
 21 have to make sure we take advantage of technology. I'll
 22 conclude there for now.
 23 PROFESSOR COATES: Can I just ask a real quick
 24 clarification? Real quick. When you say we can't get
 25 participation, can you just be painfully specific, even

1 at the risk of offending somebody on the panel? Because
 2 I don't quite know what you mean.
 3 MR. SCHIFELLITE: Yes. I would say that, in
 4 particular, the tabulators have resisted participating in
 5 the confirmation process. It is pretty straightforward.
 6 It is not complicated. It should not be costly to be
 7 able to do this. We've done it. We've done it with
 8 issuers directly. We continue to do it where we can.
 9 I don't know, but that's where we think the problem
 10 is. I've talked to Ken about it. I said, "Ken, if we
 11 really need this, somebody has to push to make it happen.
 12 We are ready. We are in violent agreement that this has
 13 to happen."
 14 MR. YU: So I see a lot of movement.
 15 (Laughter.)
 16 MR. YU: So let me line it up this way. Paul, would
 17 you like to go first? Then followed by Darla, and then
 18 Katie.
 19 MR. CONN: Sure. Firstly, thank you to the
 20 Commission and the Staff for inviting Computershare and
 21 myself as a representative of the company. I just want
 22 to be very clear, I'm not representing the Securities
 23 Transfer Association today. I'm here in my personal
 24 capacity as an executive of a company.
 25 You asked for a spirited debate. I think that

1 probably is going to kick things off. Look, in terms of
 2 vote confirmation, we as a major transfer agent in this
 3 country, and the largest in the world, are in violent
 4 agreement. Okay?
 5 So votes that come in electronically should be
 6 should be confirmed electronically. There's really two
 7 points. The first is: What does confirmation actually
 8 mean? Does it mean the vote has been received? Does it
 9 mean the vote carried into the meeting? Is it given on a
 10 post-meeting basis?
 11 If the omnibus account balance changes between when
 12 the vote is received and the meeting occurs, who is
 13 responsible for reporting that? So there's some kind of
 14 general issues. Everyone talks about vote confirmation
 15 as being a very simple thing. We all agree. It should
 16 be part of our system.
 17 I think there is one fundamental point that Bob just
 18 raised, and he emphasized the point: reconciled
 19 positions. Now, we've been talking about some of these
 20 things for almost 20 years. Right? The U.S. capital
 21 market is the envy of the world from a liquidity
 22 perspective, from a pricing perspective, from a place to
 23 list. But from an underlying infrastructure perspective,
 24 in my humble opinion, it is creaking at the seams.
 25 It will need the Commission to do more than nudge,

1 to create a system that is right for America. That's my
2 view. But I'm not an American. I get proud when I can
3 make little statements like that. But reconciliation is
4 the key. We're going to talk about blockchain later.
5 Right? And I look forward to that.

6 But we have votes going into the marketplace against
7 positions that aren't necessarily reconciled. And we
8 talk about securities lending; votes should pass with
9 shares that have been lent. The lender should not have
10 the right to vote. The person who borrowed them or the
11 person who bought the shares from the borrower should
12 have the vote.

13 We shouldn't be talking about these issues, in my
14 humble opinion, now. What we should be talking about is,
15 if there are shares in a customer account that are used
16 to cover a short position in a brokerage position in this
17 fungible mass, whether that person should get a proxy.
18 That person today doesn't even know that their shares are
19 not really sitting behind what's in their account.
20 They're the issues we should be talking about.

21 So if we're talking about reconciled positions at
22 record day, which is 45 days before the meeting -- which
23 is, in my view, also quite antiquated -- then vote
24 confirmation can happen.

25 But let's just be specific about what we're trying

1 accomplished.

2 So I only say that. I'm not trying to throw
3 dispersions. But there are entrenched interests, and so
4 I agree wholeheartedly with Ken that the SEC should
5 mandate whatever it needs to mandate to get everybody in
6 the room and put aside their individual needs and work
7 this out because I do think that the pilot worked, or
8 almost worked. And we got very close, so we need to just
9 finish, finish that up. Thank you.

10 MR. YU: Katie?

11 MS. SEVCIK: Thank you. My team was involved in the
12 pilot. And I think, Bob, the vote to vote the system,
13 confirmation, it was successful in that it was a means to
14 communicate. There's no argument there. It did allow
15 for that communication.

16 But I think what we found interesting is that our
17 expectation was that we were going to get requests from
18 the participant side to -- again, in reconciling their
19 votes, to be able to say, "You know, we've got some
20 shares in firm name, and that should be part of our
21 voteable position."

22 And so if it's in firm name, it's a registered
23 position. And so we are expecting to get those types of
24 information: "Please, please move our firm name position
25 into a fungible mass for us." We didn't get that. We

1 to confirm because when we have this daisy chain of
2 participants in the system, the issuer and the investor
3 can't really rely on one single vote. They just have to
4 rely on everyone promising that the party in the chain
5 did what they promised to do. We can do that.

6 So there's no resistance. There's a philosophical
7 difference, I think, about whether the position should be
8 a reconciled state from the outset. If we all agree it
9 should be, we can move on. But I think the last ten
10 years, that's been quite a gray area.

11 MR. YU: Darla?

12 MS. STUCKEY: Thanks, Ted. And I too appreciate
13 being invited here. I just wanted to give a little bit
14 of background to Ken's statement about -- and to Bob's
15 statement about this, and to let the group know that this
16 was an effort that both the CII and the Society undertook
17 to do.

18 And in fact Amy, Boris, and I were the two people on
19 this end-to-end vote confirmation. And quite honestly,
20 we were the hall monitors. And when we were there at the
21 various meetings -- and I've got to tell you, it's like
22 mind-numbing because if you don't do this for a living,
23 it's very hard to understand -- but when we were in the
24 room, the people behaved better. Then when we weren't
25 there, the meetings would happen and not much would get

1 expected to see maybe an issue with potential trade, and
2 we'd have one broker come back and say, you know, "Reduce
3 ours," and another broker accept it.

4 All of that was built in a tool to allow that to
5 happen, but the requests that came in were basically
6 requests to validate the DTC position, which every single
7 one of the participants should have. So yes, the system,
8 again, successful for communication. But the
9 participants and the players didn't use it to how we
10 thought the system was going to roll out.

11 MR. YU: Alex, do you want the last word on this
12 topic?

13 MR. LEBOW: Sure, just very quickly. Thank you. I
14 just want to follow up on something Paul said, which is a
15 very good and simple point, which is that brokers are
16 great record-keepers. Right? That's what they do, they
17 keep records. So they know which shares are lent.

18 Yet it's still permissible today for them to send or
19 have their agent send a voter instruction form to a
20 position for which there are no underlying shares
21 actually to be voted. That's permitted. It's not a
22 question of technology. It's a question of obligation
23 and what's permissible. So it's a rulemaking question
24 and I think an investor protection question that that's
25 currently permissible.

1 And also just quickly on a point that Katie made
2 about the difference between the registered side and the
3 street side, there's a great natural experiment going on
4 right now in that we have these two independent spheres,
5 where largely the same process is taking place at a high
6 level.

7 But it's taking place in two very different ways.
8 On the one side you have a direct communications
9 framework, where companies and funds can communicate
10 directly with their shareholders. And on the other side,
11 you have intermediaries and NOBOs and OBOs and omnibus
12 proxies and a web of complicated relationships and
13 incentives.

14 And I think it's very much worth further study of
15 this experiment, observation of this experiment, and
16 particularly on the cost side. I think it's been
17 reported, and I think it's worth looking into more
18 closely, whether it is indeed much cheaper to serve a
19 registered position than it is to serve relatively the
20 same process on the street side position. So I think
21 that's something worth looking at more.

22 MR. YU: Larry, you want to take a few seconds and
23 add your thoughts?

24 MR. CONOVER: Sure. Thank you. So I'm on the
25 broker side. I participated in the steering committee as

1 to do that. And I think part of that is the
2 communication, and part of that is making sure that folks
3 are talking early in this stage and getting it done.

4 I'll reference Canada. There was a letter submitted
5 by, I think, the Securities Transfer Association of
6 Canada around this. Well, Canada took this up a couple
7 of years ago. They looked at the process, and then they
8 realized a lot of this was early stage vote confirmation.

9 And they actually recommended that they tabulators
10 communicate back. And we get numerous requests every day
11 coming in for those types of meetings up there. And in
12 every single case, it's a missing position level. And in
13 some cases, it's as simple as a depository position,
14 whether its DTC wasn't received; in some cases, it was
15 sent to the issuer, didn't get in to the tabulator.

16 So there's a process here, and I think the
17 confirmation process can be achieved. We participated in
18 the panel. Pilots are always great, and I can appreciate
19 some of the comments that were out there. I know we
20 participated. I was on that steering committee, and
21 unfortunately, the meetings we chose were very clean and
22 we didn't have a chance to use the tool for the intention
23 that it was intended to, to validate, hey, we have
24 positions in multiple cases; they seemed to be very
25 straightforward, at least from our organization.

1 well, and I do think there's a lot of misunderstanding
2 with how the process works. I think I disagree a little
3 bit with thoughts that shareholders don't know what their
4 vote positions are and that votes are not passed along to
5 them. We do a lot of work around that.

6 Broker dealers are -- as mentioned, they have a lot
7 of responsibility around ensuring customer assets,
8 ensuring their investments, and just back to an ops
9 question. I'm an ops guy. We pay out millions of
10 dollars in interest and dividend payments a year, and
11 that is balanced. So the process is there.

12 When I look at the concepts of overvote, and we
13 actually view those as more undervoting, we do a lot of
14 work to ensure that we're passing votes to eligible
15 shareholders and making sure that they get voted. And in
16 many cases we're submitting that, and we're not getting
17 that feedback if they're voted.

18 And there's been a lot of talk about not being able
19 to apply some of that. And I think that does go into the
20 early reconciliation process that goes into there. Some
21 of the studies and I think some of the comment letters
22 that actually came out around this proxy panel showed
23 that when they looked at some of these meetings, you were
24 able to cure them.

25 So that means that operationally there's a process

1 So I think that there is some misinformation that's
2 potentially out there, and perhaps a misunderstanding of
3 a complex process. But operation, I think there's
4 opportunities there.

5 MR. YU: Well, it's a great segue to the next
6 question because you mentioned clean meetings. And we've
7 had a couple of instances this past year or two where
8 meetings were not so clean. I wonder, Brian, if you
9 could talk about your experience with the P&G-Trian
10 contest, and maybe even share your thoughts on what
11 happened with Dell and going -- the appraisal rights and
12 what happened there.

13 MR. SCHORR: Okay. Ted, thank you. David, the
14 Staff, Chairman, the rest of the Commissioners, for
15 having me.

16 I want to talk a little bit about P&G today, but the
17 most important thing to take away is really not just the
18 tidbits, but to think about what sort of solutions, what
19 sort of looking forward? How can we tackle the issues,
20 solve the problems that we identify?

21 But let me start by putting it in context. As Ted
22 mentioned, I'm at Trian. We ran a proxy contest in 2017
23 at P&G. The meeting was held in October of 2017. The
24 results showed that it was likely the closest proxy
25 contest to date.

1 But putting it in perspective, think about this:
2 There were two and a half billion outstanding shares.
3 There were three million beneficial holders. Nearly 40
4 percent were Main Street or retail investors. That's two
5 times the percentage of other companies in terms of
6 retail ownership.

7 Of those two and a half billion outstanding shares,
8 two billion shares actually voted. And the certified
9 results showed a final voting margin of approximately
10 one-quarter of one percent. Virtually every vote cast
11 therefore had the possibility of being -- the potential
12 to be the deciding vote.

13 Now, the meeting was held on October 10th, and it
14 was not until November 15th that the preliminary
15 certified results -- five weeks later -- that the
16 preliminary certified results were issued. And at that
17 point, the results showed that our candidate, Nelson
18 Peltz, had won by 43,000 votes out of two billion.

19 Following the announcement, there was another --
20 there was a review period. The company asked for a
21 review period. And there were 100,000 proxy cards placed
22 on a table that had to be reviewed and examined by both
23 sides. That review process, as I said, took two and a
24 half weeks, and the final results were then issued on
25 December 15th, more than two months after the annual

1 meeting.

2 Ultimately, both we and P&G settled. Nelson Peltz
3 joined the board. But let me talk about some of the
4 problems, and then we can talk about maybe some of the
5 solutions.

6 We've talked about overvoting. Well, what we found
7 in the case of P&G was that there was certain overvoting
8 by securities intermediaries that had not been
9 reconciled. But what was most interesting was that the
10 reconciliation that needed to be done by the transfer
11 agent -- I'm sorry, by the tabulator, by the independent
12 inspector of elections, wasn't done at the time that the
13 preliminary results were announced.

14 So when the announcement came out that we were up by
15 43,000 votes, we were also told that, by the way, there
16 hadn't been a final reconciliation done. So think about
17 that. The results come out. It's a 43,000-vote spread
18 differential out of two billion votes. But by the way,
19 there's an asterisk: We haven't finished the
20 reconciliation yet. And this is weeks after the annual
21 meeting. So I think that's something that needs to be
22 focused on.

23 Number two, there were chain of custody issues.
24 We've talked about the intermediaries, the fact that when
25 you have a break in the voting chain of authority between

1 voting intermediaries like Broadridge, the custodian, the
2 sub-custodians, and the company's registered list,
3 there's a potential for shares not to be included in the
4 tabulation. And as a result, there's no consistent end-
5 to-end confirmation. But let me give you some examples.

6 One example that has been written about is there was
7 one major financial institution that had a pocket of
8 shares separate from its main allocation of shares, but
9 that through chain of custody issues, the shares in that
10 account -- and it wasn't just P&G shares; it was a
11 commingled account with lots of different shares from
12 different companies -- but those shares, it turns out,
13 had been cast. The votes had been processed, or so they
14 thought, for a decade.

15 But what they learned was that in each contested
16 election during that decade, during that time period, the
17 shares were thrown out by the independent inspector, and
18 they didn't know that. The financial institution did not
19 know that the shares that they had thought they had voted
20 had been excluded from the tabulation in a contested
21 election during every election during that ten-year time
22 period.

23 And again, it was chain of custody issues. So when
24 we made the phone call to that shareholder and said, "By
25 the way, we just learned that your shares hadn't been

1 counted," of course they were shocked.

2 A second example is when you have breaks in the
3 chain of custody because of changes in the name. And one
4 example was, there was a small fund administrator that
5 was excluded from voting its shares because the name of
6 the Broadridge client was changed followed the transfer
7 of its fund administration business.

8 There was a sale of the business, and the name
9 changed, and the custodian, though, remained unchanged.
10 The beneficial owners had not made any change to how they
11 held or voted the shares. And yet those shares were
12 kicked out.

13 Finally, another example is an institution had its
14 shares excluded because of conflicts on the face of the
15 DTC omnibus proxy. Right? There are lots of different -
16 - we call them pieces of paper, but some of it
17 electronic. But there were conflicts on the face of the
18 DTC omnibus proxy and the Broadridge proxy, which led to
19 the question of who had the right to vote. Was it the
20 financial intermediary or the beneficial owner?

21 And then there's the symbol case. There's the
22 symbol case of the lack of the paperclip. Shareholders,
23 retail shareholders, showed up at the annual meeting at
24 P&G. They wanted to vote their block of 50,000 shares
25 that they had held through generations. Their

1 grandfather had voted at the meeting.

2 They came with the right paperwork. They had asked

3 for and had received their legal proxy. And so they came

4 to vote their shares. They were handed a ballot; someone

5 from the company or from the transfer agent had walked

6 around the room, handed out ballots.

7 They filled out their ballot. They wanted to turn

8 them in just before the meeting -- before the vote

9 tabulation closed. They did so, but asked for something

10 very small. They asked for a paperclip. Well, it turns

11 out that they wanted to vote their 50,000 shares.

12 They didn't get a paperclip, but they turned in

13 their legal proxy and their ballot. And when the

14 announcement came out a few weeks later that we had won

15 by 43,000 shares, take a guess who called us? It was

16 that shareholder who was sitting in front of us that

17 said, "You know what? My 50,000 shares were the 50,000

18 shares that pushed you over."

19 And we were very happy. We were very excited. But

20 I talked to the guys who were then doing the review

21 process, and I called them down in Delaware, and I said,

22 "Guys, humor me. See if you can find that ballot for

23 me." And it took four days in the 100,000 ballots that

24 were on the table, but they called me back four days

25 later, and they said, "You know what? Those shares

1 weren't counted. They were not tabulated."

2 And I said, "Why?" Well, they said, "Because the

3 legal proxy was in one file folder on one side of the

4 room. The ballot was in another file folder on the other

5 side of the room. And no one bothered to put them

6 together. And the exact names, everything was perfect

7 with the way the forms were filled out. But simple

8 things like that make the process complicated.

9 Okay. Then there were issues of empty voting. We

10 talked very briefly of the empty voting issue. Think

11 about this: context of employee stock ownership plans.

12 There's an allocation of shares to the participants. The

13 participants are current employees and retirees.

14 And then there are unallocated shares, which are

15 held for future participants. And in many plans, those

16 shares are voted on a mirror percentage basis to match

17 the shares that were allocated and voted by actual plan

18 participants.

19 So you have a scenario where most of the plan

20 participants -- typically they're either members of the

21 company, they're employees of the company or former

22 employees -- and those shares, as you would expect, are

23 typically voted, the vast majority, in favor of the

24 company's slate.

25 But how about those unallocated shares? Does it

1 feel right that those shares should also be voted for

2 management, even though they've been unallocated? So I

3 raise the question of whether or not that's a different

4 way of having an empty voting situation.

5 The costs: We've talked about all of the

6 complexities here. But think about all of the costs

7 involved -- the processing fees, the mailing fees, the

8 transportation, the postage, and all of the costs

9 incidental to the solicitation. It's a very expensive

10 proposition.

11 In P&G, the company disclosed \$35 million in costs

12 in excess of what they had spent in an uncontested

13 meeting. We disclosed costs of \$25 million. It's just a

14 very, very expensive proposition. I mean, think about

15 that. You have a situation where \$60 million worth of

16 costs was spent to solicit votes.

17 And I will say this, that at the IAC meeting back in

18 September, I was fortunate to be accompanied by P&G's

19 chief legal officer. And one of the things that Debbie

20 Majoras did mention was that the costs were exacerbated

21 by limitations on electronic distribution of proxy

22 materials in contested elections.

23 And again, I think the fact is that there has to be

24 -- there needs to be a way of looking at the question of

25 whether or not proxy materials can be sent

1 electronically. And I know there were lots of issues,

2 but to require or to have a situation where most of the

3 materials are being sent by hard copy in this day and age

4 is very, very difficult when you have three million

5 beneficial owners.

6 It's a very expensive proposition to be sending out

7 materials, to be paying for the mailing costs, the

8 processing cost, the transportation costs. And that gets

9 you into the question of whether or not there's adequate

10 retail participation when you have electronic voting.

11 And I know that's a question that we all should be

12 focusing on: Is there a way to encourage retail voting,

13 and does it decrease when electronic voting is used? But

14 we have to, in this day and age, think about the

15 situation of what is the way of reaching shareholders,

16 and what is a cost-efficient way?

17 So let me conclude by a couple of recommendations.

18 We may talk a little bit later about a universal proxy

19 card. I think that is one way of eliminating some of the

20 issues where you have the question of which is the last

21 card voted, and also conflicting cards where people try

22 to write in nominees on the company card or the dissident

23 card, and both cards end up getting thrown out.

24 I think there needs to be rules to have end-to-end

25 confirmation. And assuming the SEC concludes they have

1 the requisite jurisdiction over the parties, there should
2 be a requirement of all intermediaries to provide the
3 information necessary to facilitate end-to-end voting.

4 And I agree with Ken Bertsch and CAI. I think
5 they're all -- those are short-term recommendations. I
6 think there need to be longer-term recommendations too.
7 I think we're almost at a point where the immobilized and
8 fungible share system should be reconsidered and moved
9 toward a system of traceable shares, specific share
10 ownership, and identification, and at the same time
11 safeguarding identities, holdings, and voting decisions.

12 And the way to get there may well be -- and I think
13 alternatives should be studied and considered, whether
14 it's digital voting platforms, a digital central ledger
15 book entry system, or blockchain private permissioned
16 technology with a central gatekeeper.

17 I think those are all the sorts of things that
18 should be looked at very carefully. And I think the
19 Commission should consider implementing a series of pilot
20 programs to test those various alternatives.

21 MR. FREDRICKSON: Thank you. You all are writing
22 our segues for us.

23 Following up on Professor Coates' suggestion
24 earlier, one impediment that's been identified to
25 efficient voting is the effect of the bona fide nominee

1 ability for investors to pick and choose among candidates
2 when they are voting in a contested election.

3 I note that in many cases, while we talk about the
4 system being broken, I think we also should acknowledge
5 that the system can work. It's a matter of the
6 complexity of the system. There are aspects that don't
7 work well. There are aspects that can work much better.

8 And that's really where we get to when we talk about a
9 potential need for a universal proxy.

10 We can help a client vote right now. We can help a
11 client vote, and not just vote for one slate in an
12 election campaign. It requires requesting a legal proxy.

13 We know that the difference between the registered
14 shareholders and the beneficial owners, as Alexander
15 alluded, means that there are different ways that the
16 whole process works.

17 The process does work better for registered share
18 owners. But that's not the process through which most of
19 the shareholders own their shares these days. And so
20 creating a system that allows the beneficial owners a
21 less complex way to make their choices is ultimately
22 very, very valid.

23 Ultimately, that means that most participants have
24 come to agree that the universal proxy can be a very good
25 solution.

1 rule on investors' ability to vote for the directors they
2 want in contested elections.

3 And so this has been a subject of much debate
4 recently. And so what have we learned in the recent
5 debate and commentary about the possibilities and the
6 challenges of addressing this issue? And I think we'll
7 start with Bruce.

8 MR. GOLDFARB: Thank you, David and Ted, and to the
9 Commissioners and the Staff for having me here as well.

10 As a proxy solicitor, we represent both issuers and
11 investors in election campaigns. And so we don't
12 particularly have a one-sided view of a lot of these
13 issues. Our job, to the extent that you're talking about
14 proxy plumbing, we are nicely-dressed plumbers, I guess.

15 And so we use part of the process to really just help
16 our clients be guided through the issue.

17 With respect to how the process works right now,
18 especially in a contested election, as you identify with
19 a bona fide nominee rule, the challenge can be as to how
20 to put together your slate in a contest, who's willing to
21 run, and ultimately who the investor can select to vote
22 in the campaign.

23 And so I think this leads towards, ultimately, the
24 discussion of whether or not the current system works in
25 terms of a contest with competing slates and the lack of

1 MR. FREDRICKSON: My guess is not universal. I
2 don't know.

3 Darla, do you want to pipe in on this?

4 MS. STUCKEY: Okay. You want me to talk about
5 universal proxy right now? Okay.

6 I'm so happy Brian was here because I'm fascinated
7 by the stories of the P&G fight, as somebody who studies
8 this in a group who cares about that. We all wondered
9 what happened.

10 And I will just say my own story is I didn't get to
11 vote my P&G shares. I had a few in a managed account
12 through Merrill Lynch. I did receive a proxy card. I
13 misplaced it. It was actually the weekend before when I
14 decided I really wanted to vote, and I went looking for
15 the card.

16 And it was a holiday weekend, I believe. So Friday
17 afternoon I start thinking, "Where's my card?" I try to
18 call my broker, the guy I know. There's no way he can
19 figure out how to get me a card over the weekend or on
20 Monday, which was a bank holiday. And I only had one
21 card because I owned less than a hundred shares, and you
22 didn't send to me. So there'll be another -- there'll be
23 more on that later. That's another issue.

24 But in any event, I was unable to vote. And I --
25 yes, maybe I shouldn't have misplaced my proxy. But I

1 know that was another problem, that it's impossible to
2 get your control number if you don't have that card. And
3 you can't call Broadridge, and they won't give you it
4 over the phone. So we need to make it easier. That's a
5 very small point.

6 But let me get to the universal proxy card. I agree
7 with John, I think it was, who said that several years
8 ago we were here, and the issuer community and some of
9 the lawyers that support companies in proxy fights were
10 kind of against universal ballot.

11 Things have changed a little bit. I agree that more
12 people seem maybe ready to can it on the issuer side. It
13 really isn't a "depends," obviously; sometimes it helps
14 you, sometimes it hurts you. I've heard stories where,
15 "Look, this is a negotiation. Who's going to be on the
16 board?" There are times when a company may say, "Yes, it
17 wouldn't be such a bad thing if one of the dissidents got
18 on the board, and maybe we would lose this one."

19 However, it's still fraught with problems on
20 outcomes. Like I don't know how you know -- and maybe
21 the smarter people can say this -- but I don't know how
22 you know, when you go into a contest if you have three or
23 four or five on one slate and eight on the other, exactly
24 which of the five will win and which of the eight you
25 would lose.

1 So my worry is that you lose an audit committee
2 chair and you get a comp committee person, which is
3 typically what the dissidents want to be on, comp or
4 maybe nom and gov. But so I don't know how you figure
5 out what the outcomes are going to be.

6 And Ken, I read your letter with interest about
7 "disclose if there's somebody who's unwilling to serve if
8 a certain person wins." I thought that was very
9 creative. I like it. However, in my mind there are
10 still too many permutations unless you guys can tell me that
11 you sort of know in advance who's really going to win and
12 who's not.

13 But to my mind, that all happened sort of before the
14 vote because there is a lot of negotiation in these
15 things. So I say that only to say there's still a lot of
16 wrinkles. My overarching view is NOBO/OBO, vote
17 confirmation, getting rid of intermediaries or
18 streamlining the process. They're all much more
19 important to the system than the universal ballot.

20 I don't think you have to deal with that fist. I
21 don't think you have to make it mandatory. But when you
22 realize that there's only maybe 20, 25, maybe 50 meetings
23 a year that are actually proxy contests, and there's
24 thousands, 5- to 8,000 U.S. annual meetings a year, I
25 think we should focus on fixing the bigger problem rather

1 than the smaller problem.

2 So that's kind of where the Society sits. However,
3 I was also told, "Don't fight it. If it's coming, that's
4 fine. People will deal with it." But there are things
5 that you have to look at, being what the outcomes are,
6 how many shareholders should be solicited. I also thought
7 Ken's letter was thoughtful on that.

8 And we would be of the view that the dissident
9 should be required to solicit more, maybe all, maybe 75
10 percent. But it doesn't seem fair to corporations that
11 they have to solicit to everyone and bear the costs, and
12 the dissident doesn't. And if they violate the rules,
13 then should be held to account whether that's a fine,
14 whether that's some kind of sit-out period. That could
15 be looked at.

16 The other really, really interesting thing, though,
17 from my standpoint need sitting on the Broadridge
18 steering committee over the years, is: What the hell
19 does a -- excuse me -- what the heck does the proxy card
20 look like?

21 (Laughter.)

22 MS. STUCKEY: How are you going to get all this
23 stuff on the proxy card? I mean, so maybe we just
24 dispense with the card and put it all on an electronic --
25 it should be an email. It should be some sort of

1 electronic proxy, where all the names are there. It's
2 easy to tell who are the dissidents? Who are the
3 incumbents?

4 But right now, we had so many meetings over how you
5 truncate a shareholder proposal title to fit it on the
6 proxy card a few years ago, and Bob will remember this --
7 I mean, the fights over that -- we've got to move forward
8 here.

9 So anyway, there are those kinds of problems that
10 will invariably come up. So I'd like to see somebody
11 tackle those, maybe a subcommittee, maybe the Broadridge
12 -- I don't know who it is, but somebody that cares about
13 what it looks like on the proxy because you know if it's
14 alphabetical, people aren't going to know who's who. If
15 it's one side gets first and the other side's at the
16 bottom, they're going to have an advantage -- you can
17 come up with a million things. So that's another kind of
18 impediment.

19 I don't want to go too far. I'll stop there. But
20 there --

21 MR. FREDRICKSON: We're keeping this lively. This
22 is fantastic. And it looks like there's a number of
23 people who'd like -- we want to hear from everyone. If
24 folks could keep their comments short. First Brian.

25 MR. SCHORR: Okay. A couple things. Firstly, as I

1 alluded to before, the use of the universal proxy may
2 well eliminate some of the problems that we're trying to
3 tackle today, identifying the last voted card and invalid
4 conflicting cards, as I said, where a shareholder tries
5 to mix and match.

6 I do think that it's possible to have a proxy card
7 where there's mandated uniform presentation and
8 formatting requirements. I think that there needs to be
9 rules governing what happens when there are mismarked
10 cards, including an opportunity to resubmit and cure a
11 mismarked card, time permitting, where the number of
12 nominees that have been selected by the shareholder
13 exceeds the number of vacancies.

14 And finally, we agree that there should be a
15 solicitation threshold that would trigger the requirement
16 of universal proxy. The 2016 proposal had required a
17 majority of the outstanding shares, and we would ask the
18 SEC that if it does decide to change that from majority
19 to something else, that there is a further study and
20 review of that percentage and of the economic impact to
21 the dissident shareholder because you don't want a
22 situation where the solicitation becomes prohibitively
23 expensive, and thereby rendering the ability to use
24 universal proxy -- making it illusory.

25 I mean, just commenting, Darla, on your comment, the

1 reconciliation of their position to up front. The
2 tabulator should also do some pre-reconciling so that you
3 know ahead of time -- where you stand, what you're
4 expecting, and then as problems come in, they can be
5 addressed.

6 And I think that's where the end-to-end vote
7 confirmation pilot program tried to address, is there
8 needs to be ongoing communication. Unfortunately, you
9 can't just, "Oh, we're reconciled. We have no problems."
10 Things do happen, particularly with the way securities
11 move.

12 So I think all of these are things that we have to
13 take into consideration. and I think they're low-hanging
14 fruit, and then get all the way back around to the
15 challenges with a contest. We do feel that a universal
16 proxy ballot would take out some of the confusion for the
17 shareholders.

18 They are being bombarded with information from both
19 sides of -- the management and the dissident sides. And
20 I think it's very confusing, and probably what happens is
21 they vote multiple times or they don't vote at all. And
22 I think a universal proxy ballot would help clear up some
23 of that confusion.

24 But mainly what we need to look at as an industry is
25 let's take all of these components and figure out how to

1 fact is that to solicit a hundred shares, it would
2 probably cost more money to actually send out the
3 materials and to pay the mailing costs, the processing
4 fees. And by the time you get through it, it would turn
5 a \$25 million budget into just an extraordinary 50- or
6 \$100 million budget. You just can't do it.

7 MS. STUCKEY: No. I understand that. And in fact,
8 corporations use notice and access and stratify the vote
9 for that very reason.

10 MR. SCHORR: Right. Exactly.

11 MS. STUCKEY: We were very concerned about the cost.
12 But that leads us to we need email. Yes.

13 MR. FREDRICKSON: Sherry, is that your card that you
14 wanted to weigh in on?

15 MS. MORELAND: Yes. And thank you for inviting me
16 to participate today.

17 I was very interested in Brian's comments because I
18 think they sort of in one event highlight all of the
19 problems that you can run into in a proxy tabulation
20 event. And unfortunately, the stakes were very high.
21 And in any type of contest, and certainly one as high-
22 profile as P&G.

23 But I think what it points to is that there's a need
24 here to do several of the things that are being talked
25 about today. The first is requiring brokers to do pre-

1 put them together so the vote process is clean at the
2 end. I believe at the majority of events it is a very
3 clean process. But the P&G event points out when
4 something goes wrong, it can really go wrong.

5 MR. FREDRICKSON: I see David, Bruce, Ken, and Bob.
6 So let's go quickly so we can move on, but I want to
7 hear from folks.

8 David?

9 MR. KATZ: Thank you, and I appreciate the invite.

10 Universal proxy can be helpful. But the truth is
11 really going to be depending on the details, and I am
12 very concerned because the details will matter, little
13 things like how you designate who is on which slate and
14 things like that, and whether it's alphabetical or other
15 things, or one side bold and -- you know.

16 It also doesn't solve a lot of the other problems,
17 though, that we've talked about because you could have
18 multiple universal proxies that would be sent out in a
19 contest. And who are you designating as your proxy
20 holder and all those wonderful things that come with it.

21 But the bottom line is that the problem really is
22 getting to allow people to vote. And as Chairman Clayton
23 started with, long-term Main Street shareholders, they
24 shouldn't be disadvantaged in this system. Companies
25 have to communicate with all their shareholders.

1 Brian, I understand the point about cost. But I
2 don't think companies -- I think companies and dissidents
3 should be on the same page as far as that. One side
4 shouldn't be advantaged or disadvantaged. And at the end
5 of the day, we need to figure out a system that allows us
6 to communicate directly with the beneficial holder.

7 I think the technology exists. We've got a lot of
8 people up here that can talk about it today, and I know
9 we've got get to that. But it's a question producing
10 something that really works. And the system, yes, we
11 have a great capital system.

12 The voting system stinks, for lack of a better word.
13 It doesn't work well. There are more problems than
14 we've even talked about here in normal situations, but
15 they don't matter, for the most part, because the votes
16 on a proposal may not make a big difference at the end of
17 the day.

18 But when you've got a client that needs to get a
19 majority of the outstanding shares on a particular
20 proposal to amend its charter to do something else that's
21 ministerial, and votes don't get counted or votes don't
22 get made, and nobody has any ability to track who voted
23 and didn't vote, we have a system that doesn't work.

24 And that doesn't accrete to anybody's benefit. It's
25 to everybody's detriment. And I think that we really do

1 Apparently some brokers don't know that.

2 The bigger challenge sometimes is that brokers don't
3 even know how to set up an account to make it a non-
4 objecting beneficial owner. I walked my wife into a
5 brokerage firm, a large brokerage firm, to set up an
6 account for her, and she wanted to be a NOBO. The person
7 who helped her set up the account had no idea what the
8 meant.

9 They went and they asked for the manager. The
10 manager didn't know what a NOBO was, didn't know what an
11 OBO was, couldn't find it on the form used to set up the
12 account, couldn't answer whether the default was OBO or
13 NOBO, promised they would call back. No one called back.

14 We set up the brokerage account with a different broker.

15 But it's endemic in the system that we can't
16 communicate with investors because we have this
17 distinction between OBO and NOBO, and when we are able to
18 reach out to the NOBO, we can improve participation. We
19 can improve information. We can help those investors
20 understand and make informed decisions.

21 But there's such a significant portion of the
22 investor base who doesn't have that kind of outreach, and
23 that's really where the system needs to be fixed.

24 MR. FREDRICKSON: Yes. We'll come back to that in
25 just a little bit.

1 need to take a step back and figure out what the right
2 system is. There are so many costs built into this
3 current system that I think that if you revamp the
4 system, you'd probably have a payback of two or three
5 years, when you think about it, and take out some of the
6 different levels.

7 I do know that everybody has their own economic
8 interests here. But we need to figure out a system that
9 works.

10 MR. GOLDFARB: Interesting dialogue here from when
11 the universal ballot was proposed a few years ago. And
12 who opposes the universal ballot and who's in favor of it
13 seems to shift from when the rules were proposed, which
14 were largely fair and balanced. In my view, the Staff
15 did a great job and considered all sides to create a
16 level playing field. The details are where we go.

17 But I agree with David that it's very much a concern
18 about the whole system and the issue of getting people to
19 vote, and the issue of who can vote and how they vote.
20 And in many ways, it goes to how shares are held.

21 In the broker system, Darla's experience is very
22 telling because she is quite knowledgeable about the
23 proxy process and yet she was unable to get her shares
24 voted. I know you can call your broker and get your
25 control number. I know that. Not everyone knows that.

1 Bob?

2 MR. GOLDFARB: Yes. Thanks, David. Just a quick
3 comment.

4 I think, as Sherry said, we need to walk and chew
5 gum at the same time. I think we can do multiple things
6 her. And on universal proxy, the SEC put out a very good
7 proposal two years ago, and I think with some minor, the
8 work has already been done. So I don't think that needs
9 to derail anything else that's happening.

10 On the proxy contest being -- you don't know what
11 the outcome is going to be; it's uncontrolled. You might
12 have the nominating committee chair. That's what it is
13 in a contest. You've got multiple -- you've got all the
14 shareholders voting, and you don't know what the outcome
15 is. Just like the U.S. Senate, you couldn't necessarily
16 prioritize keeping a particular Senator who had
17 particular things to offer. It's a contest.

18 So I do think that we hear that objection mainly
19 from activist investors who are worried that the
20 shareholders will withhold support from various people on
21 the management slate, and thereby possibly lead to just a
22 numbers game.

23 And I think that's just up to the activists.
24 They've got to tell people, "Hey, if you want to elect
25 this person to the board, you need to coalesce around who

1 you're going to oppose."
 2 MR. SCHIFELLITE: Okay. A few points. I'll try and
 3 make them very quick.
 4 So first, universal, we can do it. We've said we
 5 can do it. We've done it, I think. In one instance we
 6 do need rules of engagement. Right?
 7 Second thing, I think it's very important to get the
 8 facts straight with regard to what Brian said. And I agree
 9 with what he said. But the 100,000 cards were the
 10 registered cards, not street. Okay? Those are all the
 11 registered cards. That's the piece that took weeks to
 12 figure out. The street position, once the meeting was
 13 done, our final vote was issued.
 14 Now Brian brought some points up about instances
 15 where votes were thrown out. Again, it gets back to if
 16 we did the early processes everybody's talked about, if
 17 that voting confirmation were in place, that could have
 18 been avoided. You've already caused change by just
 19 advertising this issue because we've already seen an
 20 improvement. So I get back to vote confirmation, et
 21 cetera.
 22 On the "can't communicate," the data show -- because
 23 we do process for registered side in certain instances as
 24 well as the street -- the data does show that the street
 25 side retail votes at a higher level than registered,

1 where there is a direct process. But do we want more
 2 retail shareholder voting? Absolutely. And we have the
 3 technology and new technology that's going to enable
 4 that.
 5 But there's more voting taking place on the street
 6 side versus the registered side, and again, in that
 7 situation with P&G and the registered positions, there
 8 were two different entities trying to decipher the
 9 100,000 cards. On the street process, we see both sides.
 10 What's critically important is that you know the
 11 last vote in. I don't know how you do that on the
 12 registered side when Party A, who represents management -
 13 -
 14 MR. FREDRICKSON: Hold on just a second.
 15 (Pause)
 16 MR. SCHIFELLITE: I think somebody's trying to cut
 17 me off.
 18 (Laughter.)
 19 MR. SCHIFELLITE: Usually it's music that does that.
 20 MR. FREDRICKSON: You paid for that mike.
 21 MR. SCHORR: But the management had an entity that
 22 did that. Opposition had an entity that did that. And
 23 you try to put it together: How do you even know who the
 24 last card is? You don't know.
 25 On the street side, we know because we're doing both

1 sides. It's all tagged. It's all monitored. It's all
 2 audited. One of my props here is all the audits that
 3 take place of these votes. So when people say, "I don't
 4 think it's right, and it's broken," there's a lot of
 5 outside data here which I think is unique.
 6 I don't know if anyone else is doing the level of
 7 audits that we do to say that the process is right.
 8 Doesn't mean we don't make mistakes. It means that it is
 9 monitored. We share this with corp fin and our steering
 10 committee every year, all the different audits, et
 11 cetera.
 12 So I will end there. But I think it's important to
 13 make that distinction between the registered side and the
 14 street side.
 15 MR. FREDRICKSON: Thanks. Maybe next time we'll get
 16 an orchestra that has a swell to synch up.
 17 (Laughter.)
 18 MR. FREDRICKSON: So let's touch something less
 19 controversial and talk about the economic incentives of
 20 intermediaries and what ways we may be able to improve
 21 communications for beneficial owners to communicate
 22 directly, mindful of the fact that there's a system in
 23 place that rewards certain conduct and behaviors, and how
 24 to be mindful of that, of any changes. And let's start
 25 with Larry.

1 MR. CONOVER: So just a couple comments. The
 2 delivery of shareholder reports and proxy voting is just
 3 one small part of a larger system around our street
 4 ownership. I think we've seen a large growth in street
 5 ownership. Our markets function.
 6 We've heard a lot of comments around today --
 7 there's average trading volumes over billions of shares
 8 going on. I think beneficial ownership comprises over 95
 9 percent of share ownership today. And I think in some
 10 new public corporations, it's 100 percent, trying to go
 11 towards a more paperless society.
 12 When I look at the relationship a client has with
 13 their broker, it's more than just proxy. So they come to
 14 a broker to trust themselves with their investments. We
 15 have an ongoing relationship with that customer, assist
 16 them with their investment process, their shares.
 17 I think our overall incentive really is to create
 18 that ultimate customer experience for that customer. And
 19 that includes providing a holistic user-friendly voting
 20 service.
 21 So typically, a customer doesn't own one issuer;
 22 they probably own multiple stocks in their account. They
 23 want a friendly, reliable system, to be able to vote all
 24 of their shares and not just a one-off engagement out
 25 there.

1 So I think in short, I think there is a lot of
2 incentive for brokers to create a better process with
3 that. We have a voting platform on our website. I think
4 there was some commentary around the program. So we do
5 have a site right on our website where, when you log into
6 your website, you can see all your active meetings. You
7 can actually pull up your material. And you can actually
8 vote. And we're hoping that creates greater e-delivery.

9 We see that. That's going to help increase -- or
10 reduce costs overall in the process. So we've seen great
11 success with that. And it is a simple site that allows
12 you to go in and look at everything, and not just one
13 particular meeting when you get a vote. So we're hoping
14 that increases retail shareholder participation. And
15 really, I think there's a lot of talk here around the
16 operations and everything. I think we may even be able
17 to get into it.

18 But I think our greatest improvement opportunities
19 are making it easy for the customers. And is that making
20 it easier to deliver material in the formats that they
21 want? We pretty much have e-delivery, and we have paper
22 today.

23 The email rates are constantly going up, but I still
24 think there's some improvements to that. I think the
25 rule is quite a bit old. It does require -- and I

1 believe the way it's worded is it requires us to prove
2 that the customer has internet access.

3 So it can be a multi-step process that gets a little
4 cumbersome. And we've seen instances where the
5 shareholder just doesn't take those extra steps to do
6 that. But ultimately, if there's the desire and they ask
7 for it, that's how they actually want the material.

8 So I think there's a couple of comments out there
9 and some opportunities around improvements to deliver
10 material to the customers the way they want it, and allow
11 for an easier voting platform.

12 MR. FREDRICKSON: David, did you have a few
13 thoughts?

14 MR. KATZ: Yes. I'll be very brief here because I
15 think the discussion on technology is quite important.

16 But I think that we need to reduce complexity here.
17 I think that to the extent we can develop some type of
18 universal system, yes, it does mean we would be cutting
19 out intermediaries. Frankly, the economic incentives at
20 the inventories shouldn't matter at the end of the day.
21 It should be the economic incentives to the people who
22 want to cast their vote, and to the people that need to
23 get their vote, whether it's dissident or the company.

24 And I think that should be much more what's driving
25 the process. And I think that there are ways, using

1 technology -- and we'll probably get into OBO and NOBO a
2 little bit -- but there's a lot of ways that the system
3 can be simplified to allow direct communication to
4 provide, either for electronic or other methods of
5 voting, they can be confirmed and can make everybody a
6 much more active participant in the system.

7 MR. FREDRICKSON: John, then Alex.

8 MR. ZECCA: Well, thank you, David, and thanks to
9 the Commission for hosting.

10 I think when, from NASDAQ's perspective, we bring to
11 the table the fact that we work with our listed companies
12 -- we have a 3,000 public companies listed on NASDAQ --
13 and hear their concerns. We're a listed company as well,
14 so we're subject to the same responsibilities and
15 obligations.

16 I think when we look at the cost and the
17 intermediary piece, I think one of the questions we focus
18 on is the accountability. And I think in a number of
19 ways, there's a real question of the cost being divorced
20 from the accountability because the issuers and
21 ultimately investors are paying the cost, but they're
22 not really having a direct -- the issuer, as the proxy
23 for the ultimate owner, doesn't have the ability to
24 select the intermediaries. And I think the question is:
25 Would that add a greater level of accountability?

1 I think normally, when you have a service cost
2 associated with it, the person, the customer, has a say
3 on both aspects of it. Here we get a bill every year for
4 the intermediaries. Actually, I think last year we got
5 four for one meeting. But it's very hard to deconstruct,
6 and we don't have a choice.

7 So I think the question is: If we added more in,
8 would that then develop the potential for competition,
9 probably on a broader level? Would there just be a level
10 of accountability that doesn't exist because nobody
11 really has an incentive right now to go for extreme
12 efficiency. I don't think it's that anyone's being a bad
13 actor, but that's just the economic reality.

14 So I think that would be one of our core suggestions
15 when it comes to how to better structure the markets,
16 that the incentives are better aligned with the
17 obligations.

18 MR. LEBOW: Just to follow up on that, I think it's
19 worthy of very detailed study because it's quite
20 counterintuitive and quite esoteric, the way the
21 incentives in this market work and the way the entities
22 interact with each other.

23 So as John said, the entities choosing the service
24 provider, the brokers and banks, are not paying. The
25 entities paying are the issuers, public companies, and

1 funds. Their role is to pay invoices. The market
2 provides them no choice of the intermediary. And so the
3 incentive -- in other words, they have no ability to
4 approve the overall service. They have the incentive but
5 no ability, and the ones with the ability have no
6 incentive.

7 So you have a very curious situation. And this is
8 not a separate question from the NOBO/OBO question; it's
9 directly a result of the NOBO/OBO issue. The reason that
10 issuers have no choice is because there are a whole bunch
11 of OBOs, as high as 60 percent of the shares, who are --
12 in many cases who have elected to be OBOs because of
13 default provisions in brokerage agreements that they
14 don't know about.

15 There's no competition in this market that's aligned
16 with the incentives in the interest of issuers and
17 investors and shareholders. And that, I think, is the
18 fundamental problem, that if there's one thing, the
19 common underlying this, that afflicts this market, is
20 that.

21 MR. FREDRICKSON: Alex? Sorry. Alex, thank you for
22 making those comments. When I look at this market, and
23 this hasn't changed in 20 years, we can't sit here as a
24 roundtable and believe that we are discussing new
25 phenomenon here. This is a deep-rooted Gordian knot.

1 And you can't just take one piece off; you have to really
2 get to the core of it.

3 But that is the basic flaw, in my view, in the
4 system. I agree with what Larry said: Customers should
5 have the right to have information. Investors should
6 have the right to have information delivered to them
7 wherever they want to in a very convenient way.

8 No one disagrees with that. But when you have a
9 system where the intermediary selects its agent for the
10 distribution, and it can pass the cost for that to an
11 issuer that has no ability to influence how it's
12 communicating with its shareholders, you've got a system
13 which is really structurally quite flawed, in my view,
14 from an economic perspective.

15 And that is why people that service intermediaries
16 have to pay to win contracts. There's revenue-sharing.
17 I mean, there's nothing new here. This was documented in
18 minute detail by the New York Stock Exchange after the
19 2006 proxy review.

20 Every time there's a major step forward in
21 technology, the cost of communication goes down, yet the
22 rates actually don't change. They only change when
23 there's enough pressure in the system to cause the New
24 York Stock Exchange to say, then, "You're right." That
25 is not a system that will drive innovation. That's not a

1 system that actually will bring costs down in line with
2 what technology will allow.

3 MR. FREDRICKSON: Thank you. So let's move on to
4 OBO/NOBO, then. So assuming that we don't end that
5 system, is there a cost-efficient way to check in with
6 the objecting beneficial owners and figure out if they do
7 in fact object? And how do we protect whatever
8 legitimate proxy rights those who truly want to object --
9 and honor that view?

10 Katie, do you want to kick us off on that?

11 CHAIRMAN CLAYTON: Actually, David -- and maybe,
12 Katie, you'll do this -- but for our investors at home
13 who maybe don't know what NOBO/OBO is, would somebody
14 just give a plain language, if it's possible,
15 explanation?

16 MS. SEVCIK: Sure. Thank you. So I would say, just
17 really at a high level, OBO is an objective beneficial
18 shareholder who does not want their information to be
19 given to the issuer. A non-objective beneficial investor
20 would be an investor that doesn't care, that they are
21 totally fine with their intermediary giving their
22 information to the issuers.

23 And so you'll guess, looking at -- it's obviously no
24 secret that issuers today have more and more of a
25 responsibility to reach out to all of their investors, in

1 particular with the focus on corporate governance and the
2 issuer wants to be able to tell their story.

3 And in some of the kind of investigative work that
4 some of the issuers have done is trying to understand,
5 again, how does a shareholder become an OBO or a NOBO,
6 and do they really understand it? And some issuers, in
7 some cases they may have asked other associations to do
8 some research as well.

9 And there's a couple things. Once -- I think it was
10 maybe ten years ago -- there was an effort by
11 intermediaries, brokers and banks and issuers, and
12 looking at the contacts. So I know there were comments
13 made that in some cases, the default was to OBO.

14 And back about ten years ago, the vast majority of
15 the contracts that we looked at as an industry did have
16 that, in effect, that the default was of the disclosures,
17 that the intermediary would not provide the information
18 to the issuer.

19 So I think that's one of -- one thing from an
20 issuer's perspective is: How do we go about now and
21 rectify that? How do we go back and ask all the
22 beneficial shareholders to say, "Do you really -- we have
23 this need to reach out to you. You are investing in our
24 company. We want to tell our story. Are you fine with
25 that?" And we believe, from an issuer's perspective,

1 that the vast majority of the OBOs will switch over and
2 become a NOBO. So I think that's one.

3 There was a period of time when, after this study
4 group, in looking at the contracts -- then there was a
5 period of time when the intermediaries changed, and they
6 didn't default. Unfortunately, we're starting to see the
7 defaulting come back again, and so we're starting to see
8 some cases where that is.

9 I think, to again -- there have been various
10 suggestions, suggestions of those that truly want to be
11 an OBO, to have it in a nominee account and pay for that
12 service to become an OBO. But it would be very
13 interesting to see how many of those 60 percent of OBOs
14 really want to be OBOs. The thought is it's less than
15 even 5 percent.

16 Now, I think one other thing just to add for this:
17 The issuers, again, they do have access to the NOBOs.
18 It's very expensive. We've got -- there's one that
19 ended up paying more than \$70 a name. That's what the
20 cost was for that issuer to get a list of their top
21 thousand NOBOs. So they were paying over \$70,000 to get
22 that top list.

23 We know another issuer that wants to reach out to --
24 or, excuse me, and when the issuers get this list,
25 there's no email addresses. It's just name and street

1 address or name and P.O. address. So it's only postal
2 mail that they can reach out.

3 So we do have other issuers that, on their own, have
4 actually been trying at the time, during the annual
5 meeting, have beneficial shareholders to sign up on their
6 site to get a quarterly newsletter and trying to get,
7 again, the email addresses so that issuers can reach out.

8 So, number one, it's obviously very expensive to get
9 the NOBO list. And two, it's really time for us to re-
10 look at that OBO/NOBO and really identify who wants to be
11 an OBO, and another alternative for them to remain on
12 this.

13 MR. FREDRICKSON: David?

14 MR. KATZ: I struggle a little bit with the
15 premise that we've got to leave the OBO/NOBO system the
16 way it is because I think if you look around the world,
17 nobody else has used that system any more. There are
18 ways to do it; the Commission could regulate through the
19 use of low-cost or no-cost nominee accounts; if that was
20 really what people's concern was.

21 I think most people don't understand it and don't
22 understand the distinctions. But there's no reason why;
23 the technology exists to have all this data easily
24 available. There's no reason -- there's no incremental
25 cost of \$70 a name to do it. It exists in a database.

1 And if we're trying to increase and enhance
2 shareholder engagement, which I think everybody on this
3 panel probably is somehow in favor of, figuring out ways
4 to achieve low-cost communication on a regular basis as
5 opposed to just around annual meetings makes a lot of
6 sense.

7 And I think that by starting down that path, you
8 will actually help issuers better understand who their
9 investors are, investors perhaps understanding better who
10 the issuer really is and what their goals are, and
11 sparking some additional engagement and communication,
12 which then carries over to the whole proxy process
13 because you now have a database of information that
14 allows people to communicate directly.

15 We can try some of these pilots that different
16 people have talked about, and through blockchain or other
17 technologies, frankly, we can use that so that when
18 somebody trades their shares, that information can carry
19 at a relatively low cost basis.

20 MR. FREDRICKSON: And so in the interests of time, I
21 want to hear from you. But if you could keep it short,
22 and then we'll move on. So Bruce, Larry, and Paul.

23 MR. GOLDFARB: The issue of outreach is one that is
24 not just for the operating companies and the issuers
25 we're talking about here. It's outreach for something

1 that the Division of Investment Management will also have
2 to take up because there, you're talking about mutual
3 funds, significant retail share ownership, and a lot of
4 OBOs.

5 And the communication process, how do you reach
6 OBOs, was the original question. And mailing alone is
7 not going to be a sufficient way to reach people. Email
8 alone is not necessarily a sufficient way to reach
9 people. We have additional technology beyond phone
10 calls, even, but when we reach people by phone, when we
11 are able to email somebody directly with a significant
12 message, you can get a response.

13 But that next stage -- if you eliminate these
14 barriers, you're able to reach people with social media.
15 You're able to reach people through their smartphone and
16 get a response. That's where we should be moving.
17 That's where we should move with the technology.

18 But we have to get beyond the distinction -- a false
19 distinction, really -- of OBO and NOBO. The largest
20 investors may be OBO, may be NOBO; they report their
21 ownership on a quarterly basis, and then you have a basis
22 through which to reach them.

23 So it's a big slug of the population for some
24 issuers, a smaller for others. But it's a cost, and it
25 needs to be fixed.

1 MR. CONOVER: So just a couple comments. I think
2 this is one of the most misunderstood concepts I think we
3 heard, just to start this conversation off with an
4 explanation of it. So I think you're right; a lot of
5 shareholders don't understand this.

6 However, if you look at the data and break it down,
7 the largest percentage of OBOs is institutional
8 investors. And it's really a privacy issue that's out
9 there. And there's been a couple of comments around, do
10 we charge fees for this? Do we do other things? But I
11 think those are types of investors that are going to do
12 whatever it takes to protect their proxy.

13 I will say engagement-wise, I think with corporate
14 governance -- and we've seen that; I believe issuers have
15 a lot of dialogue with institutional investors, so I
16 believe there's means to reach that. When you look at
17 the rest of the data with the retail investors, most are
18 NOBO.

19 There's a common misconception with that. By rule,
20 it's NOBO. By default, it's NOBO. We've looked at the
21 data. There's been some studies out there; less than 13
22 percent of shareholders are actually OBOs. And I guess
23 my caution in trying not to make light of the situation
24 is we've talked about refreshing these types of things.

25 Kind of be careful what we ask for because we've

1 regulation or a practice, but even with a NOBO list, I
2 don't believe that an issuer can distribute proxy
3 materials to non-objecting beneficial owners. That kind
4 of talks to what I think is one of the structural
5 barriers.

6 On OBOs, I had some views. I always thought that
7 reforming NOBO/OBO and having a completely disclosed
8 system was the right way to deliver proxy reform. After
9 17 years of commenting periodically, I've begun to
10 understand the importance of investor privacy.

11 And I don't believe investor privacy should stop us
12 from reforming the system to make the plumbing work more
13 effectively. I think that's something we need to build
14 into the system. I would be personally prepared to
15 sacrifice that in order to get a better system, but maybe
16 we'll talk about that when we talk about technology.

17 MR. FREDRICKSON: Perfect segue again. So we've
18 talked about new blockchain technology. It's not just
19 for Bitcoin. There are some promising developments in
20 the use of traceable shares.

21 And Ken, do you want to kick off this conversation?
22

23 MR. BERTSCH: Sure. Thanks, David. So I agree with
24 that. I think that there are investors who very much
25 want privacy. That doesn't dictate a NOBO/OBO system, so

1 seen -- and we have the P&G proxy flight. I think there
2 was 27 mailings that went out and all kinds of phone
3 calls going out to customers. We had more customers
4 calling us up saying, "Stop this. How do I stop this?
5 How did my name get out?"

6 And when they found out there's opportunities to
7 become OBOs, "Sign me up." So I think investors will
8 engage where they -- when they want to. But I think we
9 talk a lot about large share ownership. I think that's
10 more on the institutional side and not on the retail
11 side. And I think they're going to have a desire for
12 proxy.

13 MR. FREDRICKSON: Paul, bring us home on this.

14 MR. CONN: Okay. I will be very quick.

15 The first is, I completely agree with Katie's
16 comments about the quality of the NOBO list. It isn't
17 really received in an actionable form. So that's one
18 thing that certainly should be looked at. Email
19 addresses are quite important for companies to be able to
20 reach out to the non-objecting beneficial owners cost-
21 effectively. That's the first point.

22 The second point, which I think is more important,
23 is my understanding is companies can't use NOBO lists for
24 proxy distribution purposes. So there's some, in my
25 view, barrier there. I'm not sure whether it's a

1 Paul's comments and David's comments earlier.

2 In fact, I think that there are various
3 technological possibilities to make the system much
4 better. But there are reasons not only in entrenched
5 interests, or intermediaries who may lose some of their
6 position in this that will be obstacles to change.

7 But actually, pretty much all the stakeholders have
8 something that potentially could be lost as we rearrange
9 the chairs, including our group. So I was told last week
10 by one of our members, "You cannot do anything that will
11 endanger NOBO/OBO," because we really -- that's critical
12 to us. So people are going to see a slippery slope in
13 all sorts of ways.

14 But I think we need to grasp this now. Many experts
15 say it's possible, or will be possible soon, to develop a
16 technology-based proxy system that enables proxy
17 materials to be distributed instantaneously to all
18 eligible shareholders, and for votes to be counted
19 quickly, accurately, reliably, fairly, and
20 confidentially.

21 CII in 2010 suggested that the only real possibility
22 for change in proxy plumbing was incremental change. So
23 we have a different view now. We think that technical
24 possibilities, particularly around blockchain, are such
25 that we really should look at this. And the SEC needs to

1 lead on this, at least in thought leadership. And
 2 clearly there's regulatory change that's involved here.
 3 There needs to be real clarity on a number of
 4 issues. We should start with principles in terms of what
 5 needs to be protected and pursued. There needs to be a
 6 lot of clarity around where is there supposed to be
 7 market competition? Is there market competition?
 8 Are the rules set up so that theirs is real
 9 competition and the economic incentives are right? And
 10 are there pieces of this, or is there a piece of this,
 11 that's a natural monopoly? And if it is, it needs to be
 12 treated as a utility and regulated appropriately, which
 13 we really haven't done in the past.
 14 The major block to this -- there are technological
 15 choices to be made. But the institutional blocks are
 16 particularly important to overcome. So we don't want to
 17 put out there the solution. There are different routes
 18 that could be taken. Our instinct is that a permission
 19 blockchain technology may offer the best solution.
 20 That doesn't mean not to look at a central ledger
 21 not based on blockchain. To look at a true distributed
 22 ledger approach that really maximizes the blockchain;
 23 there are some arguments about there, but you don't
 24 necessarily need a gatekeeper.
 25 But our guess is a permission blockchain with a

1 gatekeeper is the most likely solution. It should
 2 improve the system by reducing complexities of share
 3 ownership that lead to all the voting anomalies. And by
 4 the way, we've been talking about inaccuracies and things
 5 that are sort of obviously wrong.
 6 There are also a lot of compromises in the system
 7 that we accept, such as the early record date. That
 8 causes a huge disconnect. And most participants in the
 9 system just say, "Well, that's the way it is," that 45-50
 10 days before you set a record date.
 11 There are big changes in positions between record
 12 date and the annual meeting date. There are
 13 opportunities for mischief-making. There are a lot of
 14 problems with this, and we shouldn't just accept it. And
 15 it's partly a question of technology. It's partly a
 16 question of state law as well as federal regulation.
 17 But blockchain technology that allows for traceable
 18 shares, as Brian referred to, can safeguard privacy
 19 interests but put beneficial owners in charge of their
 20 votes. The current web of intermediaries creates too
 21 many opacities, and the information can be impounded into
 22 the blockchain.
 23 It should enable routine and a reliable end-to-end
 24 vote confirmation very easily and more sweeping, even,
 25 than what the protocol that Broadridge and tabulators

1 worked on. It can enhance company ability to communicate
 2 with shareholders while protecting privacy, potentially
 3 rendering the OBO/NOBO system obsolete. And it should
 4 offer substantial efficiencies over the current proxy
 5 season. David referred to this.
 6 There are very substantial cost savings in the long-
 7 term in going to a new system, probably based on
 8 blockchain. So that's a high-level answer.
 9 MR. FREDRICKSON: Terrific. And so this isn't all
 10 just pie-in-the-sky. There's some concrete examples. So
 11 John, then Bob, if you could give a report on what you've
 12 seen, but also a sense of, so what would be next? How do
 13 we continue to explore this concept? And then we'll open
 14 it up for discussion.
 15 MR. ZECCA: Well, thank you. So I think I'd agree
 16 with the comment earlier that a lot of countries are
 17 moving ahead of the United States, sort of the back
 18 office operations. And partially that maybe because they
 19 are skipping a generation in technology or because they
 20 have a unity of agreement in the path forward.
 21 So NASDAQ's technology arm has had the opportunity
 22 to work in two projects involving blockchain for
 23 proxy voting, e-voting, basically.
 24 One is in Estonia, which is more of a direct
 25 ownership model, obviously a comparatively small country,

1 but they have national identity cards. There's a lot of
 2 transparency to the system. The second is in South
 3 Africa, with their CSD. And that model is a little more
 4 like ours, with intermediaries.
 5 So I think the first point is that the technology
 6 can accommodate other systems. It doesn't have to drive
 7 what system you adopt. If you want a very transparent
 8 system where everybody knows who the beneficial owners
 9 are, it can accommodate that. If you have a lot of
 10 intermediaries that need to weigh in, if there are middle
 11 steps, if there are nominee accounts, it can also
 12 accommodate that.
 13 So I think that the important thing to note is that
 14 the technology works in either place. And you can have
 15 it so that it includes not only the vote going back and
 16 forth, but it can include the information that's being
 17 provided by the issuer to the end investor.
 18 So using the smart contract concept, essentially
 19 it's a two-way street. I think that some of the things
 20 we talked about today that are critical, you could see
 21 use of that for more direct communication between the
 22 issuer and the end investor.
 23 I think in our experience, most issuers -- I can't
 24 say it's universal, but most -- believe there probably
 25 should be more direct communication, and it shouldn't

1 just happen around the annual meeting. It should be more
2 of a push technology where, like people nowadays, if you
3 want to look on your smartphone, you see 25 emails from a
4 vendor that sort of knows, almost anticipates, what
5 you're going to ask for.

6 I think most issuers would like to get closer to
7 that, where they're able to send communications directly
8 to their investors on a more regular basis. So this
9 could accommodate that. Certainly the end-to-end vote
10 monitoring is available.

11 These are permissioned private blockchain networks,
12 so they're not public in the traditional sense with
13 minors and things like that. But you get some of the
14 same functionality and ability to scale up to include
15 different participants.

16 So I think at a high level, that's the technology
17 solution. Obviously in all these cases there's a need
18 for some level of acceptance by all of the
19 intermediaries. I think we do try to make that as simple
20 as possible because essentially for the investor and for
21 the intermediary, it's essentially a web-face tool that
22 they use that then is added to the blockchain. So it's
23 not as if everybody has to become a minor themselves in
24 order to participate.

25 So I think that's kind of the structure. It's

1 moving a lot of the underlying, behind-the-scenes
2 infrastructure into this immutable ledger, which I think
3 is one of its key benefits.

4 MR. SCHIFELLITE: So we at Broadridge are making
5 very significant investments in blockchain. I think
6 you've heard of one of the initiatives that we have,
7 which is outside of the U.S. with Bank Santander, where
8 for the last couple of years we've done a pilot using
9 blockchain, and in essence, taking the data and writing
10 to a blockchain to prove that in fact it works.

11 What we need -- so we're very supportive of
12 blockchain. We think there can be some benefits. Like
13 everything else, the devil's in the details. We need to
14 continue to work. We need to continue to get more
15 participation. We've also done some pilots in the U.S.,
16 I think five issuers and a couple of custodians. We want
17 to do more. We want to learn more.

18 And we're going to continue to promote and try to
19 get more participation because we definitely need
20 participation from investors to participate. We need
21 participation from issuers. And we need participation
22 from banks and brokers. So we're going to stay very
23 committed to and aggressive on that path to see if
24 blockchain s bring more benefits.

25 I'd like to add one other thing because I'm always

1 afraid you're not going to call on me again.
2 (Laughter.)

3 MR. SCHIFELLITE: So if I could just add, some of
4 the comments, and to the credit of the Commission and New
5 York Stock Exchange, just four years ago after a three-
6 year study there was a review that took place on the
7 whole street process.

8 And their conclusion -- not my words, their words --
9 it's filed; it's filed with the Commission -- is how well
10 this process works. It's accurate. It's reliable. It's
11 secure. Not our words; a significant number of issuers.
12 It was all issuers on this panel.

13 They came out to our facilitate on Long Island, in
14 Edgewood, New York. They did an incredible job of
15 understanding the process, understanding the technology,
16 talking through things. And they came to the conclusion.
17 They've also commented on the reasonableness of the
18 fees, and those are not brokerage fees; those are broker
19 fees.

20 So I typically do this as well, which is I invite
21 everybody to come to the facilitate and see what it takes
22 to get this done, and the controls, and the audits, and
23 all the things that take place to ensure that this
24 process is accurate and reliable.

25 David, I'll even pick you up. We can go out. I

1 always joke, it's the gateway to the Hamptons, if that
2 entices anybody. But there's a -- I mean, it is
3 significant. We've had the opportunity to have
4 Commissioners visit. It's so important to be educated
5 about this process.

6 And yes, more needs to be done; I think we talked
7 about some of those key steps that need to be done to
8 improve upon the process.

9 MR. YU: So Alex, at the IAC meeting you were pretty
10 vocal about the blockchain silver bullet and the myth
11 around that. So perhaps you could provide the other side
12 of the debate in terms of technology, blockchain, and
13 what other options there are.

14 MR. LEBOW: Sure. I've been pigeonholed as a
15 blockchain naysayer, which is not the case. It's not the
16 case. There's no doubt the technology holds great
17 promise for its potential application in this space.

18 I think the point is there's a range of varying
19 degrees of severity of implementation, if you will.
20 There's a spectrum. On the extreme end of the spectrum,
21 you have the complete reconstruction of the equity
22 capital markets infrastructure, with distributed ledger
23 technology. And if you read Vice Chancellor Laster's
24 great speech on this subject from 2016, which was a CII
25 speech. This is what he's talking about.

1 He says there's a utopian vision of share ownership,
2 where there's legal and beneficial ownership, for one,
3 and there's straight-through accounting. And it's
4 beautiful and efficient and low-cost and wonderful. And
5 then on the other end of the spectrum, you have more like
6 what we're seeing today, which is the introduction of
7 certain layers of blockchain on top of the preexisting
8 system. There's a certain veneer of blockchain on top of
9 a broken system.

10 And along the spectrum, you have varying degrees of
11 centralized control. And my view is that the more you
12 move on that spectrum away from all-in reconstruction of
13 the system towards layers of veneer, the fewer the
14 benefits are. All right?

15 And more importantly, the less clear its advantages
16 are over preexisting database technologies or much
17 simpler solutions like reformation of the NOBO/OBO system
18 and letting a market emerge so people can actually
19 compete on what matters.

20 So the point is, if you're going to do it, you've
21 got to go all-in, like all-in on blockchain, which is a
22 tall order. And I think that's why I said beware the
23 blockchain silver bullet because it would be a real shame
24 to discard the solutions that are closer to our grasp in
25 favor of blockchain and then fall short and wind up with

1 years we've been involved in setting the proxy fees. And
2 in 2012 we convened, as Bob said, a group of issuers that
3 represented a cross-section of the public company
4 community and also market participants as well to review
5 the proxy fee structure.

6 That rule set was filed with the SEC, and I will say
7 we're in regular dialogue with our 2400 listed companies.

8 And of all the issues that we hear about, we do hear
9 about proxy fees from time to time, but it's a distant
10 third to the other two topics that will be discussed
11 today.

12 And as technology continues to make advances, we
13 need to have these type of discussions to see how we can
14 have more efficient and cost-effective solutions to
15 public companies. And I think a lot of the folks on the
16 stage here are the ones that are coming up with those
17 ideas, whether it be Bob at Broadridge or some of the
18 other panelists as well.

19 So that said, if we continue to hear increased
20 demand from our issuers that there is a problem
21 particularly around the fee structure, we will escalate
22 that issue. And at that point we think, if appropriate
23 then, to reconvene a group and at that point we can also
24 ask the question whether or not there's another industry
25 group that might be better suited to address these type

1 a system where you could have a single intermediary that
2 can charge for access and extract rents, for example.

3 MR. YU: I see a lot of interest here. So actually,
4 let me start with Chairman Clayton, who has a question.

5 CHAIRMAN CLAYTON: Well, I actually would like to
6 just make some comments at the end, and wanted to make
7 sure I reserve my time. I think Commissioner Roisman
8 feels that way as well. So why don't we let people get
9 it on the table, and then if we can chime in at the end,
10 that would be great.

11 MR. YU: Of course. John, why don't you share your
12 thoughts on this.

13 MR. TUTTLE: Sure. Well, actually, I also wanted to
14 get my comments in before the end of the meeting. I know
15 we've run a little bit long and we haven't had the
16 opportunity to answer all the questions or address all
17 the questions. But I wanted to make sure some of the
18 views of the New York Stock Exchange were addressed while
19 we're here.

20 Also, thank you very much for the leadership, as my
21 fellow panelists have stated, in pulling this roundtable
22 together. Like any private or public sector institution,
23 it's important to see what works, what doesn't work, and
24 how we can fix things going forward.

25 And for the New York Stock Exchange, for the past 80

1 of topics. So thank you.

2 MR. YU: Paul, how about a quick comment, and then
3 we'll turn it back to the Chairman and Commissioner
4 Roisman.

5 MR. CONN: Okay. Thank you for the opportunity to
6 comment. I think the question was around blockchain.
7 I'm with Alex. I am actually pro-blockchain. I think we
8 need, as an industry, to decide what problems we're
9 looking to solve first and what principles we want to
10 embed in the system. The technology is almost a
11 secondary question.

12 Now, blockchain does bring some unique attributes,
13 which will allow us to do certain new things. And that's
14 true. But I think we should not get lost and seduced by
15 shiny new technology. That's the first point.

16 I think the core issue that really needs to be
17 determined is how information around intermediated
18 holdings is aggregated, and the decision that needs to be
19 made is whether the -- or how far distribution of proxy
20 materials needs to stay with intermediaries, in which
21 case we will also need the New York Stock Exchange or the
22 SEC to be in the middle to set the fees, or whether
23 issuers actually should be entitled to know who owns them
24 and communicate with them using very modern technologies
25 where they determine who the service provider is. I

1 think that's the fundamental issue. Then the technology
2 platform you use I think is secondary.

3 One final point: When we talk about blockchain, I
4 think we need to be very clear whether we're talking
5 about reforming the proxy system or whether we're talking
6 about reforming the clearance and settlement system,
7 which is a much bigger issue. And we shouldn't allow
8 those two topics to get conflated, even though they're
9 clearly linked to one another.

10 I truly believe most of these problems that we're
11 talking about today are in the intermediated holding
12 system, not in the registered side of the market. We
13 know most of the shares are in the intermediated side of
14 the market. So all of these discussions are hugely
15 relevant.

16 But I think it really does need participants to come
17 together. We are working -- in the UK, we're working 20
18 markets around the world. So I'm not hugely familiar
19 with Estonia. I'm deeply familiar with South Africa. In
20 the UK, we're working with a global bank, Citibank, on a
21 system just like this now, where actually custodians and
22 registrars are coming together to have electronic
23 communications between issuers and end investors.

24 And the end investors are actually quite happy to
25 have their identity revealed to the issuer when the

1 communication comes through the system, and the system
2 allows a vote confirmation to come back the other way.

3 The technology exists. We just need to agree on
4 what the principles are. Thank you very much.

5 COMMISSIONER ROISMAN: So thank you very much for
6 all the participants on this panel, and the questions. I
7 found this discussion incredibly illuminating. I think
8 the big takeaway is that this Rube Goldberg system works
9 perfectly.

10 (Laughter.)

11 COMMISSIONER ROISMAN: But in reality, I think if we
12 just take a step back, one of the things that gives me
13 pause is if I'm an investor, I own shares, I want to be
14 able to vote. And when I vote, I need to know that my
15 vote's counted. And based on the discussion today, I
16 could have a concern that either my vote was never
17 counted, undercounted, or even overcounted.

18 So with those three possibilities -- or the fourth
19 possibility is it was counted. So these are all concerns
20 that I have. And what you guys are talking about are the
21 intricate details of the process, which I think are
22 critical. But as Professor Coates started, I think, the
23 discussion today, if we were to start from scratch, we
24 would not have the system we have today.

25 So what I would like to see is just the

1 recommendation from you guys on how to ultimately ensure
2 that fundamental purpose of voting, which is if you have
3 the right to vote, you exercise it, that vote is counted,
4 and I leave it to you guys to give us suggestions. So
5 thank you.

6 CHAIRMAN CLAYTON: I'm going to echo a lot of what
7 Commissioner Roisman just said. I want to thank you for
8 coming together today very much. And I'm going to give
9 you my take-aways; I have them here.

10 But first, for the participants to come together is
11 a necessary condition for solving the issues that we
12 face. So hopefully this is not the last meeting of
13 groups like this.

14 Goals: A more efficient and more certain end-to-end
15 communication, two ways. As Commissioner Roisman said,
16 the issuer knows they can communicate, or the dissident
17 or the activist knows that they can communicate. And
18 the shareholder knows that when they send their vote
19 back, it's counted. Clearer and perhaps more timely end-
20 to-end communication. Universal proxy is a proposal on
21 the table.

22 Third, I just want to note this for people who are
23 maybe watching and aren't focused on proxy but are
24 focused on trading and other things. I do think we have
25 to have respect for our intermediary system. It's not

1 just an intermediary system for ownership and voting, but
2 it's an intermediary system for trading, and it adds to
3 efficiencies in trading.

4 And lastly, I am heartened to hear about technology
5 and the idea that technology should not drive the
6 structure, but we outline these goals and find a
7 technology that helps us address it.

8 So thank you very much, and again, thanks to the
9 Staff for putting this together. Terrific, terrific
10 morning.

11 MR. YU: And with that, just we'll close out this
12 panel. And I just want to add my thanks as well as
13 David's and the rest of the Staff for everybody coming
14 in. It was definitely an interesting conversation, and
15 it's heartening to see everybody from different
16 viewpoints in the same room and so close together.

17 We're going to break for lunch. The next panel
18 starts at 1:15. It'll be on shareholder proposals. We
19 do recommend that you leave a little extra time to clear
20 security since there will be, I'm sure, a line. So
21 thanks again, and hope you enjoyed it.

22 (Whereupon, at 11:48 a.m., a luncheon recess was
23 taken.)

24 AFTERNOON SESSION
25 (1:17 p.m.)

1 PANEL TWO - SHAREHOLDER PROPOSALS:
 2 EXPLORING EFFECTIVE SHAREHOLDER ENGAGEMENT
 3 MS. BRIGHTWELL: All right. I think we'll go ahead
 4 and get started for the afternoon. Welcome back to our
 5 afternoon session of today's roundtable. Our next panel
 6 will focus on shareholder engagement and the shareholder
 7 proposal process.
 8 And so I'll first introduce our panel quickly, go
 9 over some logistics, and then we'll jump right into our
 10 questions. So first we have Ray Cameron from Blackrock;
 11 Ning Chiu, Davis Polk & Wardwell; Michael Garland, Office
 12 of the Comptroller, New York City; Maria Ghazal, Business
 13 Roundtable; Jonas Kron, Trillium Asset Management; Aisha
 14 Mastagni, California State Retirement Teachers'
 15 Retirement System; James McRitchie,
 16 CorporateGovernance.net; Tom Quadman, U.S. Chamber of
 17 Commerce Ctr for Capital Markets Competitiveness; Brandon
 18 Rees, American Federation of Labor and Congress of
 19 Industrial Organizations; and Dannette Smith;
 20 UnitedHealth Group.
 21 We also have Chairman Clayton and Commissioner
 22 Peirce and Commissioner Roisman here with us as well. So
 23 we'd like to welcome them back.
 24 We're very fortunate to have this distinguished
 25 Panel of Participants this afternoon, and so we're

1 looking for a robust dialogue.
 2 During the panel, if you could make sure to press
 3 your button when you're ready to speak. And then when
 4 you're finished, if you wouldn't mind pressing the button
 5 again to turn it off. If you'd like to respond to a
 6 question or comment by one of your fellow panelists,
 7 please turn your name tag, and we will recognize you for
 8 that as well.
 9 Finally, before we get started, I know Bill Hinman
 10 gave the disclaimer this morning. But for the afternoon,
 11 I'll go ahead and give it again: The views that we
 12 express today are our own and they don't necessarily
 13 represent that of the Commission or other members of the
 14 Staff.
 15 So like to get started. And Ray, I think we'll get
 16 started with you. Over the past couple of years,
 17 engagement with shareholders seems to have increased, and
 18 so we wanted to talk about that because one of the ways
 19 that people engage with shareholders is through
 20 shareholder proposals.
 21 And so could you talk a little bit about how you
 22 engage with shareholders and how shareholder proposals
 23 affect company and shareholder engagement?
 24 MR. CAMERON: Sure. First of all, I'd like to thank
 25 the Chairman and the Commissioners, and also the Staff,

1 for having me here today to represent Blackrock. This is
 2 a very timely and very important conversation.
 3 Let me start by saying that Blackrock's engagement
 4 on material governance issues, including how companies
 5 manage environmental and social aspects of their
 6 businesses, does not begin or end with a vote on a
 7 shareholder proposal. Our engagement first approach,
 8 which entails year-round conversations with companies,
 9 allows us to preempt issues that might be addressed in a
 10 shareholder proposal during a proxy season.
 11 The conversations with company management allow us
 12 to tackle issues in realtime and not wait to address them
 13 at the last moment. We believe in balancing the rights
 14 of all shareholders and recognize that shareholder
 15 proposals provide an important tool for investors to
 16 express their views.
 17 We prefer engagement, as we see shareholder
 18 proposals as a tool often of last resort, an avenue for
 19 accelerated change when needed. During our direct
 20 engagements with companies, we address the issues covered
 21 by many shareholder proposals that we believe to be
 22 material to the long-term value of the company.
 23 Where management demonstrates a willingness to
 24 address the material issues raised, and where we believe
 25 progress is being made, we will generally support the

1 company and vote against the shareholder proposal.
 2 Now, sometimes shareholders will withdraw
 3 proposals from company ballots that we might have
 4 otherwise supported due to effective engagement of
 5 conversations or engagement with companies. These
 6 engagements may result in the company adopting
 7 additional disclosures, similar to those that were solved
 8 in a shareholder proposal.
 9 We also vote against shareholder proposals that, in
 10 our assessment, are too prescriptive or too narrowly
 11 focused, or deal with issues that we consider to be
 12 outside the purview of the board or the management team.
 13
 14 In addition, our carefully considered investment
 15 stewardship priorities cover most, if not all, of the
 16 topics raised in shareholder proposals. Those include
 17 governance, strategy, purpose and culture, diversity, and
 18 human capital.
 19 Given these priorities, we are likely to discuss any
 20 topic raised in a shareholder proposal. Having said
 21 that, and in some instances, Blackrock supports
 22 shareholder proposals on material, environmental, social,
 23 or governance issues when we do not see demonstrated
 24 commitment to address investor concerns or the company
 25 has not made sufficient progress over a period of time.

1 So to be clear, Blackrock never makes social
2 decisions with clients' money. Our top priority, our
3 number one goal, is to maximize long-term value, economic
4 value, for our clients. When we consider how to vote on
5 a shareholder proposal, we do so with the lens toward the
6 material nature of the specific issue or the specific
7 question at hand.

8 Our interpretation of the gradual guideline in the
9 number of shareholder proposals and levels of self-
10 support for proposals of the past few years is that
11 direct engagement is building mutual understanding
12 between companies and long-term investors on emerging
13 issues, particularly as it relates to governance
14 proposals.

15 So in summary, Blackrock takes an engagement-first
16 approach. And we find that even when we do not support
17 shareholder proposals or some proposals, the
18 conversations that we have with companies on related
19 topics often lead to positive change without the use of
20 what some might consider to be a blunt instrument.

21 MS. BRIGHTWELL: Okay. And following up on that,
22 and Dannette, maybe you could kick us off on this, do you
23 see the type and level of engagement -- does it differ
24 with respect to different types of investors or how one
25 might approach the engagement?

1 MS. SMITH: How we approach the engagement wouldn't
2 differ depending upon the type of shareholder. But the
3 types of engagement generally do differ based on types of
4 shareholders. UnitedHealth Group fortunately is very
5 heavily institutionally held, so retail, just general
6 communications with shareholders, is less of an issue for
7 us than some of our co-companies, who have real struggles
8 with trying to get quorum for annual meeting and finding
9 shareholders, some of the OBO/NOBO from the earlier
10 panel.

11 The issue when it comes to shareholder proposals --
12 and we have had the distinct pleasure of receiving
13 shareholder proposals probably from the vast many of the
14 institutional investors at this table -- is that with the
15 institutional shareholders, it's much easier to engage
16 with them on what their proposal is, what their interests
17 are.

18 It's much more difficult to engage with the retail
19 shareholders. Sometimes they won't engage at all, and if
20 they will, it's typically only by email.

21 MS. BRIGHTWELL: And one of the things Bill touched
22 on, Bill Hinman in his remarks this morning, talked about
23 technology and how it's changed. And people are
24 harnessing technology and social media. For other types
25 of engagement, does anyone see that that is being

1 harnessed now and in different ways for shareholder
2 engagement, or is that something that we maybe still need
3 to look at?

4 MR. QUAADMAN: Tamara, if I can just weigh in for a
5 second on the retail shareholder piece. In our letter
6 that we submitted earlier this week, one of the things
7 that we had put out there, and we've actually raised this
8 going back to the 2010 concept release, is the possible
9 use of new technologies such as client-directed voting
10 that retail shareholders could use because we've seen
11 retail shareholder rates drop precipitously over the
12 decades.

13 So we think that there are some existing
14 technologies that can be used, and I think we would
15 strongly urge the Commission to look at them. And I
16 think social media is something to look at. But we also
17 think that client-directed voting might be another path
18 to also help with that, and that's something we strongly
19 urge the Commission to look at.

20 MS. BRIGHTWELL: Brandon, did you want to comment?

21 MR. REES: I wanted to jump in. I know we're
22 speaking back to the previous panel's topic, but one
23 thing that we noticed after the e-proxy notice and access
24 rulemaking went through is that retail investor
25 participation voting dropped dramatically because many

1 retail investors are either unable or unwilling to vote
2 electronically, which is why we felt that electronic
3 delivery should be opt-in as opposed to opt-out.

4 But I urge the Commission to look at the reasons for
5 why retail investing voting has gone down. And there are
6 limits to technology that we have to recognize, that some
7 investors simply prefer to vote by paper.

8 MS. BRIGHTWELL: Brandon?

9 MR. REES: I just wanted to jump in here when we're
10 talking about technology to point out that there are --
11 even in our audience today there are people from SAY and
12 other -- Your Stake. There's another organization called
13 Shareholder Democracy.

14 I think one of the things that the SEC could do to
15 promote retail shareholder voting is to publicize the --
16 with regard to education portion of the SEC site, it's
17 almost like consumer protection. It's really not
18 emphasizing the shareholder's role as a share owner in
19 the company and their responsibilities to vote.

20 And where can they find out information on how to
21 vote? Where can they find -- there are 15 funds that now
22 announce their votes in advance of meetings, but most
23 shareholders don't know about that. If they knew about
24 it, they could see those other shareholders are voting
25 and they could try to assess -- that would help them

1 assess their own votes.

2 MS. BRIGHTWELL: We'll go to Dannette and then Ning.

3 MS. SMITH: So my comments now are just on my own as

4 a retail shareholder. I think there are some platforms

5 by brokers that make it very easy for a retail

6 shareholder to vote. I happen to hold my shares through

7 Fidelity, and when I log into their account, I can just

8 go to an easy click that shows me anything that I have to

9 vote on.

10 I can click through easily to the proxy if I want to

11 see it, or I can mark my choices right there. And it's

12 entered in, and I don't need a control number, so I'm not

13 in Darla's situation where she couldn't vote her P&G

14 shares. It's just right there as long as I have my

15 login.

16 And if there's something that the Commission could

17 do to encourage more brokers to have a system that is

18 that easy for shareholders to vote, I think it would be

19 well worth it.

20 MS. BRIGHTWELL: Ning?

21 MS. CHIU: Thank you very much for inviting me to be

22 on the non-boring panel.

23 (Laughter.)

24 MS. CHIU: I wanted to address the question you

25 raised about the use of social media in shareholder

1 proposals. It's challenging to do. We have seen in the

2 past, after notice of exempt solicitation maybe filed by

3 a proponent, the use of Twitter to then raise awareness

4 about the proposal and get people to vote.

5 And it's very complex for a company to weigh whether

6 they want to get into a battle in the Twittersphere,

7 which as we all know could be not a great thing to do.

8 And so companies are kind of reluctant to engage that

9 way, using the same social media platform that is being

10 used by proponents. So there's a little bit a reluctance

11 to use social media for that reason.

12 MS. BRIGHTWELL: And so then I guess the question

13 next would be: Should the Commission play a role in

14 facilitating meaningful engagement between companies and

15 their shareholders? And on this one I think I'll turn

16 first to Jonas and then to Maria to get your thoughts.

17 MR. KRON: Thank you very much for the opportunity,

18 and also to the Commissioners and the Staff for being

19 able to share Trillium Asset Management's point of view.

20 And I should say that that's a point of view that's

21 informed by our clients, who are about 10,000 different

22 clients, many of which are saving for their retirement,

23 and they are very much the mainstream investors that we

24 have been talking about numerous times today, and I think

25 the Mr. and Ms. 401(k) that we're concerned about.

1 I should also just say that this is also informed by

2 the fact that I sit on board of US SIF, the Forum for

3 Sustainable and Responsible Investing. That's our

4 membership association for organizations that integrate

5 environmental, social, and governance factors into the

6 process.

7 In terms of the question of: Should the Commission

8 help facilitate these interactions, I think Rule 14a does

9 a really good job of facilitating those interactions.

10 It's cost-effective. It's a cost-effective way to really

11 encourage private ordering.

12 And in some ways, it almost makes us longer-term

13 investors because we don't have to just sell the company.

14 We can invest our time and our energy to help it become

15 a better performer, and stick around and become actually

16 longer-term investors because of that.

17 The rule does a really good job of helping investors

18 communicate to the board and communicate to management.

19 But something I think we don't want to lose sight of here

20 is that it also helps shareholders communicate with other

21 shareholders. And I think that's something that

22 sometimes gets forgotten.

23 There was actually a comment put in by MFS in the

24 last day or so that I think really made this point well,

25 is that the shareholder proposal process allows investors

1 to understand what other investors are thinking, and

2 provide a feedback mechanism that can be really vitally

3 important to understanding the risks and the

4 opportunities for active or passive investors as they

5 make decision about valuation and whether to hold the

6 company or not.

7 The other piece that I think maybe gets lost in this

8 a little bit that really is facilitated by the rule is

9 I'm sure everybody here has read a shareholder proposal.

10 But my guess is most folks have not written a

11 shareholder proposal.

12 And the act of writing a shareholder proposal is

13 actually something I think that is really beneficial to

14 the communication process. There's all these issues out

15 there, and when you sit down to write a shareholder

16 proposal, you have to decide, what is the issue that

17 we're going to focus on? Why is it relevant to this

18 company?

19 And then I need to explain to the board -- I need to

20 be persuasive to the board -- why they should agree with

21 my position on this issue. I have to be persuasive to

22 the management, and I have to be persuasive to other

23 shareholders as well. All the while, I have to make sure

24 that I conform to the 13 different exclusions and make

25 sure I don't misstep there, and do it all in 500 words or

Page 126

1 less.

2 That is a really rigorous and demanding process that

3 takes what could be a real cacophony that we see in

4 Twitter and make it something that's actually very

5 disciplined, very clear, and very efficient in

6 communicating what the issue is and why it's important.

7 So I actually think that the Commission, through the

8 rule as it stands right now, does an amazing job of

9 facilitating that communication, and doesn't really

10 require a whole lot to change. I think it really is a

11 very well-functioning system.

12 MS. CHIU: Great. Thank you, Tamara. Thank you to

13 the Chairman and the Commissioners for inviting us to

14 participate in this important discussion.

15 So as you noted at the outset, I'm here on behalf of

16 Business Roundtable, which is an association, the chief

17 executive officers of America's leading companies. We

18 believe that meaningful engagement with shareholders is a

19 critical element of the operation of today's public

20 company. The shareholder proposal process is an

21 important part of this engagement.

22 And we do believe that the Commission can help

23 facilitate meaningful engagement by ensuring that its

24 rules and regulations promote a process that's

25 productive, focused on materiality, and oriented toward

Page 127

1 long-term value creation for all shareholders; and also

2 ensure that your interpretations of the rules and

3 regulations are consistently applied.

4 Shareholder proponents benefit when their proposals

5 are included on a company's proxy statement because their

6 proposals are then distributed to all shareholders for

7 consideration and voting prior to the meeting. This

8 means, though, that the company, and as a result all

9 shareholders, including those not submitting the

10 proposal, bear the related costs, including the costs of

11 evaluating the proposals.

12 So we think the Commission could help facilitate

13 more meaningful shareholder engagement by updating and

14 reforming certain aspects of the current system. For

15 example, we believe that the ownership thresholds for

16 submitting proposals should be significantly raised so

17 that all of those submitting proposals have a meaningful

18 and measured ownership interest in the company.

19 But we acknowledge that determining a new threshold

20 will be difficult. And we will support the SEC's efforts

21 to do so. And so, as you're making this determination,

22 possibly, ideas that could be considered include, among

23 other things, perhaps tying the ownership to the length

24 of the holding period and allowing reduced ownership

25 requirements for long-term holders; tiering ownership

Page 128

1 thresholds based on the size of the company; requiring a

2 filing fee for shareholder proposals.

3 And we also believe that the current resubmission

4 thresholds are too low, another area for improvement.

5 They allow a small subset of shareholders or, frankly, a

6 proxy advisory firm, to override indefinitely the express

7 will of a substantial majority of shareholders.

8 So you also asked about the role the Commission can

9 play without rulemaking. And we also recognize and

10 appreciate the tremendous work the Staff puts into

11 providing guidance on the shareholder proposal process,

12 both with no-action letters and Staff legal bulletins.

13 We do think the process could be improved with enhanced

14 review and oversight, including at the Commission

15 level, and we think that would provide greater

16 consistency.

17 So we do think that all of these modifications and

18 reforms will help facilitate more meaningful engagement

19 between companies and their shareholders.

20 MS. BRIGHTWELL: Thank you.

21 Tom?

22 MR. QUAADMAN: And first I should have earlier

23 thanked Chairman Clayton, the Commissioners, Bill Hinman,

24 and the Corp Fin Staff for putting this together. We

25 appreciate it.

Page 129

1 In 2009, the Chamber issued corporate governance

2 principles, and we had communications at the very heart

3 of those principles. We thought, and still continue to

4 think, that it is extremely important for management and

5 directors to be in continuous communication with their

6 investor base.

7 That is, we have to remember that management,

8 directors, shareholders, are there for for a

9 collaborative purpose, for the long-term value of a

10 corporation, and that the business community has been

11 very slow in engaging those discussions. I think that

12 Blackrock and Vanguard have done a lot over the years to

13 help facilitate that. I think the SEC should help

14 facilitate that as well.

15 And we've talked a little bit about how there are

16 different technologies that exist today that didn't exist

17 ten years ago or were in their infancy that can also be

18 used to help with that. However, I also want to raise

19 that while that relationship amongst those three is

20 collaborative, in the context of universal ballot, which

21 was also raised in the last panel, what we sometimes have

22 is at least a discussion of policy priorities that create

23 an adversarial relationship.

24 So with that, some of the issues that we have raised

25 before with universal ballot is that it doesn't treat

1 every shareholder equally. It can be viewed by certain
2 courts, under their rulings, that it could be a form of
3 coercive speech that can violate the First Amendment.
4 And additionally, it can put into place relationships
5 with dissident directors who may not have the same view
6 of the corporation in the long term.

7 So I raise that in that we think it should be
8 important for the Commission to follow policies that help
9 facilitate the relationship amongst those three rather
10 than pursuing policies that create a divisive,
11 relationship, in which case communications actually
12 become less important and more adversarial. So we think
13 it should be done on a positive basis.

14 MS. BRIGHTWELL: Ning?

15 MS. CHIU: In terms of the question of whether the
16 Commission should play a role, I'm sure some of you are
17 hoping that somebody will say no, it's absolutely not
18 your role. But it seems, with the 14a process, the rules
19 already kind of embed you in this already.

20 There is a definitely tremendous amount of
21 engagement going on. You've kind of stacked the panel
22 with a group of people who are talking to companies, and
23 who are very willing to do so. Not everyone is. I'm
24 sure you've heard that.

25 A couple of ideas. One is, when it comes to a

1 action letter or at least made public in that forum, that
2 might be useful to get the entire story about the
3 proposal from start to finish.

4 MS. BRIGHTWELL: Jim?

5 MR. MCRITCHIE: I just want to say that I thought we
6 solved all this with 14i with regard to these proxy-by-
7 proxy. No one questions -- when I get a no-action letter
8 from an outside attorney representing a company, I'm not
9 questioning, are they really representing the company? I
10 want to talk to the company. I don't want to talk to
11 you.

12 I mean, I think that individual shareholders should
13 have the same right to appoint an agent that companies
14 have or that anyone else has in various aspects of their
15 life. It is news to me that this is still a concern
16 because I have never had any of the companies -- we filed
17 200 proxies this year, among the three of us, the Main
18 Street investors represented here at the table; thank you
19 very much for inviting me -- and I have never heard from
20 any of the companies where we have filed that since that
21 SLB, that this is a problem. But yet I'm hearing today
22 it still is.

23 MS. BRIGHTWELL: That was something that the Staff
24 did try to put some guidance out in the Staff legal
25 bulletin. And so we hoped that it did help to the extent

1 proposal being sent by a representative to so-called
2 proposal by proxy, companies would really appreciate
3 actually being able to speak to the beneficial owner.
4 Ken said the votes belong to the beneficial owners.

5 Well, the proposal belongs to the beneficial owner,
6 and companies would like to hear from the beneficial
7 owner about why they thought the proposal is a good idea,
8 what their feelings are about the company -- you know,
9 the kind of engagement you would normally do with an
10 investor. And knowing even the identity of the
11 beneficial owner might be helpful to companies in terms
12 of how they respond to the proposal and how they engage
13 with other shareholders about it.

14 The other idea in terms of facilitating engagement
15 without rulemaking, I believe, is if companies are trying
16 to reach out more and more, and so are the investors. So
17 there's a lot of discussion that goes on about a
18 shareholder proposal before a no-action letter is sent to
19 you.

20 So if in the context of that no-action letter there
21 could be a discussion about the engagement that went on -
22 - you know, we talked to the proponent of the proposal
23 several times; we talked about XY, whatever the company
24 thinks, and of course from the proponent side as well --
25 if that could be considered in your evaluation of the no-

1 that there are still things that people have concerns
2 about. We'd certainly be interested about those.

3 I want to turn to something that I think has been
4 brought up by a couple people so far, and that is the
5 costs and the benefits associated with shareholder
6 proposals and the process. And so, maybe, Aeisha, if I
7 could start with you to talk a little bit about what you
8 see to be the costs and the benefits involved.

9 MS. MASTAGNI: Sure. Thank you. And thank you to
10 the Commission for inviting me. I really appreciate it.

11 First off, I want to say that I think it's difficult
12 to look or examine the cost-benefit analysis of just the
13 shareholder proposals in isolation because similar to Mr.
14 Cameron and his discussions about engagement, at CalSTRS,
15 we see the shareholder proposal process as just one tool
16 in our toolbox. And we think it's an important tool and
17 important to preserve our right.

18 As an institution that does periodically submit
19 shareholder proposals, we find it to be a relatively low-
20 cost way to raise issues. And honestly, there are still
21 some companies that are not prepared to engage with their
22 shareholders.

23 For example, over six years, between 2010 and 2016,
24 we engaged, or tried to engage, with 492 companies about
25 majority vote for director elections. Within that 492

1 companies, only 60 proposals actually went to vote, and
2 that was mainly because of the lack of engagement on the
3 company's side. So I think it's important to preserve
4 that right in the private ordering that Jonas brought up.

5 Similarly, I wanted to say that I think that the
6 current 14a process balances the costs and benefits. I
7 think some of the other panelists have brought up the
8 idea that shareholders proposal -- that cost is borne by
9 all of the shareholder base.

10 And I think within 14a, the substantive basis for
11 exclusion, especially (i)(4), (i)(5), and (i)(7), ensure
12 that these narrow self-interests are not borne by the
13 broader shareholder base. I think that the Commission's
14 involvement in that process, in the no-action,
15 appropriately balances that.

16 MS. BRIGHTWELL: Chairman Clayton?

17 CHAIRMAN CLAYTON: Well, my colleagues and I have to
18 go to another meeting. But I wanted to, before we do
19 that, say thank you to all of the panelists here. I
20 think everybody's being very nice and very candid.

21 (Laughter.)

22 CHAIRMAN CLAYTON: Appreciate that. But look, we
23 don't bite, at least not here. So if you have specific
24 suggests, we'd love to hear them. And thank you, and
25 hope to be back after our meeting.

1 MS. BRIGHTWELL: Jonas, did you want to follow up?

2 MR. KRON: Yes. I just wanted to make one point in
3 terms of costs and to put in context a little bit about
4 what it is that we're talking about here.

5 Shareholder proposals, in terms of like how much
6 energy is spent actually voting on shareholder proposals,
7 I think Lysera put in a comment letter that said that
8 less than or around 2 to 3 percent of what they cast
9 ballots on are shareholder proposals. I think that
10 number has been borne out in other analysis as well.

11 This is a very small sliver of what people need to
12 make decisions about on a proxy ballot every year.

13 MS. BRIGHTWELL: Tom, did you want to follow up at
14 all on that?

15 MR. QUAADMAN: Sure. Let me zoom out a little bit,
16 and then let me talk about it in some greater detail.

17 One is, if you take a look at the tripartite mission
18 of the SEC of investor protection, facilitating capital
19 formation, and competition, I think if you look at it in
20 that context, we're actually failing. We have less than
21 half the public companies than we did 20 years ago. Our
22 public capital markets are more inefficient today when
23 compared to our private capital markets.

24 And additionally, retail investors don't have the
25 same opportunities to be able to reap some of the

1 benefits of robust capital markets than they did 20 years
2 ago. So I think from that broad point, we have to look
3 at our public company system as not working.

4 That being said, I do think the shareholder proposal
5 process is an important one. I think we have made some
6 strides where I think it is better than it was let's say
7 30 years ago. I think the relationship between directors
8 and shareholders is much more of a balanced one than
9 where it had been in the past, or certainly between
10 shareholders and management.

11 But I do think that there are several problems that
12 are out there. One, resubmission thresholds. We have a
13 high number of, as we would call, zombie proposals, or
14 those proposals that just continually kick around though
15 they have low and declining support. They, number one,
16 clog up the communication channels between shareholders
17 and their companies. But it also imposes a cost on both
18 the companies and their investors.

19 And at a certain point in time, if proposals are
20 continually not getting the type of support or rather, in
21 the alternative, that the same 80, 90 percent of
22 shareholders are continually voting against them, at some
23 point in time the majority, the will of the majority, has
24 to count for something. And at some point in time, I
25 think we have to realize that's exactly why companies are

1 no longer deciding to go public.

2 So I think that's one set of problems that, as
3 submitted our resubmission threshold rulemaking petition
4 several years ago, that would address some of those
5 issues. I think if you take a look at the over 2,400
6 shareholder proposals and the S&P 250 over the last 17
7 years, about 28 or 29 percent of them would be considered
8 to be zombie proposals.

9 Under our resubmission threshold petition, 27
10 percent of those zombie proposals could still move
11 forward. So the shareholder voice would still be there.
12 Proxy advisory firms also play a role in this as well.
13 I mean, we've talked a lot about it. We're going to have
14 another panel that's going to talk a lot about it.

15 But even if you disregard the 2013 study that said
16 that Glass Lewis and ISS control 38 percent of the vote,
17 if you don't agree with that one, well, then there's a
18 Manhattan Institute study that showed that ISS moves 15
19 percent of the market.

20 That is enough to keep those zombie proposals going.
21 And by the way, on average, ISS supports 80 percent of
22 those shareholder proposals, and they support shareholder
23 proposals generally eight times higher than the median
24 shareholder.

25 So it is in their pecuniary self-interest to keep

1 those things going. So therefore, we think SLB 20 is
 2 something that needs to be broadened. One is we think
 3 there needs to be more transparency in terms of process
 4 communications, which we've talked about before.
 5 But even just going back to the 2013 roundtable,
 6 which the SEC held, a very simple conflict of interest
 7 such as shouldn't a proxy advisory firm have to disclose
 8 if a shareholder proponent that they're making a
 9 recommendation on, that they should have to disclose that
 10 to the public? We think that they should.
 11 Additionally, ISS in their letter for this
 12 roundtable talked about themselves as a fiduciary. Yet
 13 throughout the letter they then say, well, we're hands
 14 off. We put that off to the investment advisor. If you
 15 take a look at the 139 supplementary filings that were
 16 made as a result of inaccuracies or mistakes, they
 17 involve 107 companies over two years.
 18 So that means that there's an error rate of
 19 somewhere between 2, 2-1/2 percent on a very small sample
 20 size, because not every company files a supplementary
 21 briefing, so therefore, a fiduciary that has a 2, 2-1/2
 22 percent failure rate that's probably higher? If you were
 23 a lawyer or you dealt with trusts, you'd be in serious
 24 trouble if you ever did that. And that's why we think
 25 SLB-20 needs to be looked at.

1 Lastly, we do think -- we issued proposals earlier
 2 this year on various shareholder proposal reforms.
 3 Obviously, resubmission threshold is one. But 14o, we
 4 believe that the reversal of the Whole Foods decision is
 5 something that needs to be looked at. I think we've
 6 gotten some mixed results out of that, but we think over
 7 the course of time the SEC should look at that and see if
 8 there are other tweaks that should be made.
 9 We think that if a shareholder issues a proposal,
 10 there needs to be transparency around that as to ensure
 11 that they actually own the shares that they say they own,
 12 and that they actually should also declare the interests
 13 of what they're trying to accomplish and whether or not
 14 they're doing it on behalf of another party. We think
 15 that the relevancy rule should be strengthened, that
 16 there should also be other rules strengthened regarding
 17 personal grievance or misleading statements as well.
 18 So we think if you make those changes, the system
 19 comes back into balance. Shareholders still have a very
 20 strong voice. And if shareholders see a problem,
 21 management and directors should be able to direct the
 22 company and their vision, and if they can't, then they
 23 should be able to lose.
 24 But that has to happen in a balanced system. And
 25 the imbalance that we've had over the last 15 to 20 years

1 has made it an inhospitable atmosphere for a company to
 2 go public.
 3 MS. BRIGHTWELL: Thank you. I think -- well, we
 4 will come back later on in the panel to the topic of
 5 resubmission thresholds. But I want to hear quickly from
 6 Brandon, Jim, and Jonas, and then we'll move on to
 7 ownership thresholds.
 8 MR. REES: Thank you for the opportunity to respond
 9 to Tom. He put a lot out on the table, and I felt we
 10 needed to clear the air a little bit with a fact-based
 11 approach to our corporate governance system and the role
 12 of shareholder proposals.
 13 The facts are that the average publicly listed
 14 company in the United States can expect to receive a
 15 shareholder proposal once every 7.7 years, and the median
 16 number of proposals received is one.
 17 The idea that companies are not going public because
 18 of the burdens of shareholder proposals is preposterous,
 19 and frankly goes against the Chamber of Commerce and
 20 Business Roundtable's position that they took in suing
 21 the SEC to block proxy access, in which you effectively
 22 endorsed the use of the shareholder proposal process for
 23 private ordering around corporate governance matters.
 24 And we've seen tremendous benefits over the decades
 25 from shareholder proposals resulting in a private

1 ordering of companies along such things as proxy access,
 2 annual director elections, independent directors, as well
 3 as social and environmental issues -- climate change
 4 disclosure, adoption of international human rights
 5 standards.
 6 These have all come through the private ordering
 7 process. That's a humongous advantage of the American
 8 corporate governance system that enfranchises small
 9 investors, Main Street investors, retail investors to be
 10 able to bring issues.
 11 The marketplace for good ideas is not limited to
 12 large institutional investors. The current system has
 13 worked well going back to World War II in this country
 14 for shareholders to be able to bring proposals forward on
 15 corporate proxies. And it's hard for me to imagine how
 16 any rulemaking in this area could satisfy a cost-benefit
 17 analysis if it's going to result in disenfranchising
 18 investors from being able to bring shareholder proposals.
 19 MR. MCRITCHIE: Yes. I just wanted to respond to
 20 Tom's comment to request to look back to SLB 14h, which
 21 addressed the (i)(9) and the decisions around Whole
 22 Foods, where they put forward a proposal in opposition of
 23 mine, a proposal that could never be met. So he wants to
 24 plug that hole.
 25 I'd like to plug a hole, too, and that is

1 ratification. This past year in the no-action on AES, it
2 basically said a company can -- we submit a proposal to
3 change a threshold, to change anything, basically, the
4 company can in and say, oh, instead of having your
5 proposal on there, we'll put our proposal on there, and
6 our proposal will ratify our existing procedures,
7 process, thresholds, whatever.

8 I mean, that AES decision could virtually wipe out
9 all proxy proposals. So I would like the SEC to take a
10 relook at that.

11 MR. KRON: Just a couple more statistics to just put
12 in perspective what it is that we're talking about here
13 with shareholder proposals.

14 Again, to reiterate, less than 2 percent of --
15 shareholder proposals make up less than 2 percent of the
16 total number of ballot items. Less than 4 percent of
17 shareholder proposals were filed at companies with under
18 \$1 billion in market capitalization. Less than 9 percent
19 of Russell 3000 companies that have had an IPO since 2004
20 have received a shareholder proposal.

21 This is a very well-functioning system. The
22 attention is going where it needs to go. The notion that
23 it's being clogged up, that there are these zombies
24 wandering around out there, zombies don't really exist.

25 (Laughter.)

1 MR. KRON: In real life or in shareholder work.

2 MS. BRIGHTWELL: Finish up with Maria.

3 MR. GHAZAL: Thank you. So just to follow up on
4 many of the comments, including Jonas's last, that the
5 system's working very well, so I'd just like to raise the
6 issue that as you think about all of this, hopefully the
7 Staff realizes that there is an important lack of
8 deference that proxy advisory firms have indicated they
9 may give to those process.

10 Glass Lewis has announced that in 2019, it may
11 recommend a vote against members of a company's
12 governance committee if the company actually uses the
13 process and excludes shareholder proposals through a
14 valid use of the no-action letter process. So that's
15 something to just keep in mind as we say that
16 everything's working well.

17 MS. BRIGHTWELL: Jim?

18 MR. MCRITCHIE: I just want to say, and that's for
19 that ratification thing that could do away with all proxy
20 -- all shareholder proposals. So thank God for Glass
21 Lewis.

22 MR. MCNAIR: So we've already been able to, as part
23 of talking about engagement, touch on a couple of areas
24 for potential reform in 14a(8). And the first area that
25 we'd like to talk about today is the ownership

1 thresholds.

2 And so as you know, for a shareholder to be eligible
3 to submit a proposal and have that proposal included in a
4 company's proxy materials, the shareholder must own
5 \$2,000 or 1 percent of the company's securities that
6 entitles that shareholder to vote on the matter.

7 And as we've already heard and talked about, one of
8 the issues that has been discussed is whether that \$2,000
9 threshold appropriately balances, on the one hand, a
10 shareholder's ability to submit a proposal and have it
11 included in a company's proxy for shareholders to
12 consider, on the one hand; and on the other hand, the
13 costs that are incurred both by companies and other
14 shareholders who did not submit the proposal.

15 So with that in mind, the first question that we'd
16 like to tee up is: If the Commission were to undertake
17 to review the ownership threshold, what things should the
18 Commission keep in minds? What things should it
19 consider? And are there any guiding principles that
20 should be adhered to? And Ning, we'll start off with
21 you.

22 MS. CHIU: Thanks. Several thoughts on this. Given
23 that the time that has gone by since the \$2,000 threshold
24 was first adopted, there seems to be at least some
25 consensus that should be reexamined. The trouble is that

1 nobody knows exactly what the right number is. I can
2 acknowledge that.

3 There are a lot of ideas. One issue is that it's
4 actually very hard to come up with a data set around
5 which you can base a number or some kind of right
6 threshold, balancing what Matt just said is important to
7 balance.

8 CII did a great paper on resubmission thresholds,
9 where you were able to see if it was this resubmission
10 threshold, modest doubling, all those things, and it
11 would knock out these proposals. So having that data set
12 and the information on which to base an analysis was very
13 helpful.

14 We don't quite have that data set for ownership
15 thresholds because people don't have to tell companies
16 exactly how much they own, just that they own at least
17 \$2,000. If there was a way to figure out exactly how
18 much they own, then we could do an impact analysis the
19 same way, and that would be very helpful.

20 The second is in terms of IPO companies, one thought
21 is to lengthen the time period for ownership to indicate
22 long-term interest so that it's like a three-year holding
23 period, and not only to show that it's a long-term
24 shareholder, but it would give IPO companies a little bit
25 of a break.

1 When you run through what it takes for a private
2 company to be a public company with an IPO company, and
3 you explain some of the requirements and what's regulated
4 and what they would have to do in terms of resourcing up
5 and prepare for, a lot of it makes sense.

6 You're now going to be taking in public shareholder
7 money, so you need to tell them quarterly how you're
8 doing. You need to tell them what your earnings are, you
9 need to tell them whether your business strategy has
10 changed, you need to tell them if you've sold the
11 business -- all those things make sense. The annual
12 meeting makes sense, electing your director.

13 When talking to them a little bit about shareholder
14 proposals, it actually is a little bit of a hard thing to
15 explain because the first reaction is, wait. A bunch of
16 shareholders get to vote on how I run my business?

17 And while most of the time you can say, no, that's
18 not exactly on a day-to-day basis, there are proposals
19 that, for example, say, hire a banker to do an analysis
20 of selling your strategic businesses that do get through,
21 and yes, that could be on your proxy statement. So yes,
22 there are some proposals that do kind of look like they
23 tell you how to run your business.

24 So there is a little bit of a pause and all in terms
25 of explaining that to a private company that's kind of

1 And then the last idea in terms of ownership
2 threshold: Co-filers? Co-filers may be able to
3 aggregate to a higher ownership threshold, if there is
4 one, or having an idea of a higher ownership threshold if
5 you are going to use co-filers because presumably that
6 already means that many shares are bundling together.

7 So those are some of the considerations. There's
8 many things you can do in this area. The data is quite
9 limited in terms of trying to figure out the analysis.

10 MR. MCNAIR: Dannette and then Brandon.

11 MS. SMITH: I agree with what Ning said. I wanted
12 to just offer a couple of extra data points.

13 I think as the Commission is considering this, one
14 thing that they should think about is what is the purpose
15 of the shareholder proposal rules? And if it is to give
16 shareholders a voice, to suggest change that furthers the
17 long-term health of the companies which they are invested
18 in, then that's a very valid purpose, and there should be
19 a very meaningful rule and I think most of the people on
20 this panel wholeheartedly have that as their purpose.

21 If it is to allow a stakeholder who has no interest
22 in the company to advocate for social change, that's a
23 different purpose, and in many instances, that's what the
24 shareholder proposal process has turned into. If you
25 look at the threshold today, \$2,000 or 1 percent, we have

1 overwhelmed. So having a longer ownership period, not
2 just to show that these are long-term shareholders but
3 also to give IPO companies a little bit of a break, may
4 be useful, recognizing that IPO companies don't always
5 get a lot of proposals, but just at least in the context
6 of that would be useful.

7 The third thing is we talked a little bit about
8 proposal by proxy, and not so much about whether it's
9 legitimate but about facilitating dialogue and engagement
10 with the person whose shares are being used to send you
11 this proposal.

12 Companies want to talk to the shareholder who's
13 sending you the proposal. Sometimes companies find out
14 that the shareholder sending you the proposal has an
15 entirely different area of interest in mind than the
16 actual topic of the proposal. So that is something that
17 companies are interested in learning about from the
18 shareholder whose shares have been used for the proposal.
19 So a couple thoughts on that.

20 An ownership threshold: First of all, if you're
21 doing proposal by proxy, you're stepping in the shoes of
22 the shareholder, so a limit of one per proposal by proxy
23 representative. One per company, just like a shareholder
24 would have to. And perhaps a higher ownership threshold
25 if you're going to use proposal by proxy.

1 962 million shares outstanding. One percent is 9 -- it's
2 -- who knows if I do my math right, but 9.6 million
3 shares. But \$2,000 is eight shares.

4 So that's a complete dichotomy. The 1 percent is
5 meaningless. I'm not here advocating that 1 percent
6 should be the threshold, but eight doesn't sound like you
7 really have a long-term interest in the company.

8 And worthwhile happen when we get shareholder
9 proposals, when we get them from shareholders like New
10 York City or AFL-CIO, we have very meaningful discussions
11 and our board takes them very seriously.

12 When we get shareholder proposals when the proponent
13 will not engage with us and the person who shows up at
14 the meeting asks for shareholders to vote for the
15 cumulative voting and can't pronounce what they're
16 looking for, don't know what they're supposed to do, it's
17 an entirely different thing and it's very -- the board
18 doesn't understand why they are being forced to spend
19 time on these issues.

20 MR. REES: Thank you. If I could respond, I don't
21 believe there is a consensus that any rulemaking is
22 needed regarding the ownership requirements. The rule
23 has always been accessible to small retail, Main Street
24 investors since its origin in the 1950s.

25 The SEC adopted a \$1,000 ownership threshold in the

1 1980s. In 1997 when the SEC looked at this issue, they
2 explicitly rejected substantially increasing the
3 ownership threshold, recognizing that the purpose of the
4 rule is to provide an avenue of communication for small
5 investors. And so they only increased it to \$2,000 based
6 on inflation. If you increased it for inflation since
7 1998 to today, it would be approximately \$3,000.

8 Large institutional investors -- the Blackrocks and
9 State Streets and Vanguards of the world -- do not need
10 the shareholder proposal rule process to get the
11 attention of management or the board of directors.

12 There's not a corporate secretary or investor relations
13 department in the country that would not return their
14 call within 24 hours. The purpose of the shareholder
15 proposal rule is to democratize the governance process so
16 that even small investors can bring forward issues.

17 And regarding the goal of encouraging long-termism,
18 that's obviously commendable. However, the shareholder
19 proposal rule is not the place to do it. The ownership
20 rule currently requires that shares be held for one year
21 prior to submitting a proposal, and continue to be held
22 through the annual meeting.

23 If anything, in recent years with increased
24 portfolio turnover by active investors, the ownership
25 requirement should be shortened, not lengthened. You

1 don't want to empower only index, passive index
2 investors, to be able to use the shareholder proposal
3 rule.

4 This is a rule that works well for all investors.
5 Our shareholder democracy depends on it, having the free
6 flow and exchange of ideas between small investors, not
7 just between management and the investor base but between
8 shareholders themselves so that they can idfy emerging
9 issues.

10 And to get at the concerns Dannette was raising
11 about it being used for social purposes, well, mainstream
12 investors are increasingly recognizing that environmental
13 and social issues are important drivers of value
14 creation, and that you've seen a dramatic increase in
15 shareholder support for proposals on environmental and
16 social issues because they matter to company performance.
17 Increasingly so.

18 So to say that we're going to dismiss the proponents
19 of these proposals because we disagree with them is just
20 not in the interests of our democratic system for
21 shareholders. Thank you.

22 MR. MCNAIR: Jonas, Jim, and then Tom.

23 MR. KRON: So just a couple brief points. I think
24 first is that part of the beauty of shareholder democracy
25 is that the quality of one's idea doesn't depend on the

1 size of one's ownership. And I think that's really
2 captured in making this accessible to smaller
3 shareholders, where sometimes some of the best ideas can
4 come from.

5 I think it's important to also remember that there's
6 two different things happening here. There's the ability
7 to file the shareholder proposal, and then there's
8 getting the shareholder proposal in the proxy.

9 To actually file a shareholder proposal, I only have
10 to hold one share, and I have to hold it about three or
11 four months before the annual meeting. So like for
12 Verizon, for example, if I wanted to just file a
13 shareholder proposal, I could buy a share on February 1,
14 2019, and file a shareholder proposal the next day. The
15 question is whether you can get onto the proxy ballot.

16 Now, if anything, the amount of time should be less
17 because as a shareholder, state law recognizes that I
18 have an important contribution to make in the corporate
19 governance process the moment I own those shares, and if
20 I own those shares on the record date, I get a vote.

21 But having to wait a year before filing is actually
22 quite burdensome. It actually adds quite a bit. And I
23 realize that we have to make accommodations. We have to
24 be reasonable. We have to find that balance point that
25 we're talking about, and that maybe one year is that

1 balance point.

2 The last point I guess I would just make is that I
3 think the former head of Corp Fin maybe put it most
4 succinctly in trying to decide -- Keith Higgins -- what
5 the dollar amount of the holding should be. And he said
6 really it's just going to be a fool's errand trying to
7 figure it out, and it's going to seem arbitrary and
8 result-driven no matter what you do.

9 And that's why it's intended to just be at a low
10 level. It's supposed to demonstrate some skin in the
11 game, and to be honest, for some shareholders, \$2,000 is
12 skin in the game. We all know the value of compounding
13 interest, and if you buy shares, buy \$3,000 worth of
14 shares and you're 25 years old, you're going to be a
15 long-term investor, that's going to grow and grow. But
16 at the beginning, you're going to have a very small
17 ownership.

18 MR. MCRITCHIE: I just wanted to pt out that this
19 complaint goes back -- the complaint of the low threshold
20 -- I guess goes back a long ways, back in -- there didn't
21 use to be any threshold. And a study of 286 shareholder
22 proposals submitted between 1944 and 1951 found that 48
23 percent were submitted by the Gilbert brothers.

24 So back then there were gadfly investors with small
25 share holdings, and if it wasn't for them, we wouldn't

1 have the right to file proxy proposals. We wouldn't have
 2 disclosure -- or a vote on auditors. We wouldn't have
 3 disclosure of executive pay. We'd have even fewer women
 4 on boards because of Wilma Soss and other folks.
 5 And we may have small ownership in companies, but
 6 typically 50 proposals of ours that didn't make it to the
 7 proxy last year, more than half of those we reached
 8 agreements with companies. Of 150 that did go to the
 9 proxy, we got fairly high votes, like we got 64 percent,
 10 on average -- on a supermajority provision, which is one
 11 that we will be pushing again this year; 40 percent on
 12 special meeting proposals; 42 percent on written consent.
 13 So we get fairly high votes. I just want to point that
 14 out.
 15 MR. QUAADMAN: Jim, I didn't realize you weren't the
 16 first gadfly.
 17 (Laughter.)
 18 MR. QUAADMAN: No. We think that retail
 19 shareholders should have a voice. When I mentioned
 20 earlier -- when I discussed universal ballot and I said
 21 that there was an innate quality of how shareholders are
 22 tted under universal ballot, it's because retail
 23 shareholders are not given access to the universal ballot
 24 or may not have to be given access to the universal
 25 ballot.

1 So we can quibble about the \$2,000 threshold. Maybe
 2 it should be indexed for inflation. We should look at
 3 that. There should be some form of a period of holding
 4 time so that we know that retail shareholders are in it
 5 for the long-term value of a company, they're just not
 6 trying to use the company's shareholder process as a
 7 hobbyhorse.
 8 As I mentioned earlier, we also believe that the
 9 Commission should move forward with a rule that would
 10 also have that shareholder transparently disclose what
 11 their ownership stake is, and that would be verified;
 12 also, that what the interest is that they're looking to
 13 accomplish, which gets to Dannette's point -- they have
 14 to be able to articulate exactly what they're looking to
 15 accomplish; and then also, if they're doing this on their
 16 own or on somebody else's behalf.
 17 The other thing I would just say, too, about the
 18 issue about social proposals, they're now making up about
 19 50 percent of shareholder proposals that are issued, and
 20 they never pass. So I think that's something, too, where
 21 we need to take a look at it where -- that system can
 22 also come out of balance.
 23 I think if we strike a balance, then yes, retail
 24 shareholders should have that voice and should be able to
 25 articulate it on issues of importance to the company.

1 But if the shareholder process is just going to be
 2 another form of political speech, then I think that's
 3 something we need to look at much, much more closely in a
 4 much different way.
 5 MS. BRIGHTWELL: Tom, on the point that you were
 6 making about the transparency about the ownership stake
 7 and the purpose, is that something -- is the intent that
 8 that would be disclosure to the company, or would that be
 9 disclosure within the company's proxy statement as well?
 10 MR. QUAADMAN: We would be open to exploring it both
 11 ways because we think that's something that other
 12 shareholders may want to know. And I think for
 13 consistency purposes, if we're going to be -- if we're
 14 call for more transparency around proxy advisory firms,
 15 as we are, there needs to be more transparency around the
 16 shareholder process as well, and that if retail
 17 shareholders are going to issue proposals, there should
 18 be transparency so that people know exactly what they're
 19 dealing with.
 20 MS. BRIGHTWELL: Maria, did you want to add
 21 something?
 22 MS. GHAZAL: Just that the Business Roundtable
 23 agrees. And that's in our comments as well.
 24 MR. KRON: Just one quick comment. What's actually
 25 interesting is that the companies right now aren't

1 required to include the name of the filer in the proxy.
 2 And many of them don't. So if there's a demand for
 3 transparency, the companies are fully within their power
 4 to do this, but they're not doing it.
 5 They just put the proposal up there and make no
 6 mention of who it is that's filing it. If there's really
 7 a demand for that, I would expect that they would all be
 8 doing that.
 9 MS. BRIGHTWELL: Dannette?
 10 MS. SMITH: I agree that the name of the shareholder
 11 proponent should be in the filing. And sometimes it's
 12 not that easy to figure out who it is or how they should
 13 be portrayed. So having some clear instructions around
 14 who the proponent is, how many shares that they hold, and
 15 having both of those in the proxy I think is good for all
 16 parties.
 17 MS. BRIGHTWELL: Okay. So that was a good
 18 discussion. So we'll turn to our next topic, which I'm
 19 not sure is going to be any easier than that one, but
 20 it's the resubmission thresholds.
 21 And the current rules allow a company to exclude a
 22 proposal that deals with substantially the same subject
 23 matter as a proposal that was previously included in the
 24 proxy statement if certain threshold are met. And those
 25 thresholds currently are 3, 6, and 10 percent if they're

1 voted on once, twice, or three times or more within the
2 preceding five years.

3 And there's been a lot of discussion about whether
4 those are the right percentages and whether they should
5 be increased or changed. And so I wanted to start off
6 just asking the group, and Mike, maybe you can kick us
7 off: Should those resubmission thresholds be revisited?

8 And what would be the potential advantages or not of
9 doing that?

10 MR. GARLAND: No.

11 (Laughter.)

12 MR. GARLAND: No. So I want to thank the
13 Commissioners' and Corp Fin Staff and Director Hinman for
14 inviting me.

15 So the New York City Pension Funds are strongly
16 supportive of the process. We vote for about 80 percent
17 of shareholder proposals. We have a very large and broad
18 portfolio. We have also probably filed more -- I believe
19 filed more shareholder proposals over the last 30 years
20 than any other institutional investor in the world.

21 I think our experience is instructive for this
22 discussion. We have two signature initiatives that I
23 think we're very proud of. The most recent is fresh in
24 people's mind, and that's proxy access. The predecessor
25 to that was sexual nondiscrimination proposals.

1 Each of these got off the ground after an
2 unfavorable no-action decision from the SEC, the Whole
3 Foods decision. Today we have over 540 companies in the
4 U.S. that have proxy access. Over 70 percent of the S&P
5 500. Had the Whole Foods decision not been reversed,
6 that would not have happened today. And the SEC's own
7 Staff has found that those proposals added value to the
8 market and to those companies the received the proposal.

9 The other proposal, on nondiscrimination, in the
10 early 1990s Cracker Barrel fired some employees
11 specifically because they were gay. The New York City
12 filed a proposal to prohibit workplace discrimination
13 based on sexual orientation, at that time sexual
14 orientation and subsequently morphed into gender identity
15 as well.

16 The SEC excluded that proposal as ordinary business.
17 NYCER is one of our five funds. Sued the SEC in federal
18 court, and it wouldn't be the first time we've gone into
19 courts to defend our rights, including on this proposal.

20 And we prevailed in a lower. It was ultimately
21 overturned, I believe, on appeal by the SEC.

22 So that proposal -- the company did allow it to go
23 to vote in 1993 when it received about roughly 14 percent
24 of the vote. Ten years later, the votes were still under
25 10 percent, on average, on that proposal. Five years

1 later, we were no-actioned at Apache Corporation and went
2 into state court to challenge that no-action decision.

3 And flash forward to 2011. That proposal received
4 over 50 percent support at KBR. And today, similar to
5 proxy access, it's essentially a market standard that we
6 believe has served the companies and their shareholders
7 well.

8 It's also the kind of proposal that has been
9 attacked as being disconnected from shareholder value.
10 People talk about social and political proposals. We
11 think all companies should cast a wide net for the best
12 and the brightest.

13 I would note that one of our largest portfolio
14 companies by far, one of the most valuable corporations
15 in the world, is led by an out gay man, and that I don't
16 think any of our portfolios -- that's Apple -- should be
17 denied the opportunity to hire, retain, and promote the
18 next Tim Cook.

19 So a couple other quick comments about this process.

20 I think it's important to understand that this process
21 is very issuer-friendly. Issuers get unlimited space in
22 the proxy statement to oppose proposals. They also get
23 access to preliminary vote tallies. They actually get to
24 put their finger on the scale if the vote's not going the
25 way they would like it.

1 They can expend additional resources to solicit more
2 votes, and proponents have no window into those numbers.

3 I would encourage the SEC to require disclosure of the
4 preliminary vote tallies. This is something that the
5 Investor Advisory Committee has also recommended, I
6 believe.

7 MS. BRIGHTWELL: And so --

8 MR. GARLAND: I'm sorry. The point being that -- my
9 point with the section on discrimination: It takes a
10 while for investors to socialize issues. It's a matter
11 of investor education. Things get easier as more and
12 more companies adopt. It's easier to make the case to
13 additional companies.

14 The objective is not -- of a proposal is an
15 invitation to engage. The objective is not to go to a
16 vote. The objective is ultimately to withdraw the
17 proposal.

18 MS. BRIGHTWELL: Jonas, did you want to follow up?

19 MR. KRON: Yes. Just a -- it seems like now is a
20 good time to dig into the zombie question.

21 So there's this notion that theoretically, under the
22 rule, that a shareholder proposal could live on for
23 decades. And the fact of the matter is that two-thirds
24 of shareholder proposals don't even come back for a
25 second year.

1 And those shareholder proposals that do sort of
 2 linger in the teens, for example, you can pretty much
 3 count on one hand and a foot -- unless you're a zombie,
 4 in which case you have no fingers and no foot.
 5 (Laughter.)
 6 MR. KRON: Those that linger in the 20s, it's maybe
 7 -- if you count environmental, social, and governance
 8 factors, all of that, is probably about three dozen over
 9 the last eight years or so actually qualify in that
 10 regard.
 11 And then there's a little hand-waving that goes on
 12 here. The question is, well, what are those investor
 13 proposals about? Like what is it that's so terrible
 14 about having these issues on the ballot? Are they some
 15 little narrow political interest that nobody is taking an
 16 interest in or isn't important?
 17 I can only think of two examples of shareholder
 18 proposals that lived on for a decade on the ballot. One
 19 of them was at Exxon, and that was actually an LGBT
 20 nondiscrimination proposal that was filed by -- New York
 21 City filed it for a while; Trillium filed it for a while;
 22 and New York State filed it for a while.
 23 And that was on there for a decade. And Exxon sat
 24 there year after year with shareholder proposals getting
 25 up into the 30s. Sometimes it would drop down to the

1 (i)(4), (i)(5), (i)(7), those will keep it out. And most
 2 proposals that really are fringe also aren't even going
 3 to get over even 3, 6, or 10.
 4 MS. BRIGHTWELL: Tom and then Jim.
 5 MR. QUADMAN: So I would say yes, we do support it.
 6 Surprise.
 7 Look, I think -- let's take a look at the rule. The
 8 rule was imposed in 1954. Right? So 1954 is a
 9 significant year, number one. That was the year of the
 10 New York Central proxy fight. So that was the first time
 11 you had a very serious proxy fight, what we would
 12 recognize.
 13 And if you look at where we are today, it's a much
 14 different world. We have many different shareholder
 15 proposals per company. We have -- some proposals were
 16 mentioned, but there are companies who are members that
 17 have had proposals kicking around for 11, 9, 18 years, et
 18 cetera.
 19 The other thing about 1954 is that the investor base
 20 of a public company is the exact opposite of what it is
 21 today. The percentages that we have for institutional
 22 investors were retail investors back in 1954, and
 23 shareholder proposals were used exceedingly in a very
 24 rare way.
 25 So I think we need to look at how those proposals

1 20s. But it moved in that range. All the companies
 2 around them started adopting LGBT nondiscrimination
 3 policies, and eventually Exxon did it.
 4 And the reason they did it, and the reason all these
 5 companies did it, is because we know that companies that
 6 are LGBT-friendly and inclusive, they actually outperform
 7 their peers that aren't. It's good business at that
 8 point.
 9 The other example that I can think of is actually at
 10 Home Depot, which was an EEO-1 proposal, focused on
 11 gender and racial discrimination. Trillium was also a
 12 filer of that for a period of time as well. That
 13 proposal actually came out of discrimination lawsuits
 14 that were filed against Home Depot quite a long time ago,
 15 and that proposal, yes, it did sit there on the ballot
 16 for many years, asking the company to disclose -- it's
 17 not actually a very big deal, it's simply asking them to
 18 disclose, what is their employment breakdown by gender,
 19 race, and ethnicity?
 20 That proposal this past year -- it took a long time,
 21 but it just got 48 percent of the vote. I'm hazarding a
 22 guess that when it comes back next year, it's actually
 23 going to get a majority vote. These things do take time,
 24 and these are not fringe issues.
 25 If it's a fringe issue, like Aeisha was saying,

1 are being used today, which is very often. We do have
 2 proposals that are kicking around for a very long time.
 3 They take up a lot of time and effort from companies.
 4 And the other two issues are, A, that if a
 5 significant portion, a supermajority, are continually
 6 voting against a proposal; there comes a certain point
 7 of, why not just take a time out? Because even if you do
 8 take a time out and you're talking about an issue that is
 9 growing, it'll continue to grow. So it's not as if a
 10 shareholder is going to lose their right to talk about
 11 that issue for all time. So I think that's something
 12 that we really need to take a very close eye on.
 13 Additionally, as I mentioned, even if you take, at a
 14 minimum, the 15 percent bump with ISS and ISS supporting
 15 80 percent of these zombie proposals, that means they're
 16 going to be kicking around. They're going to be above
 17 that 10 percent rate.
 18 So if we think about it in those terms, there are
 19 mechanisms that'll keep those proposals going because,
 20 again, for a proxy advisory firm to have to make a
 21 recommendation on a proposal every year and for their
 22 consulting service to have to consult to the company on
 23 that proposal every year, they're going to make money off
 24 of it. It is in their pecuniary self-interest to do so.
 25 But also let's think about it in this way, and it

1 goes back to facts that we have less than half the public
 2 companies than we did 20 years ago. Right? That
 3 directors today are being forced to deal with these
 4 issues year after year.

5 They're dealing with shareholder proposals in ways
 6 that they haven't before. They're dealing with --
 7 depending on the industry, they're becoming regulatory
 8 compliance officers to some degree, depending on what the
 9 industry is. Yet look at what's facing companies:
 10 disruptive change on a basis that we haven't seen since
 11 the industrial revolution, yet they're not allowed to
 12 deal with the long-term strategies of a company.

13 So if we want to have them deal with shareholder
 14 proposals, okay. But shouldn't they be dealing with the
 15 long-term strategy of a company knowing that this
 16 disruption is coming? Or furthermore, that we're seeing
 17 a reordering of the world economic order on a scale we
 18 haven't seen since the end of World War II. Why
 19 shouldn't American companies be planning for their
 20 competitiveness in that new changing order?

21 But if they're having to deal with these issues year
 22 in and year out, guess what? We're not creating
 23 shareholder value. And if they can't deal with those
 24 issues in a strategic way, they're not going to be
 25 around. And that's why companies are deciding they would

1 rather stay private because they can deal with those
 2 issues and that transformative change in a much more
 3 logical way for the benefit of the company.

4 MS. BRIGHTWELL: Brandon?

5 MR. REES: Thank you. Well, I can respond to Tom.
 6 Tom said it's a different world, and it is a different
 7 world in many ways. Most newly publicly listed
 8 companies, IPO companies in this country, have adopted
 9 dual class stock as a voting structure that gives company
 10 insiders control disproportionate to their ownership of
 11 the company.

12 What the means is that shareholder proposals at
 13 those companies are much less likely to be able to clear
 14 the 3, 6, and 10 percent hurdle. So if the SEC raises
 15 the resubmission threshold, you're depriving Class A
 16 holders, the public investors in those companies, of the
 17 opportunity to use the shareholder proposal rule to
 18 encourage corporate governance improvements.

19 And again, I have to rebut Tom's assertion that the
 20 decline in publicly listed companies in this country has
 21 anything to do with the shareholder proposal process. I
 22 think that's simply a preposterous notion. The reason
 23 why there are fewer publicly listed companies today is
 24 because of the growth of private equity combined with
 25 increased M&A activity. So companies that would have

1 gone public a decade or two decades ago now have been
 2 acquired by other larger rivals, particular the FANG
 3 stock companies.

4 So it's a red herring to raise up the fact that
 5 there are fewer publicly traded companies today has
 6 anything to do with the shareholder proposal rule. And
 7 if you look at the total public company market valuation
 8 in the United States as a percentage of GDP, it's never
 9 been higher.

10 Our public markets are working exceptionally well to
 11 allocate capital. And for shareholders, it's important
 12 for them to also participate in the discussion of the
 13 company strategy. And that's where the shareholder
 14 proposal rule comes into place, by allowing them to
 15 address environmental, social, and governance issues that
 16 have an impact on long-term shareholder value.

17 MS. BRIGHTWELL: Jim?

18 MR. MCRITCHIE: Almost the only time a company drops
 19 out of my portfolio is when it gets bought out by another
 20 company, and that's what's happening. That's why we have
 21 fewer companies.

22 I wanted to point out that, going off of Brandon's
 23 discussion, especially with regard to these companies
 24 where founders have ten times the votes of others, John
 25 Chevedden and I have partnered with Northstar at Facebook

1 and Google and perhaps some other companies for several
 2 years, asking to address that ten to one vote ratio.

3 And although we get votes, say, around 20 percent,
 4 that has the danger of being kicked off if John gets his
 5 way here. But 20 percent represents 80 percent of Main
 6 Street investors and institutional investors who believe
 7 that this disproportionate vote is really a concern.

8 And we are learning we don't have everything straight.
 9 We'll evolve this proposal. So this year, because of the
 10 work of the Council of Institutional Investors, we'll
 11 submit a proposal that asks them to phase it out over
 12 seven years.

13 So I think it's very important that we maintain the
 14 thresholds as they are. We can certainly see through
 15 LGBT rights that this was a very small, fractional
 16 portion of the population that support any rights at all
 17 for those people. But now everyone supports it.

18 So it just -- it takes a long time to gather, and
 19 then all of a sudden it happens.

20 MS. BRIGHTWELL: Aeisha?

21 MS. MASTAGNI: Thank you. I just wanted to go back
 22 to the beginning about why we even are having this panel
 23 today. We're talking about the eligibility requirements.
 24 We're talking about the ownership thresholds. But are
 25 we trying to create a solution to a problem that doesn't

1 exist?

2 And I think Jonas brought it up that for

3 institutional investors, we vote on -- maybe 2 to 3

4 percent of the things we vote on is shareholder

5 proposals. And this idea that there's all these

6 proposals that linger in this 15 to 20 percent range --

7 maybe there's a couple examples, but the facts just don't

8 bear the case on that.

9 So I just want to propose that this is a system that

10 works. There are appropriate balances for both the

11 issuers and the investors. And I also want to

12 acknowledge that I think that the SEC and the Commission

13 itself and Staff have a finite number of resources, and

14 do we want to spend those resources on an issue like the

15 shareholder proposal process? Or should we be spending

16 it on what the last panel was about, which is about

17 ensuring that proxy plumbing process.

18 So I just want to propose that.

19 MS. BRIGHTWELL: Maria and then Ning.

20 MS. GHAZAL: Thank you. So to answer the question,

21 we do believe that, at a minimum, the threshold should be

22 increased, and to 6-15-30.

23 In our initial remarks -- in my initial remarks -- I

24 talked about how the current thresholds allow a small

25 subset of shareholders to override indefinitely the

1 expressed will of the substantial majority. We do think

2 it's a concern. Our members think it's a concern. And

3 we do think this is something that should be looked at.

4 MS. CHIU: A few things. We're talking about

5 resubmission thresholds, which are a timeout. There are

6 date-old proposals -- not common, but I'm aware of of one

7 that's been around for 17 years on the same proxy

8 statement. And they've always met the resubmission

9 threshold, obviously.

10 So there's the resubmission threshold for proposals

11 that get low votes, whatever "low votes" means is what

12 we're trying to figure out. That's one. But there could

13 also be a timeout for a proposal that's lingered on for

14 an X number of years. Seventeen years does seem like a

15 long time without getting majority support. So there

16 could be two kinds of resubmission thresholds.

17 As the data shows, even at the highest resubmission

18 threshold that's being considered, it would only have

19 kicked out 475 proposals over a seven-year period of

20 3,000-plus proposals. Whether or not that's a

21 significant number, it doesn't seem significant to me.

22 I'm sure other people can debate that.

23 In terms of some mentions about "the process works,"

24 there's no process that can't be improved. I would say

25 that companies do spend a lot of time and money on this.

1 And there are some costs in some of the comment letters

2 that you've received about the estimates.

3 They range, frankly, depending on how seriously the

4 companies want to take the process. The more serious

5 companies who would like to hear from their shareholders,

6 who want to take this process seriously, who want to

7 engage their boards, who want to engage their governance

8 committee early, it's going to cost more.

9 So it's only going to cost less if a company says,

10 oh, I don't -- we'll just -- it doesn't matter. We don't

11 need to talk to them. We don't need to engage with them.

12 We'll just let people vote.

13 MS. BRIGHTWELL: Mike?

14 MR. GARLAND: I just want to respond to Ning's point.

15 I would argue that it's the companies that want to try

16 the hardest to deflect the proposal where it's most

17 costly. The costs that are involved in the no-action

18 process, those are entirely voluntary costs the companies

19 elect to absorb in order to do their best to keep the

20 proposal out of the proxy statement.

21 MS. BRIGHTWELL: Dannette?

22 MS. SMITH: I think we've got the wrong definition

23 of cost. We're talking -- the answer that Mike just gave

24 was about out-of-pocket costs. That's not the main cost

25 of a shareholder proposal.

1 And the main cost of a shareholder proposal is the

2 time and research and energy that the company puts into

3 looking into the proposal, putting it on the board

4 agenda, having the board discuss it, having the time for

5 the discussion away from something else.

6 Those are not out-of-pocket costs, but they are

7 still real costs. And I don't think anybody on this

8 panel is disagreeing that it's an appropriate resource

9 and that it should be maintained. But to say that it's

10 working well and that there's no room for improvement I

11 think is an overstatement.

12 MS. BRIGHTWELL: And just to follow up on that a

13 big, when companies are considering these proposals, they

14 go into the proxy statement, a vote is taken on them --

15 is there a point at which, when the votes come in -- is

16 there a level of shareholder where you look at it and

17 say, oh, maybe we need to go back and think about this

18 again?

19 What might that be? Are there ideas or thresholds

20 about what the is in terms of when management and the

21 board get back together and say, well, maybe we need to

22 think more about this one?

23 MS. SMITH: So I'll start with that. There's a

24 whole variety of answers that you can give to that. So

25 I'm going to give you an entire variety. And it depends

1 upon if what you mean is at what point should there be
2 negative consequences to a company for failing to adopt?
3 Or should somebody understand?

4 So I'll start with: We had a 95 percent say on pay
5 vote. Everyone would say that's overwhelming support.
6 Right? So there were three -- we found out from the NPX
7 vote there were three of our larger shareholders who
8 voted against say on pay. We are actively trying to find
9 out why each one of them cast their no vote.

10 I know for one. I have a meeting scheduled with the
11 second. And the third I can't find anybody to talk to
12 at. So that's one issue. But that's not going to be a
13 proxy statement discussion in my next year's proxy.

14 I think if you're looking for at what point in time
15 should companies have negative repercussions for failing
16 to implement some version of the proposal, that should be
17 more than a majority because we now have something that
18 went to a vote. All the shareholders got to consider it.

19 And if more than a majority don't support it, then more
20 than a majority of them don't support it.

21 That's not to say that the company shouldn't
22 understand what the folks who did vote in favor of it
23 wanted. And I think people should. But I don't think
24 that's something where negative repercussions should
25 come.

1 MS. BRIGHTWELL: Jonas?

2 MR. KRON: Just in my own experience, I've seen a
3 lot of companies who respond in different ways to
4 different votes. But before I give a couple of examples,
5 I think it's important to remember that these are
6 prefatory proposals. They can get 99.9 percent of the
7 vote and it doesn't force anything to happen.

8 And so it's important to think of these not -- these
9 aren't mandatory bylaw changes. This is an opportunity
10 for the company to get the feedback from investors on
11 this particular issue. It's an opportunity for investors
12 to understand what other investors think about. This is
13 a useful information exchange. It provides data in I
14 think a very cost-effective way for everybody.

15 I've seen some companies get votes in the 80s, 75
16 percent, 80 percent vote on a governance issue, and they
17 are dead set against it. This one company I have in
18 mind, classified boards, year after year they'll get a
19 75, 80 percent board. They will not budge and they do
20 not change anything. And there's nothing to force that,
21 at least in terms of a shareholder proposal.

22 But another example, and this comes back to the dual
23 class structure issue, we had a shareholder proposal that
24 we filed a Facebook last year asking them to have a risk
25 oversight committee. That proposal, because of the dual

1 class structure, got about 11 percent.

2 But that 11 percent, if you look at it by pulling
3 out all of the insider shares, that was actually a 45
4 percent vote. And the company did respond, and they have
5 made a change, and they've turned their audit committee
6 into an audit and risk oversight committee. Earlier, a
7 previous vote at Facebook, actually, on an independent
8 board chair got a 12 percent vote, which actually
9 translates to about 52 percent of outsiders.

10 So some companies respond in the teens. Some
11 companies respond in the 20s. Some companies respond in
12 the 30s. If you look of it this way, and you're not
13 thinking so much in terms of did you get 50 percent plus
14 one -- but if a third of your investors feel strongly
15 about an issue, or even if 15 percent of your investors
16 feel strongly about an issue that they're voting in favor
17 of a proposal, that's worthy of consideration.

18 And again, it's not forcing anything. It's giving
19 them positive, useful data and information.

20 MR. MCNAIR: So we're going to switch gears a little
21 bit. We have just a few minutes left of this panel, and
22 we want to give the next panel enough time to group and
23 give folks a quick break. But we've talked now on a
24 couple of topics of reform that would really involve
25 rulemaking. We want to just touch on a few things that

1 the Staff could do.

2 And the first thing that I'd like to mention is, one
3 of the things that has become important to us over the
4 last year or so is hearing from the board. And you saw
5 us issue a Staff Legal Bulletin at the beginning of last
6 proxy season and another one just a couple weeks ago
7 where we're looking for input from the board when
8 companies are making arguments under either the ordinary
9 business exclusion or the economic relevance exception.

10 And in the most recent Staff Legal Bulletin, we
11 included a number of substantive factors that we found
12 useful in looking at no-action requests last proxy season
13 that included a board discussion. And we're curious if
14 there are other factors and other things that because
15 look at, when they are evaluating a proposal's
16 significance, that we should be aware of.

17 And so, Maria, we'll start with you.

18 MS. GHAZAL: Thank you, Matt. So we certainly
19 appreciated the additional guidance that the Staff
20 provided regarding the application of the ordinary
21 business exclusion. And then the list of factors that
22 you listed in 14J was a very good first step to helping
23 companies understand the aspects of board analysis that
24 have been important to you as the Staff during the no-
25 action letter review.

1 One issue that has arisen in the no-action letter
2 process is the relative weight given to past votes on the
3 same or similar proposals, as compared to what Jonas was
4 talking about, the ongoing current discussion with
5 investors and the investors' interest that they're
6 expressing in the company during shareholder engagement.

7 So one of the reasons why we're particularly
8 interested in the weight given to past votes is
9 especially because of the influence of proxy advisory
10 firms that Tom and others have talked about, and that
11 influence as far as the voting outcome. So that's just
12 one area that we think is important to better understand.

13 MR. MCNAIR: Yes. Mike?

14 MR. GARLAND: I just wanted to make a point, and
15 that's specific to the no-action process. But with
16 respect to proposals, we've been involved in a number of
17 situations whereby we've had a very productive
18 negotiation with management, and management has been
19 unable to get the attention of its board.

20 We think we're close to an agreement, and there's
21 been a wink and a nod whereby, go ahead and file the
22 proposal, and that will make their job internally easier
23 to raise an issue that they've been trying to put in
24 front of the board.

25 So I agree. I think boards should look at the

1 Bulletin process, and also through some of the
2 stakeholder meetings have been very valuable as well, to
3 have that exchange of information.

4 So in terms of things that can be done in the Staff
5 Legal Bulletin/no-action letter process, there certainly
6 are opportunities to provide greater clarity and
7 therefore greater efficiencies.

8 MR. MCNAIR: Thanks. We hear that quite frequently,
9 and so it's good to hear it again. And we'll do our best
10 to make changes going forward in that regard.

11 That concludes this panel. I would like to thank
12 you all so much for your time in not only attending the
13 panel but in your preparation. There will be a quick
14 break, and the final panel will start at 3:00. Thank
15 you.

16 (A brief recess was taken.)

17 PANEL THREE - PROXY ADVISORY FIRMS:
18 THE CURRENT AND FUTURE LANDSCAPE

19 MR. CELLUPICA: Okay. We're going to get started.
20 Thank you all for joining. Let me start by introducing
21 our distinguished panelists, and their full biographies
22 are on the Spotlight page on our website.

23 They are, in alphabetical order, starting from my
24 left, Jonathan Bailey from Neuberger Berman; Patti
25 Grammar from the Ohio Public Employees Retirement System;

1 issues. So I don't know if a corporate secretary here
2 would volunteer that. But I think there are times when
3 the process has served our negotiation partners.

4 MS. BRIGHTWELL: Jonas?

5 MR. KRON: Just on Staff Legal Bulletins, I greatly
6 appreciate the opportunity to get additional insights
7 into what the Staff is thinking about and looking at. I
8 think we all can benefit from having a more efficient
9 process, where we understand the way the proposals are
10 being annualized. And so I think Staff Legal Bulletins
11 can offer that.

12 This last Staff Legal Bulletin on micromanagement
13 still does leave me with some questions, and I guess a
14 couple of thoughts along those lines. If we can get more
15 information from no-action letter decisions so that we
16 can understand what it is in particular that was running
17 afoul of the rule, I think that would be really helpful.

18 I think one of the things that we run into in terms
19 of the cost of the process is we don't always know what
20 it was that worked and what it was that didn't work. And
21 so we end up with companies trying a bunch of different
22 arguments to see what sticks. We have shareholders that
23 try some different ways of writing the shareholder
24 proposal to see what works.

25 It seems like that could be, through the Staff Legal

1 Scot Draeger from R.M. Davis Private Wealth Management;
2 Sean Egan from Egan-Jones Proxy Services; Senator Phil
3 Gramm from the American Enterprise Institute; John Kim
4 from General Motors; Adam Kokas from Atlas Air Worldwide;
5 Rakhi Kumar from State Street Global Advisors; Katherine
6 "KT" Rabin from Glass Lewis; Gary Retelny from
7 Institutional Shareholder Services, or ISS; and Professor
8 Ed Rock from the New York University School of Law.

9 And we are also joined by a couple of our
10 Commissioners, Commissioner Peirce and Commissioner
11 Roisman, and additional Commissioners and the Chairman
12 may be joining us in a few minutes.

13 So to start off, a couple of logistical reminders.
14 First, a reminder to our panelists: If you want to
15 speak, you need to press the button to turn the
16 microphone on. And please turn it off when you're
17 finished.

18 Also, while you're speaking, please keep the
19 microphone close to your face so that we can be sure it
20 picks up what you're saying.

21 And we'll be directing questions to panelists
22 initially. If you want to comment on something that's
23 said by one of the other panelists, we ask that you
24 please take your name card and turn it on its side.

25 So I'd like to start out first with some general

1 questions for our investment advisors about how they use
2 proxy advisory firms, and start off with a question
3 about: How and why are proxy advisory firms currently
4 being used?

5 And are there differences in how different
6 investment advisors use proxy advisory firms? Has their
7 role evolved over time? And in particular, has the
8 continued growth of index funds had an effect on the role
9 of proxy advisory firms? And Rakhi, maybe if I can start
10 with you, and then turn to Jonathan and then Scot.

11 MS. KUMAR: Yes. Thank you. Thank you to the
12 Commissioners for the invitation, as well as the Staff.

13 So we use the proxy advisory firms in three ways.
14 One is to execute our vote guidelines; two, as research
15 insides; and three, for the operational ease that they
16 provide to their platform, which addresses all the
17 problems we have. They try to solve all the problems
18 that we talked about this morning.

19 We have our own voting guidelines, and one of the
20 things, the question you had, is: Has the growth of
21 index funds really affected the role of proxy advisory
22 firms? I can say the growth of index funds has helped
23 build relations between companies and an investor they
24 know is going to be there year after year.

25 It has allowed for a dialogue between investors and

1 a company, allowed for multiple-year engagement, and
2 patience with regard to effecting change, and a dialogue
3 of whether the change is relevant. It's moved away from
4 a one-size-fits-all approach to governance and here we
5 actually have the ability to understand the company's
6 perspective when we're making a vote decision.

7 We also provide thought leadership on issues which
8 are gray such as what does independent board leadership
9 look like? We realize it's not just as easy as flipping
10 the role of a chair and CEO. We realize it has much more
11 to it, such as the individual in place, the time
12 commitment, the job description.

13 So I think what we feel is that we have brought to
14 the process an independence of thought, rigor, and
15 alignment with our investment strategy and time horizon
16 that is very important in the proxy voting process.

17 MR. BAILEY: I'd like to echo the thanks for the
18 invitation to be here to the Commissioners and the start.
19 Neuberger Berman is an active manager, so all of the
20 securities we're buying, we're choosing to buy.

21 But that doesn't mean that we always take the view
22 that we agree with the board or management on everything
23 that there's a vote to be cast on. We have a fiduciary
24 responsibility to consider the position that's in the
25 best interests of our clients.

1 And so that means that we have to have an
2 independent, rigorously researched perspective on how to
3 cast those votes. And that's something that we do every
4 year in conjunction with our portfolio managers and our
5 analysts and codify and publish, and our clients are
6 fully aware of.

7 We use the advisory services, ISS/Glass Lewis, in
8 particular, really for two main objectives. The first is
9 work for our management. We have to vote about four and
10 a half thousand meetings a year. It's a cost-saving and
11 an efficiency game to use a service provider like them to
12 execute the work for our management around how those
13 proxies are voted.

14 The second is in data aggregation. A standardized
15 form of pulling data together around certain elements of
16 the proxy are very helpful for us in executing our own
17 independent policy. So those are two services that we
18 think that they bring to the table, and we're able to
19 judge which of the providers we want to use at any point,
20 to audit the effectiveness of what they do, and to check
21 any potential conflicts of interest as we go through
22 that process.

23 MR. DRAEGER: Yes. Thank you in addition for
24 inviting me as, really, a representative of the average
25 registered investment advisor or mid-sized/small

1 advisors.

2 For many advisors, it's really a practical
3 consideration in how to fulfill the mechanics of the
4 proxy voting in addition to tools available to ensure a
5 conscientious and best effort at fulfilling your duty of
6 care and reviewing all the important issues there are to
7 consider in an industry with a growing number of
8 interests by both clients and investor advocates.

9 So for our firm, during its 40-year history we voted
10 internally. We had research analysts. We have a small
11 research department, and they did, in addition to the
12 investment research, the research on proxies and voting.

13 Over time, that grew to be a huge responsibility.
14 And the analysts really found that they were spending so
15 much time focused on proxies that it left them with
16 resources lacking to do their day-to-day, typical
17 investment work in the portfolio investments themselves.

18 So we really needed an effective way to ensure a
19 conscientious approach to aggregating and reviewing and
20 making decisions upon an enormous amount of information.

21 So to do that, we did turn to ISS, which became very
22 important for us both with respect to the mechanics of
23 the voting, which in itself is very time-consuming, and
24 also in the research and recommendations itself.

25 From our perspective, and I think most people in our

1 role, we view an important and admirable part of the
 2 diligence process to be a pretty rigorous review of the
 3 benchmark standards, to begin with, with ISS.
 4 So we used the research, but there's a ton of work
 5 that goes into reviewing what appear to be a pretty wide,
 6 sweeping, and thoughtful mechanism for developing
 7 corporate governance standards that RAAs in the community
 8 can then take a look at and see whether they're
 9 consistent or inconsistent in each of the areas with the
 10 interests of their own clients, and the perspective of
 11 the firm, the philosophy of the firm.
 12 One other thing that's very helpful for us is we
 13 have individual clients who want us to customize their
 14 votes. They have issues that are very important to them
 15 that may be inconsistent with our firm's overall
 16 philosophy, but they've made it known to us that they may
 17 want to take measures to ensure that voting is consistent
 18 with their views on board diversity or particular
 19 environmental issues.
 20 So the ability to automate votes for those clients
 21 who want us to consistently vote in certain ways through
 22 the customization element has been actually a huge time-
 23 saver in a way that we fulfill our commitments to the
 24 clients who have independent interests.
 25 MR. CELLUPICA: Thank you. And before I continue, I

1 want to acknowledge that Chairman Clayton has joined us.
 2 Patti, do you have anything to add to that? And
 3 then after Patti, Senator Gramm, if you have any thoughts
 4 particularly on the growth of index funds.
 5 MS. BRAMMER: Yes. Thank you. And I'd like to
 6 thank the Commissioners and Staff for the opportunity to
 7 be a part of the conversation today.
 8 To answer the question of how we partner with proxy
 9 advisory firms, I'd like to give a snapshot of who we
 10 are. The Ohio Public Employees Retirement System is the
 11 twelfth largest public retirement system in the U.S. We
 12 have over one million members, and that's Ohio public
 13 employees and retirees. It's our fiduciary
 14 responsibility to vote proxies in their best interests,
 15 which means increasing shareholder returns. The way that
 16 we're able to do that is by partnering with a proxy
 17 advisory firm.
 18 We have our own corporate governance policy and
 19 guidelines, and we contract with a proxy advisory firm
 20 for two services: for their voting platform, which I
 21 believe is the workforce that Jonathan mentioned earlier;
 22 and then also for research. But it's our guidelines and
 23 policy that drive how our votes are cast.
 24 MR. CELLUPICA: Senator?
 25 SENATOR GRAMM: I want to comment on the growth of

1 index funds. Today, index funds own about 29 percent of
 2 American equities. They're the largest shareholder of 40
 3 percent of the S&P 500 companies. And because of the
 4 efficiency of investing in indexes, this is clearly going
 5 to grow. So I think it is totally conceivable that we
 6 could end up with a situation where more than half the
 7 equities in America would be owned by index funds.
 8 Now, when this first started being debated, there
 9 was a big debate about what this means in terms of market
 10 efficiency. But the reality is, the market will correct
 11 itself because to the degree that the momentum buying
 12 creates mispriced assets, then people who pick stocks
 13 based on research will profit, and capital will move, and
 14 the rates will be fixed in terms of efficiency.
 15 But what has not been discussed, and what
 16 desperately needs to be discussed, in my humble opinion,
 17 is corporate governance. And here's the problem, as I
 18 see it. First of all, I think advisory firms can provide
 19 a vital function. I can see why people are using them,
 20 and I think their use will grow.
 21 But here's the problem. You're an index fund.
 22 You're buying an index. You're being called on to vote
 23 in a fight involving proxies on an issue like the
 24 environment. Okay? How you vote, what happens to that
 25 one share, will affect the value of the index, but

1 everybody else selling the index will be affected
 2 equally.
 3 You're going to be relatively unaffected by the
 4 profitability of the company where you're casting those
 5 proxies. But you may very well be affected by the public
 6 perception of your actions, and therefore the
 7 marketability of your index.
 8 So there is clearly, on its face, a conflict of
 9 interest on the part of index funds in casting these
 10 votes on issues that are not directly related to the
 11 profitability of the company. And this is going to grow,
 12 whether we like it or whether we don't like it.
 13 And I think we've got to come to grips with it
 14 because I think what is clearly happening is that index
 15 funds are using these proxy fights that are high profile,
 16 that involve political or social issues, as a marketing
 17 tool. If they're not doing it, they're not maximizing
 18 their profits.
 19 And I think there is a very real danger here that if
 20 we don't come to grips with this problem, that we're
 21 going to begin to affect the competitiveness of corporate
 22 America. I want to applaud what you've done in
 23 withdrawing these two letters. I think proxy advisors
 24 and index funds will always have fiduciary responsibility
 25 in everything they do.

1 MR. CELLUPICA: Thank you. And Rakhi, I think you
2 wanted to respond to that.

3 MS. KUMAR: Yes. So Senator Gramm's very right that
4 it is our fiduciary responsibility to look at the long-
5 term returns of a company.

6 I think where we see clear connection between many
7 of the issues we are raising as long-term investors and
8 returns, where he may not see that, we start with
9 strategy in our conversations and engagement. Right? We
10 really try to understand where the business is headed and
11 how they are looking.

12 Time horizon is the very long term because guess
13 what? We get paid out last as a long-term equity
14 investor. We get paid out after -- the government can
15 take any fines after employees are paid their dues, after
16 bondholders. We actually do have to take into account
17 these what he may consider ES&G issues which actually --
18 and anecdotally, it has had an impact on returns.

19 So I'll talk about a food and beverage company that
20 had an incident because it didn't wash its lettuce. The
21 stock price was impacted. Right? We've had a company
22 that had a spill. Their stock price was impacted.

23 These are real costs that do impact returns for a
24 company, and that's why it's important for us as long-
25 term investors to ask the questions instead of looking at

1 thousands of securities they own in their portfolios.

2 What ISS does, essentially, is help them with the
3 work flow that has been mentioned already in actually
4 executing those votes, based on their own individual
5 custom policies. We also have a whole slew of other
6 policies that we can talk to that companies subscribe to.

7 But the vast majority of ISS's institutional
8 shareholders -- actually, 87 percent of the shares that
9 we execute votes for -- vote as per their own custom
10 policies. So if you're talking about the mechanics of
11 the vote, and you happen to call that robo-voting, then
12 I'm not going to quibble with that, although I do
13 disagree with the use of the term.

14 But if you're talking about one vote or one
15 recommendation and it is then executed by every client
16 that ISS has, that could not be further from the truth.

17 MR. CELLUPICA: KT, I think you wanted to add to
18 that.

19 MS. RABIN: Yes. I just want to add to what Gary's
20 saying because the primary job of a proxy advisor --
21 Glass Lewis, ISS, Egan-Jones -- is to execute votes in
22 accordance with the specific instructions of our clients.
23

24 And by that, time that they can have a policy for a
25 particular issue that is different than Glass Lewis's or

1 short-term issues and ensuring that the interests of
2 shareholders and long-term shareholders are considered in
3 business strategy.

4 MR. CELLUPICA: Thank you. I'd like to get into one
5 of the common criticisms that's sometimes heard regarding
6 proxy advisory firms, and that is the idea that
7 investment managers vote automatically in line with a
8 proxy advisory firm's recommendation, so-called robo-
9 voting. And maybe, Gary, if you can give your thoughts
10 on that, and then Scot, from the investment advisor
11 perspective.

12 MR. RETELNY: Thank you, Paul. And thank you to the
13 SEC for hosting this roundtable. I'm sure it will be
14 very informative.

15 First of all, robo-voting, the term itself, is used
16 in a way that seems to be pejorative in some fashion.
17 And let me take a step back for a second and talk about
18 the question that you've just specifically asked.

19 We don't really think of it as robo-voting. We
20 think of it in very, very different ways, but
21 particularly think of it as artificial intelligence, if
22 you will. Think of investors. ISS is an investor-
23 centric company. But think of investors who actually
24 have their own custom policies that they have designed
25 and that they want to implement with regards to the many

1 ISS's or Egan-Jones's, or it could have a policy that is
2 the same as Glass Lewis's or ISS's or Egan-Jones's
3 policy.

4 But at the end of the day, when the client becomes -
5 - when the institutional investor becomes a client, it's
6 not like they just sign a contract and say, oh, yeah,
7 we've taken a cursory look at your policy and that seems
8 to make sense. So go ahead and do the voting and then
9 send us the reporting at the end of the year. I mean,
10 there's a lot of work that goes into reviewing and
11 adopting the policies that we put in front of them for
12 them for them to review.

13 And as Gary said, just -- like at Glass Lewis, it's
14 the same thing. At least 80 percent of the voting that's
15 getting done is getting done in some customized way that
16 isn't actually similar to ours. Right?

17 So I just think that that gets lost, that somehow we
18 are the ones who -- the proxy advisors are the ones that
19 are advising the vote, when at the end of the day, what
20 we're doing is executing votes in accordance with the
21 specific instructions of our clients. Whatever policy it
22 is, it's their policy.

23 And then I also just want to thank Chairman Clayton
24 and the Commission and the Staff for putting this
25 together and for inviting us to participate.

1 MR. CELLUPICA: Scot?
 2 MR. DRAEGER: So I want to talk for a minute about
 3 the real-world way that advisors use these services. And
 4 so our firm represents almost no institutions;
 5 exclusively, thousands of Main Street families that the
 6 Chairman referenced early in the day.

7 And what we want to do is make sure that we vote in
 8 accordance with their wishes. But to the extent that
 9 they don't give us their wishes, to make sure that we're
 10 voting in a way that's reasonably designed to be highly
 11 conscientious and in fulfillment of our duty.

12 So the idea that automation of input that we give
 13 the proxy advisory firm is -- you know, robo-voting --
 14 misrepresents the level of diligence that goes into the
 15 review of the benchmarks to begin with. If you've ever
 16 actually reviewed the benchmarks, whether it's ISS or
 17 anybody else, they're very extensive and much more
 18 detailed than small firm like ours could ever develop
 19 with our own independent research.

20 And so that's not a fact that I would want to be
 21 left out. So even if you did just start with the
 22 presumption that you were utilizing the benchmarks to
 23 make decisions on behalf of your clients, that in and of
 24 itself is a huge level of diligence on the part of the
 25 RAA community, and necessary level of reliance for

1 So I would say don't let a policy debate on a very
 2 low volume of that drive the resources that are available
 3 or not available to the investment advisor community.

4 MR. CELLUPICA: Chairman Clayton, you wanted to make
 5 a point or question?

6 CHAIRMAN CLAYTON: Yes. Unfortunately, I have
 7 another engagement. I want to thank all of you for being
 8 here. This is an important subject. And I just want to
 9 raise a question that I have. And you don't need to
 10 address it specifically, but hopefully in the comment
 11 file.

12 The objective -- or not the objective -- an
 13 objective at the end of the day is that the people whose
 14 shares, whose money, is in for the long term, they want
 15 to know that the investment advisor -- whether is using a
 16 proxy advisor or not, I think they want to know that
 17 they're making an informed -- and I want to say not just
 18 an informed voting decision across our companies, but an
 19 informed company-specific voting decision. And that's
 20 where we're trying to get to. Are they getting that
 21 informed company-specific voting decision?

22 I thank you all. I wish you a good afternoon. I
 23 hope I make it back in time to say something at the end,
 24 but if I don't, it's been a terrific day and thank you
 25 very much.

1 operating reasons. Now, we go much further than that,
 2 but we have 50 employees. I can't imagine going much
 3 further if you had ten or 20 employees in your firm.

4 The other thing is, a lot of the -- if you read
 5 through the actual benchmarks, which I do in my diligence
 6 personally and in the context of voting, there's many
 7 things that you pull offline. And what ISS's
 8 recommendation is doesn't ultimately rule the way that
 9 you're going to vote.

10 If you look at them, things like share repos, or
 11 recaps of preferred stock issuances -- there's a long
 12 list of things, if you look in the benchmark it just says
 13 "case by case basis." And if you have one of those
 14 companies as a portfolio company, then you're going to go
 15 and look at that irrespective of what ISS's position is,
 16 even if you're a relatively small advisor.

17 So I guess my experience is that the term "robo-
 18 voting" is a red herring. It doesn't exist. And we
 19 don't hold any funds. We hold only individual equity
 20 positions.

21 And the other thing I'd say is, all day long I've
 22 heard about the shareholder proposals as the driver. I
 23 looked at our portfolio companies. They've dealt with a
 24 shareholder proposal approximately once every five to six
 25 years. This is a non-issue for the regular advisors.

1 MR. CELLUPICA: Thank you.
 2 Jonathan and then Patti and then, quickly, Senator
 3 Gramm.

4 MR. BAILEY: So last year, in 2017, we voted on the
 5 reelection of about 23,000 directors, and we supported
 6 about 90 percent of those individuals. Many of those
 7 votes were not contentious; they were clear, very easy
 8 for us to reach.

9 So it is efficient and cost-saving for our clients
 10 to be able to use the work flow management capabilities
 11 that the proxy advisory firms offer us to be able to make
 12 those decisions.

13 Where we think we add value as active investors is
 14 our portfolio managers and our analysts spending time
 15 deeply diligence-ing and making informed decisions where
 16 there are issues, where there is contention, where a
 17 company's governance structure is not aligned with best
 18 practice and where value is not being created for
 19 clients.

20 So we think that it's very important that you have
 21 that human element in there to be able to engage with
 22 management to ask questions and to read the proxy itself,
 23 not just to rely on the advisory work. But holistically,
 24 that's, I think, how many asset managers operate. And so
 25 it's a combination of the services that we get from the

1 PAFs and a range of other inputs and expertise that we
 2 bring to the table.
 3 MS. BRAMMER: Well, I was going to ask for clarity
 4 if robo-voting in this context really did equate to the
 5 mechanics of applying an institutional investor's policy.
 6 But I think Chairman Clayton's comment cleared that up
 7 for me, and that is how robo-voting is.
 8 So I would echo some of Jonathan's comments and just
 9 say that OPERS votes in 10,000 meetings, basically, every
 10 year, and we have a staff of three individuals that do
 11 that.
 12 So the efficiencies that are gained by being able to
 13 work with the work flow and have our own policy overlaid
 14 and voted on the items that are not contentious and do
 15 not need additional scrutiny or analysis, I can't say
 16 enough that that allows us to fulfill our fiduciary duty.
 17 And it would be virtually impossible to do that without
 18 that aspect being available.
 19 MR. CELLUPICA: Thank you.
 20 Senator?
 21 SENATOR GRAMM: Well, first of all, I don't think
 22 there's any ground -- there are any grounds for
 23 criticizing proxy advisors. They exist because firms
 24 need them because firms have invested huge amounts of
 25 money and focused on the low commission. They don't have

1 the staff to make corporate governance decisions.
 2 And to the extent that the derogatory term "robo"
 3 means that you're giving the same advice on the same
 4 company to many different people, that's what the
 5 industry's about. So that's not the problem.
 6 The problem is that you exempt the index fund from
 7 fiduciary responsibility if they follow the advice of the
 8 proxy advisor. That's the problem. They're not the
 9 problem. If you don't exempt anybody from fiduciary
 10 responsibility, then it seems to me that you solve most
 11 of these problems.
 12 But the criticism that proxy firms, by doing this
 13 over and over for many different clients, can do it
 14 cheaper, more efficient, and that somehow that's a robo
 15 solution I think is totally unfair and it just don't make
 16 any sense.
 17 Obviously they can do it cheaper than the index fund
 18 because they're doing it for a bunch of different people.
 19 And that's what the industry's about, and it should be
 20 about.
 21 MR. CELLUPICA: Okay. I'll let -- Professor Rock,
 22 you wanted to comment, and then I think we'll move on to
 23 a different topic.
 24 PROFESSOR ROCK: I want to give just a little bit of
 25 historical background to Senator Gramm's comment, which I

1 think I quite agree with.
 2 Why is it that asset managers universally use a
 3 guidelines-based approach to voting? And the answer
 4 really is with the SEC and with the 2003 rulemaking on
 5 asset advisors -- on investment advisors.
 6 And if you talk to finance academics, probably half
 7 of them would take the view that governance is firm-
 8 specific, it's endogenous, and in reasonably competitive
 9 capital markets, firms will adopt the governance
 10 structure that works for them.
 11 And so if you come from that view of governance, it
 12 would be perfectly plausible for an asset manager to say,
 13 we believe there are no general principles that were best
 14 practices in corporate governance.
 15 Rather, we believe that it depends on firm-specific
 16 factors, and that the reason we invest in firms is
 17 because we basically trust the management. And so our
 18 approach would be to vote with management all the time
 19 unless there's some particular problem that is brought to
 20 our attention, and then we'll deal with it on case-by-
 21 case basis.
 22 And nobody does that because there's this notion
 23 that you need to have proxy voting guidelines. But in
 24 terms of maximizing firm value and in terms of maximizing
 25 the value of the assets under management, that's actually

1 quite a plausible, quite a plausible approach that firms'
 2 asset managers, if they wanted to it seems to me should
 3 be able to adopt.
 4 Now, maybe in the marketplace investors don't want
 5 that, in which case the investors are free to choose, and
 6 they can choose the mass market vision, as Senator Gramm
 7 points out. I use index funds because you get huge
 8 diversification at very low cost. But with that is going
 9 to come not a lot of firm-specific analysis. With that's
 10 going to come some sort of guidelines approach.
 11 But if we said to firms, if we said to asset
 12 managers, "You need to vote responsibly, but we're not
 13 going to tell you that guidelines is the only responsible
 14 way to vote," that might open up for greater diversity in
 15 the approach to how you vote in particular companies.
 16 MR. CELLUPICA: Yes. KT, very quickly. I think
 17 we'll turn later to the question of the 2003 SEC rules
 18 and their role in this ecosystem.
 19 MS. RABIN: I will be quick. I just think what Ed
 20 has said presumes that there is a black-and-white
 21 approach to implementing those guidelines; speaking for
 22 Glass Lewis, that our approach is that we take a case-by-
 23 case approach and we apply bounded judgment.
 24 So I think that you're mischaracterizing what's
 25 happening, that the guidelines are guidelines so they're

1 a framework for evaluating governance on various topics
 2 at the company that's under coverage. But I think what
 3 you're describing is a situation that's more black and
 4 white, and I don't think it's a good characterization of
 5 what's happening. That's all.

6 PROFESSOR ROCK: No. I think you guys do great
 7 work. I'm just saying there are different approaches to
 8 how one might decide to vote. And it seems to me that
 9 asset managers could quite responsibly choose one of
 10 these other approaches. That's the only point.

11 MS. ANDERSON: Okay. I'd like to now turn to the
 12 topic of conflicts of interest because that is certainly
 13 a common theme that we continue to hear -- about proxy
 14 advisory firms' potential conflicts of interest arising
 15 either from their ownership structure, or if they provide
 16 certain consulting services to issuers.

17 So I want to turn it to our proxy advisory firm
 18 representatives first, and Sean, I'll start with you.
 19 What policies and procedures do you have in place to
 20 manage and mitigate potential conflicts of interest?

21 MR. EGAN: I was waiting for my turn. Let me
 22 introduce myself. I'm Sean Egan. I'm CEO of Egan-Jones
 23 Ratings. Egan-Jones owns Egan-Jones Proxy Services. I'm
 24 not involved on the day-to-day basis; I'm the CEO of the
 25 firm. And so I'm here as more of spokesperson than

1 anything else.

2 Regarding proxy advisory firms, I cannot defend the
 3 indefensible. What I mean by that is that there are
 4 conflicts that arise from consulting when you're also in
 5 the proxy advisory business.

6 If you're getting paid to give corporations early
 7 indications on voting and then turn around and vote, most
 8 people consider that to be problematic, and we're
 9 probably in that camp. We don't get involved in
 10 consulting, either directly or indirectly. That's point
 11 one.

12 Point two is that it's hard to defend inaccurate
 13 reports. If a report is wrong, it should be corrected,
 14 and it should be corrected as quickly as possible. The
 15 mechanism for that needs to be established, but at the
 16 same time, this is an important area. This is the
 17 oversight for major corporations.

18 And with the shift towards indexation, it's
 19 becoming more important over time. And by the way, I
 20 disagree with the good Senator. I tend to know that
 21 proxy advisory firms have an obligation, and in turn the
 22 investment advisors; when they're hiring somebody, they
 23 want to look at the conflicts of interest. So that's
 24 point number two. That is the inaccurate reports and
 25 correcting those inaccurate reports.

1 And the third one is perhaps the most important to
 2 us, and we think it's the most pernicious. And most
 3 people in this room are over the age of 30, and so they
 4 won't understand it. But it's critical. And that is
 5 that platforms are absolutely important. They're the
 6 item in this area.

7 When you think about a trader's desk, they refer to
 8 it as real estate. I spoke to a leader, the head of a
 9 major investment advisor, and talked about what they're
 10 doing, how they're doing it. And they said they put in a
 11 voting platform and they will never change it; it was so
 12 difficult to put in and work out the kinks that
 13 they'll never change it.

14 And so from our perspective, it's critical to get on
 15 that platform. But you know what? We can't get on that
 16 platform. We simply can't. Okay? Unless things change.
 17 We've been trying to for the past eight years, and we've
 18 been stiff-armed with it.

19 So from my perspective, we view it -- it's not just
 20 mine; ours -- we view it as restraint of trade. And
 21 that's not the only area where it's a restraint of trade;
 22 there's also in the connection with a platform with the
 23 Broadridge. There's different things where the major
 24 firms are treated in one way and other firms are treated
 25 in another way, where you're at a massive competitive

1 advantage.

2 So if you believe that the public is well-served by
 3 diversity of opinions, and that's certainly the case in
 4 equity research and other things, you don't have that in
 5 this area. And so you want to examine: What are those
 6 impediments?

7 And as I think Chairman Clayton or something said,
 8 that if this is a public utility, then treat it as a
 9 public utility. It begs the question of whether or not
 10 we want to go down that path. But there's little
 11 question that there's massive barriers that anybody
 12 entering this business -- and we've been in the business
 13 for about 15 years or so -- if you're not a top firm,
 14 it's very difficult to become more relevant over time.

15 You can have the absolute best at recommendations
 16 and the rest -- and by the way, Egan-Jones was named the
 17 number one firm for warning about the credit crisis. So
 18 we have some intelligence in broad areas. But there's
 19 been some real impediments to opening up the area to
 20 diversity of opinions.

21 MS. ANDERSON: Thank you. Either KT or Gary, do you
 22 mind taking on the question of your policies and
 23 procedures to manage and mitigate conflicts? And
 24 particularly in the wake of SLB-20, where the Commission
 25 Staff provided some guidance about how disclosure of

1 conflicts should take place. I'm wondering if anything's
 2 changed since then.

3 MR. RETELNY: Sure, and thank you. First, ISS is a
 4 registered investment advisor, so we'll start with that.

5 We do have a corporate business. It's called the
 6 Corporate Solutions business. I know that people talk
 7 about it in terms of consulting, but it is a data and
 8 analytics-centric business that actually has an advisory
 9 component that goes with it.

10 And it focuses on a number of things -- and I'll be
 11 brief here -- including compensation as well as
 12 governance, generally and broadly defined. So, for
 13 example, peer groups, diversity of your board,
 14 international issues that you might have because this is
 15 not only U.S.-centric.

16 We acknowledge that there are potential conflicts of
 17 interest in what we do, and we work extremely hard to
 18 mitigate those potential conflicts of interest. We have
 19 been in the corporate business, if I'm not mistaken, over
 20 20 years.

21 We have a very strong firewall in place. Employees
 22 do not talk to each other. They're essentially run by
 23 different people in different firms. There's absolutely
 24 no communication between what we consider our
 25 institutional side of the business, the proxy advisory

1 side of the business, if you will, and the corporate side
 2 of the business.

3 We do impose on the corporate side many of the same
 4 things that we impose on the institutional side, and that
 5 is a code of conduct and code of ethics that comes into
 6 play. So we understand that there is that concern.

7 Clients spend a great deal of time in diligence --
 8 addressing your second part of the question -- clients
 9 spend a great deal of time diligencing ISS, and in
 10 particular a great deal of time in talking about the
 11 mitigation of these potential conflicts of interest.

12 We make extremely sure, when the sales folks of the
 13 Corporate Solutions group go out, that they make clear to
 14 issuers, that there is absolutely no quid pro quo, that
 15 anything -- and if they subscribe to the suite of
 16 products that we offer, there is no benefit in doing so
 17 with regards to any influence, potentially, on our
 18 recommendation. But it's not going to help against them,
 19 either.

20 So we're very clear in how we do it. We disclose it
 21 verbally, but we also disclose it legally in our
 22 contracts and in the documents that we provide from a
 23 marketing point of view. So we spent a great, great deal
 24 of time in the mitigation of the potential conflict of
 25 interest.

1 One thing that we do is enhanced transparency with
 2 regards to conflicts as well. Remember that we have a
 3 firewall between the businesses. So what we try to do is
 4 to make sure that the institutional side of the business
 5 is not aware who is a client of the corporate side.

6 So one of the ways that we provide that transparency
 7 is that we provide to clients -- we don't do this
 8 internally -- we provide to clients a tab on our platform
 9 that essentially allows them to see who all our corporate
 10 clients are; not only who all the corporate clients are,
 11 but how much they pay ISS and what products they
 12 subscribe for.

13 So we provide full and open transparency with
 14 regards to the products and services that we offer to the
 15 corporate clients. I'll stop there because I could
 16 elaborate a little further.

17 MS. ANDERSON: And KT, please.

18 MS. RABIN: Glass Lewis, since the beginning -- we
 19 launched our business as an independent proxy advisor,
 20 and took the view that we shouldn't be providing
 21 consulting services to the companies that we write on.
 22 We also took the view -- at that time ISS wasn't doing
 23 this, and I know they've changed their policies for
 24 disclosing conflicts.

25 But we have always disclosed all conflicts on the

1 front page of the report, and those conflicts can include
 2 anything ranging from conflicts relating to our ownership
 3 -- as you know, we are owned by two pension fund --
 4 private equity arms of two Canadian pension funds -- or
 5 that could derive from our clients, or -- I don't want to
 6 say minimal things, but some family relationship.

7 One time I remember the head of French research was
 8 a Michelin, and of course he had to recuse himself from
 9 having any involvement in writing -- he's not with the
 10 company any more -- but writing on the Michelin report.
 11 And of course we would disclose that we had that
 12 relationship.

13 So we've always had this robust and evolving
 14 practice. Of course, we have a compliance committee that
 15 meets quarterly, and we talk about issues that are
 16 developing. We don't wait a year to review the issue of
 17 conflicts.

18 I forget who brought this up to us, but we got --
 19 there was some press about a particular situation where
 20 Glass Lewis's -- one of Glass Lewis's owners was listed
 21 in the top 20 shareholders list that we get from one of
 22 the providers from that type of data, and we include that
 23 on the profile page for the company in the report.

24 And that company -- our process is to disclose the
 25 ownership stakes where they are reportable in every

1 market, and the level is dependent on the market. And in
2 this case, the fact that one of our owners landed on that
3 top 20 shareholder list -- they didn't meet the -- their
4 ownership stake didn't meet the reportable requirement,
5 but it was there.

6 And it was clear that we needed to revisit our
7 policies and procedures for capturing whatever
8 information so that even though that data may or may not
9 be correct, we want to make sure that if it's in the
10 report, that it's noted that that particular shareholder
11 happens to be an owner of Glass Lewis's.

12 So very robust, constantly evolving, the right
13 people involved. We report up to our owners regularly on
14 any kind of issues that come up from a compliance
15 perspective.

16 MS. ANDERSON: Okay. Thank you.

17 I'd like to also get the perspective from our
18 institutional investors here because certainly, as
19 investment advisors, you have oversight of these
20 potential conflicts of interest. Scot, I'll pick on you
21 first since you turned your card.

22 MR. DRAEGER: Sure. I'm going to speak again to the
23 practical side. The Commission has done a very
24 conscientious job of deciding which conflicts are ones
25 that can be cured through disclosure versus which

1 to be a lack of clarity or quality of disclosure
2 currently. I think that the issue of whether the
3 conflicts are ones that can be disclosed away is a
4 different issue.

5 MS. ANDERSON: Jonathan or Patti or Rakhi, any other
6 comments on disclosure of conflicts of interest and how
7 you use that information?

8 MR. BAILEY: You're absolutely right. It is our
9 responsibility to ask and to oversee the degree to which
10 we think this is a concern. And as part of our diligence
11 in selecting a service provider in this space, just as we
12 would a service provider for data or for sell side
13 research or for anything else, we have a process for
14 doing that.

15 We have seen no evidence that there has been any
16 impact from conflicts of interest on the services
17 provided to us, and we feel comfortable with the level of
18 disclosure that we get. And on an annual basis, we
19 review that with our chosen service providers, and will
20 continue to do so.

21 MS. ANDERSON: Rakhi, I'll turn to you next. Patti
22 -- we'll get you next if we need to. Rakhi -- turn to
23 you next time. Also curious in your response. If you
24 could address whether you ever have an opportunity or a
25 need to work with the firms about any of their potential

1 conflicts are ones that should be prohibited through the
2 course of its history, whether it be with auditor
3 independence or analyst conflicts or whatnot. And I'm
4 fully confident in the Commission's ability and the
5 Staff's ability to do that here or anywhere.

6 I would say, as a practical matter, to speak as a
7 user of the service, for a proxy advisory firm service,
8 the disclosures are ones that are easy to understand at
9 present, and aren't dissimilar from an auditor
10 independence.

11 I mean, they're selling services from a subsidiary
12 to some of the issuers that they're doing research on.
13 And as an RAA who's doing diligence on the firm, that's
14 something I understand, and it's something that's not
15 without concern.

16 But the transparency of the conflicts themselves are
17 disclosed seemingly pretty well. If you're a user -- for
18 ISS, anyway, is what I can speak to -- there's a
19 dashboard that you go into. It's a very technical point.

20 But when you're looking down and you're making
21 decisions about votes or categories of votes, with
22 respect to every issuer there's a box on the dashboard
23 that says "Conflict" that you can literally click on and
24 get the information that was described.

25 So there really is not -- I wouldn't perceive there

1 conflicts.

2 MS. KUMAR: Yes. So as part of our due diligence
3 review of our proxy advisory firm, we have been
4 addressing conflicts and going deep into how they
5 consider conflicts, what they consider as conflicts, and
6 how they report conflicts. And we have for multiple
7 years brought up issues with them with regards to
8 strengthening their conflicts disclosure.

9 MR. CELLUPICA: Patti, did you want to offer a
10 response? Then I'll turn to Adam.

11 MS. BRAMMER: Yes. I would just say that I can
12 speak to -- our experience has been that yes, the
13 conflict disclosure is very easy to understand. It's not
14 boilerplate language. It does provide sufficient detail,
15 and it is an element that we use and consider. But
16 again, ultimately our own guidelines and policy are going
17 to be what drives our voting decision.

18 MS. ANDERSON: All right. Let's get a response from
19 our issuers on this point. Adam, do you have something
20 to say in response?

21 MR. KOKAS: Thanks. Well, I first wanted to let
22 everyone know on the web and in this room that there are
23 issuers at the table as well.

24 (Laughter.)

25 MR. KOKAS: And 45 or 60 minutes in, I do want to

1 thank the Commissioners and Director Hinman and other
2 members of the Staff for having us here today.

3 I would just note a couple things, I think, broadly.
4 And Atlas Air, so I'm representing kind of a small to
5 mid-cap company. So there are issues over time that have
6 come up related to voting processes and things of that
7 nature.

8 Conflicts of interest do exist. I absolutely
9 acknowledge, as KT and Gary noted, that I think the
10 disclosure in the reports has gotten a lot better. They
11 certainly have. I would refer to, as well, those not on
12 this panel, so such as the Society for Corporate
13 Governance and the Chamber and NASDAQ as well, with some
14 of their filings on conflict of interest.

15 But I do think disclosure has gotten better. I
16 think, with the structures that are in place, are related
17 to the different sides of the business for the price
18 advisory firms, there is a bit of inevitability even with
19 an ethical wall.

20 Again, I think disclosure is better. For a company
21 like ours, while it is somewhat of an issue for us,
22 things like voting recommendations and those kinds of
23 things which we'll get to later, are a lot more important
24 to us, I think.

25 MS. ANDERSON: And John, please go ahead.

1 MR. KIM: Thanks very much, and thanks to the
2 Commissioners and the Staff for having us. And I would
3 just say I'm here with General Motors but speaking in my
4 personal capacity.

5 And I guess the other way I'd maybe think about
6 conflicts of interest because I think you listen to the
7 co-panelists, and it's obvious that the proxy advisory
8 firms are providing a vital service. They are doing
9 everything they can to ensure that they're managing
10 conflicts and disclosing them.

11 But I guess from an issuer perspective, I guess,
12 think about how the public perceives the conflicts of
13 interest. We think about this process, I think, and
14 we'll maybe get into it a bit later. It's naturally
15 confrontational. Sometimes you get a negative review or
16 recommendation, and you have different views on that.

17 And I think, thinking about that in the context of
18 conflict disclosure, and specifically I think it's
19 question 13 in SLB-20 about where that should go, I mean,
20 on the one hand, the important thing is that our
21 investors are confident in the reports being free of
22 conflicts. That's sort of one issue.

23 But again, the other is just as proxy advisory
24 firms, and index funds become critical players in the
25 proxy solicitation ecosphere, I think we also have to

1 think about the public perception. And so I'm not a
2 policy wonk.

3 But just thinking about things like making those
4 conflicts evident on reports, to me that's something
5 that, as someone that came up as a capital markets
6 lawyer, makes sense. We put those disclosures in our
7 offering documents so people know them and again can see
8 them.

9 So maybe just share that perspective with the Staff
10 as they think about it in that context.

11 MR. CELLUPICA: Thank you. And building on that, I
12 would like to get into a little bit the formulation of
13 proxy voting policies and recommendations and
14 transparency of that process. And KT, maybe I'll start
15 with you.

16 And if you can speak about how your firm formats its
17 proxy voting guidelines and voting positions and
18 corporate governance ratings, have there been any recent
19 developments with respect to this process? And is there
20 market feedback that you use in updating those guidelines
21 and models used to determine recommendations?

22 MS. RABIN: Yes. Definitely. And if you look back
23 to 2003 when we launched Glass Lewis, and the job of
24 voting proxies, at least in North America, was largely a
25 compliance function, and we were the ones, the team of

1 people, that came together at that time made up of
2 lawyers and ex-bankers and people with investment
3 research background and such, we were the ones that were
4 really teaching the folks in those compliance teams about
5 the kinds of issues -- there were lots of new issues --
6 coming on the proxy that were increasingly financial in
7 nature.

8 And you think about where we are today, and
9 represented by the people sitting at this table from the
10 institutional side, how far things have come since 2003,
11 where proxy voting is now a strategic part of what is
12 being done at investors involving people across the
13 organization. I mean, compliance still plays a role
14 there, but it's definitely not the same kind of
15 significant role it played before.

16 So we start with -- when we develop our policies, we
17 have market-specific policies, and we consider the local
18 laws, regulations, and listing rules for those given
19 markets. And then we take into consideration, in
20 addition to that, as we -- we started off with that.

21 And then you start to look at sector-specific
22 matters. So there were things that are perhaps -- I was
23 thinking -- I thought of an example but I can't remember
24 all the details on it.

25 But I remember when we were having some issues,

1 getting some feedback from some Refits about our sound pay
2 analysis and the data that we were using to drive that
3 sound pay analysis. And it was really clear that we had
4 to change the model to create a specific model for Refits
5 that was different than the model that we were using for
6 other sectors.

7 So we take into consideration the sector. We also
8 take into consideration the size and the maturity of the
9 company. So there are very -- I think in Canada, for
10 example, I think we have three or four different
11 policies, and a lot of it has to do with the size of the
12 company.

13 And as it relates to how we update the policies on
14 an annual basis, we don't do a consultation, but we do
15 have our policies open for public comment throughout the
16 year. And we reach out.

17 Probably the biggest change that's happened in the
18 15 years since we started Glass Lewis is that when we
19 started Glass Lewis, we also were a total black box to
20 the companies that we were covering, and we didn't engage
21 with companies. We took that hard line; it's a way to
22 further manage potential conflicts of interest.

23 But now we have a policy of connecting and engaging
24 with companies for free outside the solicitation period.

25 So I think there were something like -- there were

1 actually find a lot of this on our website. It's not
2 only our clients but issuers and others around the world.

3 We collect all that information. We also host a
4 number of roundtables and what we call "fall briefings,"
5 where we literally go to various cities, not only in the
6 United States but around the world, and have frank and
7 open conversations with the institutional shareholders
8 that essentially represent the vast majority of the
9 equity holdings around the world.

10 And we listen to what the issues are that they are
11 facing, what matters to them, what has changed this year
12 versus in the prior year. And we incorporate all that
13 into our policy development process.

14 We have a global policy committee that is chaired by
15 our global head of research. That is based, actually,
16 just up the road here, in Rockville, Maryland. And that
17 committee spends a great deal of time in trying to
18 summarize and incorporate into the policies everything
19 that they've heard.

20 So we try to be very market-centric with regards to
21 what we hear from many of our consistencies. But we also
22 include issues and policies that we believe are important
23 that we are hearing that are worthy of consideration.

24 We actually -- just take Glass Lewis. We have a
25 comment period, so we put these out for comment, and that

1 literally 20,000 outreaches to public companies globally,
2 providing information on our policies, seeking feedback,
3 also reminding them that we're open to meeting with
4 companies outside the solicitation period if they want to
5 call and talk about things and set up a meeting. And we
6 did about -- we're probably on track to do about 3,000 of
7 those meetings with companies this year.

8 So that feedback from companies from that engagement
9 is also a big part of the process that we use to update
10 our policies annually. And of course we're engaging with
11 our clients as well, and we just finished our annual --
12 what we call the mutual fund roundtable, which is really
13 the big asset manager roundtable. We bring institutions
14 in together to talk about policy.

15 MR. CELLUPICA: Gary?

16 MR. RETELNY: This is a part of what ISS does, that
17 we put not only great value but a tremendous amount of
18 time and attention on. And we have a policy development
19 process that is pretty well-established and I think
20 somewhat familiar would many people who ISS over the
21 years. So I'll be brief in case you have questions
22 specifically on parts of it.

23 Essentially, some time in July, in August, we issue
24 and send a very large number of surveys to various
25 constituencies. Anybody can participate. You can

1 comment period is open for a few weeks. I think this
2 takes us some time into October. We get those comments
3 back. Again, all during this time we're incorporating
4 whatever we think is appropriate in our policy
5 formulation.

6 We're very careful when we do this that we don't
7 take dramatic steps and changes in policy. We understand
8 that this has impact on the issuers as well as on the
9 institutional investor community. Some time in November,
10 and actually I think it's this Friday, meaning tomorrow,
11 we finalize our policies, changes in policy, that will
12 then be applicable February 1st of next year, 2019.

13 So it's a fairly robust and detailed process that we
14 follow that takes quite a bit of time. We have about 4-
15 to 500 participants that respond to the survey, so
16 participate in the roundtables, or that we hear from.
17 And we do hear from many constituencies who have strong
18 disagreements with a number of the policies that we have in
19 place.

20 MS. RABIN: Yes. I want to add one thing, and I
21 just want to underscore what Gary said about putting --
22 when we update a policy and we're putting something out
23 there that is different and likely to be potentially
24 controversial for companies, we will telegraph that for a
25 year, maybe even longer.

1 But we will telegraph that we are looking at this
2 issue -- for example, board diversity and the number --
3 if a company doesn't have at least one underrepresented
4 gender person on the board. So we will telegraph that
5 because, like what Gary said, we don't want something --
6 we want companies to be prepared and to be able to ask
7 questions and for us to be able to be thoughtful when we
8 roll that out.

9 MR. CELLUPICA: Thank you. And so I want to
10 recognize Senator Gramm, and then maybe get our issuers'
11 perspective on the policies and recommendations developed
12 by proxy advisory firms, and to what extent you feel like
13 you have sufficient detail in those recommendations to
14 prepare responses.

15 SENATOR GRAMM: Well, first of all, thank you for
16 recognizing me. There's a point I want to make about
17 conflict of interest that's a little bit different, but I
18 guess this is as close to it we're going to get the
19 panel. It's a good time to make it.

20 In the Enlightenment, we saw a flourishing of the
21 idea that people ought to be free to follow their
22 conscience in their beliefs and in their religion, and
23 follow their interest in using the fruits of their labor.

24
25 The Parliament in Britain and in Holland set up the

1 the shareholder.

2 Proxy advisors don't own these shares. Investment
3 advisors don't own these shares. So the conflict of
4 interest is, when you get put down as being part of the
5 Flat Earth group, if you don't support a series of social
6 reforms, you are going to see your decisions affect the
7 marketability of your product whether you're an index
8 fund or whether you're a proxy advisor.

9 And what happens to the company and to its
10 shareholders is relatively minor in importance to your
11 profitability. But how you're perceived socially can be
12 a great source of access to funds. This is a very real
13 conflict of interest.

14 And it seems to me that again, as index funds
15 especially get bigger, this going to become more and more
16 important, and you've got a real question. If the
17 Congress or the state legislatures or the courts or the
18 Executive Branch of government is not willing to force
19 companies to do something, should we have special
20 interest groups force them, and use the power of public
21 opinion to do it?

22 Well, if we're going to do it, we're undoing the
23 Enlightenment. We're going back to the Middle Ages,
24 where these social pressures created leeches that
25 literally bled business and stopped growth. And I think

1 corporate structure to allow companies to develop
2 policies based on the interest of the shareholder
3 independent of the Crown, independent of the Guild,
4 independent of the village, and independent of sort of
5 social convention. And in that environment where wealth
6 served the owner of the wealth, we created prosperity
7 beyond the world's imagination at the time, and to some
8 degree we're doing it today.

9 The conflict I'm worried about -- and in that
10 Enlightenment, a decision was made that the Parliament
11 would decide on constraint in setting the law, not the
12 Crown, not the community, not social pressure. And so if
13 people had values, they would come to the Parliament and
14 they would make argument for those values.

15 Now, what we are seeing today, and the source of
16 conflict of interest I'm concerned about, is not that
17 people don't disclose. I don't think that's the problem.
18 I think the problem is the real conflict of interest is
19 something they would never think of disclosing, and that
20 is, we have organized special interest groups that are
21 trying to impose policies on corporate America that they
22 cannot get adoption in the legislature, they can't get
23 adopted in the Executive Branch, they can't prevail on in
24 the courts. And so they use intimidation to force
25 companies into policies that are not in the interest of

1 this is a really big issue.

2 And again, I go back to the conflict of interest.
3 Why, if you follow advisor under policy that existed
4 before you withdrew these letters that may still exist,
5 then you get a safe harbor from fiduciary responsibility
6 -- well, what do you expect people to do?

7 You create a set of incentives. They respond to it.
8 And again, I think the movement, at least in withdrawing
9 the letters, is an important step toward nobody should be
10 exempt from fiduciary responsibility. If you're handling
11 somebody else's money, there is always a potential source
12 of conflict. Spending money is great, but spending
13 somebody else's money, that's wonderful. And it's
14 something that society has to protect itself from.

15 Your duty at the SEC is protecting that society.
16 It's your responsibility. And I really urge you to look
17 at these issues. These are big-time issues that threaten
18 the competitiveness of American business. And if we
19 don't do something about it, we're going to end up with
20 people trying to flee the corporate structure. We're
21 going to impede their ability to raise capital. We are
22 going to affect economic growth.

23 And these are things no one would ever disclose.
24 These are things that some people don't even see as a
25 conflict of interest. But if I invest in a company or

1 invest in your index because it's my retirement and I
 2 want the highest possible return, I don't want somebody
 3 else playing politics with my money. And I expect the
 4 SEC to protect me.

5 If somebody wants to do these things, if they want
 6 to promote environmentalism or if they want to dictate
 7 who's on boards to meet some social quota, wonderful.
 8 Let them invest in funds that are going to promote social
 9 good.

10 But the world is full of ideas. The subprime crisis
 11 was part of this. What gave rise to the Enlightenment
 12 economically was the South Sea bubble, which was a
 13 situation where political influential created corruption.
 14 And Parliament reacted to it. So that, I think, is the
 15 real concern.

16 MR. CELLUPICA: Okay. Thank you. Hold that thought
 17 on regulatory change and the role of the SEC and giving
 18 rise to this ecosystem, if you will. I do want to make
 19 sure our issuers have a chance to give their views on
 20 transparency of proxy advisory firms' recommendations.
 21 And I guess in connection with that, are there
 22 additional steps that should be taken from a regulatory
 23 standpoint to increase or improve transparency about the
 24 application of proxy voting guidelines?
 25 MR. KOKAS: Sure. Thanks. Thanks, Paul.

1 So a couple things. I do think that related to the
 2 policies of the proxy advisory firms, as Gary and KT were
 3 describing, it is a thorough process. And typically, at
 4 least some of the items are more cutting-edge items of
 5 importance and interest, I think, to the broader
 6 marketplace, such as gender diversity, as noted, the
 7 concept of over-boarding and our board members on too
 8 many public company boards, et cetera.

9 Those kinds of things are out there, and they're
 10 known. So a company, an issuer, can react to them and
 11 know that if I have a board member that's on more than
 12 four public company boards, the head of the nom and gov
 13 committee get a negative recommendation; or starting this
 14 year or in subsequent years, not only from a proxy
 15 advisory firm perspective but many institutions as well,
 16 find these things of importance, as do public companies,
 17 knowing that if we're not looking to diversify our board
 18 of directors, again it may be a negative recommendation
 19 against a board member more broadly.

20 What I do want to note, just in the interest of
 21 time, is kind of a broader concept. And that is for all
 22 of these things related to proxy advisory firm reports
 23 and voting, there's a before and there's an after. So
 24 once the report is issued, it is an uphill battle, to say
 25 the least, from a public company perspective, certainly

1 from a small to mid-market cap company, filing SEC
 2 solicitation materials or doing other things to try to
 3 correct the record are very difficult.

4 So one thing I did just want to note is, as a
 5 suggestion and as a consideration, is there a way without
 6 legislation to consider a more iterative process prior to
 7 the report being issued?

8 By way of example, a company like Atlas Air is a
 9 company that does not receive the proxy advisory firm
 10 report in advance of it being published. Large cap
 11 companies, my understanding is, do. I don't know because
 12 I've never seen one in advance. I don't know how
 13 impactful it is to receive that report in advance or not.
 14 I think every public company should receive the report
 15 in advance if some do. That's one example.

16 Another example when you have that is some way to
 17 correct errors. I will say I understand the challenges
 18 of resources, and I do appreciate the comments of fellow
 19 folks on this panel that are investment advisors or
 20 institutions, and even using the information just a data
 21 gathering or intelligence is a worthy cause.

22 But when it directly impacts a recommendation and
 23 then certain institutions, oftentimes smaller, quants,
 24 things of that nature, directly vote based on those
 25 recommendations, I think it's imperative to have an

1 opportunity before the report comes out to make sure that
 2 it's correct.

3 And for us, for Atlas, we have had circumstances
 4 where we've had material errors, and they have directly
 5 impacted the recommendation. So broadly speaking, again,
 6 I think there are lots of good things here and lots of
 7 goodness in the policies, I think just a lot of
 8 transparency.

9 I would encourage trying to find a constructive
 10 solution where we can do more before the report is
 11 issued, treating all companies the same and some other
 12 process where at least we make sure that it's correct,
 13 whether or not we may agree with the recommendation.

14 MR. CELLUPICA: KT?

15 MS. RABIN: So I'm going to address -- I was really
 16 excited to learn of the two companies that were going to
 17 be joining us on this panel because these two companies -
 18 - and I don't know for sure whether -- I know that in the
 19 case of Atlas Air, I think you've you've been in our
 20 offices.

21 And I'm not sure in your case whether you've
 22 actually been in the office, but your team has, so that
 23 we've been engaging. I pulled up the -- in the case of
 24 GM, we've engaged with GM a couple of times over the last
 25 few years.

1 And GM as well as Atlas Air are both subscribers to
2 what we call the Issuer Data Report, which we created in
3 conjunction with the Society. And in fact I asked Darla
4 to point me to the person responsible for the small cap
5 and mid cap committee because that's a group of companies
6 that has the least amount of resources. And so we
7 thought it would be good to work with them in developing
8 this.

9 And what it is it's a data-only vision of the
10 report. It doesn't include our opinions or the analysis,
11 but it includes all the data that we use in making those
12 opinions. And of course, the policies are available up
13 on our public website.

14 And we make that available to any company in the
15 world in advance of our completing our analysis. And it
16 it happens pretty early in the process, which is good,
17 because I know if you're doing it too late, I think that
18 companies are scrambling to deal with votes that have
19 come out, and they're trying to engage with shareholders.

20 We do not make the full report available to any
21 company until after we've published it to our investor
22 clients. And like our investor clients, companies that
23 want to buy the report, want the report, have to pay for
24 it. And there's a very transparent fee schedule for that
25 that's rationalized based on the size of the company.

1 But I do think that we definitely took it to heart
2 that companies were scrambling to deal with issues where
3 there were some potential factual inaccuracies in our
4 report. And so we created this service, which is free
5 for any company. And once they sign up for it, we just
6 keep sending it to them every year even if they don't
7 call and ask for it for the next season.

8 And I think that that has been extremely helpful, I
9 hope, for us and certainly for our clients to get those
10 things addressed before we get the analysis done.

11 MR. CELLUPICA: Gary?

12 MR. RETELNY: First, just a couple of comments on
13 what Adam has said. I think he raises some really good
14 points that we think about all the time. It is
15 unacceptable for an error not to be corrected, period,
16 end of story. It has to be corrected.

17 Now, how it happens, when it happens, whether in
18 fact it is an error or not or if it's a difference of
19 opinion, is a whole different issue. So I know we can
20 spend a whole panel on whether it's a difference of
21 opinion or an error. But if there is an error, it needs
22 to be corrected.

23 ISS corrects all errors of fact in our reports. Now,
24 when do we correct it? We can talk about that as well.
25 Adam is also correct we distribute prior to publishing

1 our final report, our draft report to the S&P 500
2 generally and other large global companies. We do not do
3 it for everyone. We can talk about that as well, but
4 I'll give you just two quick notes on it.

5 One is, these are the largest companies in the
6 world, and they are the ones that are widely held,
7 particularly in the United States. So it is important to
8 make sure that we get that in place quickly. That's
9 number one.

10 And two, you might not believe this, but many of our
11 clients do not like us sharing our report with issuers
12 prior to them seeing it. They want to be the first ones
13 to see it. So there is a tension there between sharing
14 the report itself with the issuer prior to sending it to
15 the ones that actually pay for it. Right? Our clients
16 are the ones that actually pay for us doing this work.

17 So we try to strike a balance. With regards to
18 those that we do not send, prior to publication, the
19 report, and I believe Adam's firm, Atlas, is in that
20 group, we distribute upon request, for free, the report
21 to them as well.

22 And when we do that and they come back with errors
23 in those reports, we correct them immediately. And the
24 way we correct them depends on what the error is. So
25 assuming it's a factual error, and assuming that it would

1 lead to a change of recommendation, we change the
2 recommendation.

3 And actually, what we do then is that we issue an
4 alert that goes to all the clients that own that security
5 that highlights that the recommendation has been changed,
6 an error has been fixed, and gives the detail of that.
7 And we do it prior to them having to submit the final
8 vote.

9 The other point that I would make is think
10 logistics. Investors, and we've heard from some here,
11 including Rakhi, cover thousands of securities during
12 proxy season that they need to vote on. So efficiency is
13 extremely important.

14 And part of the reason why you don't want to
15 distribute thousands of reports and wait for comment is
16 because it slows down the process significantly. And we
17 want to make sure that clients get the information they
18 need to perform essentially their fiduciary duty -- that
19 we are subject to as a registered investment advisor as
20 well -- to make sure they get it in time to be able to
21 use that information.

22 So there's always a balance there that we're trying
23 to finesse. But we are always going to correct a factual
24 error in a report once it comes to our attention.

25 MS. RABIN: I didn't mention that. We have the same

1 policy. And it goes -- for those of you who don't know
2 me, you may -- I'm an ex-journalist. So if you think
3 about it, even after a story appears in the paper and a
4 factual error has been identified that needs to be
5 corrected, they will publish -- the newspaper will
6 publish that error.

7 If it's very -- I can't think of an instance. But
8 if a company brought a factual error to our attention
9 after the meeting passed, we would update that report to
10 reflect that there was an error in the report.

11 And even if that didn't change our analysis; because
12 of course that report is being used by clients even if
13 it's past the meeting date; its part of the data set and
14 the information set they use as they're preparing for
15 engagements with that company during the off-season and
16 preparing for the next year.

17 MR. CELLUPICA: Okay. John, I want to make sure you
18 have a chance to weigh in here, and then quickly Scot and
19 Patti, if you have anything to add.

20 MR. KIM: So just real quick, to go back to the
21 issue of transparency around guidelines and methodologies
22 -- and Adam hit this point, but I want to make another
23 point, which is, when we're talking about board
24 diversity, when we're talking about independent chair,
25 things that are these issues that come up from time to

1 opportunity, if there was a sort of unique proposal, just
2 to get -- whether it's ten minutes of 15 minutes to
3 discuss our perspective on an issue.

4 If you folks were here for the last panel, I think
5 from a board and a corporate secretary perspective, when
6 we get a proposal, we do take it really seriously. The
7 board debates it. We do spend a lot of time and a lot of
8 thought on engaging with shareholders and preparing a
9 response.

10 And we have that opportunity to talk to the
11 proportionate, but we don't always have that opportunity
12 to speak to the proxy advisory firms. And so who knows
13 if there was an opportunity to point to disclosure in our
14 sustainability report or another place, that might be
15 helpful just to have that opportunity.

16 And by the way, they could ignore us. And to the
17 folks that have talked on this point, we get it. There's
18 a conflict with the proxy advisory firm spending too much
19 time with the issuers that they're covering.

20 But those are the issues that I think about. And
21 again, just to circle back, to the extent there were
22 rules of the road, it might be helpful to just get
23 everyone comfortable with, this is the process. We're
24 going to let it play out and then see where we land,
25 rather than, I think, an ad hoc process where maybe some

1 time, I think we do know where ISS and, frankly, our
2 asset managers stand on those issues.

3 I think where you see management teams and boards
4 struggle is when you get a bespoke issue of first
5 impression shareholder proposal. And then it's not so
6 clear necessarily what might be persuasive to the proxy
7 advisory firms.

8 And so I think that is part of what drives -- let's
9 call it -- when we think about review and accuracy of
10 reports, maybe the more subjective issues, where I think
11 we're all lined on black and while issues. Burn rate.
12 Directors, we all want to fix that in the reports.

13 But I think where issuers run into trouble is we get
14 this new issue. We're not exactly sure where the proxy
15 advisory firms are on it. And to KT's point, I think,
16 the proxy advisory firms are always there to pick up the
17 phone in the off season and talk about these things from
18 an engagement perspective.

19 But if you get thee proposal during the season,
20 there may not be an opportunity to talk about this very
21 specific thing. And so that's a place where -- I'm just
22 throwing this out there -- whether there was a more
23 defined review process where issuers got more time to
24 review and that was defined from the outset so everyone
25 knew the rules of the road, that maybe there's an

1 companies get an opportunity, some don't, that sort of
2 thing.

3 And that's not really GM's specific. That's just me
4 on my own just looking at the ecosphere and thinking, how
5 could we make it feel like it works for everybody?
6 Because again, I think we all are aligned. But we may
7 disagree at the end of the day, but we all want accurate
8 reports and everyone making an informed decision.

9 MR. CELLUPICA: Very quickly, Scot or Patti or
10 Jonathan, if you have anything to add.

11 MS. BRAMMER: I just wanted to speak from the
12 institutional investor viewpoint and say that no matter
13 how good a proxy advisory firm is, there are likely
14 things that are going to happen.

15 And our experience -- we've had two such occasions,
16 one where we found an error, a name of a director. And
17 we brought that to the attention of our proxy advisor,
18 and it was immediately corrected and republished.

19 And the second was the application of our policy,
20 and specifically using our definition of director
21 independence. That was a very collaborative process with
22 our proxy advisory firm that had a very positive outcome.

23 And I am hearing here that there are options for
24 issuers to have access to data. So that is definitely a
25 positive.

1 In terms of whether additional regulation is needed,
2 I would just offer, it has not been our experience that
3 there's a compelling need for additional regulation.
4 That being said, if that's a path that's pursued, we
5 would just respectfully ask that there be consideration
6 given to making sure that there are increased costs or a
7 compressed time frame for folks to review research, or a
8 diminished independence of that research as a result of
9 any additional regulation that comes out.

10 Anything that increases our administrative costs
11 takes away directly from Ohio's public employees and
12 retirees. So that's a very real concern to us because
13 our fiduciary is, first and foremost, to them and
14 their best interests. Thank you.

15 MR. BAILEY: Id just add that I think there's a very
16 important distinction to be made between objective
17 factual errors and subjective interpretation and policy.

18 And we find a small, very small, number of objective
19 factual errors, and we think those are dealt with and
20 need to be dealt with.

21 We're always willing to talk to and we encourage
22 dialogue with the companies that we invest in on those
23 subjective interpretations. And we have those dialogues.

24 We supported GM's chair to remain in a position against
25 the view of Glass Lewis last time around, for example.

1 So that dialogue can happen directly. So I think
2 that that's really where it needs to go, and that door is
3 always open.

4 MS. ANDERSON: Jonathan, how do you even become
5 aware of any disputes about the recommendation in the
6 first place?

7 MR. BAILEY: Companies come and talk to us. We hear
8 from them. Right? Because we're talking to -- we do
9 1,500 meetings with companies in our offices each year.

10 Our analysts are engaged with them. Where there are
11 these complicated, more subjective situations, companies
12 will reach out to us.

13 And also, to be honest, we read the fundamental
14 proxy filings ourselves. So where there are things that
15 are likely to be contentious, our analysts and portfolio
16 managers are aware of them and are able to put that in
17 the context of the investment case, the time horizon, why
18 we have decided to own this company, and the track record
19 of the management team and the board.

20 So I think it's very rare that something slips
21 through that we haven't heard from the company about if
22 it's material.

23 MR. DRAEGER: So just quickly, I want to say I find
24 Adam and John's comments both very thoughtful. And I
25 don't see any reason why, from the industry perspective,

1 if it's operationally feasible, more opportunities should
2 be created for issuer communication during the key
3 period.

4 So I really appreciated the Senator's history and
5 the philosophy about the considerations of public
6 influence on corporate governance, and the appropriate
7 scope of that.

8 I do just want to add a little bit of levity to it,
9 though, with a practical example because, once again, I
10 just want to highlight that contested shareholder
11 proposals are a de minimis element of the overall
12 balloted issues that are voted.

13 And so I wouldn't want to see the Commission or the
14 Staff head down a path where an RAA's ability,
15 supplemented by its own diligence, to rely on the
16 research that's being provided by a proxy advisory firm
17 was curtailed because we're worried about contested
18 shareholder proposals because I think that would be tail
19 wagging the dog from a regulatory perspective. And it
20 would do so at the result of driving costs for advisors
21 up substantially in the context of their diligence.

22 MS. ANDERSON: Rakhi, we'll turn to you, and then
23 Adam next.

24 MS. KUMAR: I just wanted to address John's comment
25 about when there are new issues because what he should be

1 worrying about or concerned about is how investors are
2 going to be reacting to that issue, not how proxy
3 advisors are going to be addressing these issues.

4 And as an index investor, I can tell you we take our
5 time before we have an opinion. Right? The reason we
6 take our time is because Senator Gramm's right. It's not
7 about values. It's about value and how that issue is
8 actually going to be impacting long-term value. How does
9 the risk manifest itself?

10 And it's only after we see that do we actually start
11 engaging and taking voting action and giving an opinion.
12 And that's why -- and it's not just us. It's companies.

13 That's why you're seeing Sean's companies investing in
14 scenario planning around changing climates, because they
15 want to ensure that they have priced the risk correctly
16 of a hurricane impacting a hog farm which is situated in
17 North Carolina.

18 They want to ensure that. And some of them want to
19 ensure that they are actually giving one year's maternity
20 leave to attract the right talent because it's all about
21 the value that all these issues are actually creating in
22 portfolio companies.

23 So if, in Senator Gramm's words, thousands of
24 retirees are disenfranchised of their vote because it
25 interested us as index investors to exercise the vote on

1 their behalf, I think that's going to be very troubling
2 for U.S. investors of our funds because we are all about
3 ensuring that we look at sustainable long-term returns
4 for the average American out there who's trusted us with
5 their money.

6 MR. KOKAS: Thank you. So I want to strongly echo
7 Rakhi's comments. And one thing I wanted to note earlier
8 -- it's actually a good segue -- is Atlas Air has been
9 doing shareholder outreach on-season and off-season for
10 eight years. And that includes on-season and off-season
11 virtually every year at State Street, among others.

12 Very thoughtful. I am amazed, with all the calls
13 and the meetings you do that when folks come on the
14 phone, they've read our proxy statement, clearly, and
15 they're well aware of the issues. So it is not only very
16 impressive and it's worth noting, but it's very
17 refreshing with the time we spend.

18 That said, it's important to think about why we have
19 a wide array of folks on the panel up here. So when our
20 report comes out from proxy advisory firms -- and it's
21 not robo-voting at all; shareholders have their own
22 policies -- within a day or so of the report coming out,
23 depending on the firm, 30 to 45 percent of our shares are
24 voted within 24 to 48 hours.

25 So I care deeply about the shareholders. I care

1 done. And I think the front end part of it is equally
2 important to the back end after the report comes out.
3 Thank you.

4 MR. CELLUPICA: KT, and Senator Gramm.

5 MS. RABIN: So I want to speak about the correlation
6 versus causation. I've heard that statistic of the
7 percent of votes that get cast within a 24-, 48-hour
8 period. I think the number is more like 48 hours, from
9 proxy advisors publish their recommendations.

10 And I think it represents a really big
11 misunderstanding of the process that proxy advisors go
12 through because speaking for Glass Lewis, and I think I
13 have a pretty good idea about what's happening at ISS as
14 well, is that when we publish our proxy research reports
15 that contain our recommendations, we're also publishing
16 and implementing the custom policies of our clients.

17 And if you think about it, there are only three ways
18 to vote -- well, actually four if you include the sound
19 pay frequency. Right? But typically it's for, against,
20 and abstain. And so I think what happens -- and there
21 could be myriad reasons, to be honest, that an investor
22 may select to vote for, against, or abstain.

23 And I say this: If I had \$10 for every time one of
24 my clients or an investor like Rakhi said to me, "Right
25 recommendation, wrong rationale," I could take us all

1 deeply about State Street's policies. And I want to
2 spend the time and effort to prepare for each of these
3 calls and meetings and hear from them, focus on that
4 disclosure, hear what they have to say, take it into
5 account, report it to the board of directors, and make
6 changes as appropriate that the board decides.

7 That said, for a company of our size, it is a
8 meaningful event when the report comes out. And I was
9 just -- back to my earlier point about the before and
10 after part. And I do agree that there is a lot of time
11 and effort spent within the proxy advisory firms
12 correcting errors. The issuer data report has made a big
13 difference.

14 But if you are public company setting your executive
15 compensation, you don't typically change half your peers
16 on an annual basis to determine the pay of your NEOs.
17 You may not change the pay for several years. I
18 oftentimes see year to year that the peers used to
19 compare my company's to others, half of them are
20 different than the year before. And I find out who they
21 are the day the report comes out.

22 So that does make make a difference. There's no way
23 to know that in advance unless there is some publication
24 of this. This is one of many issues. Again, I think a
25 lot of good work is done here, but a lot more can be

1 across the street a bar and buy everybody in this room a
2 drink after this meeting. Okay?

3 So I think that it is really important. It might
4 make sense -- we talk when we meet with companies in the
5 off-season about policy changes that we're doing and
6 things that companies are thinking about implementing.

7 It might make sense, and I'm looking at Darla right
8 now, to really do something -- maybe it's through the
9 Society -- to really explain to people a little bit more
10 about the process that we go through just technically so
11 that you really get an understanding and a better
12 appreciation of things because you're making assumptions
13 about things based on things that you see happening
14 without really understanding what's going on.

15 SENATOR GRAMM: Yes. Just in response to the
16 comment about taking into account environmental factors
17 and social factors, I think smart businesspeople look at
18 those things, and when people are voting their own shares
19 for those things, where they're going to be affected in
20 terms of profitability by them, either positive or
21 negative, then I applaud that.

22 I think the concern comes when other people are
23 voting their shares and they're not going to be affected
24 by the profitability of the decision that is made unless
25 it in turn affects the marketability of their product.

1 That's where I become concerned. And I think anybody who
2 pretends that there's not a huge conflict is simply
3 deceiving themselves.

4 So I'm not against taking into account the impact of
5 hog farming in North Carolina. But the legislature in
6 North Carolina has the ability to take that into account.

7 And if people who own Smithfield shares want to take it
8 into account, I think it's great.

9 What I object to is somebody voting their shares --
10 that is, the people who own the stock, who invested their
11 retirement in it -- with the goal of affecting hog
12 farming in North Carolina on an environmental sense
13 rather than trying to promote the long-term returns of
14 Smithfield. I think that's the issue in a nutshell.

15 So it's not that these are irrelevant issues. It's
16 that when somebody is voting on behalf of somebody else's
17 money, and they in turn can be rewarded for that by
18 people investing in their fund or doing business with
19 their advisory company, then I think it's something that
20 needs to be looked at. Thank you.

21 MR. CELLUPICA: Thank you.

22 So we'd like to start to wrap up with a couple
23 questions about potential regulatory changes. So there
24 have been some calls for further regulation of proxy
25 advisory firms, for example, as Director Hinman alluded

1 to in his opening remarks.

2 The suggestion has been made for enhanced regulation
3 of proxy advisory firms under the Investment Advisors
4 Act, and would that enhanced regulation be appropriate?
5 What would be the benefits and costs of such an approach?
6

7 And maybe I'll start with the representatives of the
8 proxy advisory firms, and then others can weigh in.

9 MS. RABIN: So Glass Lewis is not a registered
10 investment advisor, as I think everybody in this room
11 knows. And I'm not going to go into great detail, but if
12 you look at the statement which I hope -- we did get it
13 posted a bit late yesterday, but it's up on the website,
14 and it includes a fairly detailed description from our
15 counsel that I think does a good job explaining why that
16 framework doesn't apply to us.

17 But I think I want to go back to 2010, after the
18 consultation, the SEC consultation, on the proxy process.

19 The European Securities Markets Authority and the
20 Canadian Securities Administrators both conducted
21 consultations specifically on the proxy advisory
22 industry.

23 And they actually both came out and published their
24 conclusions. Both of them said, basically, proxy
25 advisors do not present a risk to the capital markets,

1 and we do not see the need for binding or quasi-binding
2 regulation. And what they proposed was the development
3 by the industry of a code of conduct not unlike the CFA
4 code of conduct for participants in the proxy advisory
5 industry.

6 And Glass Lewis and ISS, along with the independent
7 providers in the European market, created a group called
8 the Best Practice Principles Group for Shareholder Voting
9 Research -- it's kind of a mouthful -- and with the
10 support and structure provided by ESMA, we created that
11 code of conduct. And we apply that code of conduct
12 globally.

13 And I'm not going to go into great detail about it
14 now, but it covers all the issues that we've been talking
15 about here today. And the thing I like about a code of
16 conduct, if you think about the evolution of governance
17 from a compliance function to what it is today, which is
18 stewardship and strategic across the organizations that
19 are sitting in this room and across the world, I find it
20 hard to imagine that we could create a regulatory scheme
21 which would put a box around what we're doing today that
22 would be able to keep up with the things that no doubt
23 will come down the line.

24 And I do think that the code of conduct, which
25 initially was developed to be a "comply or explain" code

1 of conduct, and now as we're going through the third
2 update, we've done a consultation, and we're about to go
3 through the results of that consultation -- and I expect,
4 coming out of that, that the code will evolve from a
5 "comply or explain" to a "comply and apply" code. That's
6 what I expect will come, so more teeth to it.

7 And I do think that with a code of conduct, we're
8 able to stay on top of the things that are evolving in a
9 way that I think regulation would be hard-pressed to do.

10 And I don't think that the Investment Advisory Act is
11 the right framework for us.

12 MR. CELLUPICA: Gary?

13 MR. RETELNY: Yes. Thank you. We are a registered
14 investment advisor. We believe that the right to vote a
15 share is an asset that has significant value to
16 institutional investors. We believe there is a duty of
17 loyalty, a duty of care, and a fiduciary obligation,
18 certainly on us as we work with our investor clients with
19 regards to how they exercise that vote.

20 I do think that added regulation is not necessary.
21 I think that it will add a significant amount of
22 potential cost and will stress the logistics of the work
23 flow that actually many institutional investors depend
24 on.

25 So to the extent that there is additional

1 regulation, we do believe that the Investment Advisory
2 Act is the appropriate means to accomplish it, although
3 we don't think that additional regulation is necessary.

4 MS. ANDERSON: I can't believe. Is there anyone on
5 the panel that thinks there should be additional
6 regulation? I haven't heard it yet, and I'm kind of
7 surprised.

8 MR. EGAN: I think it's my turn. Egan-Jones is an
9 NRSRO, Nationally Recognized Statistical Rating
10 Organization. My ex-partner said it was no-room standing
11 room only.

12 Anyway, we're heavily regulated and so the
13 additional regulation doesn't scare us. We've been
14 dealing with it for a number of years. The bulk of it is
15 beneficial, I think, to the market.

16 Our main concern is one of market access and the
17 limitation of market choices. And right now you have a
18 condition where that market access is restricted for a
19 number of reasons. We tend to think that the analogy of
20 the movie studios and the movie theaters is appropriate
21 here, whereby the movie studios were forced to make
22 adjustments so they didn't -- so that the theaters could
23 show whatever movies they wanted to. And our view is
24 that in this area, you have a problem of taking one
25 oligopoly/monopoly and extending it to the other. I

1 leveled on that, which would hit the savers and investors
2 on whose behalf we manage money.

3 And also, we worry about the impact that regulation
4 might have on the timeliness and the independence of the
5 resource and data aggregation work that is done by proxy
6 advisory firms. If either of those were to be
7 threatened, it would not help improve the quality of the
8 decision-making, which ultimately is why we use this
9 advice in the first place.

10 MR. DRAEGER: Yes. Very well said, Jonathan. I
11 would just say on the cost front, for mid-sized and small
12 asset management firms, 206(4)-6 doesn't mandate proxy
13 voting. So it's already the case that many people, many
14 RAAs in the industry, decide not to vote proxies, and
15 that's largely based on the cost of doing so.

16 And so I'm agnostic as a consumer as to whether
17 these proxy advisory firms have to register. But I would
18 say that if there are things that are done that
19 substantially increase the costs that are passed on to
20 advisory firms without meaningful benefit, then it'll
21 result in lower levels of engagement by retail investors
22 and the Main Street investors because ultimately neither
23 they nor their advisors will end up voting the proxies.
24 So that's my point.

25 MR. CELLUPICA: Senator?

1 think that giving investors a choice is critical.

2 We respect Senator Gramm's views. The question is
3 how to put them into practice, and how to police it, and
4 the rest. And I tend to think that the answer is more
5 choices. Right now there aren't many choices. You might
6 say, well, that's because this is a complex, difficult
7 business. Well, we've been doing it for the past 15
8 years and it hasn't been a problem.

9 So our view is to make it -- you have two choices.
10 One is to force an even playing field. The other one is
11 to encourage it without the regulatory environment.
12 Either way, you need more choices or else ultimately
13 investors are going to get hurt.

14 MR. CELLUPICA: I want to make sure our investment
15 advisors, as the clients of the proxy advisory firms,
16 have a chance to share any thoughts on this.

17 MR. BAILEY: So we've made a more formal submission
18 which lays this out in more detail. But our view is that
19 the advice that we get from Glass Lewis and ISS is just
20 one of many inputs into reaching our own independent
21 decision, and so therefore it's not the primary advice
22 and we don't feel that it needs to be regulated above and
23 beyond what's currently taking place.

24 We also think that any regulation that is considered
25 needs to bear in mind the additional cost that may be

1 SENATOR GRAMM: It seems to me that rather than
2 requiring more registration, which will impede
3 competition, that you can improve the situation by taking
4 away safe harbors by making it clear that if you're
5 investing somebody else's money or you're advising on
6 investing their shares, you have a fiduciary
7 responsibility that cannot be washed away, that cannot be
8 safe harbored, that you're accountable. And I think
9 that's something the SEC ought to do.

10 MR. CELLUPICA: Scot, I think you'd alluded to
11 Advisors Act Rule 206(4)-6. So you're correct, it
12 doesn't require investment advisors to vote all their
13 proxies. But it does investment advisors to have
14 policies and procedures with respect to proxy voting, and
15 in some people's view it was a significant contributor to
16 the current proxy voting ecosystem we have today.

17 Is that a rule that we should be revisiting or
18 reviewing?

19 MR. DRAEGER: I would say no. I think it's a well-
20 constructed rule. It's one that is well-understood by
21 the advisory community. It's one that requires advisors
22 who are voting proxies to develop policies and procedures
23 that are reasonably designed to make sure that the votes
24 made are in the best interests of their clients.

25 And I would add that Staff Legal Bulletin 20 was

1 very well perceived because it was helpful in flushing
2 out what it really means to have reasonably designed
3 policies in this regard and to what level those policies
4 could incorporate, in addition to ones on diligence, some
5 consideration of proxy advisory firm research. And
6 particularly Q&A 3 through 5 were, I think, incredibly
7 helpful. So I would advocate that no changes in that
8 regard are needed.

9 And all advisory firms, I believe, already
10 understand very well their fiduciary duty in the context
11 of proxy voting; and I guess, once again, just to put
12 some meat on the bones with a real-world example, even if
13 we are in that very narrow circumstance where you're
14 talking about a ballot that has a contested shareholder
15 proposal.

16 And so how is it that an advisor would use a
17 combination of their own diligence and the research from
18 an advisory firm? So if you took an executive
19 compensation issue, for instance, a pay for performance
20 type of thing, the level of resources for a typical asset
21 management firm to do their own diligence as compared to
22 what might be offered by a proxy advisory firm would be
23 very difficult.

24 I mean, when we look at these kinds of issues, we're
25 getting research and reports from ISS that are based on

1 market-wide peer group alignment studies measured over
2 years, ratio analysis to time-based equity performance on
3 the stock that tie back to the compensation policies of
4 the company, and all sorts of other detailed things that
5 we would never have the resources to do on our own.

6 So when we receive that research, not only is it
7 very helpful on how to vote, but what basis would we have
8 to question, ultimately, that recommendation once we've
9 satisfied ourselves with diligence that, wow, this is a
10 very deep, thoughtful analysis?

11 And so to look at an asset management firm and say,
12 no, you should be doing something more and different than
13 what you're getting, would be completely impractical. So
14 I'm saying that that's an admirable level of diligence to
15 review that information and make a decision based off
16 that. And you probably come to your own conclusion.

17 But correlation doesn't equal causation. If it
18 seems thoughtful, then you take that path. So I guess
19 that's a reasonable -- I wouldn't want to see Staff Legal
20 Bulletin 20 changed or the existing rule changed because
21 people design -- a whole industry has designed policies
22 around the guidance that you've given, and it's good
23 guidance.

24 MR. CELLUPICA: Okay. Adam, I think you wanted to
25 weigh in?

1 MR. KOKAS: Sure. It is a bit of an imperfect
2 structure and process, but it's the structure and process
3 we have in terms of all of us at the table and how this
4 whole process works. I think companies are better
5 served. I think institutions are better served.

6 I think investment advisors are better served to
7 have proxy advisory firms than not. And I think
8 regulation could cause an increased cost that obviates
9 the firms, which would not be the intention.

10 All that said, I think the worst outcome from today
11 -- and again, I want to thank Chairman Clayton and the
12 Commissioners for their leadership here -- is to come
13 away from today's discussion and all the discussions and
14 not have any changes or enhancements.

15 So if it's several months from now and everything is
16 the same, then we probably should revisit some of the
17 issues we're talking about in terms of legislation.

18 But if we take some of these things into account --
19 because there are some chinks in the armor that I think
20 can be addressed. There are many thoughtful submissions.

21 I'll again go back to the Society submission about some
22 thoughtful ways -- when reports are issued, and other
23 things that can be focused on in terms of solving
24 disputes and ombudsmen and things of that nature.

25 But at the end of the day, I think we are better

1 served to continue to enhance the process over time and
2 take all of this input into account. Thanks.

3 MS. ANDERSON: I want to acknowledge Commissioner
4 Roisman, Senator Gramm, because it looks like he has a
5 question. Or the Chairman. Sorry.

6 COMMISSIONER ROISMAN: I don't want to get you in
7 trouble. Well, thank you all for this discussion. I'd
8 say this is probably the most anticipated panel of the
9 three panels. And there's lots of people here on the
10 panel who have very strong opinions. There's also people
11 in the crowd here as well as in the public.

12 And I encourage everyone to continue this dialogue
13 through the comment file and provide us with facts and
14 data because there has been a lot of emotion about this
15 topic, but I'm not sure the data has always filtered
16 through. So to the extent people can provide that, that
17 would be very helpful.

18 I think one of the things I've heard today which I
19 appreciated before but I appreciate again, it's the role
20 and importance that these firms provide to asset
21 managers. And Scot, I think you did a very good job
22 explaining how they can provide you with data that
23 necessarily would cause you to spend more time, money,
24 and potentially even more than you can actually do given
25 the resources.

1 I think that also goes to the issue of accuracy. So
2 if you are relying heavily on these reports, it's
3 important for these reports to be ultimately accurate.
4 Personally, this rebuttal period, I think, sort of makes
5 sense to me because I think if a company has a
6 perspective that could potentially obviate the need for
7 correction later, it might be beneficial to do so ahead
8 of time.

9 Because as you said, you're voting on thousands of
10 proxies. And once you vote, probably not much incentive
11 to go back and look at something again once you're done
12 with that. But I do want that to be something hopefully
13 people comment again.

14 But again, thank you very much. I think this has
15 been incredibly enlightening.

16 MS. ANDERSON: Chairman Clayton, please.

17 CHAIRMAN CLAYTON: No, others wanted to go. I'll
18 make a comment at the end.

19 MR. GARLAND: I'll be brief. I think it would be
20 helpful to clarify that funds don't have to cast a lot of
21 proxy votes. I think that it is perfectly reasonable
22 that a fund could decide on issues that it doesn't have
23 enough information or on issues that may not be directly
24 related to the performance of the company that it doesn't
25 know enough about the preference of its investors to cast

1 SENATOR GRAMM: Let me just respond to that by
2 saying if you know that, you can tell the investment
3 firm, and then they can make the decision as to whether
4 you really know it or not and whether it is in the
5 interest of their clients.

6 But it seems to me perfectly reasonable that there
7 are going to be cases where the firm will be legitimately
8 in doubt, or where it has no idea on issues that aren't
9 directly related to profitability, how its investors
10 really stand on that issue.

11 And so clarifying that you have every right not to
12 vote, it seems to me, is important, especially since it's
13 not clear in the regulations that there's not pressure to
14 vote. And I don't know that I buy the idea that we've
15 got to have government tell people they ought to look out
16 after their interest. It seems to me they're capable of
17 doing that. And so I just don't buy your argument on
18 that at all.

19 MR. EGAN: That's not a problem.

20 SENATOR GRAMM: I don't have to.

21 MR. EGAN: I'm not telling --

22 MR. CELLUPICA: With that, Chairman, do you want to
23 make any final comments?

24 CHAIRMAN CLAYTON: I want to thank all of our
25 panelists today, this panel and the two previous panels.

1 a vote.

2 And I think it would be very helpful to clarify that
3 they're under no obligation to vote. They're not
4 expected to vote unless they believe they're casting a
5 vote in the interest of the people who invested the
6 money. I think it would be helpful to do that.

7 MR. CELLUPICA: Sean?

8 MR. EGAN: If we don't have the encouragement for
9 people that have a long-term vested interest in the
10 outcome of these enterprises in the form of votes, then
11 what oversight do you have? You basically run the risk
12 of a professional class of executives running it for
13 their own interest.

14 And so that's something that we have to watch out
15 for over the long term. I tend to think that doesn't
16 happen very often. It's once a year that you have at
17 least a partial check on whether or not the ship is being
18 steered properly.

19 And you hear countless examples of cases, and we see
20 it all the time on our other business, where you know
21 that the company could have been saved, it could have
22 been protected, if there were some safeguards. And
23 that's under the current system. So if you pull back a
24 little bit from that, perhaps the Society won't be quite
25 as well served.

1 I think it was a terrific day. Again, I think we want
2 to have a system where we're getting high-quality voting
3 interests of the beneficial owner. And that's kind of in
4 the theme throughout today.

5 Please cast your comments in that regard. Tell us
6 why it's going to improve the quality of the voting
7 decision for the long-term investor. That's how I'd like
8 to see the comments.

9 But again, thanks, everybody. Terrific. Thanks to
10 the Division of Corporation Finance, the Division of
11 Investment Management. Terrific work, as always. Thank
12 you.

13 (Whereupon, at 5:00 p.m., the roundtable was
14 concluded.)

15 * * * * *

PROOFREADER'S CERTIFICATE

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

In the Matter of: ROUNDTABLE ON PROXY PROCESS
File Number: OS-1115
Date: Thursday, November 15, 2018
Location: Washington, D.C.

This is to certify that I, Christine Boyce
(the undersigned), do hereby certify that the foregoing
transcript is a complete, true and accurate transcription
of all matters contained on the recorded proceedings of
the investigative testimony.

Proofreader's Name)

(Date)

REPORTER'S CERTIFICATE

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

I, Kevin Carr, reporter, hereby certify that the
foregoing transcript is a complete, true and accurate
transcript of the matter indicated, held on
__11/15/2018_____, at Washington, D.C., in the
matter of:
SEC ROUNDTABLE ON PROXY PROCESS.
I further certify that this proceeding was recorded by
me, and that the foregoing transcript has been prepared
under my direction.

Date: 11/15/2018

Official Reporter: Kevin Carr

A	
a.m 1:13 113:22	102:18
ability 14:5	access 31:8
30:22 63:1	43:19 71:8
64:1 70:23	83:2 90:17
74:22 84:23	107:2 120:23
86:3,5,5 87:11	140:21 141:1
100:1 102:14	154:23,24
144:10 152:6	158:24 159:4
183:5 186:20	160:5,23
211:4,5 225:21	224:12 237:24
240:14 246:6	250:16,18
able 15:14 34:5	accessible
36:24 41:20	149:23 152:2
44:7 48:19	accommodate
51:18,24 76:17	101:6,9,12
80:20 81:23	102:9
82:16 89:2	accommodati...
93:11,14,15	152:23
95:19 102:7	accompanied
111:14 123:19	60:18
131:3 135:25	accomplish
139:21,23	139:13 155:13
141:10,14,18	155:15 250:2
143:22 145:9	accomplished
148:2 151:2	48:1
155:14,24	account 33:20
167:13 184:18	45:11 46:15,19
187:16 197:10	56:10,11 65:11
197:11,21	68:13 76:3,6,7
198:12 201:3	76:12,14 81:22
222:6,7 233:20	90:11 122:7
239:16 248:22	190:16 243:5
249:8	245:16 246:4,6
absolute 205:15	246:8 256:18
absolutely 79:2	257:2
130:17 204:5	accountability
206:23 207:14	84:18,20,25
212:8 214:8	85:10
absorb 172:19	accountable
abstain 244:20	253:8
244:22	accounting
abstract 14:10	106:3
academics 200:6	accounts 91:19
accelerated	101:11
116:19	accrete 74:24
accept 49:3 99:7	accreted 28:20
99:14	accuracy 22:1
acceptance	32:18 43:8
	235:9 258:1
	accurate 22:17
	104:10,24
	237:7 258:3
	262:10 263:4
	accurately 21:23
	22:9 31:2
	97:19
	achieve 29:22
	92:4
	achieved 52:17
	acknowledge
	28:24 64:4
	127:19 145:2
	170:12 187:1
	206:16 214:9
	257:3
	acquired 168:2
	Acquisitions
	10:21
	act 16:8 19:12
	26:1 125:12
	247:4 249:10
	250:2 253:11
	acting 19:6
	action 15:23
	132:1 177:25
	241:11
	actionable 95:17
	actions 33:14,18
	189:6
	active 82:6 84:6
	125:4 150:24
	183:19 197:13
	actively 14:7
	29:1 174:8
	activist 77:19
	112:17
	activists 77:23
	activity 167:25
	actor 85:13
	actors 29:1
	actual 37:5
	59:17 147:16
	195:5
	acute 30:2
	ad 236:25
	Adam 3:11 8:19
	181:4 213:10
	213:19 231:13
	231:25 234:22
	239:24 240:23
	255:24
	Adam's 232:19
	add 20:21 50:23
	84:25 90:16
	103:25 104:3
	113:12 156:20
	187:2 192:17
	192:19 197:13
	221:20 234:19
	237:10 238:15
	240:8 249:21
	253:25
	added 36:5 85:7
	102:22 159:7
	249:20
	addition 14:20
	117:14 184:23
	185:4,11
	217:20 254:4
	additional 92:11
	93:9 117:7
	161:1,13
	177:19 179:6
	181:11 198:15
	226:22 238:1,3
	238:9 249:25
	250:3,5,13
	251:25
	additionally
	130:4 135:24
	138:11 165:13
	address 17:25
	30:16 33:5
	72:7 91:1,1
	107:16 108:25
	113:7 116:12
	116:20,24
	117:24 122:24
	137:4 168:15
	169:2 196:10
	212:24 229:15
	240:24
	addressed 13:1
	39:6 72:5
	107:18 116:9
	141:21 231:10
	256:20
	addresses 90:25
	91:7 95:19
	182:16
	addressing 63:6
	207:8 213:4
	241:3
	adds 113:2
	152:22
	adequate 25:6
	61:9
	adhered 144:20
	adjustments
	29:9 250:22
	administration
	57:7
	administrative
	238:10
	administrator
	57:4
	Administrators
	247:20
	admirable 186:1
	255:14
	adopt 101:7
	161:12 174:2
	200:9 201:3
	adopted 144:24
	149:25 167:8
	223:23
	adopting 117:6
	163:2 193:11
	adoption 141:4
	223:22
	advance 67:11
	121:22 228:10
	228:12,13,15
	230:15 243:23
	advances 108:12
	advantage 43:21
	69:16 141:7
	205:1
	advantaged 74:4
	advantages
	106:15 158:8
	adversarial
	129:23 130:12
	adverse 25:7
	advertising
	78:19

advice 199:3,7 251:19,21 252:9	215:7,23 222:12 226:20 227:2,15,22	34:11 36:19 45:2 49:19 55:11 58:5	156:23	alluded 64:15 70:1 246:25 253:10
advising 193:19 253:5	228:9 235:7,15 235:16 236:12	87:9 132:13	ahead 33:6 34:11 72:3 100:17 114:3	alphabetical 69:14 73:14 180:23
advisor 16:4 138:14 184:25 191:10 192:20 195:16 196:3 196:15,16 199:8 204:9 206:4 208:19 224:8 225:3 233:19 237:17 247:10 249:14 254:16	236:18 237:13 237:22 240:16 242:20 243:11 246:19,25 247:3,8,21 248:4 249:10 250:1 251:15 252:6,17,20 253:21 254:5,9 254:18,22 256:7	agents 15:1 19:1 19:5 21:19 31:19 42:6,23	115:11 178:21 193:8 214:25 258:7	alternative 91:11 136:21
advisors 8:23 15:2,8 16:3,7,8 16:10,12 181:5 182:1,6 185:1 185:2 189:23 193:18 194:3 195:25 198:23 200:5,5 203:22 210:19 224:2,3 228:19 240:20 241:3 244:9,11 247:3,25 251:15 252:23 253:11,12,13 253:21 256:6	Advocacy 7:10 advocate 148:22 254:7 advocates 185:8 advocating 149:5 Aeisha 3:15 7:12 114:13 133:6 163:25 169:20 AES 142:1,8 affect 115:23 188:25 189:21 224:6 225:22 affirmative 29:11 afflicts 86:19 afford 14:8 AFL-CIO 149:10 afoul 179:17 afraid 104:1 Africa 101:3 110:19 afternoon 65:17 114:4,5,25 115:10 196:22 age 24:17 61:3 61:14 204:3 agenda 26:13 173:4 agent 13:1,7 18:20 19:3,10 19:12 33:9	Ages 224:23 aggregate 39:14 148:3 aggregated 109:18 aggregating 185:19 aggregation 184:14 252:5 aggressive 103:23 agnostic 252:16 ago 23:24 32:6 41:7 43:14 52:7 66:8 69:6 75:11 77:7 89:10,14 104:5 129:17 135:21 136:2,7 137:4 163:14 166:2 168:1 177:6 agree 43:4,18 45:15 47:8 48:4 62:4 64:24 66:6,11 70:14 75:17 78:8 87:4 95:15 96:23 100:15 111:3 125:20 137:17 148:11 157:10 178:25 183:22 200:1 229:13 243:10 agreed 12:7 agreement 17:15 41:24 44:12 45:4 100:20 178:20 agreements 86:13 154:8 agrees 28:21	air 8:20 140:10 181:4 214:4 228:8 229:19 230:1 242:8 alert 233:4 Alex 26:22 49:11 84:7 86:21,21 105:9 109:7 Alexander 3:14 5:21 64:14 aligned 85:16 86:15 197:17 237:6 alignment 183:15 255:1 all-in 106:12,21 106:21 allocate 168:11 allocated 59:17 allocation 56:8 59:12 allow 14:7,14 15:17 19:11 48:14 49:4 73:22 83:10 84:3 88:2 109:13 110:7 116:11 128:5 148:21 157:21 159:22 170:24 223:1 allowed 166:11 182:25 183:1 allowing 40:24 127:24 168:14 allows 64:20 74:5 82:11 92:14 99:17 111:2 116:9 124:25 198:16 208:9	ambitious 26:13 amend 74:20 Amendment 130:3 America 6:15 17:16 46:1 188:7 189:22 216:24 223:21 America's 12:21 126:17 American 7:20 8:16 46:2 114:18 141:7 166:19 181:3 188:2 225:18 242:4 Americans 16:10 Americas 6:23 amount 130:20 152:16 153:5 185:20 219:17 230:6 249:21 amounts 198:24 ample 31:21 Amy 47:18 analogy 250:19 analysis 133:12 135:10 141:17 145:12,18 146:19 148:9 177:23 198:15 201:9 218:2,3 230:10,15 231:10 234:11 255:2,10 analyst 211:3

analysts 184:5 185:10,14 197:14 239:10 239:15	answers 173:24	177:19 240:4 257:19	223:14 260:17	assets 51:7 188:12 200:25
analytics-cent... 206:8	anticipated 257:8	appreciation 245:12	arguments 98:23 177:8 179:22	assist 24:6 81:15
Andersen 42:15	anticipates 102:4	approach 13:12	arisen 178:1	Assistant 7:3
Anderson 2:11 8:5 11:7 12:10 13:21 202:11 205:21 208:17	anticipating 27:25	98:22 116:7 118:16,25	arising 202:14	Associate 11:7
210:16 212:5	anticipation 43:15	119:1 140:11	armor 256:19	associated 85:2 133:5
212:21 213:18	antiquated 46:23	183:4 185:19	arms 209:4	association 32:19 44:23 52:5 124:4 126:16
214:25 239:4	anybody 105:2 173:7 174:11	200:3,18 201:1 201:10,15,21	array 14:25 32:10 242:19	associations 89:7
240:22 250:4	205:11 219:25	201:22,23	articulate 155:14,25	assortment 20:23
257:3 258:16	246:1	247:5	artificial 191:21	assume 37:16
anecdotally 190:18	anybody's 74:24	approaches 31:11 202:7,10	aside 48:6	assuming 61:25 88:4 232:25,25
anecdotes 20:9	anyone's 85:12	appropriate 24:16 37:22	asked 34:13 44:25 54:20	assumptions 245:12
announce 121:22	anything's 206:1	108:22 170:10	58:2,9,10 76:9	asterisk 55:19
announced 11:13 55:13 143:10	anyway 69:9 211:18 250:12	173:8 221:4	89:7 128:8	Atlas 8:20 181:4 214:4 228:8 229:3,19 230:1 232:19 242:8
announcement 54:19 55:14 58:14	Apache 160:1	240:6 243:6	191:18 230:3	atmosphere 140:1
annual 23:2 54:25 55:20	Apparently 76:1	247:4 250:2,20	asking 24:20 36:3 158:6	attack 42:8
57:23 67:24	appeal 159:21	appropriately 29:2 30:5	63:16,17	attacked 160:9
91:4 92:5	appear 186:5	98:12 134:15	169:2 175:24	attempts 40:13 40:20
99:12 102:1	appears 234:3	144:9	asks 149:14 169:11	attendance 27:16
119:8 141:2	applaud 189:22 245:21	approve 86:4	169:11	attended 24:19
146:11 150:22	Apple 160:16	approximately 32:20 54:9	aspect 36:18 39:7 198:18	attending 180:12
152:11 212:18	applicable 221:12	150:7 195:24	aspects 11:14	attention 142:22 150:11 178:19 200:20 219:18 233:24 234:8 237:17
218:14 219:11	application 105:17 177:20	arbitrary 153:7	29:14 37:18	attorney 132:8
243:16	226:24 237:19	arc 17:9	64:6,7 85:3	attract 241:20
annualized 179:10	applied 127:3	arcane 14:17	116:5 127:14	attributes 109:12
annually 219:10	apply 51:19 201:23 247:16	architecture 16:5	132:14 177:23	audience 21:18 26:12 121:11
anomalies 99:3	248:11 249:5	area 18:1,4 19:8 24:5 25:3	assembled 20:25	audit 67:1 176:5 176:6 184:20
anonymity 30:11,12	applying 198:5	33:15 37:22	asserted 25:8	
answer 13:11 21:13 76:12	appoint 132:13	40:10 47:10	assertion 167:19	
100:8 107:16	appraisal 53:11	128:4 141:16	122:1	
170:20 172:23	appreciate 26:5 47:12 52:18	143:24 147:15	assessment 117:10	
187:8 200:3	73:9 128:10,25	148:8 178:12	asset 7:11 8:22 114:13 123:19	
251:4	131:2 133:10	203:16 204:6	197:24 200:2,5	
	134:22 179:6	204:21 205:5	200:12 201:2	
	228:18 257:19	205:19 250:24	201:11 202:9	
		areas 15:6,9 143:23 186:9	219:13 235:2	
		205:18	249:15 252:12	
		argue 172:15	254:20 255:11	
		argument 48:14	257:20	

200:13 205:15	76:25 82:25	board 7:22 55:3	bought 46:11	132:23 134:16
238:14 248:8	84:2 91:14	66:16,18 77:25	168:19	135:1,13 140:3
253:24	107:15 115:21	117:12 124:2	bounded 201:23	143:2,17 156:5
better 16:4	123:10 125:8	124:18 125:19	box 211:22	156:20 157:9
47:24 64:7,17	129:15 133:7	125:20 149:11	218:19 248:21	157:17 161:7
74:12 82:2	135:3,15	149:17 150:11	Boyce 262:8	161:18 164:4
85:15,16 92:8	140:10 145:24	173:3,4,21	Brammer 2:22	167:4 168:17
92:9 96:15	146:13,14,24	175:19 176:8	8:8 187:5	169:20 170:19
97:4 108:25	147:3,7 152:22	177:4,7,13,23	198:3 213:11	172:13,21
124:15 136:6	176:21 199:24	178:19,24	237:11	173:12 175:1
178:12 214:10	214:18 215:14	183:8,22	Branch 223:23	179:4
214:15,20	216:12 221:14	186:18 206:13	224:18	bring 13:22 18:6
245:11 256:4,5	222:17 240:8	222:2,4 227:7	Brandon 3:20	20:22 84:10
256:6,25	245:9 247:13	227:11,17,19	7:19 114:17	88:1 95:13
beverage 190:19	256:1 259:24	234:23 236:5,7	120:20 121:8	103:24 109:12
beware 106:22	Bitcoin 96:19	239:19 243:5,6	140:6 148:10	141:10,14,18
beyond 12:22	bite 134:23	boards 154:4	167:4	150:16 184:18
93:9,18 223:7	black 202:3	172:7 175:18	Brandon's	198:2 219:13
251:23	218:19 235:11	178:25 226:7	168:22	Britain 222:25
big 27:5 74:16	black-and-wh...	227:8,12 235:3	braving 13:18	broad 13:3
93:23 99:11	201:20	Bob 26:24 40:3	break 10:22	15:21 17:14
111:8 163:17	Blackrock 6:23	40:14 45:17	11:4 55:25	136:2 158:17
173:13 188:9	114:10 116:1	48:12 69:6	94:6 113:17	205:18
219:9,13 225:1	117:21 118:1	73:5 77:1	145:25 147:3	broadened
243:12 244:10	118:15 129:12	100:11 108:2	176:23 180:14	138:2
big-time 225:17	Blackrock's	108:17	breakdown	broader 85:9
bigger 67:25	116:3	Bob's 47:14	163:18	134:13 227:5
76:2 110:7	Blackrocks	body 34:24	breaks 57:2	227:21
224:15	150:8	boilerplate	Brian 3:24 6:6	broadly 206:12
biggest 218:17	bled 224:25	213:14	26:24 53:8	214:3 227:19
bill 10:5 12:5,10	block 57:24	bold 73:15	65:6 69:24	229:5
16:6 18:14	98:14 140:21	bombarded	74:1 78:8,14	Broadridge 6:4
28:8 37:9 85:3	blockchain	72:18	99:18	22:22 26:24
115:9 119:21	15:15 22:20	bona 62:25	Brian's 71:17	31:10 39:25
119:22 128:23	23:1 38:21	63:19	brief 12:7 26:15	40:14 41:1,8
billion 54:2,7,8	46:4 62:15	bondholders	83:14 151:23	42:7,16,23,25
54:18 55:18	92:16 96:18	190:16	180:16 206:11	43:17 56:1
142:18	97:24 98:19,21	bones 254:12	219:21 258:19	57:6,18 66:3
billions 81:7	98:22,25 99:17	book 62:15	briefing 138:21	68:17 69:11
binding 24:11	99:22 100:8,22	borders 12:22	briefings 220:4	99:25 103:4
248:1	102:11,22	boring 28:10	briefly 59:10	108:17 204:23
biographies	103:5,9,10,12	Boris 47:18	brightest 160:12	broken 64:4
26:16 180:21	103:24 105:10	borne 134:8,12	Brightwell 2:12	80:4 106:9
bipartisan 16:5	105:12,15	135:10	6:20 10:25	broker 14:21,25
17:25 25:24	106:7,8,21,23	borrowed 46:10	114:3 118:21	34:19 35:20
bit 37:13 40:11	106:25 109:6	borrower 46:11	119:21 120:20	38:12 39:3,13
41:3 47:13	109:12 110:3	bothered 59:5	121:8 122:2,20	49:2,3 50:25
51:3 53:16	blocks 98:15	bottom 14:12	123:12 128:20	51:6 65:18
61:18 66:11	blunt 118:20	69:16 73:21	130:14 132:4	75:21,24 76:14

81:13,14 104:18 brokerage 35:10 46:16 76:5,5 76:14 86:13 104:18 brokers 21:19 38:18 42:23 49:15 71:25 76:1,2 82:2 85:24 89:11 103:22 122:5 122:17 brothers 153:23 brought 78:14 133:4 134:4,7 170:2 183:13 200:19 209:18 213:7 234:8 237:17 Bruce 3:7 5:17 26:21 63:7 73:5 92:22 bubble 226:12 budge 175:19 budget 71:5,6 build 96:13 182:23 building 118:11 216:11 built 12:19 49:4 75:2 bulk 250:14 bullet 105:10 106:23 bulletin 132:25 177:5,10 179:12 180:1 253:25 255:20 Bulletin/no-ac... 180:5 bulletins 15:24 128:12 179:5 179:10 bump 165:14 bunch 86:10 146:15 179:21 199:18 bundling 148:6	burdens 29:16 140:18 burdensome 152:22 Burn 235:11 business 7:8 24:2 57:7,8 114:12 126:16 129:10 140:20 146:9,11,16,23 156:22 159:16 163:7 177:9,21 190:10 191:3 203:5 205:12 205:12 206:5,6 206:8,19,25 207:1,2 208:4 208:19 214:17 224:25 225:18 246:18 251:7 259:20 businesses 116:6 146:20 208:3 businesspeople 245:17 busy 12:16 17:20 button 27:5 115:3,4 181:15 buy 152:13 153:13,13 183:20 230:23 245:1 260:14 260:17 buying 183:20 188:11,22 bylaw 175:9 <hr/> C <hr/> C 5:1 10:1 cacophony 126:3 CAI 62:4 California 7:13 114:14 call 56:24 57:16 65:18 66:3 75:24 76:13 104:1 136:13	150:14 156:14 192:11 219:5 219:12 220:4 230:2 231:7 235:9 called 34:1 58:15,21,24 76:13 121:12 188:22 206:5 248:7 calling 95:4 calls 25:11 93:10 95:3 242:12 243:3 246:24 CalSTRS 133:14 Cameron 2:23 6:22 114:10 115:24 133:14 camp 203:9 campaign 63:22 64:12 campaigns 63:11 Canada 52:4,6,6 218:9 Canadian 209:4 247:20 candid 134:20 candidate 54:17 candidates 64:1 cap 39:13 228:1 228:10 230:4,5 capabilities 197:10 capability 41:18 capable 260:16 capacity 44:24 215:4 capital 5:13 6:24 7:17,20 12:18 13:2,4 14:3,15 45:20 74:11 105:22 114:17 117:18 135:18 135:22,23 136:1 168:11 188:13 200:9 216:5 225:21	247:25 capitalization 142:18 captured 152:2 capturing 210:7 card 27:10 61:19,21,22,23 65:12,15,17,19 65:21 66:2,6 68:19,23,24 69:6 70:3,6,11 71:13 79:24 181:24 210:21 cards 54:21 61:21,23 70:4 70:10 78:9,10 78:11 79:9 101:1 care 25:11 88:20 185:6 242:25 242:25 249:17 career 33:7 careful 23:25 32:12 94:25 221:6 carefully 21:21 62:18 117:14 cares 65:8 69:12 Carolina 241:17 246:5,6,12 Carr 263:3,15 carried 31:3 45:9 carries 92:12 carry 92:18 case 36:6 52:12 55:7 57:21,22 105:15,16 109:21 130:11 161:12 162:4 170:8 195:13 195:13 200:21 201:5,23 205:3 210:2 219:21 229:19,21,23 239:17 252:13 case-by- 200:20 201:22 cases 51:16	52:13,14,24 64:3 86:12 89:7,13 90:8 102:17 259:19 260:7 cast 21:22 54:10 56:13 83:22 135:8 160:11 174:9 183:23 184:3 187:23 244:7 258:20 258:25 261:5 casting 189:4,9 259:4 categories 211:21 causation 244:6 255:17 cause 87:23 228:21 256:8 257:23 caused 36:15 41:14 78:18 causes 33:1 99:8 causing 38:11 caution 94:23 CD 34:8 Cellupica 2:13 8:4 11:8 180:19 186:25 187:24 190:1 191:4 192:17 194:1 196:4 197:1 198:19 199:21 201:16 213:9 216:11 219:15 222:9 226:16 229:14 231:11 234:17 237:9 244:4 246:21 249:12 251:14 252:25 253:10 255:24 259:7 260:22 Center 7:17 central 14:4 62:14,16 98:20 164:10 centralized
---	--	--	--	---

106:11	109:3 112:6	146:10 158:5	choose 30:9 64:1	44:22 72:22
centric 191:23	114:21 115:25	206:2 208:23	201:5,6 202:9	106:15 110:4
CEO 183:10	126:13 128:23	220:11 233:5	choosing 30:17	113:19 118:1
202:22,24	134:16,17,22	255:20,20	85:23 183:20	126:5 140:10
certain 30:14	181:11 187:1	changes 20:13	choreographed	157:13 167:13
55:7 67:8	193:23 194:6	24:1 29:3	21:21	190:6 197:7
78:23 80:23	196:4,6 198:6	45:11 57:3	chose 52:21	207:13,20
106:7,8 109:13	205:7 256:11	80:24 99:11	chosen 212:19	210:6 218:3
112:14 127:14	257:5 258:16	139:18 175:9	Christine 262:8	235:6 253:4
130:1 136:19	258:17 260:22	180:10 221:7	CII 47:16 97:21	260:13
157:24 165:6	260:24	221:11 243:6	105:24 145:8	clearance 110:6
184:15 186:21	chairs 97:9	245:5 246:23	circle 236:21	cleared 198:6
202:16 228:23	challenge 63:19	254:7 256:14	circumstance	Clearer 112:19
certainly 26:15	76:2 160:2	changing 166:20	254:13	clearly 37:21
71:21 95:18	challenges 22:6	241:14	circumstances	38:9 98:2
102:9 133:2	22:12,13 63:6	channels 136:16	229:3	110:9 188:4
136:9 169:14	72:15 228:17	characteristics	Citibank 110:20	189:8,14
177:18 180:5	challenging	24:23	cities 220:5	242:14
202:12 205:3	123:1	characterizati...	City 7:6 114:12	click 122:8,10
210:18 214:11	Chamber 7:17	202:4	149:10 158:15	211:23
227:25 231:9	114:16 129:1	charge 41:16	159:11 162:21	client 57:6 64:10
249:18	140:19 214:13	94:10 99:19	clarification	64:11 74:18
certificate 36:7	championing	107:2	43:24	81:12 192:15
262:1 263:1	24:20	charter 74:20	clarify 258:20	193:4,5 208:5
certificated 36:8	chance 52:22	cheaper 50:18	259:2	client-directed
certified 36:20	226:19 234:18	199:14,17	clarifying	120:9,17
54:8,15,16	251:16	check 88:5	260:11	clients 63:16
certify 262:8,9	Chancellor	184:20 259:17	clarity 13:5 98:3	118:4 123:21
263:3,9	105:23	Chevedden	98:6 180:6	123:22 183:25
cetera 78:21	change 21:5,10	168:25	198:3 212:1	184:5 185:8
80:11 164:18	29:5,9,15,17	chew 77:4	class 167:9,15	186:10,13,20
227:8	37:20 57:10	chief 5:18,21,23	175:23 176:1	186:24 192:22
CFA 248:3	70:18 78:18	6:6,9,10,12,15	259:12	193:21 194:23
chain 47:1,4	87:22,22 97:6	8:11,24 9:3	classified 175:18	197:9,19
55:23,25 56:9	97:22,22 98:2	10:19,20,25	Clayton 2:4 5:4	199:13 207:7,8
56:23 57:3	116:19 118:19	60:19 126:16	11:13,24 12:5	208:7,8,10,10
chair 13:24	126:10 141:3	chime 107:9	18:17,20 20:20	208:15 209:5
18:17 67:2	142:3,3 148:16	chinks 256:19	73:22 88:11	219:11 220:2
77:12 176:8	148:22 166:10	Chiu 2:24 6:24	107:4,5 112:6	230:22,22
183:10 234:24	167:2 175:20	114:11 122:21	114:21 128:23	231:9 232:11
238:24	176:5 183:2,3	122:24 126:12	134:16,17,22	232:15 233:4
chaired 220:14	204:11,13,16	130:15 144:22	187:1 193:23	233:17 234:12
Chairman 2:4	218:4,17	171:4	196:4,6 205:7	244:16,24
5:4 11:13,24	226:17 233:1,1	choice 85:6 86:2	256:11 258:16	249:18 251:15
12:5 13:17	234:11 243:15	86:10 251:1	258:17 260:24	253:24 260:5
16:18,19 17:19	243:17	choices 64:21	Clayton's 198:6	clients' 118:2
18:5,20 20:20	changed 57:6,9	98:15 122:11	clean 52:21 53:6	climate 141:3
53:14 73:22	66:11 86:23	250:17 251:5,5	53:8 73:1,3	climates 241:14
88:11 107:4,5	90:5 119:23	251:9,12	clear 17:24,25	clog 136:16

clogged 142:23	come 18:23 32:8	124:23 135:7	122:16 123:13	80:10 143:12
close 24:25 48:8	38:20 41:6	141:20 156:24	124:7 126:7,22	161:5 172:8
113:11,16	45:5 49:2	172:1 181:22	127:12 128:8	175:25 176:5,6
165:12 178:20	55:17 64:24	187:25 196:10	128:14 130:8	209:14 220:14
181:19 222:18	69:10,17 72:4	198:6 199:22	130:16 133:10	220:17 227:13
closed 35:14	73:20 76:24	199:25 218:15	144:16,18	230:5
58:9	81:13 90:7	220:25,25	148:13 155:9	common 31:18
closely 50:18	104:21 110:16	221:1 233:15	170:12 193:24	33:3 86:19
156:3	111:2 112:10	240:24 245:16	198:25 205:24	94:19 171:6
closer 102:6	140:4 141:6	257:13 258:13	210:23 240:13	191:5 202:13
106:24	145:4 152:4	258:18	Commission's	communicate
closest 53:24	155:22 161:24	commentary	14:1,6 15:25	15:11 48:14
co-chairs 42:14	173:15 174:25	24:13 63:5	23:17 134:13	50:9 52:10
co-companies	189:13,20	82:4	211:4	73:25 74:6
119:7	200:11 201:9	commented	Commissioner	76:16 78:22
co-filers 148:2,2	201:10 210:14	104:17	13:17 16:17	80:21 92:14
148:5	214:6 217:10	commenting	17:7,12 18:8	100:1 109:24
Co-Founder	223:13 230:19	70:25 96:9	19:21 25:21	112:16 124:18
5:21	232:22 234:25	comments 11:17	29:12 41:4	124:18,20
co-panelists	239:7 242:13	11:21,22 21:9	107:7 109:3	communicating
215:7	248:23 249:6	27:9 41:1,1,5	111:5,11 112:7	22:14 87:12
coalesce 77:25	255:16 256:12	52:19 69:24	112:15 114:21	126:6
Coates 2:25 5:11	comes 85:15	71:17 81:1,6	114:22 181:10	communication
26:19 27:15,19	111:1 119:11	83:8 86:22	181:10 257:3,6	6:4 23:21 24:2
28:13 43:23	130:25 139:19	89:12 94:1,9	Commissioners	30:2,3 48:15
111:22	163:22 165:6	95:16 97:1,1	2:3 5:5 12:1,6	49:8 52:2 72:8
Coates' 62:23	168:14 175:22	104:4 107:6,14	19:22 20:21	84:3 87:21
code 34:8 207:5	207:5 229:1	122:3 143:4	26:11 28:9	92:4,11 93:5
207:5 248:3,4	233:24 238:9	156:23 160:19	53:14 63:9	101:21,25
248:11,11,15	242:20 243:8	198:8 212:6	105:4 115:25	111:1 112:15
248:24,25	243:21 244:2	221:2 228:18	123:18 126:13	112:17,20
249:4,5,7	245:22	231:12 239:24	128:23 181:10	125:14 126:9
codify 184:5	comfortable	242:7 260:23	181:11 182:12	129:5 136:16
coercive 130:3	42:2 212:17	261:5,8	183:18 187:6	150:4 206:24
Cogan 5:11	236:23	Commerce 7:17	214:1 215:2	240:2
collaborative	coming 52:11	114:17 140:19	256:12	communicatio...
129:9,20	68:3 108:16	commingled	Commissioners'	5:24 14:14
237:21	110:22 112:8	56:11	158:13	26:23 50:8
colleagues	113:13 166:16	commission 1:1	commitment	80:21 102:7
134:17	217:6 242:22	1:22 10:13	117:24 183:12	110:23 119:6
collect 220:3	249:4	13:23 16:7	commitments	129:2 130:11
collections 33:14	commendable	22:3 24:11	186:23	138:4
33:18	150:18	27:20 32:13	committed	community
colorful 24:18	comment 11:14	40:7,23 43:5	103:23	35:10,10 38:12
combination	13:24 20:11	44:20 45:25	committee 27:14	39:1 66:8
12:19 197:25	26:4 51:21	62:19 84:9	27:16 42:18,22	108:4 129:10
254:17	70:25 77:3	91:18 104:4,9	43:17 50:25	186:7 194:25
combined	100:16 109:2,6	115:13 120:15	52:20 67:1,2	196:3 221:9
167:24	115:6 120:20	120:19 121:4	68:18 77:12	223:12 253:21

comp 67:2,3	219:1,4,7,8	191:23 195:14	153:19,19	100:13 101:18
companies 15:5	221:24 222:6	199:4 202:2	complete 105:21	120:8 227:7,21
15:11,14,18	223:1,25	209:10,23,24	149:4 262:10	concepts 51:12
19:1,17 22:25	224:19 227:16	214:5,20 218:9	263:4	94:2
23:8,13 50:9	228:11 229:11	218:12 222:3	completed 22:25	concern 22:7
54:5 56:12	229:16,17	224:9 225:25	completely	29:19 75:17
66:9 73:24	230:5,18,22	227:8,10,12,25	95:15 96:7	91:20 111:16
74:2,2 84:11	231:2 232:2,5	228:1,8,9,14	255:13	132:15 169:7
84:12 85:25	237:1 238:22	230:14,21,25	completing	171:2,2 207:6
92:24 95:19,23	239:7,9,11	231:5 234:8,15	230:15	211:15 212:10
108:7,15 116:4	241:12,13,22	239:18,21	complex 21:18	226:15 238:12
116:8,20 117:5	245:4,6 256:4	243:7,14	53:3 64:21	245:22 250:16
118:12,18	company 14:6	246:19 255:4	123:5 251:6	concerned 15:12
123:8,14	14:24 16:2	258:5,24	complexities	43:8 71:11
126:17 128:19	21:25 25:17	259:21	60:6 99:2	73:12 123:25
130:22 131:2,6	34:23 44:21,24	company's 14:8	complexity	223:16 241:1
131:11,15	54:20 58:5	24:9 56:2	14:22 37:2	246:1
132:13,16,20	59:21,21 60:11	59:24 127:5	64:6 83:16	concerns 21:25
133:21,24	61:22 66:16	134:3 143:11	compliance 8:12	22:11 25:4,7
134:1 135:21	83:23 84:13	144:4,5,11	166:8 209:14	25:19 42:1
136:17,18,25	89:24 100:1	155:6 156:9	210:14 216:25	84:13 111:19
138:17 140:17	108:3 115:23	183:5 197:17	217:4,13	117:24 133:1
141:1 142:17	116:11,22	243:19	248:17	151:10
142:19 144:13	117:1,3,6,24	company-spec...	complicated	conclude 43:22
145:15,20,24	121:19 123:5	196:19,21	22:4 43:13	61:17
147:3,4,12,13	124:13 125:6	comparatively	44:6 50:12	concluded 42:18
147:17 148:17	125:18 126:20	100:25	59:8 239:11	261:14
154:5,8 156:25	127:8,18 128:1	compare 243:19	comply 248:25	concludes 61:25
157:3 159:3,8	131:8,23 132:8	compared	249:5,5	180:11
160:6,11,14	132:9,10 136:3	135:23 178:3	component	Concluding
161:12,13	138:20 139:22	254:21	206:9	9:11
163:1,5,5	140:1,14 142:2	compelling	components	conclusion 42:9
164:16 165:3	142:4 143:12	238:3	72:25	104:8,16
166:2,9,19,25	146:2,2,2,25	compensation	compounding	255:16
167:8,8,13,16	147:23 148:22	206:11 243:15	153:12	conclusions
167:20,23,25	149:7 151:16	254:19 255:3	compressed	247:24
168:3,5,21,23	155:5,25 156:8	compete 106:19	238:7	concrete 100:10
169:1 171:25	157:21 159:22	competing 63:25	comprises 81:8	condition
172:4,5,15,18	163:16 164:15	competition	compromises	112:11 250:18
173:13 174:15	164:20 165:22	85:8 86:15	99:6	conduct 80:23
175:3,15	166:12,15	98:7,7,9	Comptroller 7:3	207:5 248:3,4
176:10,11,11	167:3,9,11	135:19 253:3	7:5 114:12	248:11,11,16
177:8,23	168:7,13,18,20	competitive	Computershare	248:24 249:1,7
179:21 182:23	172:9 173:2	200:8 204:25	5:14 26:20	conducted
188:3 192:6	174:2,21	competitiveness	44:20	247:20
195:14,23	175:10,17	7:18 114:17	conceivable	confident 211:4
196:18 201:15	176:4 178:6	166:20 189:21	188:5	215:21
208:21 218:20	183:1 189:4,11	225:18	concept 21:17	confidentially
218:21,24	190:5,19,21,24	complaint	22:4,5 32:10	97:20

confined 14:13	215:12,22	228:6	contacted 34:6	108:12
confirm 42:25	216:4 218:22	consideration	35:18	continuing 37:1
47:1	conform 125:24	37:20 72:13	contacts 89:12	38:12 39:15
confirmation	confrontational	127:7 176:17	contain 244:15	continuous
22:8 38:25	215:15	185:3 217:19	contained	129:5
39:17,25 40:12	confused 30:10	218:7,8 220:23	262:11	contract 101:18
40:18 41:23	confusing 72:20	228:5 238:5	contention	187:19 193:6
42:12,18,20	confusion 72:16	254:5	197:16	contracting
43:2,10,13	72:23	considerations	contentious	34:22
44:5 45:2,7,14	congratulate	148:7 240:5	197:7 198:14	contracts 87:16
46:24 47:19	18:4	considered	239:15	89:15 90:4
48:13 52:8,17	congratulating	62:13 75:15	contest 53:10,22	207:22
56:5 61:25	16:18	117:14 127:22	53:25 63:20,25	contribution
67:17 72:7	Congress 7:21	131:25 137:7	66:22 71:21	152:18
78:17,20 99:24	114:18 224:17	171:18 191:2	72:15 73:19	contributions
111:2	conjunction	251:24	77:10,13,17	12:21
confirmation's	184:4 230:3	considering 21:1	contested 31:23	contributor
40:9	Conn 3:2 5:13	148:13 173:13	56:15,20 60:22	253:15
confirmations	26:20 44:19	consistencies	63:2,18 64:2	control 66:2
41:25	95:14 109:5	220:21	240:10,17	75:25 106:11
confirmed 45:6	Connected 30:7	consistency	254:14	122:12 137:16
84:5	connecting	128:16 156:13	contests 22:17	167:10
conflated 110:8	218:23	consistent 19:7	67:23	controls 104:22
conflict 138:6	connection	56:4 186:9,17	context 31:24	controversial
189:8 207:24	190:6 204:22	consistently	38:22 53:21	80:19 221:24
211:23 213:13	226:21	127:3 186:21	59:11 129:20	convene 16:20
214:14 215:18	Conover 3:2	constantly 82:23	131:20 135:3	convened 108:2
222:17 223:9	5:15 26:21	210:12	135:20 147:5	convenient 87:7
223:16,18	50:24 81:1	constituencies	195:6 198:4	convention
224:3,13 225:2	94:1	219:25 221:17	215:17 216:10	223:5
225:12,25	conscience	constraint	239:17 240:21	conversation
236:18 246:2	222:22	223:11	254:10	16:15,21 17:13
conflicting	conscientious	constructed	continually 21:2	18:2,6 27:17
61:21 70:4	185:5,19	253:20	136:14,20,22	94:3 96:21
conflicts 18:23	194:11 210:24	constructive	165:5	113:14 116:2
25:13 57:14,17	consensus 21:8	25:18 229:9	continue 14:15	187:7
184:21 202:12	144:25 149:21	consult 165:22	21:11 22:11	conversations
202:14,20	consent 154:12	consultation	32:23,24 44:8	116:8,11 117:5
203:4,23	consequences	218:14 247:18	100:13 103:14	118:18 190:9
205:23 206:1	174:2	247:18 249:2,3	103:14,18	220:7
206:16,18	consider 19:9	consultations	108:19 129:3	Cook 160:18
207:11 208:2	25:15 62:19	247:21	150:21 165:9	cooperate 39:24
208:24,25	117:11 118:4	consulting	186:25 202:13	cooperation
209:1,2,17	118:20 144:12	165:22 202:16	212:20 257:1	29:9
210:20,24	144:19 174:18	203:4,10 206:7	257:12	copy 61:3
211:1,3,16	183:24 185:7	208:21	continued 3:1	core 85:14 87:2
212:3,6,16	190:17 203:8	consumer	4:1 6:2 7:2 9:2	109:16
213:1,4,5,5,6,8	206:24 213:5,5	121:17 252:16	22:7 182:8	corp 17:1,4 80:9
214:8 215:6,10	213:15 217:17	contact 35:19	continues 22:10	128:24 153:3

158:13	correction 258:7	counsel 6:15,24	224:17	108:3
CorpGov.net	correctly 241:15	7:8,23 8:11,18	cover 46:16	crowd 257:11
7:15	corrects 231:23	8:20 10:19,25	117:15 233:11	Crown 223:3,12
corporate 6:11	correlation	11:1 247:15	coverage 202:2	CSD 101:3
7:4,12 8:8 9:7	244:5 255:17	count 136:24	covered 22:5	Ctr 114:17
12:20 14:10,12	corruption	162:3,7	116:20	culture 117:17
27:1 30:24	226:13	counted 17:16	covering 218:20	cumbersome
33:14,18 34:22	cost 50:16 61:8	21:23 30:23	236:19	22:18 83:4
34:23 89:1	71:2,11 74:1	57:1 59:1	covers 248:14	cumulative
94:13 129:1	84:16,19,21	74:21 97:18	Cracker 159:10	149:15
140:11,23	85:1 87:10,21	111:15,17,19	creaking 45:24	cure 51:24 70:10
141:8,15	90:20 91:25	112:3,19	create 15:3	cured 210:25
150:12 152:18	92:19 93:24	counterintuitive	28:17 29:17	curious 86:7
167:18 179:1	100:6 133:20	85:20	30:4 31:22	177:13 212:23
186:7 187:18	134:8 136:17	countless 259:19	46:1 75:15	current 8:2
188:17 189:21	172:8,9,23,24	countries 100:16	81:17 82:2	14:16 23:22
199:1 200:14	173:1 179:19	country 45:3	129:22 130:10	38:6,22 59:13
206:5,6,19	201:8 249:22	100:25 141:13	169:25 218:4	63:24 75:3
207:1,3,13	251:25 252:11	150:13 167:8	225:7 248:20	99:20 100:4
208:5,9,10,15	252:15 256:8	167:20	created 197:18	127:14 128:3
214:12 216:18	cost- 95:20	couple 20:21	223:6 224:24	134:6 141:12
223:1,21	cost-benefit	27:3 28:8 41:5	226:13 230:2	157:21 170:24
225:20 236:5	133:12 141:16	52:6 53:7	231:4 240:2	178:4 180:18
240:6	cost-effective	61:17 69:25	248:7,10	253:16 259:23
CorporateGo...	108:14 124:10	81:1 83:8 89:9	creates 30:1	currently 31:8
114:16	124:10 175:14	94:1,9 103:8	82:8 99:20	49:25 150:20
corporation	cost-efficient	103:16 115:16	188:12	157:25 182:3
10:6,20 12:11	61:16 88:5	130:25 133:4	creating 30:19	212:2 251:23
19:24 25:1	cost-saving	142:11 143:23	64:20 166:22	cursor 193:7
129:10 130:6	184:10 197:9	147:19 148:12	241:21	curtailed 240:17
160:1 261:10	costly 22:18	151:23 160:19	creation 127:1	custodian 35:10
corporations	44:6 172:17	170:7 175:4	151:14	56:1 57:9
7:19 68:10	costs 22:11 60:5	176:24 177:6	creative 67:9	custodians 15:1
71:8 81:10	60:6,8,11,13	179:14 181:9	credit 104:4	31:18 103:16
160:14 203:6	60:16,20 61:7	181:13 214:3	205:17	110:21
203:17	61:8 68:11	227:1 229:24	crisis 205:17	custody 55:23
correct 34:2,10	71:3 75:2	231:12 246:22	226:10	56:9,23 57:3
188:10 210:9	82:10 88:1	courage 24:21	critical 39:10	custom 191:24
228:3,17 229:2	127:10,10	course 24:22	97:11 101:20	192:5,9 244:16
229:12 231:24	133:5,8 134:6	25:19 29:10	111:22 126:19	customer 46:15
231:25 232:23	135:3 144:13	57:1 107:11	204:4,14	51:7 81:15,18
232:24 233:23	172:1,17,18,24	131:24 139:7	215:24 251:1	81:18,21 83:2
253:11	173:6,7 190:23	209:8,11,14	critically 79:10	85:2
corrected 34:10	238:6,10	211:2 219:10	criticism 199:12	customers 82:19
203:13,14	240:20 247:5	230:12 234:12	criticisms 191:5	83:10 87:4
231:15,16,22	252:19	court 24:12	criticizing	95:3,3
234:5 237:18	cottage 15:3	159:18 160:2	198:23	customization
correcting	Council 5:9	courts 130:2	Cross 23:20	186:22
203:25 243:12	26:19 169:10	159:19 223:24	cross-section	customize

186:13	92:13 106:16	163:17 166:3	159:5 160:2	degree 166:8
customized	date 33:23 36:21	166:12,13,21	183:6 196:18	188:11 212:9
193:15	36:21,23 41:11	166:23 167:1	196:19,21	223:8
cut 79:16	41:19 53:25	200:20 207:7,9	213:17 223:10	degrees 105:19
cutting 83:18	99:7,10,12,12	207:10,23	237:8 245:24	106:10
cutting-edge	152:20 234:13	220:17 230:18	251:21 255:15	Delaware 58:21
227:4	262:5,15	231:2	260:3 261:7	deliberated 28:4
<hr/>	263:14	dealer 39:3	decision-maki...	delighted 10:4
D	date-old 171:6	dealers 14:21	13:6 252:8	18:4 28:6
D 10:1	David 2:14 3:9	15:1 39:13	decisions 25:16	deliver 82:20
D.C 1:24 262:6	5:8,19 10:18	51:6	62:11 76:20	83:9 96:8
263:6	17:4,5 26:6,22	dealing 35:21	118:2 135:12	delivered 87:6
daisy 47:1	37:14 53:13	156:19 166:5,6	141:21 179:15	delivery 81:2
danger 169:4	63:8 73:5,8	166:14 250:14	185:20 194:23	121:3
189:19	75:17 77:2	deals 157:22	197:12,15	Dell 53:11
Dannette 4:2	83:12 84:8	dealt 35:3	199:1 211:21	demand 108:20
7:22 114:19	88:11 91:13	138:23 195:23	224:6	157:2,7
118:22 122:2	96:23 100:5	238:19,20	declare 139:12	demanding
148:10 151:10	104:25	debate 18:7	decline 167:20	126:2
157:9 172:21	David's 97:1	44:25 63:3,5	declining 136:15	democracy
Dannette's	113:13	105:12 171:22	deconstruct	121:13 151:5
155:13	Davis 6:25 8:12	188:9 196:1	85:5	151:24
Darla 4:3 6:10	13:21 24:16	debated 188:8	decrease 61:13	democratic
26:25 44:17	114:11 181:1	debates 236:7	decreased 39:12	151:20
47:11 65:3	day 10:6,17	Debbie 60:19	dedicated 11:20	democratize
70:25 230:3	11:12 24:25	decade 56:14,16	deep 213:4	150:15
245:7	26:13 32:17	162:18,23	255:10	Democrats
Darla's 75:21	46:22 52:10	168:1	deep-rooted	25:23
122:13	61:3,14 74:5	decades 24:20	86:25	demonstrate
dashboard	74:17 83:20	120:12 140:24	deeply 110:19	153:10
211:19,22	124:24 152:14	161:23 168:1	197:15 242:25	demonstrated
data 20:8,11	193:4,19 194:6	deceiving 246:3	243:1	42:20 117:23
78:22,24 80:5	195:21 196:13	December 54:25	default 76:12	demonstrates
91:23 94:6,17	196:24 237:7	decide 70:18	86:13 89:13,16	116:23
94:21 103:9	242:22 243:21	109:8 125:16	90:6 94:20	denied 160:17
145:4,11,14	256:25 261:1	153:4 202:8	defaulting 90:7	department
148:8,12	day-long 11:16	223:11 252:14	defend 159:19	150:13 185:11
171:17 175:13	day-to-day	258:22	203:2,12	depend 151:25
176:19 184:14	146:18 185:16	decided 65:14	deference 143:8	249:23
184:15 206:7	202:24	239:18	defined 206:12	dependent 210:1
209:22 210:8	days 41:20	decides 243:6	235:23,24	depending
212:12 218:2	46:22 58:23,24	deciding 54:12	definitely	73:11 119:2
228:20 230:2	64:19 99:10	137:1 166:25	103:19 113:14	166:7,8 172:3
230:11 234:13	de 240:11	210:24	130:20 216:22	242:23
237:24 243:12	dead 175:17	decipher 41:20	217:14 231:1	depends 66:13
252:5 257:14	deadlines 39:19	79:8	237:24	151:5 173:25
257:15,22	deal 16:24 40:13	decision 109:18	definition	200:15 232:24
data-only 230:9	40:21 67:20	125:5 139:4	172:22 237:20	depository
database 91:25	68:4 117:11	142:8 159:2,3	deflect 172:16	52:13

depriving 167:15	127:19	113:15 118:24	116:19 118:11	223:17 225:23
Deputy 7:19,23 10:25 11:8	detriment 74:25	120:1 123:21	139:21	disclosed 60:11
derail 77:9	develop 21:10	125:24 129:16	directing 181:21	60:13 96:7
derive 209:5	83:17 85:8	147:15 148:23	direction 263:11	208:25 211:17
derogatory 199:2	97:15 194:18	149:17 152:6	directly 44:8	212:3
described 211:24	217:16 223:1	156:4 164:14	50:10 74:6	disclosing
describing 202:3 227:3	253:22	164:14 167:6,6	80:22 86:9	208:24 215:10
description 183:12 247:14	developed 222:11 248:25	175:3,4 179:21	92:14 93:11	223:19
design 255:21	developing 186:6 209:16	179:23 182:5	102:7 189:10	disclosure 141:4
designate 73:13	230:7	191:20 192:25	203:10 228:22	154:2,3 156:8
designating 73:19	development 219:18 220:13	199:4,13,18,23	228:24 229:4	156:9 161:3
designed 10:15	248:2	202:7 204:23	238:11 239:1	205:25 210:25
191:24 194:10	developments 23:18 24:2	206:23,23	258:23 260:9	212:1,6,18
253:23 254:2	96:19 216:19	212:4 214:17	director 5:9	213:8,13
255:21	devil's 103:13	215:16 218:5	7:10,19 8:6,10	214:10,15,20
desire 29:16	dialogue 10:16	218:10 221:23	8:21 9:7 10:5	215:18 236:13
83:6 95:11	24:4 25:18	222:17 231:19	11:7,8 16:18	243:4
desk 204:7	75:10 94:15	243:20 255:12	16:23 18:5	disclosures
desperately 188:16	108:7 115:1	differential	133:25 141:2	89:16 117:7
despite 29:5	147:9 182:25	55:18	146:12 158:13	211:8 216:6
detail 34:19	183:2 238:22	difficult 22:10	214:1 237:16	disconnect 99:8
36:23 87:18	239:1 257:12	29:22 37:18	237:20 246:25	disconnected
135:16 213:14	dialogues 238:23	43:14 61:4	directors 7:23	39:15 160:9
222:13 233:6	dichotomy 149:4	119:18 127:20	63:1 129:5,8	discrepancies
247:11 248:13	dictate 96:25	133:11 204:12	130:5 136:7	39:3
251:18	226:6	205:14 228:3	139:21 141:2	discrimination
detailed 11:17	differ 118:23	251:6 254:23	150:11 166:3	159:12 161:9
85:19 194:18	119:2,3	difficulties 30:1	197:5 227:18	163:11,13
221:13 247:14	difference 30:11	difficulty 28:22	235:12 243:5	discuss 11:15
255:4	34:15 47:7	dig 161:20	disadvantaged	16:25 17:22
details 73:11,12	50:2 64:13	digital 62:14,14	73:24 74:4	20:24 23:3
75:16 103:13	74:16 231:18	diligence 186:2	disagree 51:2	24:15 117:19
111:21 217:24	231:20 243:13	194:14,24	151:19 192:13	173:4 236:3
determination 127:21	243:22	195:5 207:7	203:20 237:7	discussed 23:11
determine 41:11	differences 39:4	211:13 212:10	disagreeing	27:18 108:10
109:25 216:21	182:5	213:2 240:15	173:8	144:8 154:20
243:16	different 50:7	240:21 254:4	disagreements	188:15,16
determined 109:17	56:11,12 57:15	254:17,21	221:18	discussing 13:8
determining	60:3 64:15	255:9,14	disagrees 87:8	17:18 86:24
	75:6 76:14	diligence-ing	discard 106:24	discussion 10:8
	79:8 80:10	197:15	disciplined	13:15 16:16
	92:15 97:23	diligencing	126:5	18:21 19:19
	98:17 102:15	207:9	disclaimer	20:2 24:4 27:8
		diminished	115:10	63:24 83:15
		238:8	disclose 67:7	100:14 111:7
		direct 14:11	138:7,9 155:10	111:15,23
		50:8 79:1 84:3	163:16,18	126:14 129:22
		84:22 100:24	207:20,21	131:17,21
		101:21,25	209:11,24	157:18 158:3

158:22 168:12 168:23 173:5 174:13 177:13 178:4 256:13 257:7	distributed 14:18 15:15 97:17 98:21 105:22 127:6	230:17 232:16 242:9 245:5 246:18 248:21 251:7 252:15 255:12 260:17	225:15 233:18 249:16,17 254:10	economically 226:12 Economics 5:12
discussions 20:12,19 21:9 108:13 110:14 129:11 133:14 149:10 256:13	distributing 22:12	dollar 153:5 dollars 51:10	<hr/> E <hr/>	ecosphere 215:25 237:4
disenfranchised 241:24	distribution 60:21 87:10 95:24 109:19	door 239:2	E 5:1 10:1,1 113:24,24	ecosystem 201:18 226:18 253:16
disenfranchisi... 141:17	disturbing 38:4	doubling 145:10	e-delivery 82:8 82:21	Ed 181:8 201:19
dismiss 151:18	diversification 201:8	doubt 105:16 248:22 260:8	e-proxy 120:23	Edgewood 104:14
dispense 68:24	diversify 227:17	dozen 162:8	e-voting 100:23	educated 105:4
dispersions 48:3	diversity 117:17 186:18 201:14 205:3,20 206:13 222:2 227:6 234:24	Draeger 3:3 8:10 181:1 184:23 194:2 210:22 239:23 252:10 253:19	earlier 36:16 62:24 97:1 100:16 119:9 120:6 128:22 139:1 154:20 155:8 176:6 187:21 242:7 243:9	education 121:16 161:11
disproportion... 167:10 169:7	dividend 51:10	draft 232:1	early 51:20 52:3 52:8 78:16 99:7 159:10 172:8 194:6 203:6 230:16	Edward 3:22 9:6
disputes 239:5 256:24	Division 10:6,19 11:7,8 93:1 261:10,10	dramatic 41:14 151:14 221:7	earnings 146:8	EEO-1 163:10
disqualification 31:17	Division's 10:21 10:25 11:2	dramatically 120:25	Earth 224:5	effect 16:1 38:16 62:25 89:16 182:8
disregard 137:15	Divisions 12:11 19:24 25:1	drive 87:25 101:6 113:5 187:23 196:2 218:2	ease 182:15	effecting 183:2
disruption 166:16	divisive 130:10	driver 195:22	easier 66:4 82:20 83:11 119:15 157:19 161:11,12 178:22	effective 6:19 43:3 114:2 117:4 185:18
disruptive 166:10	divorced 84:19	drivers 151:13	earnings 146:8	effectively 12:25 15:19 95:21 96:13 140:21
dissident 61:22 68:8,12 70:21 72:19 83:23 112:16 130:5	document 42:4 42:6	drives 213:17 235:8	Earth 224:5	effectiveness 23:5 184:20
dissidents 66:17 67:3 69:2 74:2	documented 43:1 87:17	driving 19:17 83:24 240:20	ease 182:15	effects 14:12,13
dissimilar 211:9	documents 207:22 216:7	drop 120:11 162:25	easier 66:4	efficacy 25:11
distant 108:9	dog 240:19	dropped 120:25	easy 31:8 69:2 82:19 122:5,8 122:18 157:12 183:9 197:7 211:8 213:13	efficiencies 100:4 113:3 180:7 198:12
distinct 119:12	doing 12:12 24:14 28:18 43:15 58:20 79:25 80:6 139:14 146:8 147:21 155:15 157:4,8 158:9 189:17 193:20 199:12,18 204:10,10 207:16 208:22 211:12,13 212:14 215:8 223:8 228:2	drops 168:18	echo 19:21 28:8 112:6 183:17 198:8 242:6	efficiency 22:1 85:12 184:11 188:4,10,14 233:12
distinction 76:17 80:13 93:18,19 238:16	document 42:4 42:6	DTC 22:22 33:8 33:13 34:3,12 35:15,24 36:4 39:3,14 49:6 52:14 57:15,18	economic 70:20 75:7 80:19 83:19,21 85:13 87:14 98:9 118:3 166:17 177:9 225:22	efficient 13:6 14:2 62:25 106:4 108:14 112:14 126:5 179:8 197:9 199:14
distinctions 91:22	documented 43:1 87:17	dual 167:9 175:22,25	easy 31:8 69:2 82:19 122:5,8 122:18 157:12 183:9 197:7 211:8 213:13	efficiently 15:17
distinguished 114:24 180:21	documents 207:22 216:7	due 14:17 31:6 117:4 213:2	echo 19:21 28:8 112:6 183:17 198:8 242:6	effort 18:16 25:24 47:16 89:10 165:3 185:5 243:2,11
distribute 96:2 231:25 232:20 233:15	dog 240:19	dues 190:15	economic 70:20 75:7 80:19 83:19,21 85:13 87:14 98:9 118:3 166:17 177:9 225:22	
	doing 12:12 24:14 28:18 43:15 58:20 79:25 80:6 139:14 146:8 147:21 155:15 157:4,8 158:9 189:17 193:20 199:12,18 204:10,10 207:16 208:22 211:12,13 212:14 215:8 223:8 228:2	duty 185:5 194:11 198:16		

efforts 127:20	213:15 240:11	39:25 79:3	81:24 92:2,11	134:11 139:10
Egan 3:4 8:14	elements 13:19	99:23	114:2,6 115:17	185:4,18
181:2 202:21	184:15	enabled 40:5	115:23 116:3,7	186:17 215:9
202:22 250:8	elicit 10:15	enables 97:16	116:17 117:4,5	241:15,18,19
259:8 260:19	eligibility	encourage 11:22	118:11,23,25	ensuring 51:7,8
260:21	169:23	21:11 24:13	119:1,3,25	126:23 170:17
Egan-Jones 8:15	eligible 36:23	26:2 61:12	120:2 123:14	191:1 242:3
181:2 192:21	51:14 97:18	122:17 124:11	126:18,21,23	entails 116:8
202:22,23,23	144:2	161:3 167:18	127:13 128:18	entered 122:12
205:16 250:8	eliminate 42:1	229:9 238:21	130:21 131:9	entering 205:12
Egan-Jones's	70:2 93:13	251:11 257:12	131:14,21	Enterprise 8:17
193:1,2	eliminating	encouragement	133:14 134:2	181:3
eight 13:23	61:19	259:8	143:23 147:9	enterprises
66:23,24	else's 155:16	encouraging	178:6 183:1	259:10
137:23 149:3,6	225:11,13	150:17	190:9 196:7	entices 105:2
162:9 204:17	246:16 253:5	end- 56:4 112:19	219:8 235:18	entire 13:21
242:10	email 68:25	end-to- 42:11	252:21	132:2 173:25
either 10:3 15:4	71:12 82:23	end-to-end	engagement-fi...	entirely 147:15
59:20 84:4	90:25 91:7	42:17 47:19	118:15	149:17 172:18
101:14 111:16	93:7,11 95:18	61:24 62:3	engagement-w...	entities 79:8
121:1 177:8	119:20	72:6 99:23	94:13	85:21,23,25
202:15 203:10	emails 102:3	102:9 112:14	engagements	entitled 109:23
205:21 207:19	embed 109:10	endanger 97:11	116:20 117:6	entitles 144:6
245:20 251:12	130:19	ended 90:19	234:15	entity 79:21,22
252:6	embraced 22:21	endemic 76:15	engaging 129:11	entrenched 48:3
elaborate	emerge 106:18	endogenous	218:23 219:10	97:4
208:16	emerging	200:8	229:23 236:8	entry 62:15
Elad 2:7	118:12 151:8	endorsed 140:22	241:11	environment
elect 77:24	emotion 257:14	energy 124:14	enhance 16:2	188:24 223:5
172:19	emphasize 28:3	135:6 173:2	21:2 92:1	251:11
elected 86:12	emphasized	enfranchises	100:1 257:1	environmental
electing 146:12	45:18	141:8	enhanced	116:5 117:22
election 56:16	emphasizing	engage 14:5	128:13 208:1	124:5 141:3
56:21,21 63:11	121:18	20:2 23:13,16	247:2,4	151:12,15
63:18 64:2,12	empirically	95:8 115:19,22	enhancements	162:7 168:15
elections 55:12	14:11	119:15,18,19	256:14	186:19 245:16
60:22 63:2	employee 59:11	123:8 131:12	enjoyed 113:21	246:12
133:25 141:2	employees 8:9	133:21,24	Enlightenment	environmenta...
electronic 43:18	59:13,21,22	149:13 161:15	223:10	226:6
43:19 57:17	159:10 180:25	172:7,7,11	enlightening	envy 45:21
60:21 61:10,13	187:10,13	197:21 218:20	258:15	EQ 6:9 26:25
68:24 69:1	190:15 195:2,3	230:19	Enlightenment	equal 255:17
84:4 110:22	206:21 238:11	engaged 21:7	222:20 224:23	equally 30:24
121:2	employment	42:19 133:24	226:11	130:1 189:2
electronically	163:18	229:24 239:10	enormous	244:1
45:5,6 61:1	empower 151:1	engagement	185:20	equate 198:4
121:2	empty 59:9,10	6:19 20:17	ensure 43:9	equities 188:2,7
element 126:19	60:4	23:8,12,18	51:14 104:23	equity 105:21
186:22 197:21	enable 21:21	26:5 78:6	112:1 127:2	167:24 190:13

195:19 205:4 209:4 220:9 255:2 errand 153:6 error 138:18 231:15,18,21 231:21 232:24 232:25 233:6 233:24 234:4,6 234:8,10 237:16 errors 25:10 228:17 229:4 231:23 232:22 238:17,19 243:12 ES&G 190:17 escalate 108:21 ESG 8:7,22 ESMA 248:10 esoteric 85:20 especially 63:18 134:11 168:23 178:9 224:15 260:12 essence 103:9 essentially 101:18 102:20 102:21 160:5 192:2 206:22 208:9 219:23 220:8 233:18 established 203:15 estate 204:8 estimated 32:19 estimates 172:2 Estonia 100:24 110:19 et 78:20 80:10 164:17 227:8 ethical 214:19 ethics 207:5 ethnicity 163:19 European 247:19 248:7 evaluating 127:11 177:15 202:1	evaluation 131:25 Evelyn 24:16,17 24:23 event 11:10 26:4 27:20 65:24 71:18,20 73:3 243:8 events 73:2 eventually 163:3 ever-so-slight 32:1 everybody 26:11 34:9 41:15 48:5 75:7 84:5 92:2 101:8 102:23 104:21 113:13,15 125:9 175:14 189:1 237:5 245:1 247:10 261:9 everybody's 74:25 78:16 134:20 everything's 143:16 evidence 212:15 evident 216:4 evolution 248:16 evolve 169:9 249:4 evolved 182:7 evolving 209:13 210:12 249:8 ex-bankers 217:2 ex-journalist 234:2 ex-partner 250:10 exacerbated 60:20 exact 34:7 59:6 164:20 exactly 35:21 39:19 66:23 71:10 136:25 145:1,16,17	146:18 155:14 156:18 235:14 examine 19:13 133:12 205:5 examined 54:22 example 15:14 23:21 25:8 30:19 35:13 43:12 56:6 57:2,4,13 107:2 127:15 133:23 146:19 152:12 162:2 163:9 175:22 206:13 217:23 218:10 222:2 228:8,15,16 238:25 240:9 246:25 254:12 examples 20:8 22:15 34:17 56:5 100:10 162:17 170:7 175:4 259:19 exceedingly 164:23 exceeds 23:22 70:13 excellent 40:10 exception 177:9 exceptionally 168:10 excess 60:12 exchange 1:1,22 87:18,24 104:5 107:18,25 109:21 151:6 175:13 180:3 excited 58:19 229:16 exclude 157:21 excluded 24:9 56:20 57:5,14 159:16 excludes 143:13 exclusion 134:11 177:9,21 exclusions 125:24	exclusively 194:5 excuse 68:19 90:24 execute 182:14 184:12 192:9 192:21 executed 192:15 executing 184:16 192:4 193:20 execution 21:18 executive 5:9,18 6:8,10 7:16 8:19,24 9:3 44:24 126:17 154:3 223:23 224:18 243:14 254:18 executives 259:12 exempt 123:2 199:6,9 225:10 exercise 112:3 241:25 249:19 exist 21:25 30:13 31:9 85:10 129:16 129:16 142:24 170:1 195:18 198:23 214:8 225:4 existed 225:3 existing 120:13 142:6 255:20 exists 30:14 41:18 74:7 91:23,25 111:3 expand 11:18 expect 24:4 27:7 59:22 140:14 157:7 225:6 226:3 249:3,6 expectation 48:17 expected 49:1 259:4 expecting 48:23 72:4	expend 161:1 expense 19:17 expensive 60:9 60:14 61:6 70:23 90:18 91:8 experience 16:22 17:9 40:20 53:9 75:21 81:18 101:23 158:21 175:2 195:17 213:12 237:15 238:2 experienced 20:23 experiment 50:3 50:15,15 experimental 40:3 expertise 198:1 experts 97:14 explain 125:19 146:3,15 245:9 248:25 249:5 explaining 146:25 247:15 257:22 explanation 88:15 94:4 explicitly 150:2 explore 23:19 40:10 100:13 exploring 6:18 114:2 156:10 express 115:12 116:16 128:6 expressed 171:1 expressing 178:6 extending 250:25 extensive 194:17 extent 27:9 37:7 63:13 83:17 132:25 194:8 199:2 222:12 236:21 249:25 257:16
---	--	--	---	--

extra 83:5 113:19 148:12	231:23	75:12 92:3	68:3 164:10,11	finance 9:9 10:6
extract 107:2	fact-based 140:10	106:25 174:22	188:23	10:20 12:11
extraordinarily 42:7	factors 38:9 124:5 162:8	176:16	figh ts 29:24 66:9	19:24 25:1
extraordinary 16:19 71:5	177:11,14,21	feasible 240:1	69:7 189:15	200:6 261:10
extreme 85:11 105:20	200:16 245:16	February 152:13 221:12	figure 65:19	financial 6:5
extremely 17:20 129:4 206:17	245:17	federal 12:20	67:4 72:25	22:22 56:7,18
207:12 231:8	facts 20:8 78:8	99:16 159:17	74:5 75:1,8	57:20 217:6
233:13	140:13 166:1	Federation 7:20	78:12 88:6	find 21:3,12
Exxon 162:19	170:7 257:13	114:18	145:17 148:9	25:14 58:22
162:23 163:3	factual 25:10	fee 108:5,21	153:7 157:12	76:11 113:6
eye 165:12	231:3 232:25	128:2 230:24	171:12	118:16 121:20
	233:23 234:4,8	feedback 21:7	figuring 92:3	121:21 133:19
	238:17,19	51:17 125:2	file 18:12 20:11	147:13 152:24
	fail 12:24	175:10 216:20	59:3,4 152:7,9	174:8,11 220:1
	failing 135:20	218:1 219:2,8	152:12,14	227:16 229:9
	174:2,15	feel 42:2 60:1	154:1 178:21	238:18 239:23
	failure 138:22	72:15 176:14	196:11 257:13	243:20 248:19
	fair 12:14 14:2	176:16 183:13	262:4	finding 22:19
	29:13 68:10	212:17 222:12	filed 104:9,9	119:8
	75:14	237:5 251:22	108:6 123:2	findings 34:25
	fairly 97:19	feelings 131:8	132:16,20	fine 33:21 36:1
	154:9,13	feels 38:14 107:8	142:17 158:18	68:4,13 88:21
	221:13 247:14	fees 60:7,7 71:4	158:19 159:12	89:24
	fall 106:25 220:4	94:10 104:18	162:20,21,21	fin es 190:15
	false 93:18	104:18,19	162:22 163:14	finesse 233:23
	familiar 20:24	108:1,9 109:22	175:24	finger 160:24
	110:18,19	fellow 12:6	filer 157:1	fingers 162:4
	219:20	107:21 115:6	163:12	finish 48:9,9
	families 194:5	228:18	files 138:20	132:3 143:2
	family 209:6	felt 121:2 140:9	filing 128:2	finished 55:19
	fan 17:5	fewer 106:13	152:21 157:6	115:4 181:17
	FANG 168:2	154:3 167:23	157:11 228:1	219:11
	fantastic 69:22	168:5,21	filings 138:15	finite 170:13
	far 12:22 15:12	fide 62:25 63:19	214:14 239:14	fired 159:10
	69:19 74:3	Fidelity 5:16	filled 58:7 59:7	firewall 206:21
	109:19 133:4	26:21 122:7	filtered 257:15	208:3
	160:14 178:11	fiduciary 138:12	fin 17:1,4 80:9	firm 36:11 48:20
	217:10	138:21 183:23	128:24 153:3	48:22,24 76:5
	farm 241:16	187:13 189:24	158:13	76:5 128:6
	farming 246:5	190:4 198:16	final 54:9,24	138:7 165:20
	246:12	199:7,9 225:5	55:16 78:13	185:9 186:11
	fascinated 65:6	225:10 233:18	110:3 180:14	186:11 187:17
	fashion 191:16	238:13 249:17	232:1 233:7	187:19 194:4
	fast 35:12	253:6 254:10	260:23	194:13,18
	faster 21:4	field 75:16	finalize 221:11	195:3 200:24
	faults 30:4	251:10	finally 16:3	202:17,25
	favor 59:23	fight 14:10	17:22 32:4	205:13,17
		31:24 65:7	57:13 70:14	211:7,13 213:3
			115:9	216:16 227:15

227:22 228:9	112:10 114:8	222:20	224:18,20	155:9 160:3
232:19 236:18	114:10 115:24	flow 12:22 151:6	251:10	180:10
237:13,22	116:7 123:16	192:3 197:10	forced 149:18	fosters 13:3
240:16 242:23	128:22 130:3	198:13 249:23	166:3 250:21	found 36:4,10
254:5,18,21,22	133:11 143:24	flows 13:4 31:7	forces 37:10	36:12 48:16
255:11 260:3,7	144:15,24	flushing 254:1	forcing 176:18	55:6 95:6
firm's 186:15	146:15 147:20	focus 11:5 15:6	foregoing 262:9	111:7 153:22
191:8	151:24 154:16	23:7 32:18	263:4,10	159:7 174:6
firm- 200:7	159:18 164:10	35:9,9 67:25	foremost 238:13	177:11 185:14
firm-specific	177:2,22	84:17 89:1	forget 209:18	237:16
200:15 201:9	181:14,25	114:6 125:17	forgotten 124:22	Founder 5:17
firms 8:2 11:6	184:8 188:8,18	243:3	form 15:9 49:19	founders 168:24
17:23 24:25	191:15 198:21	focused 55:22	76:11 95:17	Founding 8:14
25:9,25 137:12	202:18 206:3	112:23,24	130:2 155:3	four 12:9 58:23
143:8 156:14	210:21 213:21	117:11 126:25	156:2 184:15	58:24 66:23
178:10 180:17	222:15 231:12	163:10 185:15	259:10	85:5 104:5
182:2,3,6,9,13	232:12 235:4	198:25 256:23	formal 251:17	152:11 184:9
182:22 187:9	238:13 239:6	focuses 206:10	formation 14:3	218:10 227:12
188:18 191:6	252:9	focusing 61:12	135:19	244:18
197:11 198:23	Firstly 44:19	folder 59:3,4	formats 82:20	fourth 13:10
198:24 199:12	69:25	folks 17:15	216:16	31:14 111:18
200:9,16	fist 67:20	21:15 40:15	formatting 70:8	fractional
201:11 203:2	fit 69:5	52:2 69:24	former 59:21	169:15
203:21 204:24	five 23:23 54:15	73:7 108:15	153:3	frame 238:7
204:24 206:23	66:23,24	125:10 154:4	forms 59:7	framework
212:25 214:18	103:16 158:2	174:22 176:23	formulation	15:10 50:9
215:8,24	159:17,25	207:12 217:4	216:12 221:5	202:1 247:16
222:12 227:2	195:24	228:19 236:4	forth 27:8	249:11
235:7,15,16	fix 31:8 38:1	236:17 238:7	101:16	frank 220:6
236:12 242:20	39:22 107:24	242:13,19	fortitude 24:22	frankly 28:23
243:11 246:25	235:12	follow 49:14	fortunate 60:18	32:6 83:19
247:3,8 251:15	fixed 17:16 31:5	85:18 130:8	114:24	92:17 128:5
252:6,12,17,20	31:23,25 76:23	135:1,13 143:3	fortunately	140:19 172:3
254:9 256:7,9	93:25 188:14	161:18 173:12	119:4	235:1
257:20	233:6	199:7 221:14	forum 124:2	fraught 66:19
firms' 25:15	fixes 37:23	222:21,23	132:1	Fredrickson
201:1 202:14	fixing 67:25	225:3	forward 10:7	2:14 5:8 10:19
226:20	flash 160:3	followed 44:17	11:23 12:7	17:4 26:6
first 10:17 12:10	Flat 224:5	57:6	13:15 16:16	36:25 62:21
15:12 16:22,22	flaw 87:3	following 54:19	17:25 18:6,13	65:1 69:21
17:8,14,17	flawed 87:13	62:23 118:21	18:22 19:19	71:13 73:5
21:16 23:1	flee 225:20	follows 42:13	20:12,17,19	76:24 79:14,20
26:7,13 29:18	flexibility 29:10	food 190:19	23:4 25:20	80:15,18 83:12
32:17 33:5,11	30:18	Foods 139:4	32:14 35:12	84:7 86:21
35:22 41:5	flexible 21:4	141:22 159:3,5	46:5 53:19	88:3 91:13
44:17 45:7	flight 95:1	fool's 153:6	69:7 87:20	92:20 95:13
69:15,24 71:25	flipping 183:9	foot 162:3,4	100:20 107:24	96:17 100:9
78:4 95:15,21	Florida 30:23	force 11:2 175:7	137:11 141:14	free 41:15 151:5
101:5 109:9,15	flourishing	175:20 223:24	141:22 150:16	201:5 215:21

218:24 222:21	86:1 93:3	62:16 98:24	100:11 112:4,8	34:23 35:2
231:4 232:20	121:21 158:15	99:1	115:11 143:9	36:15 38:2
French 209:7	159:17 182:8	gateway 105:1	145:24 147:3	44:17 51:19
frequency	182:21,22	gather 20:10	148:15 173:24	66:22 69:19
244:19	187:4 188:1,1	169:18	173:25 175:4	73:4,6 75:16
frequent 25:11	188:7 189:9,15	gathering	176:22,23	81:10 82:12
frequently 23:11	189:24 195:19	228:21	187:9 191:9	85:11 89:20,21
180:8	201:7 209:4	gay 159:11	194:9,12	104:25 106:21
fresh 158:23	215:24 224:12	160:15	199:24 203:6	114:3,8 115:11
Friday 65:16	224:14 226:8	GDP 168:8	226:19 232:4	122:2,8 134:18
221:10	242:2 258:20	gears 176:20	given 12:15,15	137:1 140:2
friendly 81:23	fungible 34:3,7	gender 159:14	23:25 25:6	142:22 154:8
fringe 163:24,25	38:7 46:17	163:11,18	45:9 88:19	159:22 161:15
164:2	48:25 62:8	222:4 227:6	117:19 144:22	169:21 173:14
front 58:16 72:1	further 10:9	general 6:14	154:23,24	173:17 178:21
178:24 193:11	14:22 20:17	7:23 8:11,18	178:2,8 217:18	184:21 193:8
209:1 244:1	28:7 36:3	8:19 23:2	238:6 255:22	195:1,14
252:11	50:14 70:19	29:19 45:14	257:24	205:10 207:13
fruit 72:14	192:16 195:1,3	119:5 181:4,25	gives 41:19	211:19 214:25
fruition 13:22	208:16 218:22	200:13 215:3	111:12 167:9	215:19 220:5
fruits 222:23	246:24 263:9	generalities 20:9	233:6	225:2 234:20
fulfill 185:3	furthermore	generally 116:25	giving 88:21	239:2 244:11
186:23 198:16	166:16	119:3 137:23	176:18 199:3	245:10 247:11
fulfilling 185:5	further 148:16	206:12 232:2	226:17 241:11	247:17 248:13
fulfillment	future 8:3 59:15	generation	241:19 251:1	249:2 256:21
194:11	180:18	100:19	glad 39:5	258:11,17
full 10:6 26:16		generations	Glass 8:25	goal 118:3
36:23 180:21	G	57:25	137:16 143:10	150:17 246:11
208:13 226:10	G 10:1	Georgia 30:24	143:20 181:6	goals 92:10
230:20	gadfly 153:24	getting 12:13	192:21,25	112:14 113:6
fully 157:3	154:16	18:3 22:17	193:2,13	God 143:20
184:6 211:4	gained 198:12	51:16 52:3	201:22 208:18	goes 42:10 51:20
function 81:5	game 77:22	61:23 67:17	209:20,20	73:4 75:20
188:19 216:25	153:11,12	73:22 75:18	210:11 216:23	87:21 131:17
248:17	184:11	136:20 152:8	218:18,19	140:19 153:19
functionality	Garland 3:5 7:3	162:24 171:15	220:24 238:25	153:20 162:11
102:14	114:11 158:10	193:15,15	244:12 247:9	166:1 186:5
fund 6:7 19:8	158:12 161:8	196:20 203:6	248:6 251:19	193:10 194:14
57:4,7 188:21	172:14 178:14	218:1 254:25	global 5:13 6:13	206:9 233:4
199:6,17 209:3	258:19	255:13 261:2	8:23 110:20	234:1 258:1
219:12 224:8	Gary 3:21 9:3	Ghazal 3:6 7:7	181:5 220:14	going 10:9 12:8
246:18 258:22	181:6 191:9	114:12 143:3	220:15 232:2	16:25 17:22
fundamental	193:13 205:21	156:22 170:20	globally 219:1	18:21 26:3
37:3,9,20,24	214:9 219:15	177:18	248:12	27:24 32:14,17
38:6,19 45:17	221:21 222:5	Gilbert 153:23	GM 229:24,24	37:24 38:2
86:18 110:1	227:2 231:11	give 18:25 35:19	230:1	40:6 43:11
112:2 239:13	249:12	36:19 43:5,11	GM's 237:3	45:1 46:4,6
funds 19:4,4,5,5	Gary's 192:19	47:13 56:5	238:24	48:17 49:10
33:14 50:9	gatekeeper	66:3 88:14	go 26:16 33:6	50:3 53:11

66:15 67:5,11 68:22 69:14,16 73:11 77:11 78:1 79:3 81:8 82:9,23 93:7 94:11 95:3,11 97:12 100:7 101:15 102:5 103:18,22 104:1 106:20 107:24 112:6,8 113:17 120:8 125:17 130:21 137:13,14,20 138:1,5 140:17 141:13,17 142:22 146:6 147:25 148:5 151:18 153:6,7 153:14,15,16 156:1,13,17 157:19 160:24 163:23 164:2 165:10,16,16 165:19,23 166:24 168:22 172:8,9 173:25 174:12 176:20 180:10,19 182:24 188:4 189:3,11,21 192:12 195:2,9 195:14 198:3 201:8,10,13 207:18 210:22 213:4,16 222:18 224:6 224:15,22,23 225:19,21,22 226:8 229:15 229:16 233:23 236:24 237:14 241:2,3,8 242:1 245:14 245:19,23 247:11 248:13 249:1 251:13 260:7 261:6 Goldberg 111:8	Goldfarb 3:7 5:17 26:21 63:8 75:10 77:2 92:23 good 10:2 12:5 13:18 19:21 26:10 27:12 37:4 49:15 64:24 77:6 124:9,17 131:7 141:11 157:15 157:17 161:20 163:7 177:22 180:9 196:22 202:4 203:20 222:19 226:9 229:6 230:7,16 231:13 237:13 242:8 243:25 244:13 247:15 255:22 257:21 goodness 229:7 Google 169:1 Gordian 86:25 gotten 139:6 214:10,15 gov 67:4 227:12 govern 14:5 governance 6:11 7:4,13 8:8 9:8 14:8 27:1 89:1 94:14 116:4 117:17,23 118:13 124:5 129:1 140:11 140:23 141:8 143:12 150:15 152:19 162:7 167:18 168:15 172:7 175:16 183:4 186:7 187:18 188:17 197:17 199:1 200:7,9,11,14 202:1 206:12 214:13 216:18 240:6 248:16 governing 70:9 government	190:14 224:18 260:15 graciously 12:15 gradual 118:8 Gramm 3:8 8:16 181:3 187:3,25 197:3 198:21 201:6 222:10 222:15 244:4 245:15 253:1 257:4 260:1,20 Gramm's 190:3 199:25 241:6 241:23 251:2 Grammar 180:25 grandfather 58:1 grasp 97:14 106:24 grateful 17:21 18:16 gray 47:10 183:8 great 16:24 25:14 27:19 37:14,15 49:16 50:3 52:18 53:5 74:11 75:15 82:10 105:16,24 107:10 123:7 126:12 145:8 202:6 207:7,9 207:10,23,23 219:17 220:17 224:12 225:12 246:8 247:11 248:13 greater 82:8 84:25 128:15 135:16 180:6,7 201:14 greatest 12:21 82:18 greatly 11:17 21:6 26:5 179:5 grew 185:13	grievance 139:17 grips 189:13,20 ground 159:1 198:22 grounds 198:22 group 5:16 6:13 6:24 7:24 34:13 40:14 47:15 65:8 90:4 97:9 108:2,23,25 114:20 119:4 130:22 158:6 176:22 207:13 224:5 230:5 232:20 248:7,8 255:1 groups 112:13 206:13 223:20 224:20 grow 153:15,15 165:9 188:5,20 189:11 growing 165:9 185:7 growth 81:4 167:24 182:8 182:20,22 187:4,25 224:25 225:22 guess 58:15 63:14 65:1 88:23 94:22 98:25 123:12 125:10 153:2 153:20 163:22 166:22 179:13 190:12 195:17 215:5,11,11 222:18 226:21 254:11 255:18 guidance 15:22 15:24 16:1,10 24:5 39:2,23 43:6 128:11 132:24 177:19 205:25 255:22 255:23	guided 63:16 guideline 118:8 guidelines 182:14,19 187:19,22 200:23 201:10 201:13,21,25 201:25 213:16 216:17,20 226:24 234:21 guidelines-bas... 200:3 guiding 144:19 Guild 223:3 gum 77:5 guy 51:9 65:18 guys 58:20,22 67:10 111:20 112:1,4 202:6
H				
H 2:15 3:7 5:17				
half 54:2,7,24 135:21 154:7 166:1 184:10 188:6 200:6 243:15,19				
hall 47:20				
Hamptons 105:1				
hand 21:8 118:7 144:9,12,12 162:3 215:20				
hand-waving 162:11				
handed 58:4,6				
handling 225:10				
hands 138:13				
happen 33:17 38:24 40:6 44:11,13 46:24 47:25 49:5 72:10 102:1 122:6 139:24 149:8 175:7 192:11 237:14 239:1 259:16				
happened 33:19 33:21 35:2,22 53:11,12 65:9				

67:13 159:6 218:17 happening 33:12 77:9 152:6 168:20 189:14 201:25 202:5 244:13 245:13 happens 70:9 72:20 169:19 188:24 210:11 224:9 230:16 231:17,17 244:20 happy 58:19 65:6 110:24 harbor 225:5 harbored 253:8 harbors 253:4 hard 11:10 13:22 31:10,12 47:23 61:3 85:5 141:15 145:4 146:14 203:12 206:17 218:21 248:20 hard-pressed 249:9 harder 31:1 hardest 172:16 hardworking 16:9 harm 16:13 harnessed 120:1 harnessing 119:24 Harvard 5:12 26:20 hazarding 163:21 head 6:13,22 8:6 8:21 153:3 204:8 209:7 220:15 227:12 240:14 headed 11:2 190:10 health 148:17 hear 10:10	11:25 15:18,21 22:11 25:20 39:14 69:23 73:7 77:18 84:13 92:21 108:8,8,19 113:4 131:6 134:24 140:5 172:5 180:8,9 202:13 220:21 221:16,17 239:7 243:3,4 259:19 heard 25:4,7 27:22 28:2,3 28:16 29:7 32:9 66:14 81:6 94:3 103:6 130:24 132:19 144:7 191:5 195:22 220:19 233:10 239:21 244:6 250:6 257:18 hearing 15:13 18:22 19:19 23:2 25:2 132:21 177:4 220:23 237:23 heart 129:2 231:1 heartened 113:4 heartening 113:15 heavily 119:5 250:12 258:2 heck 68:19 held 27:14 53:23 54:13 57:11,25 59:15 68:13 75:20 119:5 138:6 150:20 150:21 232:6 263:5 hell 68:18 help 15:13 16:13 21:10 25:19 38:3 63:15 64:10,10 72:22	76:19 82:9 92:8 120:18 121:25 124:8 124:14 126:22 127:12 128:18 129:13,13,18 130:8 132:25 192:2 207:18 252:7 helped 15:3,4 76:7 182:22 helpful 10:8 11:22 40:5 41:13 73:10 131:11 145:13 145:19 179:17 184:16 186:12 231:8 236:15 236:22 254:1,7 255:7 257:17 258:20 259:2,6 helping 124:17 177:22 helps 66:13 113:7 124:20 herring 168:4 195:18 Hester 2:6 hey 52:23 77:24 Higgins 153:4 high 50:5 71:20 86:11 88:17 102:16 136:13 154:9,13 189:15 high- 71:21 high-level 100:8 high-profile 31:24 high-quality 261:2 higher 78:25 137:23 138:22 147:24 148:3,4 168:9 highest 171:17 226:2 highlight 12:9 71:18 240:10	highlights 233:5 highly 194:10 Hinman 2:15 10:2,5 16:19 16:23 18:5 20:20 28:9 115:9 119:22 128:23 158:13 214:1 246:25 hire 146:19 160:17 hiring 203:22 historical 199:25 history 17:10 185:9 211:2 240:4 hit 234:22 252:1 hobbyhorse 155:7 hoc 236:25 hog 241:16 246:5,11 hold 14:20 22:13 79:14 122:6 125:5 152:10 152:10 157:14 195:19,19 226:16 holder 38:8 73:20 74:6 holders 54:3 127:25 167:16 holding 110:11 127:24 145:22 153:5 155:3 holdings 62:11 109:18 153:25 220:9 holds 105:16 hole 141:24,25 holiday 65:16,20 holistic 81:19 holistically 197:23 Holland 222:25 Holocaust 24:22 home 88:12 95:13 163:10	163:14 honest 153:11 239:13 244:21 honestly 28:14 47:19 133:20 honor 88:9 hope 11:11 13:12 17:9 20:1,7 22:16 25:18 26:2 113:21 134:25 196:23 231:9 247:12 hoped 132:25 hopefully 16:14 112:12 143:6 196:10 258:12 hoping 82:8,13 130:17 horizon 183:15 190:12 239:17 host 220:3 hosting 10:4 84:9 191:13 hours 35:14 150:14 242:24 244:8 housekeeping 27:4 huge 35:15 99:8 185:13 186:22 194:24 198:24 201:7 246:2 hugely 110:14 110:18 human 117:18 141:4 197:21 humble 45:24 46:14 188:16 humongous 141:7 humor 58:22 hundred 65:21 71:1 hurdle 167:14 hurricane 241:16 hurt 251:13 hurts 42:5 66:14
---	--	---	---	---

I				
IAC 27:21 28:4 28:16 32:5 60:17 105:9	38:6 immobilized 62:7	101:13 105:4 107:23 116:2 116:15 125:3	improved 28:22 128:13 171:24	128:14 143:4 159:19 206:11 233:11
Id 238:15	immutable 103:2	126:6,14,21 129:4 130:8,12 133:16,17 134:3 136:5 143:7 145:6 151:13 152:5 152:18 160:20 162:16 168:11 169:13 175:5,8 177:3,24 178:12 183:16 185:6,22 186:1 186:14 190:24 196:8 197:20 203:16,19 204:1,5 214:23 215:20 220:22 224:16 225:9 232:7 233:13 238:16 242:18 244:2 245:3 258:3 260:12	improvement 28:16 29:4 41:14 78:20 82:18 128:4 173:10	inclusive 163:6 income 33:13,18 inconsistent 186:9,15
idea 76:7 113:5 131:7,14 134:8 140:17 148:1,4 151:25 170:5 191:6 194:12 222:21 244:13 260:8,14	impact 70:20 145:18 168:16 190:18,23 212:16 221:8 246:4 252:3	impacted 190:21 190:22 229:5	improvements 82:24 83:9 167:18	incorporate 220:12,18 254:4
ideally 39:17	impacted 190:21 190:22 229:5		improving 13:10 23:4	incorporating 221:3
ideas 22:20 108:17 127:22 130:25 141:11 145:3 151:6 152:3 173:19 226:10	impactful 228:13		inaccuracies 38:5 99:4 138:16 231:3	increase 82:9 92:1 151:14 226:23 252:19
identification 62:10	impacting 241:8 241:16		inaccuracy 33:2	increased 23:9 108:19 115:17 150:5,6,23 158:5 167:25 170:22 238:6 256:8
identified 62:24 234:4	impacts 228:22		inaccurate 203:12,24,25	increasing 150:2 187:15
identify 15:16 53:20 63:18 91:10	impede 225:21 253:2		inadvertently 31:6	increases 82:14 238:10
identifying 70:3	impediment 62:24 69:18		incentive 81:17 82:2 85:11 86:3,4,6 258:10	increasingly 22:21 151:12 151:17 217:6
identities 62:11	impediments 205:6,19		incentives 32:1 38:17 50:13 80:19 83:19,21 85:16,21 86:16 98:9 225:7	incredible 104:14
identity 101:1 110:25 131:10 159:14	imperative 228:25	importantly 21:22 106:15	incident 190:20	incredibly 111:7 254:6 258:15
idfy 151:8	imperfect 256:1	impose 29:16 207:3,4 223:21	incidental 60:9	incremental 91:24 97:22
idiosyncratic 19:16	implement 174:16 191:25	imposed 164:8	include 24:4 101:16 102:14 117:16 127:22 157:1 209:1,22 220:22 230:10 244:18	incumbents 69:3
ignore 236:16	implementation 105:19	imposes 136:17	includes 81:19 101:15 230:11 242:10 247:14	incurred 144:13
II 141:13 166:18	implementing 62:19 201:21 244:16 245:6	impossible 66:1 198:17	including 10:11 23:15 32:10 70:10 97:9 116:4 127:9,10	indefensible 203:3
illuminating 111:7	implications 23:19	impounded 99:21		indefinitely 128:6 170:25
illusory 70:24	importance 96:10 155:25 224:10 227:5 227:16 257:20	impractical 255:13		independence 183:14 211:3 211:10 237:21 238:8 252:4
illustrates 37:1	important 12:8 12:13 13:6,12 16:20 17:13 18:3 20:16 28:14 38:5,10 39:1 41:4 53:17 67:19 78:7 79:10 80:12 83:15 95:19,22 98:16	impressive 26:14 28:7 242:16		independent 50:4 55:11 56:17 141:2 176:7 183:8 184:2,17
imagination 223:7		improve 13:9 20:14 28:23 38:23 39:7 76:18,19 80:20 99:2 105:8 226:23 252:7 253:3 261:6		
imagine 141:15 195:2 248:20				
imbalance 139:25				
immediately 232:23 237:18				
immobilization				

186:24 194:19	infancy 129:17	innovation 23:3	119:5	223:25 224:4
208:19 223:3,3	inflation 150:6,6	87:25	institutions	224:13,20
223:4,4 234:24	155:2	input 177:7	194:4 219:13	225:2,25 227:5
248:6 251:20	influence 87:11	194:12 257:2	227:15 228:20	227:20 259:5,9
index 151:1,1	178:9,11	inputs 198:1	228:23 256:5	259:13 260:5
182:8,21,22	207:17 240:6	251:20	instruction	260:16
187:4 188:1,1	influential	insider 176:3	49:19	interested 15:13
188:7,21,22,25	226:13	insiders 167:10	instructions	23:2 71:17
189:1,7,9,14	informal 24:11	insides 182:15	15:17 31:2	133:2 147:17
189:24 199:6	information	insights 19:23	157:13 192:22	178:8 241:25
199:17 201:7	31:7,16,21	179:6	193:21	interesting
215:24 224:7	33:23,24,25	inspector 55:12	instructive	25:20 48:16
224:14 226:1	35:5 39:25	56:17	158:21	55:9 68:16
241:4,25	48:24 62:3	inspectors 41:20	instrument	75:10 90:13
indexation	72:18 76:19	instance 78:5	118:20	113:14 156:25
203:18	87:5,6 88:18	234:7 254:19	integrate 124:4	interests 28:25
indexed 155:2	88:22 89:17	instances 21:3	integrity 23:5	28:25 29:2
indexes 188:4	92:13,18 99:21	39:12 53:7	intelligence	48:3 75:8
indicate 145:21	101:16 109:17	78:14,23 83:4	191:21 205:18	92:20 97:5
indicated 143:8	121:20 145:12	117:21 148:23	228:21	99:19 119:16
263:5	175:13 176:19	instantaneous	intended 52:23	139:12 151:20
indications	179:15 180:3	23:16 39:18	153:9	183:25 185:8
203:7	185:20 210:8	instantaneously	intent 39:10	186:10,24
indirectly	211:24 212:7	97:17	156:7	187:14 191:1
203:10	219:2 220:3	instinct 98:18	intention 37:6	238:14 253:24
individual 36:16	228:20 233:17	Institute 8:17	52:22 256:9	261:3
48:6 132:12	233:21 234:14	9:7 137:18	interact 85:22	intermediaries
183:11 186:13	255:15 258:23	181:3	interactions	14:22 39:9,24
192:4 195:19	informative	institution 56:7	124:8,9	50:11 55:8,24
individuals	191:14	56:18 57:13	interest 22:24	56:1 62:2
197:6 198:10	informed 76:20	107:22 133:18	25:2,13 38:18	67:17 80:20
industrial 7:21	123:21 124:1	institutional	51:10 67:6	83:19 84:24
114:19 166:11	196:17,18,19	5:10 9:4 25:14	86:16 107:3	85:4 87:15
industries 15:3	196:21 197:15	26:19 30:3	127:18 138:6	89:11 90:5
industry 30:18	237:8	31:5 39:1 94:7	145:22 147:15	97:5 99:20
42:17 72:24	infrastructure	94:15 95:10	148:21 149:7	101:4,10
89:15 108:24	23:6 27:15	98:15 119:14	153:13 155:12	102:19 109:20
109:8 166:7,9	45:23 103:2	119:15 141:12	162:15,16	intermediary
185:7 239:25	105:22	150:8 158:20	178:5 184:21	31:7 33:24
247:22 248:3,5	inherent 13:1	164:21 169:6	189:9 202:12	34:1 35:6,18
252:14 255:21	inhospitable	169:10 170:3	202:14,20	36:9 57:20
industry's 199:5	140:1	181:7 192:7	203:23 206:17	84:17 86:2
199:19	initial 170:23,23	193:5 198:5	206:18 207:11	87:9 88:21
industry-driven	initially 181:22	206:25 207:4	207:25 210:20	89:17 102:21
29:9	248:25	208:4 210:18	212:6,16 214:8	107:1 112:25
inefficient	initiatives 103:6	217:10 220:7	214:14 215:6	113:1,2
135:22	158:22	221:9 237:12	215:13 218:22	intermediated
inevitability	innate 154:21	249:16,23	222:17,23	109:17 110:11
214:18	innocent 31:4	institutionally	223:2,16,18,20	110:13

intermediation 31:1,16	16:8 19:24 25:1 26:1,25	investors 5:10 13:12 14:1,20	183:18	ISS's 192:7
internally 178:22 185:10 208:8	81:16 93:1 117:14 138:14	15:5,18 16:13 25:14 26:19	invite 73:9 104:20	193:1,2 195:7 195:15
international 141:4 206:14	182:1,6 183:15 184:25 185:12	30:21 39:19 42:2 54:4	invited 47:13	ISS/Glass 184:7
internet 83:2	185:17 191:7 191:10 196:3	63:11 64:1 76:16,19 77:19	inviting 27:21 44:20 71:15	issuances 195:11
interpretation 118:8 238:17	196:15 200:5 203:22 204:9	84:21 86:17 87:5 88:12,25	122:21 126:13 132:19 133:10	issue 17:18
interpretations 127:2 238:23	206:4 210:19 217:2 224:2	92:9,9 93:20 94:8,11,15,17	158:14 184:24 193:25	18:18 27:13
intimidation 223:24	228:19 233:19 239:17 247:3	95:7 96:24 102:8 103:20	invoices 86:1	41:7,21 49:1
intricate 111:21	247:10 249:10 249:14 250:1	110:23,24 116:15 118:12	involve 14:24 138:17 176:24	59:10 63:6,16
introduce 11:24 114:8 202:22	251:14 253:12 253:13 256:6	118:24 119:14 121:1,7 123:23	189:16	65:23 75:18,19
introduced 16:6 25:22	260:2 261:11	124:13,16,17 124:25 125:1,4	involved 35:19 48:11 60:7	78:19 86:9
introduces 14:22	investments 5:16 8:22 51:8	131:16 132:18 135:24 136:18	involve 14:24 138:17 176:24	92:23 94:8
introducing 180:20	81:14 103:5 185:17	141:9,9,9,12 141:18 149:24	189:16	108:22 109:16
introduction 106:6	investor 6:3 13:3 14:7,9	150:5,8,16,24 151:2,4,6,12	involved 35:19 48:11 60:7	110:1,7 118:6
introductions 26:15	22:23 27:13 29:20 30:11	153:24 161:10 164:22,22	98:2 108:1 133:8 172:17	119:6,11
intrusive 21:5	35:6 36:11 39:1 47:2	167:16 169:6,6 169:10 170:3	178:16 202:24 203:9 210:13	125:16,21
invalid 70:3	49:24 63:21 76:22 88:19,20	170:11 175:10 175:11,12	involvement 134:14 209:9	126:6 143:6
invariably 69:10	96:10,11 101:17,22	176:14,15 178:5 182:25	involves 14:25 134:14 209:9	145:3 150:1
inventories 83:20	102:20 111:13 117:24 120:24	190:7,25 191:22,23	involves 14:25 134:14 209:9	155:18 156:17
invest 124:14 200:16 225:25 226:1,8 238:22	129:6 131:10 135:18 150:12	197:13 201:4,5 210:18 215:21	involves 14:25 134:14 209:9	163:25 165:8
invested 148:17 198:24 246:10 259:5	151:7 153:15 158:20 161:5	217:12 233:10 241:1,25 242:2	involves 14:25 134:14 209:9	165:11 170:14
investigation 35:1	161:11 162:12 164:19 182:23	249:16,23 251:1,13 252:1	involves 14:25 134:14 209:9	174:12 175:11
investigative 89:3 262:12	185:8 190:14 193:5 221:9	252:21,22 258:25 260:9	involves 14:25 134:14 209:9	175:16,23
investing 8:7 89:23 121:5 124:3 188:4 241:13 246:18 253:5,6	230:21,22 237:12 241:4	investors' 17:15 22:8 63:1 178:5	involves 14:25 134:14 209:9	176:15,16
investment 6:22 7:5 11:8 12:12	244:21,24 249:18 261:7	invitation 161:15 182:12	involves 14:25 134:14 209:9	177:5 178:1,23
	investor's 198:5 investor- 191:22		involves 14:25 134:14 209:9	188:23 192:25
			involves 14:25 134:14 209:9	209:16 212:2,4
			involves 14:25 134:14 209:9	214:21 215:22
			involves 14:25 134:14 209:9	219:23 222:2
			involves 14:25 134:14 209:9	225:1 231:19
			involves 14:25 134:14 209:9	233:3 234:21
			involves 14:25 134:14 209:9	235:4,14 236:3
			involves 14:25 134:14 209:9	241:2,7 246:14
			involves 14:25 134:14 209:9	254:19 258:1
			involves 14:25 134:14 209:9	260:10
			involves 14:25 134:14 209:9	issued 15:23
			involves 14:25 134:14 209:9	43:16 54:16,24
			involves 14:25 134:14 209:9	78:13 129:1
			involves 14:25 134:14 209:9	139:1 155:19
			involves 14:25 134:14 209:9	227:24 228:7
			involves 14:25 134:14 209:9	229:11 256:22
			involves 14:25 134:14 209:9	issuer 36:20
			involves 14:25 134:14 209:9	47:2 52:15
			involves 14:25 134:14 209:9	66:8,12 81:21
			involves 14:25 134:14 209:9	84:22 87:11
			involves 14:25 134:14 209:9	88:19 89:2,18
			involves 14:25 134:14 209:9	90:20,23 92:10
			involves 14:25 134:14 209:9	96:2 101:17,22
			involves 14:25 134:14 209:9	110:25 112:16

211:22 215:11	155:25 161:10	John 2:25 3:10	Katherine 3:19	94:25 96:3
227:10 230:2	162:14 163:24	4:4,5 5:11,11	8:24 181:5	102:25 123:8
232:14 240:2	165:4 166:4,21	6:12,14 8:18	Katie 3:25 6:8	130:19,21
243:12	166:24 167:2	26:19 27:1,2	26:25 32:25	131:9 145:5
issuer's 89:20,25	168:15 179:1	27:15 39:6	36:25 38:7	146:22,25
issuer-friendly	183:7 185:6	66:7 84:7	44:18 48:10	160:8 210:14
160:21	186:14,19	85:23 100:11	50:1 88:10,12	214:4 217:14
issuers 21:18	189:10,16	107:11 168:24	Katie's 95:15	227:21 248:9
25:4,6,8 42:23	190:7,17 191:1	169:4 181:3	Katz 3:9 5:19,20	250:6 261:3
44:8 63:10	197:16 206:14	214:25 234:17	26:22 73:9	kinds 31:7 69:9
84:20 85:25	209:15 210:14	John's 239:24	83:14 91:14	95:2 171:16
86:10,16 88:22	213:7 214:5	240:24	KBR 160:4	214:22 217:5
88:24 89:4,6	217:5,5,25	join 11:11 13:17	keep 11:23 12:7	227:9 254:24
89:11 90:17,24	220:10,22	joined 55:3	17:8 26:2,15	kinks 204:12
91:3,7 92:8,24	225:17,17	181:9 187:1	49:17 69:24	knew 121:23
93:24 94:14	231:2 234:25	joining 10:2	92:21 137:20	235:25
101:23 102:6	235:2,10,11	23:24 180:20	137:25 143:15	knock 145:11
103:16,21	236:20 240:12	181:12 229:17	144:18 164:1	knot 86:25
104:11,12	240:25 241:3	joke 105:1	165:19 172:19	know 11:2 18:16
108:2,20	241:21 242:15	Jonas 3:12 7:9	181:18 231:6	20:5 21:18
109:23 110:23	243:24 246:15	114:13 123:16	248:22	23:24 24:6,19
160:21 170:11	248:14 254:24	134:4 135:1	keeping 69:21	25:13 30:14,22
202:16 207:14	256:17 258:22	140:6 151:22	77:16	33:16 40:14
211:12 213:19	258:23 260:8	161:18 170:2	Keith 153:4	41:3 43:6,13
213:23 220:2	it'll 41:2 113:18	175:1 178:3	Ken 2:21 5:9	43:14 44:2,9
221:8 226:19	165:9 252:20	179:4	26:18 32:25	46:18 47:15
232:11 235:13	item 204:6	Jonas's 143:4	41:17 43:4	48:19 49:2,17
235:23 236:19	items 12:9	Jonathan 2:20	44:10,10 48:4	51:3 52:19
237:24	142:16 198:14	8:6 180:24	62:4 67:6 73:5	56:18,19 58:17
issuers' 222:10	227:4,4	182:10 187:21	96:21 131:4	58:25 61:1,11
issues 12:13	iterative 228:6	197:2 212:5	Ken's 47:14	64:13 65:2,18
13:7,13 16:25		237:10 239:4	68:7	66:1,20,20,21
17:2,25 21:1,8	J	252:10	Kevin 263:3,15	66:22 67:4,11
22:3 28:5	Jackson 2:5	Jonathan's	key 46:4 103:3	69:12,13,14
39:15 45:14	16:17 17:7,12	198:8	105:7 240:2	72:3 73:15
46:13,20 53:19	James 3:16 7:15	Jr 5:11	kick 45:1 88:10	74:8 75:7,24
55:23 56:9,23	114:15	judge 184:19	96:21 118:22	75:25 76:1,3
59:9 61:1,20	Jay 2:4	judgment	136:14 158:6	76:10,10 77:10
63:13 98:4	Jim 132:4 140:6	201:23	kicked 57:12	77:14 79:10,11
108:8 112:11	143:17 151:22	Julie 13:21	169:4 171:19	79:23,24,25
116:4,9,12,20	154:15 164:4	July 11:13	kicking 164:17	80:6 86:14
116:24 117:11	168:17	219:23	165:2,16	88:13 89:12
117:23 118:13	job 16:23 63:13	jump 114:9	Kim 3:10 8:18	90:23 107:14
125:14 129:24	75:15 104:14	120:21 121:9	181:3 215:1	109:23 110:13
133:20 137:5	124:9,17 126:8	jurisdiction 62:1	234:20	111:14 115:9
139:9 141:3,10	178:22 183:12	justice 17:10	kind 37:15	120:21 121:23
144:8 149:19	192:20 210:24		45:13 66:10	123:7 131:8,22
150:16 151:9	216:23 247:15	K	68:2,14 69:17	144:2 149:16
151:13,16	257:21	Kara 2:8	76:22 89:3	153:12 155:4

156:12,18	182:11 190:3	launched 208:19	leeches 224:24	180:5
163:5 174:10	213:2 240:24	216:23	left 26:18 176:21	letters 15:24
179:1,19		law 5:12,12 9:6	180:24 185:15	18:11,12 26:4
182:24 194:13	L	9:9 12:20 13:5	194:21	51:21 128:12
196:15,16	L 3:24 6:6	26:20 99:16	legal 5:21 6:6	172:1 189:23
203:20 204:15	L.P 6:7	152:17 181:8	15:24 58:3,13	225:4,9
206:6 208:23	labor 7:21 13:4	223:11	59:3 60:19	letting 106:18
209:3 213:22	114:18 222:23	Lawrence 3:2	64:12 106:2	lettuce 190:20
216:7 227:11	lack 57:22 63:25	5:15 26:21	128:12 132:24	level 50:6 52:12
228:11,12	74:12 134:2	laws 14:4 217:18	177:5,10 179:5	75:16 78:25
229:18,18	143:7 212:1	lawsuits 163:13	179:10,12,25	80:6 84:25
230:17 231:19	lacking 185:16	lawyer 138:23	180:5 253:25	85:9,9 88:17
234:1 235:1	land 236:24	216:6	255:19	102:16,18
243:23 258:25	landed 210:2	lawyers 66:9	legally 207:21	118:23 128:15
259:20 260:2,4	Landscape 8:3	217:2	legislation 25:21	153:10 173:16
260:14	180:18	layers 30:25	228:6 256:17	194:14,24,25
knowing 131:10	language 88:14	31:15,20 106:7	legislature	210:1 212:17
166:15 227:17	213:14	106:13	223:22 246:5	254:3,20
knowledge	large 12:25 76:5	lays 251:18	legislatures	255:14
20:10	81:4 95:9	lead 26:7 31:17	224:17	leveled 252:1
knowledgeable	141:12 150:8	77:21 98:1	legitimacy 39:11	levels 75:6 118:9
75:22	158:17 219:24	99:3 118:19	legitimate 21:25	252:21
known 186:16	228:10 232:2	233:1	28:25 30:16	levity 240:8
227:10	largely 50:5	leader 204:8	88:8 147:9	Lewis 8:25
knows 75:25	75:14 216:24	leadership 16:20	legitimately	137:16 143:10
101:8 102:4	252:15	18:5,18 40:6	260:7	143:21 181:6
112:16,17,18	larger 35:3 81:3	43:5 98:1	lend 29:8	184:7 192:21
145:1 149:2	168:2 174:7	107:20 183:7,8	lender 46:9	193:13 201:22
236:12 247:11	largest 45:3	256:12	lending 31:6	208:18 216:23
Kokas 3:11 8:19	93:19 94:7	leading 126:17	35:4 46:8	218:18,19
181:4 213:21	160:13 187:11	leads 39:2 63:23	lending's 38:10	220:24 238:25
213:25 226:25	188:2 232:5	71:12	length 127:23	244:12 247:9
242:6 256:1	Larry 50:22	learn 103:17	lengthen 145:21	248:6 251:19
Kron 3:12 7:9	80:25 87:4	229:16	lengthened	Lewis's 192:25
114:13 123:17	92:22	learned 17:1	150:25	193:2 209:20
135:2 142:11	Laster's 105:23	56:15,25 63:4	lens 118:5	209:20 210:11
143:1 151:23	lastly 113:4	learning 147:17	lent 46:9 49:17	LGBT 162:19
156:24 161:19	139:1	169:8	let's 46:25 72:25	163:2 169:15
162:6 175:2	late 230:17	leave 40:8 91:15	73:6 80:18,24	LGBT-friendly
179:5	247:13	112:4 113:19	88:3 136:6	163:6
KT 3:19 8:24	Laughter 17:6	179:13 241:20	164:7 165:25	life 132:15 143:1
181:6 192:17	17:11 28:12	Lebow 3:14 5:21	213:18 235:8	light 23:21 24:2
201:16 205:21	44:15 68:21	26:22 49:13	letter 52:4 67:6	27:5 94:23
208:17 214:9	79:18 80:17	85:18 105:14	68:7 120:5	limit 147:22
216:14 227:2	104:2 111:10	led 37:11 57:18	131:18,20	limitation
229:14 244:4	122:23 134:21	160:15	132:1,7 135:7	250:17
KT's 235:15	142:25 154:17	ledger 15:15	138:11,13	limitations
Kumar 3:13	158:11 162:5	62:14 98:20,22	143:14 177:25	60:21
8:21 181:5	213:24	103:2 105:22	178:1 179:15	limited 141:11

148:9	147:3,7 162:11	longer 20:15	246:20	243:10,25,25
limits 121:6	162:15 176:20	137:1 147:1	looking 18:19	257:14 258:20
line 14:12 44:16	199:24 205:10	221:25	35:25 36:1,2	lots 20:16 42:4
73:21 88:1	208:16 216:12	longer-term	50:17,21 53:19	42:22 56:11
113:20 191:7	222:17 240:8	62:6 124:12,16	60:24 65:14	57:15 61:1
218:21 248:23	245:9 259:24	longstanding	88:23 89:12	217:5 229:6,6
lined 235:11	live 161:22	16:15	90:4 109:9	257:9
lines 179:14	lived 162:18	look 10:7 13:15	115:1 149:16	love 134:24
linger 162:2,6	lively 27:8 69:21	16:15 18:6,13	155:12,14	low 92:19 128:4
170:6	living 47:22	18:22 19:6,19	173:3 174:14	136:15 153:9
lingered 171:13	LLC 8:7	20:12,17,19	177:7,12 179:7	153:19 171:11
link 11:20 38:8	LLP 6:25	35:2,11 37:22	190:11,25	171:11 196:2
linked 110:9	loan 35:5	45:1 46:5	211:20 222:1	198:25 201:8
Lipton 5:19 9:6	loaned 35:7	51:12 66:15	227:17 237:4	low- 133:19
26:22	local 217:17	68:5,20 72:24	245:7	low-cost 91:19
liquidity 45:21	located 36:7	81:12 82:12	looks 24:8 69:13	92:4 106:4
list 36:20 45:23	Location 262:6	84:16 86:22	69:22 257:4	low-hanging
56:2 90:20,22	log 82:5 122:7	91:10,16 94:6	lose 66:18,25	72:13
90:24 91:9	logical 167:3	94:16 97:25	67:1 97:5	lower 159:20
95:16 96:1	login 122:15	98:20,21 102:3	124:19 139:23	252:21
177:21 195:12	logistical 181:13	120:3,15,16,19	165:10	loyalty 249:17
209:21 210:3	logistics 114:9	121:4 133:12	lost 97:8 109:14	lunch 10:22,23
listed 84:11,12	233:10 249:22	134:22 135:17	125:7 193:17	113:17
84:13 108:7	long 17:10 35:7	135:19 136:2	lot 11:10 18:15	luncheon 113:22
140:13 167:7	41:6 104:13	137:5 138:15	24:20 35:3,8,9	Lynch 65:12
167:20,23	107:15 122:14	139:7 141:20	38:11 42:1,1,5	Lysera 135:7
177:22 209:20	130:6 153:20	146:22 148:25	44:14 51:1,5,6	
listen 215:6	163:14,20	155:2,21 156:3	51:13,18 52:8	
220:10	165:2 169:18	164:7,7,13,25	63:12 67:14,15	M
listing 217:18	171:15 190:12	166:9 168:7	73:16 74:7	M&A 167:25
Listings 6:13	195:11,21	173:16 176:2	80:4 81:6 82:1	mail 91:2
lists 95:23	196:14 259:15	176:12 177:15	82:15 84:2	mailing 60:7
literally 211:23	long- 14:11	178:25 183:9	92:5 93:3 94:4	61:7 71:3 93:6
219:1 220:5	100:6 190:4,24	186:8 190:4	94:15 95:9	mailings 95:2
224:25	long-term 13:11	193:7 195:10	98:6 99:6,13	main 13:11
little 37:13	73:23 116:22	195:12,15	100:16 101:1,9	22:23 29:7
40:10 41:3	118:3,12 127:1	203:23 216:22	103:1 107:3	54:4 56:8
46:3 47:13	127:25 129:9	217:21 225:16	108:15 112:6	73:23 132:17
51:2 53:16	145:22,23	242:3 245:17	126:10 129:12	141:9 149:23
61:18 66:11	147:2 148:17	247:12 254:24	131:17 137:13	169:5 172:24
73:12 76:25	149:7 153:15	255:11 258:11	137:14 140:9	173:1 184:8
83:3 84:2	155:5 166:12	260:15	145:3 146:5	194:5 250:16
91:14 101:3	166:15 168:16	looked 41:2	147:5 158:3	252:22
107:15 113:19	190:7,13 191:2	51:23 52:7	165:3 171:25	mainstream
115:21 123:10	241:8 242:3	62:18 68:15	175:3 193:10	123:23 151:11
125:8 129:15	246:13 259:9	89:15 94:20	195:4 201:9	maintain 14:2
133:7 135:3,15	261:7	95:18 138:25	214:10,23	169:13
140:10 145:24	long-termism	139:5 150:1	218:11 220:1	maintained
146:13,14,24	150:17	171:3 195:23	229:7 236:7,7	173:9
				major 45:2 56:7

87:20 98:14 203:17 204:9 204:23 Majoras 60:20 majority 21:24 59:23 70:17,18 73:2 74:19 89:14 90:1 128:7 133:25 136:23,23 163:23 171:1 171:15 174:17 174:19,20 192:7 220:8 making 18:9,18 31:1 38:19 51:15 52:2 70:24 82:19,19 86:22 103:4 127:21 138:8 152:2 155:18 156:6 177:8 183:6 185:20 196:17 197:15 211:20 216:3 230:11 237:8 238:6 245:12 253:4 man 160:15 manage 18:23 116:5 202:20 205:23 218:22 252:2 managed 33:8 65:11 management 6:7 7:11 8:11 8:13 11:9 12:12 19:25 24:6 25:2 60:2 72:19 77:21 79:12,21 93:1 114:13 116:11 116:23 117:12 124:18 125:22 129:4,7 136:10 139:21 150:11 151:7 173:20 178:18,18	181:1 183:22 184:9,12 197:10,22 200:17,18,25 235:3 239:19 252:12 254:21 255:11 261:11 Management's 123:19 manager 7:12 33:15 76:9,10 183:19 200:12 219:13 managers 184:4 191:7 197:14 197:24 200:2 201:2,12 202:9 235:2 239:16 257:21 managing 8:6 8:21 19:5 215:9 mandate 48:5,5 252:12 mandated 70:7 mandatory 67:21 175:9 Manhattan 137:18 manifest 241:9 manner 12:14 14:18 manufactured 19:10 margin 54:9 Maria 3:6 7:7 114:12 123:16 143:2 156:20 170:19 177:17 Mario 42:14 mark 122:11 market 12:18 21:4 37:10 40:13 45:21 85:21 86:1,15 86:19,22 98:7 98:7 106:18 108:4 110:12 110:14 137:19	142:18 159:8 160:5 168:7 188:9,10 201:6 210:1,1 216:20 248:7 250:15 250:16,17,18 market-centric 220:20 market-driven 21:12 market-specific 217:17 market-wide 255:1 marketability 189:7 224:7 245:25 marketing 189:16 207:23 marketplace 33:21 46:6 141:11 201:4 227:6 markets 5:13 6:24 7:18,20 12:13 14:2,15 81:5 85:15 105:22 110:18 114:17 135:22 135:23 136:1 168:10 200:9 216:5 217:19 247:19,25 Martin 9:6 Maryellen 42:15 Maryland 220:16 mass 34:3,7 38:7 46:17 48:25 201:6 massive 204:25 205:11 Mastagni 3:15 7:12 114:14 133:9 169:21 match 39:14 59:16 70:5 material 24:9 36:24 82:7,20	83:7,10 116:4 116:22,24 117:22 118:6 229:4 239:22 materiality 13:5 126:25 materials 14:18 22:12 60:22,25 61:3,7 71:3 96:3 97:17 109:20 144:4 228:2 maternity 241:19 math 149:2 Matt 2:16 6:21 10:25 145:6 177:18 matter 36:13 64:5 73:12 74:15 83:20 144:6 151:16 153:8 157:23 161:10,23 172:10 211:6 237:12 262:3 263:5,7 matters 25:16 27:4 106:19 140:23 217:22 220:11 262:11 maturity 218:8 maximize 118:3 maximizes 98:22 maximizing 189:17 200:24 200:24 McNair 2:16 6:21 11:1 143:22 148:10 151:22 176:20 178:13 180:8 McRitchie 3:16 7:15 114:15 132:5 141:19 143:18 153:18 168:18 mean 23:23 35:9	44:2 45:8,8,9 60:14 68:23 69:7 70:25 80:8 83:18 87:17 98:20 105:2 132:12 137:13 142:8 174:1 183:21 193:9 203:3 211:11 215:19 217:13 254:24 meaning 221:10 meaningful 20:2 123:14 126:18 126:23 127:13 127:17 128:18 148:19 149:10 243:8 252:20 meaningless 149:5 means 23:14 48:13 51:25 64:15,23 80:8 94:16 127:8 138:18 148:6 165:15 167:12 171:11 184:1 187:15 188:9 199:3 250:2 254:2 meant 76:8 measured 127:18 255:1 measures 186:17 meat 254:12 mechanics 5:6 15:7,14 26:9 185:3,22 192:10 198:5 mechanism 125:2 186:6 203:15 mechanisms 165:19 media 23:15 93:14 119:24 120:16 122:25 123:9,11
--	--	--	--	--

median 137:23 140:15	mention 27:13 60:20 157:6 177:2 233:25	54:3 60:11,13 60:15 61:4 69:17 71:5,6 149:1,2 187:12	31:16	Monday 65:20
Mediant 5:24 26:23	mentioned 13:25 17:14 18:20 25:22,24 40:12 51:6 53:6,22 154:19 155:8 164:16 165:13 187:21 192:3	millions 16:9 34:20 51:9	misplaced 65:13 65:25	money 71:2 118:2 146:7 165:23 171:25 196:14 198:25 225:11,12,13 226:3 242:5 246:17 252:2 253:5 257:23 259:6
meet 210:3,4 226:7 245:4	mentions 171:23	mind 13:13 17:8 67:9,13 115:4 143:15 144:15 147:15 158:24 175:18 205:22 251:25	mispriced 188:12	monitored 80:1 80:9
meeting 23:2 27:14 34:18,21 36:22 42:13 45:9,12 46:22 53:23 54:13 55:1,21 57:23 58:1,8 60:13 60:17 78:12 82:13 85:5 91:5 99:12 102:1 105:9 107:14 112:12 119:8 127:7 134:18,25 146:12 149:14 150:22 152:11 154:12 174:10 219:3,5 234:9 234:13 245:2	Mergers 10:21 Merrill 65:12 message 23:17 93:12 met 141:23 157:24 171:8 methodologies 234:21 methods 84:4 MFS 124:23 Michael 3:5 7:3 114:11 Michelin 209:8 209:10 Michelle 2:11 8:5 11:6,9 12:10 13:20 37:14 micromanage... 179:12 microphone 181:16,19 mid 230:5 mid-cap 214:5 mid-market 228:1 mid-sized 252:11 mid-sized/small 184:25 middle 101:10 109:22 224:23 mike 79:20 158:6 172:13 172:23 178:13 mikes 27:5 million 35:17,17	mind-numbing 47:22 mindful 80:22 80:24 minds 144:18 mine 141:23 204:20 minimal 209:6 minimis 240:11 minimize 39:4 minimum 165:14 170:21 ministerial 74:21 minor 77:7 102:23 224:10 minors 102:13 minute 87:18 194:2 minutes 176:21 181:12 213:25 236:2,2 mirror 59:16 mischaracteri... 201:24 mischiev-maki... 99:13 misconception 94:19 misinformation 53:1 misleading 139:17 mismarked 70:9 70:11 mismatch 31:21 mismatches	misrepresents 194:14 missing 52:12 mission 14:1,4 135:17 misstep 125:25 mistaken 206:19 mistakes 31:4 80:8 138:16 misunderstan... 51:1 53:2 244:11 misunderstan... 25:10 misunderstood 94:2 mitigate 202:20 205:23 206:18 mitigation 207:11,24 mix 70:5 mixed 139:6 model 100:25 101:3 218:4,4 218:5 models 216:21 moderated 10:18,24 11:6 17:3 Moderator 5:7,8 6:20,21 8:4,5 moderators 10:11,14 11:9 modern 109:24 modernizing 23:4 modest 145:10 modifications 128:17 moment 30:23 31:13 116:13 152:19 momentum 188:11	monitors 47:20 monopoly 98:11 month 13:14 24:17 months 16:23 54:25 152:11 256:15 Moreland 3:17 5:23 26:23 71:15 morning 10:2 12:6 13:18 19:21 26:10 28:10 113:10 115:10 119:22 182:18 morning's 15:12 morphed 159:14 Motors 8:18 181:4 215:3 mouthful 248:9 move 12:7 47:9 48:24 69:7 72:11 73:6 88:3 92:22 93:17 106:12 137:10 140:6 155:9 188:13 199:22 moved 34:11 62:8 163:1 183:3 movement 44:14 225:8 moves 137:18
meets 209:15 Mellon 42:15 member 27:15 227:11,19 members 10:13 27:23 32:20 38:14 59:20 97:10 115:13 143:11 164:16 171:2 187:12 214:2 227:7 membership 124:4				

movie 250:20,20 250:21	214:7 217:7 228:24 256:24	238:20 248:1 251:12 258:6	29:16 42:15 79:3 81:10	94:18,20,20 95:16,23 96:1
movies 250:23	naysayer 105:15	needed 21:6,14	86:24 87:17,18	NOBO/OBO
moving 11:23 93:16 100:17 103:1	near-term 38:23	24:1 29:15	87:23 96:18	67:16 86:8,9
multi-step 83:3	Nearly 54:3	55:10 116:19	100:7 104:4,14	88:13 96:7,25
multiple 52:24 72:21 73:18 77:5,13 81:22 213:6	necessarily 10:12 15:4 46:7 77:15 93:8 98:24 115:12 235:6 257:23	140:10 149:22 185:18 210:6 238:1 254:8	107:18,25 109:13,15,21 114:12 120:9 127:19 149:9 158:15 159:11 162:20,22 164:10 166:20 181:8 217:5 235:14 240:25	97:11 106:17 NOBOs 30:10 30:17 50:11 90:17,21
multiple-year 183:1	necessary 16:20 18:5 39:24 62:3 112:11 194:25 249:20 250:3	needs 17:16 37:19 41:21 48:5,6 55:21 60:24 61:24 70:8 72:8 74:18 76:23 77:8 93:25 97:25 98:3,5,5 98:11 105:6 109:16,18,20 138:2,3,25 139:5,10 142:22 156:15 188:16 203:15 231:21 234:4 239:2 246:20 251:22,25	newly 167:7 news 132:15 newsletter 91:6 newspaper 234:5 nice 134:20 nicely 43:20 nicely-dressed 63:14 nimble 13:3 nine 16:22 Ning 2:24 6:24 114:11 122:2 122:20 130:14 144:20 148:11 170:19 Ning's 172:14 no- 131:25 177:24 no-action 128:12 131:18 131:20 132:7 134:14 142:1 143:14 159:2 160:2 172:17 177:12 178:1 178:15 179:15 no-actioned 160:1 no-cost 91:19 no-room 250:10 NOBO 76:6,10 76:13,17,18 84:1 89:5 90:2 91:9 93:19,20	nominees 30:10 30:17 50:11 90:17,21 nod 178:21 noise 38:11 42:1 nom 67:4 227:12 nominating 77:12 nominee 62:25 63:19 90:11 91:19 101:11 nominees 61:22 70:12 non- 76:3 non-boring 122:22 non-issue 195:25 non-majority 23:22 non-objecting 30:20 95:20 96:3 non-objective 88:19 nondiscrimin... 158:25 159:9 162:20 163:2 normal 74:14 normally 85:1 131:9 North 6:15 216:24 241:17 246:5,6,12 Northstar 168:25 note 10:9 64:3 101:13 112:22 160:13 214:3 227:20 228:4 242:7 noted 16:9 126:15 210:10
multiple-year 183:1	need 19:13 21:13 22:10 35:18 37:22 38:2,24 43:5 44:11 45:25 48:8 62:6 64:9 66:4 68:17 71:12,23 72:24 74:5 75:1,8 77:4,25 78:6 83:16,22 89:23 96:13 97:14 98:24 101:10 102:17 103:11 103:13,14,19 103:20,21 105:7 108:13 109:8,21 110:4 110:16 111:3 111:14 120:2 122:12 125:19 125:19 135:11 146:7,8,9,10 150:9 155:21 156:3 164:25 165:12 172:11 172:11 173:17 173:21 181:15 196:9 198:15 198:24 200:23 201:12 212:22 212:25 233:12 233:18 238:3	negative 174:2 174:15,24 215:15 227:13 227:18 245:21 negotiation 66:15 67:14 178:18 179:3 neither 252:22 Nelson 54:17 55:2 NEOs 243:16 net 160:11 networks 102:11 Neuberger 8:7 180:24 183:19 never 111:16 118:1 132:16 132:19 141:23 155:20 168:8 204:11,13 223:19 228:12 255:5 new 7:6 9:9 16:14 22:20	newly 167:7 news 132:15 newsletter 91:6 newspaper 234:5 nice 134:20 nicely 43:20 nicely-dressed 63:14 nimble 13:3 nine 16:22 Ning 2:24 6:24 114:11 122:2 122:20 130:14 144:20 148:11 170:19 Ning's 172:14 no- 131:25 177:24 no-action 128:12 131:18 131:20 132:7 134:14 142:1 143:14 159:2 160:2 172:17 177:12 178:1 178:15 179:15 no-actioned 160:1 no-cost 91:19 no-room 250:10 NOBO 76:6,10 76:13,17,18 84:1 89:5 90:2 91:9 93:19,20	nominees 61:22 70:12 non- 76:3 non-boring 122:22 non-issue 195:25 non-majority 23:22 non-objecting 30:20 95:20 96:3 non-objective 88:19 nondiscrimin... 158:25 159:9 162:20 163:2 normal 74:14 normally 85:1 131:9 North 6:15 216:24 241:17 246:5,6,12 Northstar 168:25 note 10:9 64:3 101:13 112:22 160:13 214:3 227:20 228:4 242:7 noted 16:9 126:15 210:10
N				
N 5:1,1 10:1 113:24,24,24				
N.E 1:23				
name 15:2 22:13 34:6 35:19 36:11 48:20,22 48:24 57:3,5,8 90:19,25 91:1 91:25 95:5 115:7 157:1,10 181:24 237:16 262:15				
named 205:16				
names 59:6 69:1				
narrow 134:12 162:15 254:13				
narrowly 117:10				
NASDAQ 6:16 22:22 27:2 84:12 214:13				
NASDAQ's 84:10 100:21				
national 101:1				
Nationally 250:9				
natural 50:3 98:11				
naturally 215:14				
nature 118:6				

214:9 227:6	35:1	100:25 102:17	188:24 199:21	11:25 12:1,4
notes 232:4	NYSE 6:13 27:1	139:3 150:18	202:11 204:16	205:19 247:1
notice 71:8		171:9 199:17	210:16 226:16	operate 197:24
120:23 123:2	O		234:17 245:2	operating 5:23
noticed 120:23	O 5:1 10:1	occasions	255:24	6:9,12 37:4
noting 242:16	113:24,24,24	237:15	old 82:25 153:14	92:24 195:1
notion 142:22	Oakland 17:5	occurs 45:12	oligopoly/mon...	operation 53:3
161:21 167:22	object 88:7,8	October 53:23	250:25	126:19
200:22	246:9	54:13 221:2	ombudsmen	operational
November 1:12	objecting 76:4	off-season	256:24	182:15
54:14 221:9	88:6	234:15 242:9	omnibus 43:12	operationally
262:5	objection 77:18	242:10 245:5	43:16 45:11	51:25 240:1
nowadays 102:2	objective 88:17	offending 44:1	50:11 57:15,18	operations 5:15
NPX 174:6	161:14,15,16	offer 77:17	on-season 242:9	82:16 100:18
NRSRO 250:9	196:12,12,13	98:19 100:4	242:10	OPERS 198:9
nudge 32:1	238:16,18	148:12 179:11	once 78:12 89:9	opinion 45:24
45:25	objectively 41:3	197:11 207:16	140:15 158:1	46:14 188:16
nudges 30:19	objectives 184:8	208:14 213:9	195:24 227:24	224:21 231:19
38:1	obligation 49:22	238:2	231:5 233:24	231:21 241:5
number 11:9,22	203:21 249:17	offered 254:22	240:9 254:11	241:11
17:24 18:12	259:3	offering 216:7	255:8 258:10	opinions 205:3
19:12 35:12	obligations	office 7:5 10:21	258:11 259:16	205:20 230:10
37:13 38:9	84:15 85:17	100:18 114:11	one's 151:25	230:12 257:10
41:12 55:23	OBO 76:11,12	229:22	152:1	opportunities
66:2 69:22	76:17 84:1	officer 5:18,22	one-off 81:24	53:4 82:18
70:11,13 75:25	88:17 89:5,13	5:24 6:6,9,11	one-quarter	83:9 95:6
84:18 91:8	90:11,12 91:11	6:12,16 8:8,12	54:10	99:13 125:4
98:3 104:11	93:19,20	8:24 9:4 60:19	one-sided 63:12	135:25 180:6
118:3,9 122:12	OBO/NOBO	officers 126:17	one-size-fits-all	240:1
135:10 136:13	30:1 88:4	166:8	183:4	opportunity
136:15 140:16	91:10,15 100:3	offices 229:20	ones 20:25 35:4	18:25 20:1
142:16 145:1,5	119:9	239:9	86:5 108:16	25:6 27:25
164:9 170:13	OBOs 50:11	Official 263:15	193:18,18	33:7 70:10
171:14,21	86:11,12 90:1	offline 195:7	210:24 211:1,8	100:21 105:3
177:11 178:16	90:13,14 93:4	oftentimes	212:3 216:25	107:16 109:5
185:7 203:24	93:6 94:7,22	228:23 243:18	217:3 232:6,12	123:17 140:8
205:17 206:10	95:7 96:6	oh 33:16 72:9	232:15,16	160:17 167:17
219:24 220:4	observation	142:4 172:10	254:4	175:9,11 179:6
221:18 222:2	50:15	173:17 193:6	ongoing 31:25	187:6 212:24
232:9 238:18	obsolete 100:3	Ohio 8:9 180:25	72:8 81:15	229:1 235:20
244:8 250:14	obstacles 97:6	187:10,12	178:4	236:1,10,11,13
250:19 262:4	Obtaining 21:16	Ohio's 238:11	opacities 99:21	236:15 237:1
numbers 77:22	obviate 258:6	Okapi 5:18	opaque 14:23	oppose 78:1
161:2	obviates 256:8	26:21	open 100:13	160:22
numerous 15:22	obvious 215:7	okay 45:4 53:13	156:10 201:14	opposed 92:5
52:10 123:24	obviously 18:24	59:9 65:4,5	208:13 218:15	121:3
nutshell 246:14	32:22 34:9	69:25 78:2,10	219:3 220:7	opposes 75:12
NYCER 159:17	66:13 88:23	95:14 109:5	221:1 239:3	opposite 164:20
NYSC 34:24,24	91:8 99:5	118:21 157:17	opening 5:3,4	opposition
		166:14 180:19		

79:22 141:22	outreaches	22:6	P	260:25
ops 51:8,9	219:1	overwhelmed	P 10:1	panel's 120:22
opt-in 121:3	outset 47:8	147:1	P&G 53:16,23	panelists 2:19
opt-out 121:3	126:15 235:24	overwhelming	55:2,7 56:10	3:1 4:1 12:15
optimistic 22:19	outside 31:23	174:5	57:24 60:11	18:9 21:17
options 105:13	80:5 103:7	owned 65:21	65:7,11 71:22	23:3,24 25:21
237:23	117:12 132:8	188:7 209:3	73:3 79:7 95:1	26:11,14 28:15
orchestra 80:16	218:24 219:4	owner 38:15,17	122:13	107:21 108:18
order 96:15	outsiders 176:9	57:20 76:4	P&G's 60:18	115:6 134:7,19
102:24 106:22	outstanding	84:23 121:18	P&G-Trian	180:21 181:14
166:17,20	54:2,7 70:17	131:3,5,7,11	53:9	181:21,23
172:19 180:23	74:19 149:1	210:11 223:6	p.m 113:25	260:25
ordering 124:11	over-boarding	261:3	261:13	panels 12:2 17:3
134:4 140:23	227:7	owners 22:13	P.O 91:1	20:25 29:8
141:1,6	overall 15:9	30:20 31:5	PAFs 198:1	32:9 257:9
orderly 14:2	16:5 81:17	37:6 39:9	page 5:2 11:19	260:25
ordinary 159:16	82:10 86:4	57:10 61:5	74:3 180:22	paper 42:12
177:8,20	186:15 240:11	64:14,18,20	209:1,23	43:15 57:16
organization	overarching	80:21 88:6	paid 79:20	82:21 121:7
52:25 121:12	67:16	95:20 96:3	190:13,14,15	145:8 234:3
217:13 250:10	overcome 98:16	99:19 101:8	203:6	paperclip 57:22
organizations	overcounted	131:4 209:20	painfully 43:25	58:10,12
7:21 114:19	111:17	210:2,13	panel 5:6 6:2,18	paperless 81:11
124:4 248:18	overlaid 198:13	owners' 39:13	7:2 8:2 9:2	paperwork 58:2
organized	overreporting	ownership	10:17,22,23	Parliament
223:20	41:6	29:20 33:4	11:4,5,6 15:12	222:25 223:10
organizing	override 128:6	39:16 54:6	17:17,22 20:22	223:13 226:14
13:20	170:25	59:11 62:10	21:16 23:8	part 12:25 39:1
orientation	oversee 212:9	81:4,5,8,9 93:3	24:24 25:18	45:16 48:20
159:13,14	oversight 128:14	93:21 95:9	26:7,8,13	52:1,2 63:15
oriented 126:25	175:25 176:6	99:3 100:25	27:23 28:7,10	74:15 81:3
origin 149:24	203:17 210:19	106:1,2 113:1	37:16 44:1	126:21 143:22
original 93:6	259:11	127:15,18,23	51:22 52:18	151:24 186:1
OS-1115 262:4	overstatement	127:24,25	92:3 104:12	187:7 189:9
ought 222:21	173:11	140:7 143:25	111:6 113:12	194:24 207:8
253:9 260:15	overturned	144:17 145:14	113:17 114:1,5	212:10 213:2
out-of-pocket	159:21	145:21 147:1	114:8,25 115:2	217:11 219:9
172:24 173:6	overview 10:17	147:20,24	119:10 122:22	219:16 224:4
outcome 77:11	overvote 34:2	148:1,3,4	129:21 130:21	226:11 233:14
77:14 178:11	35:15,23 36:2	149:22,25	137:14 140:4	234:13 235:8
237:22 256:10	36:3 38:14	150:3,19,24	148:20 169:22	243:10 244:1
259:10	41:12 51:12	152:1 153:17	170:16 173:8	partial 259:17
outcomes 66:20	overvoted 33:16	154:5 155:11	176:21,22	partially 100:18
67:5 68:5	overvotes 34:19	156:6 167:10	180:11,13,14	participant 33:9
outline 113:6	overvoting	169:24 202:15	180:17 214:12	33:13 34:12
outperform	32:21 33:1	209:2,25 210:4	222:19 228:19	35:16 48:18
163:6	34:14,21 39:12	owns 14:6	229:17 231:20	84:6
outreach 76:22	41:8 55:6,7	109:23 202:23	236:4 242:19	participants 2:1
92:23,25 242:9	Overvoting/u...		250:5 257:8,10	17:19 22:21

31:11 32:2	157:16	87:16 90:11	188:12,19	percentage 54:5
42:22 47:2	partisan 28:13	154:3 174:4,8	196:13 199:4	59:16 70:20
49:7,9 59:12	partly 37:20	208:11 218:1,3	199:18 203:8	94:7 168:8
59:13,15,18,20	99:15,15	230:23 232:15	204:3 206:6,23	percentages
64:23 99:8	partner 5:19 6:7	232:16 243:16	210:13 216:7	158:4 164:21
102:15 108:4	8:14 187:8	243:17 244:19	217:1,2,9,12	perception
110:16 111:6	partnered	254:19	219:20 222:21	189:6 216:1
112:10 114:25	168:25	payback 75:4	223:13,17	perfect 20:3
221:15 248:4	partnering	paying 61:7	225:6,20,24	32:16 59:6
participate 14:7	187:16	84:21 85:24,25	245:9,18,22	96:17
40:24 71:16	partners 5:18	90:19,21	246:7,10,18	perfectly 111:9
102:24 103:20	26:22 179:3	payments 51:10	252:13 255:21	200:12 258:21
126:14 168:12	parts 219:22	pecuniary	257:9,10,16	260:6
193:25 219:25	party 47:4 79:12	137:25 165:24	258:13 259:5,9	perform 233:18
221:16	139:14	peer 206:13	260:15	performance
participated	pass 46:8 87:10	255:1	people's 41:1	151:16 254:19
50:25 52:17,20	155:20	peers 163:7	91:20 158:24	255:2 258:24
participating	passed 24:17	243:15,18	253:15	performer
44:4	51:4 234:9	Peirce 2:6 18:8	perceive 211:25	124:15
participation	252:19	29:12 114:22	perceived	period 54:20,21
13:3,7 29:20	passing 51:14	181:10	224:11 254:1	56:16,22 68:14
29:21 43:4,25	passionate 20:4	pejorative	perceives 215:12	90:3,5 117:25
61:10 76:18	passive 125:4	191:16	percent 54:4,10	127:24 145:21
82:14 103:15	151:1	Peltz 54:18 55:2	68:10 81:9,10	145:23 147:1
103:19,20,21	Passudetti 42:14	pension 158:15	86:11 90:13,15	155:3 163:12
103:21 120:25	patched-toget...	209:3,4	94:22 135:8	171:19 218:24
particular 13:20	37:7	people 18:11	136:21 137:7	219:4 220:25
15:22 24:8	path 17:25 23:4	19:5 20:4 29:5	137:10,16,19	221:1 231:15
34:18,21 35:15	92:7 100:20	30:9 32:12	137:21 138:19	240:3 244:8
44:4 74:19	103:23 120:17	37:15 43:7	138:22 142:14	258:4
77:16,17 82:13	205:10 238:4	47:18,24 61:21	142:15,16,18	periodically
89:1 168:2	240:14 255:18	66:12,21 68:4	144:5 148:25	96:9 133:18
175:11 179:16	patience 183:2	69:14,23 73:22	149:1,4,5	permissible
182:7 184:8	Patti 2:22 8:8	74:8 75:18	153:23 154:9	49:18,23,25
186:18 192:25	180:24 187:2,3	77:20,24 80:3	154:11,12	permission
200:19 201:15	197:2 212:5,21	83:21,22 87:15	155:19 157:25	98:18,25
207:10 209:19	213:9 234:19	91:21 92:14,16	158:16 159:4	permissioned
210:10	237:9	93:7,9,10,14	159:23,25	62:15 102:11
particularly	Paul 2:13 3:2	93:15 97:12	160:4 163:21	permitted 49:21
22:17 25:20	5:13 8:4 11:7	102:2 106:18	165:14,15,17	permitting
50:16 63:12	26:20 44:16	107:8 112:22	167:14 169:3,5	70:11
72:10 97:24	49:14 92:22	115:19 119:23	169:5 170:4,6	permutations
98:16 108:21	95:13 109:2	121:11 123:4	174:4 175:6,16	67:10
118:13 178:7	191:12 226:25	130:22 133:1,4	175:16,19	pernicious 204:2
187:4 191:21	Paul's 97:1	135:11 145:15	176:1,2,4,8,9	person 10:3 36:8
205:24 232:7	pause 79:15	148:19 156:18	176:13,15	46:10,11,17,18
254:6	111:13 146:24	160:10 169:17	188:1,3 192:8	67:2,8 76:6
parties 14:25	pay 24:16 51:9	171:22 172:12	193:14 197:6	77:25 85:2
37:5 62:1	71:3 86:1	174:23 185:25	242:23 244:7	147:10 149:13

222:4 230:4	57:16 98:10	playing 75:16	235:15 236:13	Polk 6:25
personal 44:23	pigeonholed	226:3 251:10	236:17 243:9	114:11
139:17 215:4	105:14	plays 217:13	252:24	polls 35:14
personally 96:14	pilot 42:11	please 12:18	pointed 17:19	pooling 13:2
195:6 258:4	43:15 48:7,12	27:4,6,9 35:19	21:15	pop 32:24
perspective	62:19 72:7	48:24,24 115:7	points 16:21	population
28:14,15 45:22	103:8	181:16,18,24	30:19 45:7	93:23 169:16
45:22,23 54:1	pilots 42:19	208:17 214:25	71:23 73:3	portfolio 7:12
84:10 87:14	52:18 92:15	258:16 261:5	78:2,14 148:12	25:17 150:24
89:20,25	103:15	pleased 17:17	151:23 201:7	158:18 160:13
142:12 183:6	pipe 65:3	pleasure 119:12	231:14	168:19 184:4
184:2 185:25	pivotal 29:24	plenty 24:23	police 251:3	185:17 195:14
186:10 191:11	place 19:15 40:2	plethora 15:3	policies 130:8,10	195:23 197:14
204:14,19	45:22 50:5,7	plug 141:24,25	163:3 191:24	239:15 241:22
210:15,17	78:17 79:5	plumbers 63:14	192:5,6,10	portfolios
215:11 216:9	80:3,23 101:14	plumbing 63:14	193:11 202:19	160:16 192:1
222:11 227:15	104:6,23 130:4	96:12 97:22	205:22 208:23	portion 76:21
227:25 235:18	150:19 168:14	170:17	210:7 216:13	121:16 165:5
236:3,5 239:25	183:11 202:19	plus 176:13	217:16,17	169:16
240:19 258:6	206:1,21	pocket 56:7	218:11,13,15	portrayed
persuasive	214:16 221:19	point 18:24	219:2,10	157:13
125:20,21,22	232:8 235:21	29:12 30:15	220:18,22	position 35:7,24
235:6	236:14 239:6	34:25 35:8,17	221:11,18	36:4 38:14
petition 137:3,9	251:23 252:9	37:8 41:17	222:11 223:2	46:16,16 47:7
phase 169:11	placed 54:21	45:17,18 49:15	223:21,25	48:21,23,24
phenomenon	plain 88:14	50:1 54:17	227:2 229:7	49:6,20 50:19
86:25	plan 59:17,19	62:7 66:5 74:1	230:12 242:22	50:20 52:12,13
Phil 3:8 8:16	planned 10:7	95:21,22 101:5	243:1 244:16	72:1 78:12
181:2	planning 166:19	105:18 106:20	253:14,22	97:6 125:21
philosophical	241:14	108:22,23	254:3,3 255:3	140:20 183:24
47:6	plans 59:11,15	109:15 110:3	255:21	195:15 238:24
philosophy	platform 20:7	121:10 123:19	policy 129:22	positions 36:17
186:11,16	23:16 82:3	123:20 124:24	184:17 187:18	39:3 45:19
240:5	83:11 110:2	135:2 136:2,19	187:23 192:24	46:7,21 51:4
phone 56:24	123:9 182:16	136:23,24	193:1,3,7,21	52:24 79:7
66:4 93:9,10	187:20 204:11	152:24 153:1,2	193:22 196:1	99:11 195:20
95:2 235:17	204:15,16,22	154:13 155:13	198:5,13	216:17
242:14	208:8	156:5 161:8,9	213:16 216:2	positive 14:11
pick 38:11 64:1	platforms 62:14	163:8 165:6	218:23 219:14	118:19 130:13
104:25 188:12	122:4 204:5	168:22 172:14	219:18 220:13	176:19 237:22
210:20 235:16	plausible 200:12	173:15 174:1	220:14 221:4,7	237:25 245:20
picks 181:20	201:1,1	174:14 178:14	221:11,22	positivity 32:9
pie-in-the-sky	play 30:8 123:13	184:19 196:5	225:3 234:1	possibilities
100:10	128:9 130:16	202:10 203:10	237:19 238:17	63:5 97:3,24
piece 78:11	137:12 207:6	203:12,24	245:5	111:18
84:17 87:1	236:24	207:23 211:19	political 156:2	possibility 54:11
98:10 120:5	played 217:15	213:19 222:16	160:10 162:15	97:21 111:19
125:7	players 49:9	230:4 233:9	189:16 226:13	possible 40:18
pieces 15:22	215:24	234:22,23	politics 226:3	40:25 70:6

88:14 97:15,15 102:20 120:8 203:14 226:2 possibly 30:10 77:21 127:22 post-meeting 45:10 postage 60:8 postal 91:1 posted 247:13 posting 20:15 potential 25:12 49:1 54:11 56:3 64:9 85:8 105:17 143:24 158:8 184:21 202:14,20 206:16,18 207:11,24 210:20 212:25 218:22 225:11 231:3 246:23 249:22 potentially 29:23 53:2 97:8 100:2 207:17 221:23 257:24 258:6 power 157:3 224:20 powerful 14:9 practical 31:1 185:2 210:23 211:6 240:9 practice 40:2 96:1 197:18 209:14 248:8 251:3 practices 24:3 200:14 pre- 71:25 pre-reconcilia... 39:2 pre-reconciling 72:2 preceding 158:2 precipitously 120:11 predate 23:18	predecessor 158:24 preempt 116:9 preexisting 106:7,16 prefatory 175:6 prefer 116:17 121:7 preference 258:25 preferences 19:7 19:16 preferred 195:11 preliminary 54:14,16 55:13 160:23 161:4 premise 91:15 premised 25:9 preparation 180:13 prepare 146:5 222:14 243:2 prepared 96:14 133:21 222:6 263:10 preparing 234:14,16 236:8 preposterous 140:18 167:22 prescriptive 117:10 present 22:5 23:4 34:25 211:9 247:25 presentation 70:7 presented 25:16 preserve 133:17 134:3 President 5:13 5:15,17,23 6:3 6:8,10,14 7:7,9 7:16 8:10,14 8:19 9:3 press 27:4 115:2 181:15 209:19 pressing 115:4	pressure 87:23 223:12 260:13 pressures 224:24 presumably 148:5 presumes 201:20 presumption 194:22 pretends 246:2 pretty 37:1 44:5 82:21 97:7 105:9 162:2 186:2,5 211:17 219:19 230:16 244:13 prevail 223:23 prevailed 159:20 previous 120:22 176:7 260:25 previously 157:23 price 190:21,22 214:17 priced 241:15 pricing 45:22 primary 192:20 251:21 principal 13:1,7 18:20 19:3,10 principle 39:8 principles 13:5 98:4 109:9 111:4 129:2,3 144:19 200:13 248:8 prior 39:18 127:7 150:21 220:12 228:6 231:25 232:12 232:14,18 233:7 priorities 117:15 117:19 129:22 prioritize 77:16 priority 118:2 privacy 94:8	96:10,11,25 99:18 100:2 private 8:12 21:4 28:25 29:6 40:13,20 62:15 102:11 107:22 124:11 134:4 135:23 140:23,25 141:6 146:1,25 167:1,24 181:1 209:4 pro 207:14 pro-blockchain 109:7 probably 24:15 27:24 28:5 38:10 45:1 71:2 72:20 75:4 81:22 84:1 85:9 92:3 100:7 101:24 119:13 138:22 158:18 162:8 200:6 203:9 218:17 219:6 255:16 256:16 257:8 258:10 problem 19:3,11 31:13 33:5 39:22 40:11 42:8 44:9 66:1 67:25 68:1 73:21 86:18 108:20 132:21 139:20 169:25 188:17,21 189:20 199:5,6 199:8,9 200:19 223:17,18 250:24 251:8 260:19 problematic 203:8 problems 13:1 18:21 27:7 31:6,22 32:23 33:2 37:2 40:19 53:20	55:4 66:19 69:9 70:2 71:19 72:4,9 73:16 74:13 99:14 109:8 110:10 136:11 137:2 182:17 182:17 199:11 procedures 142:6 202:19 205:23 210:7 253:14,22 proceeding 263:9 proceedings 262:11 process 1:6 10:18 11:15,23 15:21 18:24 20:3,3,14 21:15,21,24 22:16 23:10 24:12,13 25:5 25:12 26:3 30:15 32:18 33:8 37:11 41:6,11,15 42:3 43:2,8,10 43:13 44:5 50:5,20 51:2 51:11,20,25 52:7,16,17 53:3 54:23 58:21 59:8 63:15,17 64:16 64:17,18 67:18 73:1,3 75:23 78:23 79:1,9 80:7 81:16 82:2,10 83:3 83:25 92:12 93:5 104:7,10 104:15,24 105:5,8 111:21 114:7 124:6,25 125:14 126:2 126:20,24 128:11,13 130:18 133:6
---	--	---	--	---

133:15 134:6	9:6 26:19	proportionate	proposal's	proposed 75:11
134:14 136:5	27:15,19 28:13	236:11	177:15	75:13 248:2
138:3 140:22	43:23 62:23	proposal 15:21	proposals 6:18	proposition
141:7 142:7	111:22 181:7	23:10,17 24:5	10:24 15:8,20	60:10,14 61:6
143:9,13,14	199:21,24	24:8 69:5	16:1 17:24	props 42:5 80:2
148:24 150:10	202:6	70:16 74:16,20	23:7 24:15,20	prosperity 223:6
150:15 152:19	profile 71:22	77:7 112:20	113:18 114:1	protect 14:1
155:6 156:1,16	189:15 209:23	114:7 116:7,10	115:20,22	88:7 94:12
158:16 160:19	profit 188:13	117:1,8,20	116:15,18,21	225:14 226:4
160:20 167:21	profitability	118:5 119:16	117:3,9,16,22	protected 98:5
170:15,17	189:4,11	123:4 124:25	118:9,10,14,17	259:22
171:23,24	224:11 245:20	125:9,11,12,16	118:17 119:11	protecting 100:2
172:4,6,18	245:24 260:9	126:20 127:10	119:13 123:1	225:15
178:2,15 179:3	profits 189:18	128:11 131:1,2	127:4,6,11,16	protection 49:24
179:9,19 180:1	program 12:8	131:5,7,12,18	127:17 128:2	121:17 135:18
180:5 183:14	72:7 82:4	131:22 132:3	133:6,13,19	protections
183:16 184:22	programs 62:20	133:15 134:8	134:1 135:5,6	19:15
186:2 209:24	progress 116:25	136:4 139:2,9	135:9 136:13	protocol 40:1
212:13 215:13	117:25	140:15,22	136:14,19	99:25
216:14,19	prohibit 159:12	141:22,23	137:6,8,10,20	protocols 40:16
219:9,19	prohibited	142:2,5,5,6,20	137:22,23	proud 46:2
220:13 221:13	211:1	144:3,3,10,14	139:1 140:12	158:23
227:3 228:6	prohibitively	147:8,11,13,14	140:16,18,25	prove 83:1
229:12 230:16	70:22	147:16,18,21	141:14,18	103:10
233:16 235:23	projects 42:19	147:22,25	142:9,13,15,17	proven 42:21
236:23,25	100:22	148:15,24	143:13,20	provide 15:4
237:21 244:11	promise 105:17	150:10,15,19	145:11 146:14	20:7 23:15
245:10 247:18	promised 47:5	150:21 151:2	146:18,22	62:2 84:4
256:2,2,4	76:13	152:7,8,9,13	147:5 149:9,12	89:17 105:11
257:1 262:3	promising 47:4	152:14 157:5	151:15,19	116:15 125:2
263:8	96:19	157:22,23	153:22 154:1,6	128:15 150:4
processed 14:19	promote 103:18	159:8,9,12,16	154:12 155:18	180:6 182:16
56:13	121:15 126:24	159:19,22,25	155:19 156:17	183:7 188:18
processes 22:2	160:17 226:6,8	160:3,8 161:14	158:17,19,25	202:15 207:22
78:16 214:6	246:13	161:17,22	159:7 160:10	208:6,7,8,13
processing 60:7	promptly 12:8	162:20 163:10	160:22 161:24	213:14 257:13
61:8 71:3	pronounce	163:13,15,20	162:1,13,18,24	257:16,20,22
producing 31:16	149:15	165:6,21,23	164:2,15,15,17	provided 16:10
74:9	Proofreader's	167:17,21	164:23,25	34:17,18 37:16
product 224:7	262:1,15	168:6,14 169:9	165:2,15,19	101:17 177:20
245:25	properly 259:18	169:11 170:15	166:5,14	205:25 212:17
productive	proponent 24:18	171:13 172:16	167:12 170:5,6	240:16 248:10
13:15 26:3	123:3 131:22	172:20,25	171:6,10,19,20	provider 85:24
126:25 178:17	131:24 138:8	173:1,3 174:16	173:13 175:6	109:25 184:11
products 207:16	149:12 157:11	175:21,23,25	178:3,16 179:9	212:11,12
208:11,14	157:14	176:17 178:22	195:22 240:11	providers 21:19
professional	proponents 24:7	179:24 195:24	240:18	184:19 209:22
259:12	123:10 127:4	235:5,19 236:1	propose 170:9	212:19 248:7
Professor 5:11	151:18 161:2	236:6 254:15	170:18	provides 86:2

175:13	87:19 88:8	222:12 224:2,8	168:5	239:16 248:21
providing 81:19	92:12 94:12	226:20,24	publish 184:5	251:3 254:11
128:11 208:20	95:1,12,24	227:2,14,22	234:5,6 244:9	puts 24:7 128:10
215:8 219:2	96:2,8 97:16	228:9 233:12	244:14	173:2
provision	97:16,22 100:4	235:6,14,16	published	putting 13:13
154:10	100:23 108:1,5	236:12,18	228:10 230:21	18:14 40:23
provisions 86:13	108:9 109:19	237:13,17,22	247:23	53:21 54:1
proxies 50:12	110:5 112:20	239:14 240:16	Publisher 7:15	113:9 128:24
73:18 132:17	112:23 116:10	241:2 242:14	publishing	173:3 193:24
141:15 184:13	122:10 127:5	242:20 243:11	231:25 244:15	221:21,22
185:12,15	128:6 131:2	244:9,11,14	pull 82:7 195:7	
187:14 188:23	132:7 135:12	246:24 247:3,8	259:23	Q
189:5 216:24	137:12 138:7	247:18,21,24	pulled 229:23	Q&A 254:6
252:14,23	140:21 141:1	248:4 251:15	pulling 107:21	Quaadman 3:18
253:13,22	142:9 143:8,19	252:5,12,17	176:2 184:15	7:16 120:4
258:10	144:4,11	253:14,16	purpose 112:2	128:22 135:15
proxy 1:6 5:6	146:21 147:8	254:5,11,22	117:17 129:9	154:15,18
8:2,15 10:4,18	147:21,22,25	256:7 258:21	148:14,18,20	156:10 164:5
11:2,5,14	152:8,15 154:1	262:3 263:8	148:23 150:3	Quadman
13:24 14:6,13	154:7,9 156:9	proxy-by- 132:6	150:14 156:7	114:16
14:17,18,23	156:14 157:1	pt 153:18	purposes 95:24	qualify 162:9
15:1,7,7,8,9,13	157:15,24	public 8:9 21:25	151:11 156:13	quality 95:16
16:3,4,5,7,10	158:24 159:4	81:10 84:12	pursued 98:5	151:25 154:21
16:11 17:23	160:5,22	85:25 102:12	238:4	212:1 252:7
18:24 20:3	164:10,11	107:22 108:3	pursuing 130:10	261:6
21:15,19 22:12	165:20 170:17	108:15 126:19	purview 117:12	quants 228:23
22:16 23:5	171:7 172:20	132:1 135:21	push 44:11	quarterly 91:6
24:8,9,24	173:14 174:13	135:22 136:3	102:2	93:21 146:7
25:15,25 26:9	174:13 177:6	137:1 138:10	pushed 34:5	209:15
27:14 29:24	177:12 178:9	140:2,17 146:2	58:18	quasi-binding
31:24 32:4	180:17 181:2	146:6 164:20	pushing 154:11	248:1
33:8,14,15	182:2,3,6,9,13	166:1 167:16	put 11:10 13:14	question 13:8,10
34:13 39:5	182:21 183:16	168:1,7,10	18:17 19:15	32:17 39:5
46:17 51:22	184:16 185:4	180:25 187:10	27:10 32:5	40:18 41:23
53:22,24 54:21	187:8,16,19	187:11,12	40:2 48:6 59:5	49:22,22,23,24
57:15,18,18	189:15,23	189:5 205:2,8	63:20 68:24	51:9 53:6
58:3,13 59:3	191:6,8 192:20	205:9 215:12	73:1 77:6	57:19 60:3,24
60:21,25 61:18	193:18 194:13	216:1 218:15	79:23 98:17	61:9,11,20
63:10,14 64:9	196:16 197:11	219:1 224:20	99:19 120:7	74:9 84:19,24
64:12,24 65:5	197:22 198:23	227:8,12,16,25	124:23 130:4	85:7 86:8,8
65:12,25 66:6	199:8,12	228:14 230:13	132:24 135:3,7	93:6 99:15,16
66:9 67:23	200:23 202:13	238:11 240:5	138:14 140:9	107:4 108:24
68:19,23 69:1	202:17,23	243:14 257:11	141:22 142:5	109:6,11 115:6
69:6,13 70:1,6	203:2,5,21	publication	142:11 153:3	118:7 122:24
70:16,24 71:19	206:25 208:19	232:18 243:23	157:5 160:24	123:12 124:7
72:16,22 73:10	211:7 213:3	publicize 121:15	178:23 193:11	130:15 144:15
73:19 75:23	215:7,23,25	publicly 28:17	204:10,12	152:15 161:20
77:6,10 81:2	216:13,17	140:13 167:7	216:6 219:17	162:12 170:20
81:13 84:22	217:6,11	167:20,23	220:25 224:4	182:2,20 187:8

191:18 196:5,9 201:17 205:9 205:11,22 207:8 215:19 224:16 251:2 255:8 257:5	259:24 quo 207:14 quorum 119:8 quota 226:7	239:20 rate 138:18,22 165:17 235:11 rates 82:23 87:22 120:11 188:14	224:12,16 226:15 234:20 238:12 real-life 22:15 real-world 194:3 254:12	198:4 200:4 211:25 217:4 218:3 219:12 225:1,16 229:15 231:13 236:6 237:3 239:2 240:4 244:10 245:3,8 245:9,11,14 254:2 260:4,10
questioning 132:9 questions 10:14 20:16 22:4 24:21 31:12 32:23 35:21 36:4 37:15,16 38:21 84:17 107:16,17 111:6 114:10 132:7 179:13 181:21 182:1 190:25 197:22 219:21 222:7 246:23	R R 10:1 113:24 R.M 8:12 181:1 RAA 194:25 211:13 RAA's 240:14 RAAs 186:7 252:14 Rabin 3:19 8:24 181:6 192:19 201:19 208:18 216:22 221:20 229:15 233:25 244:5 247:9	ratio 169:2 255:2 rationale 244:25 rationalized 230:25 Ray 2:23 6:22 114:10 115:15 re- 91:9 reach 15:16 76:18 88:25 89:23 90:23 91:2,7 93:5,7,8 93:10,14,15,22 94:16 95:20 131:16 197:8 218:16 239:12	realized 33:11 52:8 realizes 143:7 really 20:4 28:4 29:23 35:4 37:11 38:2 41:7 44:11 45:6 46:19 47:3 53:17 63:15 64:8 65:14 66:13 67:11 68:16,16 73:4,11,21 74:10,25 76:23 81:17 82:15 84:22 85:11 87:1,13 88:17 89:6,22 90:14 91:9,10,20 92:10 93:19 94:8 95:17 97:11,25 98:13 98:22 109:16 110:16 121:17 124:9,10,17,24 125:2,8,13 126:2,9,10 131:2 132:9 133:10 142:24 149:7 152:1 153:6 157:6 164:2 165:12 169:7 176:24 179:17 182:21 184:8,24 185:2 185:14,18 190:10 191:19	realtime 116:12 reap 135:25 rearrange 97:8 reason 28:6 29:25,25 30:1 71:9 86:9 91:22,24 123:11 163:4,4 167:22 200:16 233:14 239:25 241:5 reasonable 152:24 255:19 258:21 260:6 reasonableness 104:17 reasonably 194:10 200:8 253:23 254:2 reasons 22:19 29:6 30:12,16 38:5 97:4 121:4 178:7 195:1 244:21 250:19 rebut 167:19 rebuttal 258:4 recaps 195:11 receive 21:10 65:12 140:14 228:9,13,14 255:6 received 11:21 45:8,12 52:14 58:3 95:17 140:16 142:20 159:8,23 160:3 172:2 receiving 119:12
questioning 132:9 questions 10:14 20:16 22:4 24:21 31:12 32:23 35:21 36:4 37:15,16 38:21 84:17 107:16,17 111:6 114:10 132:7 179:13 181:21 182:1 190:25 197:22 219:21 222:7 246:23	Rabin 3:19 8:24 181:6 192:19 201:19 208:18 216:22 221:20 229:15 233:25 244:5 247:9 race 163:19 racial 163:11 raise 32:23 60:3 123:3 129:18 130:7 133:20 143:5 168:4 178:23 196:9 225:21 raised 18:1 22:3 45:18 116:24 117:16,20 120:7 122:25 127:16 129:21 129:24 raises 167:14 231:13 raising 151:10 190:7 Rakhi 3:13 8:21 181:5 182:9 190:1 212:5,21 212:22 233:11 240:22 244:24 Rakhi's 242:7 ran 53:22 range 105:18 163:1 170:6 172:3 198:1 ranging 209:2 rare 164:24	ratio 169:2 255:2 rationale 244:25 rationalized 230:25 Ray 2:23 6:22 114:10 115:15 re- 91:9 reach 15:16 76:18 88:25 89:23 90:23 91:2,7 93:5,7,8 93:10,14,15,22 94:16 95:20 131:16 197:8 218:16 239:12 reached 154:7 reaching 61:15 251:20 react 227:10 reacted 226:14 reacting 241:2 reaction 146:15 read 67:6 105:23 125:9 195:4 197:22 239:13 242:14 ready 44:12 66:12 115:3 real 37:19 43:23 43:24 84:19 97:21 98:3,8 106:23 119:7 126:3 143:1 173:7 189:19 190:23 204:8 205:19 223:18	224:12,16 226:15 234:20 238:12 real-life 22:15 real-world 194:3 254:12 reality 85:13 111:11 188:10 realize 67:22 136:25 152:23 154:15 183:9 183:10 realized 33:11 52:8 realizes 143:7 really 20:4 28:4 29:23 35:4 37:11 38:2 41:7 44:11 45:6 46:19 47:3 53:17 63:15 64:8 65:14 66:13 67:11 68:16,16 73:4,11,21 74:10,25 76:23 81:17 82:15 84:22 85:11 87:1,13 88:17 89:6,22 90:14 91:9,10,20 92:10 93:19 94:8 95:17 97:11,25 98:13 98:22 109:16 110:16 121:17 124:9,10,17,24 125:2,8,13 126:2,9,10 131:2 132:9 133:10 142:24 149:7 152:1 153:6 157:6 164:2 165:12 169:7 176:24 179:17 182:21 184:8,24 185:2 185:14,18 190:10 191:19	198:4 200:4 211:25 217:4 218:3 219:12 225:1,16 229:15 231:13 236:6 237:3 239:2 240:4 244:10 245:3,8 245:9,11,14 254:2 260:4,10 realtime 116:12 reap 135:25 rearrange 97:8 reason 28:6 29:25,25 30:1 71:9 86:9 91:22,24 123:11 163:4,4 167:22 200:16 233:14 239:25 241:5 reasonable 152:24 255:19 258:21 260:6 reasonableness 104:17 reasonably 194:10 200:8 253:23 254:2 reasons 22:19 29:6 30:12,16 38:5 97:4 121:4 178:7 195:1 244:21 250:19 rebut 167:19 rebuttal 258:4 recaps 195:11 receive 21:10 65:12 140:14 228:9,13,14 255:6 received 11:21 45:8,12 52:14 58:3 95:17 140:16 142:20 159:8,23 160:3 172:2 receiving 119:12
quibble 155:1 192:12 quick 10:17 43:23,24 77:2 78:3 95:14 109:2 156:24 160:19 176:23 180:13 201:19 232:4 234:20 quickly 49:13 50:1 73:6 97:19 114:8 140:5 197:2 201:16 203:14 232:8 234:18 237:9 239:23 quid 207:14 quite 24:16 28:7 44:2 46:23 47:10,19 75:22 82:25 83:15 85:19,20 87:13 95:19 110:24 145:14 148:8 152:22,22 163:14 180:8 200:1 201:1,1 202:9 221:14	quo 207:14 quorum 119:8 quota 226:7	rate 138:18,22 165:17 235:11 rates 82:23 87:22 120:11 188:14 ratification 142:1 143:19 ratify 142:6 Rating 250:9 ratings 202:23 216:18 ratio 169:2 255:2 rationale 244:25 rationalized 230:25 Ray 2:23 6:22 114:10 115:15 re- 91:9 reach 15:16 76:18 88:25 89:23 90:23 91:2,7 93:5,7,8 93:10,14,15,22 94:16 95:20 131:16 197:8 218:16 239:12 reached 154:7 reaching 61:15 251:20 react 227:10 reacted 226:14 reacting 241:2 reaction 146:15 read 67:6 105:23 125:9 195:4 197:22 239:13 242:14 ready 44:12 66:12 115:3 real 37:19 43:23 43:24 84:19 97:21 98:3,8 106:23 119:7 126:3 143:1 173:7 189:19 190:23 204:8 205:19 223:18	224:12,16 226:15 234:20 238:12 real-life 22:15 real-world 194:3 254:12 reality 85:13 111:11 188:10 realize 67:22 136:25 152:23 154:15 183:9 183:10 realized 33:11 52:8 realizes 143:7 really 20:4 28:4 29:23 35:4 37:11 38:2 41:7 44:11 45:6 46:19 47:3 53:17 63:15 64:8 65:14 66:13 67:11 68:16,16 73:4,11,21 74:10,25 76:23 81:17 82:15 84:22 85:11 87:1,13 88:17 89:6,22 90:14 91:9,10,20 92:10 93:19 94:8 95:17 97:11,25 98:13 98:22 109:16 110:16 121:17 124:9,10,17,24 125:2,8,13 126:2,9,10 131:2 132:9 133:10 142:24 149:7 152:1 153:6 157:6 164:2 165:12 169:7 176:24 179:17 182:21 184:8,24 185:2 185:14,18 190:10 191:19	198:4 200:4 211:25 217:4 218:3 219:12 225:1,16 229:15 231:13 236:6 237:3 239:2 240:4 244:10 245:3,8 245:9,11,14 254:2 260:4,10 realtime 116:12 reap 135:25 rearrange 97:8 reason 28:6 29:25,25 30:1 71:9 86:9 91:22,24 123:11 163:4,4 167:22 200:16 233:14 239:25 241:5 reasonable 152:24 255:19 258:21 260:6 reasonableness 104:17 reasonably 194:10 200:8 253:23 254:2 reasons 22:19 29:6 30:12,16 38:5 97:4 121:4 178:7 195:1 244:21 250:19 rebut 167:19 rebuttal 258:4 recaps 195:11 receive 21:10 65:12 140:14 228:9,13,14 255:6 received 11:21 45:8,12 52:14 58:3 95:17 140:16 142:20 159:8,23 160:3 172:2 receiving 119:12

recess 113:22 180:16	46:3 51:20 55:10,16,20	176:24	91:18	92:19 133:19
recognize 27:11 39:8 115:7 116:14 121:6 128:9 164:12 222:10	reconciling 48:18	reformation 106:17	regulated 16:12 98:12 146:3 250:12 251:22	189:3 195:16 224:10
Recognized 250:9	reconsidered 62:8	reforming 96:7 96:12 110:5,6 127:14	regulation 12:20 29:10 37:9 96:1 99:16 238:1,3,9 246:24 247:2,4 248:2 249:9,20 250:1,3,6,13 251:24 252:3 256:8	release 22:4,5 120:8
recognizes 152:17	reconstruction 105:21 106:12	reforms 128:18 139:2 224:6	regulations 126:24 127:3 217:18 260:13	relevance 177:9
recognizing 28:24 147:4 150:3 151:12 222:16	reconvene 10:23 108:23	refreshing 94:24 242:17	regulators 21:2	relevancy 139:15
recommend 32:13 113:19 143:11	record 33:23 36:21 41:11,19 46:22 99:7,10 99:11 152:20 228:3 239:18	regard 78:8 121:16 132:6 162:10 168:23 180:10 183:2 254:3,8 261:5	regulatory 6:15 21:5,13 29:8 29:15,16 34:24 43:7 98:2 166:7 226:17 226:22 240:19 246:23 248:20 251:11	relevant 17:8 20:17 110:15 125:17 183:3 205:14
recommendati... 25:12 32:5 112:1 138:9 165:21 191:8 192:15 195:8 207:18 215:16 227:13,18 228:22 229:5 229:13 233:1,2 233:5 239:5 244:25 255:8	record-keepers 49:16	regarding 25:12 139:16 149:22 150:17 177:20 191:5 203:2	reiterate 142:14	reliability 42:3
recommendati... 20:13 21:10 25:7,9,15 61:17 62:5,6 185:24 205:15 214:22 216:13 216:21 222:11 222:13 226:20 228:25 244:9 244:15	recorded 262:11 263:9	regards 191:25 207:17 208:2 208:14 213:7 220:20 232:17 249:19	related 13:10 118:18 127:10 189:10 214:6 214:16 227:1 227:22 258:24 260:9	reliably 97:19
recommended 52:9 161:5	reduce 49:2 82:10 83:16	regime 14:17 15:7	relate 37:2	reliance 194:25
reconcile 36:17 41:17,18	reduced 127:24	Region 6:23	relates 118:13 218:13	religion 222:22
reconciled 32:22 45:18 46:7,21 47:8 55:9 72:9	reducing 99:2	register 25:25 33:4 252:17	relating 25:5 209:2	religiously 24:19
reconcilement 72:1	reelection 197:5	registered 22:25 36:8,10,11,13 36:18,18,20,22 48:22 50:2,19 56:2 64:13,17 78:10,11,23,25 79:6,7,12 80:13 110:12 184:25 206:4 233:19 247:9 249:13	relations 150:12 182:23	relook 142:10
reconciliation	rees 3:20 7:19 114:18 120:21 121:9 140:8 149:20 167:5	registrars 110:22	relationship 81:12,15 129:19,23 130:9,11 136:7 209:6,12	reluctance 123:10
	reflect 10:12,15 24:10 234:10	registration 253:2	relationships 50:12 130:4	reluctant 123:8
	reflected 29:3	regular 31:25 92:4 102:8 108:7 195:25	relative 178:2	rely 16:10 47:3,4 197:23 240:15
	reform 38:20 96:8 143:24	regularly 210:13	relatively 50:19	relying 13:4 258:2
		regulate 16:7		remain 91:11 238:24
				remained 15:25 57:9
				remarks 5:4 9:11 11:25 12:2,4,7 28:8 119:22 170:23 170:23 247:1
				remember 12:18 12:24 35:16 69:6 129:7 152:5 175:5 208:2 209:7 217:23,25
				remembering 34:12
				reminder 181:14
				reminders 181:13

reminding 219:3	44:21 131:1	186:4 187:22	213:18,20	249:3
rendering 70:23	147:23 184:24	188:13 194:19	236:9 245:15	resume 11:4
rending 100:3	representatives	205:4 209:7	responses 24:10	retail 15:18
rents 107:2	25:5 202:18	211:12 212:13	222:14	29:19,20 30:2
reordering	247:7	217:3 220:15	responsibilities	31:4 54:4,6
166:17	represented	238:7,8 240:16	84:14 121:19	57:23 61:10,12
repercussions	108:3 132:18	244:14 248:9	responsibility	78:25 79:2
174:15,24	217:9	254:5,17,25	51:7 88:25	82:14 93:3
report 93:20	representing	255:6	183:24 185:13	94:17 95:10
100:11 203:13	44:22 132:8,9	researched	187:14 189:24	119:5,18 120:5
209:1,10,23	214:4	184:2	190:4 199:7,10	120:10,11,24
210:10,13	represents 79:12	reserve 107:7	212:9 225:5,10	121:1,5,15
213:6 227:24	169:5 194:4	resist 29:5	225:16 253:7	122:4,5 135:24
228:7,10,13,14	244:10	resistance 47:6	responsible 7:4	141:9 149:23
229:1,10 230:2	Republicans	resisted 32:11	45:13 124:3	154:18,22
230:10,20,23	25:23	44:4	201:13 230:4	155:4,23
230:23 231:4	republished	resolved 41:21	responsibly	156:16 164:22
232:1,1,11,14	237:18	41:22	201:12 202:9	252:21
232:19,20	request 141:20	resort 116:18	rest 53:14 94:17	retain 160:17
233:24 234:9	232:20	resource 173:8	113:13 205:16	Retelny 3:21 9:3
234:10,12	requesting	252:5	251:4	181:6 191:12
236:14 242:20	64:12	resources 161:1	restraining	206:3 219:16
242:22 243:5,8	requests 48:17	170:13,14	29:11	231:12 249:13
243:12,21	49:5,6 52:10	185:16 196:2	restraint 204:20	rethink 37:9,24
244:2	177:12	228:18 230:6	204:21	retirees 59:13
reportable	require 16:6	254:20 255:5	restricted	187:13 238:12
209:25 210:4	25:24 39:23	257:25	250:18	241:24
reported 50:17	61:2 82:25	resourcing	resubmission	retirement 7:14
reporter 263:3	126:10 161:3	146:4	23:23 128:3	8:9 16:11
263:15	253:12	respect 15:20	136:12 137:3,9	114:14,15
REPORTER'S	required 68:9	16:3 63:17	139:3 140:5	123:22 180:25
263:1	70:16 157:1	112:25 118:24	145:8,9 157:20	187:10,11
reporting 45:13	requirement	178:16 185:22	158:7 167:15	226:1 246:11
193:9	62:2 70:15	211:22 216:19	171:5,8,10,16	return 150:13
reports 43:16	150:25 210:4	251:2 253:14	171:17	226:2
81:2 203:13,24	requirements	respectfully	resubmit 70:10	returns 187:15
203:25 214:10	70:8 127:25	238:5	result 14:23	190:5,8,18,23
215:21 216:4	146:3 149:22	respond 25:6	56:4 86:9	242:3 246:13
227:22 231:23	169:23	27:9 30:18	117:6 127:8	revamp 75:3
232:23 233:15	requires 17:7	115:5 131:12	138:16 141:17	revealed 110:25
235:10,12	64:12 83:1	140:8 141:19	238:8 240:20	revenue-shari...
237:8 244:14	150:20 253:21	149:20 167:5	252:21	87:16
254:25 256:22	requiring 71:25	172:14 175:3	result-driven	reversal 139:4
258:2,3	128:1 253:2	176:4,10,11,11	153:8	reversed 159:5
repos 195:10	requisite 62:1	190:2 221:15	resulting 140:25	review 54:20,21
represent 63:10	research 89:8	225:7 260:1	results 22:18	54:23 58:20
115:13 116:1	173:2 182:14	response 34:2,7	53:24 54:9,15	70:20 87:19
220:8	185:10,11,12	93:12,16	54:16,17,24	104:6 108:4
representative	185:12,24	212:23 213:10	55:13,17 139:6	128:14 144:17

177:25 186:2	212:8 213:18	role 16:4 17:23	148:19 149:22	safeguards
193:12 194:15	232:15 239:8	24:12 29:24	150:4,10,15,19	259:22
209:16 212:19	241:5,6,20	30:8 86:1	150:20 151:3,4	sale 57:8
213:3 215:15	244:19,24	121:18 123:13	155:9 161:22	sales 207:12
235:9,23,24	245:7 249:11	128:8 130:16	164:7,8 167:17	sample 138:19
238:7 255:15	249:14 250:17	130:18 137:12	168:6,14	Santander 103:7
reviewed 54:22	251:5 260:11	140:11 182:7,8	179:17 195:8	sat 162:23
194:16	rights 53:11	182:21 183:10	253:11,17,20	satisfied 255:9
reviewing 185:6	88:8 116:13	186:1 201:18	255:20	satisfy 141:16
185:19 186:5	141:4 159:19	217:13,15	rulemaking	saved 259:21
193:10 253:18	169:15,16	226:17 257:19	39:23 49:23	saver 186:23
revisit 210:6	rigor 183:14	roll 49:10 222:8	120:24 128:9	savers 252:1
256:16	rigorous 126:2	room 28:16	131:15 137:3	saving 123:22
revisited 30:5	186:2	31:21 47:24	141:16 149:21	savings 16:11
158:7	rigorously 184:2	48:6 58:6 59:4	176:25 200:4	100:6
revisiting	rise 226:11,18	59:5 113:16	rules 14:4,7,13	saw 177:4
253:17	risk 29:5 44:1	173:10 204:3	15:25 21:3	222:20
revolution	175:24 176:6	213:22 245:1	23:10,18 24:1	saying 13:18
166:11	241:9,15	247:10 248:19	30:4 61:24	95:4 116:3
rewarded	247:25 259:11	250:11	68:12 70:9	163:25 181:20
246:17	risks 125:3	Rosen 5:20	75:13 78:6	192:20 202:7
rewards 80:23	rivals 168:2	roughly 29:18	98:8 126:24	255:14 260:2
rid 67:17	road 18:3	159:23	127:2 130:18	says 42:13,17
right 19:14	220:16 235:25	roundtable 1:6	139:16 148:15	106:1 172:9
37:20 38:19	236:22	7:8 10:5 11:16	157:21 201:17	195:12 211:23
41:6,11,19	Robert 2:5 3:23	11:20 13:20,22	217:18 235:25	scale 102:14
42:21 45:20	6:3	15:6 16:14	236:22	160:24 166:17
46:1,5,10	robo 199:2,14	18:15 19:25	rulings 130:2	scare 250:13
49:16 50:4	robo- 191:8	40:15 86:24	run 18:21 63:21	scary 37:15
57:15,19 58:2	195:17	107:21 114:5	71:19 107:15	scenario 59:19
60:1 63:17	robo-voting	114:13 126:16	146:1,16,23	241:14
64:10 65:5	191:15,19	138:5,12	179:18 206:22	schedule 17:20
69:4 71:10	192:11 194:13	156:22 191:13	235:13 259:11	230:24
75:1 78:6 80:4	198:4,7 242:21	219:12,13	running 179:16	scheduled
80:7 82:5	robust 10:8	261:13 262:3	259:12	174:10
85:11 87:5,6	115:1 136:1	263:8	Russell 142:19	schedules 12:16
87:24 94:4	209:13 210:12	Roundtable's		scheme 248:20
96:8 98:9	221:13	140:20	S	Schifellite 3:23
106:14 112:3	Rock 3:22 9:6	roundtables	s 5:1 10:1 103:24	6:3 26:24
114:3,9 122:11	181:8 199:21	220:4 221:16	113:24,24,24	40:22 44:3
122:14 126:8	199:24 202:6	routes 98:17	S&P 137:6	78:2 79:16,19
132:13 133:17	Rockville	routine 38:24	159:4 188:3	103:4 104:3
134:4 145:1,5	220:16	99:23	232:1	Scholar 8:16
149:2 154:1	Roisman 2:7	Rube 111:8	sacrifice 96:15	School 5:12 9:9
156:25 158:4	19:21 107:7	rule 43:6,7 63:1	safe 225:5 253:4	26:20 181:8
164:8 165:10	109:4 111:5,11	63:19 82:25	253:8	Schor 3:24
166:2 174:6	112:7,15	94:19 108:6	safeguard 99:18	Schorr 6:6
190:3,9,21	114:22 181:11	124:8,17 125:8	safeguarding	26:24 53:13
193:16 210:12	257:4,6	126:8 139:15	16:11 62:11	69:25 71:10

79:21	127:20 159:6	107:23 108:13	137:25 165:24	September
scope 240:7	second 12:18	111:25 113:15	self-interests	60:18
Scot 3:3 8:10	17:9 23:8	116:17 117:23	134:12	series 62:19
181:1 182:10	30:21 39:2	118:23 119:25	sell 124:13	224:5
191:10 194:1	57:2 78:7	121:24 122:11	212:12	serious 138:23
210:20 234:18	79:14 95:22	126:3 133:8,15	selling 146:20	164:11 172:4
237:9 253:10	101:2 120:5	139:7,20 145:9	189:1 211:11	seriously 24:12
257:21	145:20 161:25	169:14 179:22	Senate 16:6	32:3 149:11
scrambling	174:11 184:14	179:24 186:8	77:15	172:3,6 236:6
230:18 231:2	191:17 207:8	188:18,19	Senator 16:9	serve 50:18,19
scratch 28:19	237:19	190:6,8 208:9	77:16 181:2	67:7
111:23	secondary	216:7 224:6	187:3,24,25	served 160:6
scrutiny 198:15	109:11 110:2	225:24 232:13	190:3 197:2	179:3 223:6
SDA 38:4	seconds 50:22	235:3 236:24	198:20,21	256:5,5,6
Sea 226:12	secret 88:24	239:25 240:13	199:25 201:6	257:1 259:25
seams 45:24	secretary 7:22	241:10 243:18	203:20 222:10	service 21:19
Sean 3:4 8:14	8:20 34:22,23	245:13 248:1	222:15 241:6	41:8,15,16
181:2 202:18	150:12 179:1	255:19 259:19	241:23 244:4	81:20 85:1,23
202:22 259:7	236:5	261:8	245:15 251:2	86:4 87:15
Sean's 241:13	section 161:9	see-through	252:25 253:1	90:12 109:25
season 100:5	sector 40:20	30:21	257:4 260:1,20	165:22 184:11
116:10 177:6	107:22 218:7	seeing 106:6	Senator's 240:4	211:7,7 212:11
177:12 231:7	sector-specific	166:16 223:15	Senators 25:23	212:12,19
233:12 235:17	217:21	232:12 241:13	send 36:24	215:8 231:4
235:19	sectors 218:6	seeking 11:14	49:18,19 65:22	services 5:16
SEC 2:10 10:10	secure 104:11	21:2,7,8 219:2	71:2 102:7	8:15 9:4 181:2
11:19 13:21	securities 1:1,22	seemingly	112:18 147:10	181:7 184:7,17
15:23 20:13,15	8:18 12:20	211:17	193:9 219:24	187:20 194:3
21:6 24:5	22:6 32:19	seen 22:15 34:12	232:18	197:25 202:16
29:10 30:7	35:4 42:17	78:19 81:4	sending 61:6	202:23 208:14
37:11 38:23	44:22 46:8	82:10 83:4	147:13,14	208:21 211:11
39:23 48:4	52:5 55:8	94:14 95:1	231:6 232:14	212:16
61:25 70:18	72:10 144:5	100:12 120:10	Senior 6:14 7:7	session 114:5
77:6 97:25	183:20 192:1	123:1 140:24	7:9,23 8:21	set 25:19 26:14
108:6 109:22	233:11 247:19	151:14 166:10	11:1	32:1 76:3,5,7
121:14,16	247:20	166:18 175:2	sense 29:11,11	76:11,14 98:8
129:13 135:18	security 113:20	175:15 212:15	31:2 37:12	99:10 108:6
138:6 139:7	233:4	228:12	92:6 100:12	109:22 137:2
140:21 142:9	seduced 109:14	segue 53:5 96:17	102:12 146:5	145:4,11,14
149:25 150:1	see 11:11 27:10	242:8	146:11,12	175:17 219:5
159:2,16,17,21	30:23 34:13,16	segues 62:22	193:8 199:16	222:25 225:7
161:3 167:14	35:2 39:19	select 63:21	216:6 245:4,7	234:13,14
170:12 191:13	44:14 49:1	84:24 244:22	246:12 258:5	setting 30:24
200:4 201:17	58:22 69:10	selected 70:12	sent 33:24,25	108:1 223:11
225:15 226:4	73:5 79:9 82:6	selecting 212:11	36:14,16 52:15	243:14
226:17 228:1	82:9 90:6,7,13	selection 30:5	60:25 61:3	settings 29:23
247:18 253:9	97:12 101:20	selects 87:9	73:18 131:1,18	settled 33:21
263:8	102:3 103:23	self- 118:9	separate 56:8	55:2
SEC's 27:13	104:21 107:3	self-interest	86:8	settlement 110:6

Sevcik 3:25 6:8	122:4,6,25	224:1 235:5	174:7,18	shoes 147:21
26:25 33:6	124:25 125:9	240:10,18	179:22 191:2,2	short 11:4 38:3
48:11 88:16	125:11,12,15	242:9 248:8	192:8 209:21	46:16 69:24
seven 169:12	126:20 127:4	254:14	220:7 224:10	82:1 92:21
seven-year	127:13 128:2	shareholder's	230:19 236:8	106:25
171:19	128:11 130:1	14:5 121:18	242:21,25	short-term
Seventeen	131:18 133:5	144:10	shares 14:21	37:23 39:22
171:14	133:13,15,19	shareholder/c...	22:9 34:20	62:5 191:1
severity 105:19	134:9,13 135:5	14:14	35:5 36:5,13	shortened
sexual 158:25	135:6,9 136:4	shareholders	39:14,20 41:12	150:25
159:13,13	137:6,11,22,22	14:10,24 15:10	46:9,11,15,18	show 78:22,24
shame 106:23	137:24 138:8	18:25 19:4,12	48:20 49:17,20	145:23 147:2
share 31:6 38:6	139:2,9 140:12	19:13,18 22:14	54:2,7,8 56:3,8	250:23
38:7,10 39:15	140:15,18,22	23:9,13,14	56:8,9,10,11	showed 51:22
39:16 40:19,25	140:25 141:18	36:21 39:10	56:12,17,19,25	53:24 54:9,17
53:10 62:8,9	142:13,15,17	50:10 51:3,15	57:5,11,11,14	57:23 137:18
64:17 80:9	142:20 143:1	57:22,23 61:15	57:24 58:4,11	shows 122:8
81:9 93:3 95:9	143:13,20	64:14,19 68:6	58:15,17,18,25	149:13 171:17
99:2 106:1	144:2,4,6	72:17 73:23,25	59:12,14,16,17	side 27:10 33:3,4
107:11 121:18	145:24 146:6	77:14,20 86:17	59:22,25 60:1	33:9,9,13
123:19 152:10	146:13 147:12	87:12 89:22	62:9 64:19	34:11 36:18,18
152:13 153:25	147:14,18,22	91:5 94:5,22	65:11,21 70:17	36:22 48:18
188:25 195:10	147:23 148:15	97:18 100:2	71:1 74:19	50:2,3,8,10,16
216:9 249:15	148:24 149:8	115:17,19,22	75:20,23 81:7	50:20,25 59:3
251:16	149:12 150:10	116:14 117:2	81:16,24 86:11	59:5 66:12
shareholder	150:14,18	119:4,6,9,15	92:18 96:20	69:15 73:15
6:18,19 7:10	151:2,5,15,24	119:19 120:10	99:18 110:13	74:3 78:23,25
9:4 10:24 15:8	152:7,8,9,13	121:23,24	111:13 122:6	79:6,6,12,25
15:16,20,21	152:14,17	122:18 123:15	122:14 139:11	80:13,14 95:10
19:16 21:16,22	153:21 155:6	124:20,21	147:10,18	95:11 105:11
23:7,10,17	155:10,19	125:23 126:18	148:6 149:1,3	110:12,13
24:5,15,18,19	156:1,16	127:1,6,9	149:3 150:20	131:24 134:3
34:1 56:24	157:10 158:17	128:5,7,19	152:19,20	181:24 206:25
58:16 69:5	158:19 160:9	129:8 131:13	153:13,14	207:1,1,3,4
70:4,12,21	161:22,24	132:12 133:22	157:14 176:3	208:4,5 210:23
79:2 81:2	162:1,17,24	134:8 136:8,10	192:8 196:14	212:12 217:10
82:14 83:5	164:14,23	136:16,22	224:2,3 242:23	side's 69:15
88:18 89:5	165:10 166:5	139:19,20	245:18,23	sides 54:23
92:2 112:18	166:13,23	141:14 144:11	246:7,9 253:6	72:19,19 75:15
113:18 114:1,2	167:12,17,21	144:14 146:16	sharing 232:11	79:9 80:1
114:6,6 115:20	168:6,13,16	147:2 148:16	232:13	214:17
115:22,23	170:4,15	149:9,14 151:8	Sherry 3:17	SIF 124:2
116:7,10,14,17	172:25 173:1	151:21 152:3	5:23 26:23	sight 124:19
116:21 117:1,8	173:16 175:21	153:11 154:19	71:13 77:4	sign 91:5 95:7
117:9,16,20,22	175:23 178:6	154:21,23	shift 75:13	193:6 231:5
118:5,9,17	179:23 181:7	155:4,24	203:18	signature
119:2,11,13	187:15 188:2	156:12,17	shiny 109:15	158:22
120:1,5,11	195:22,24	160:6 168:11	ship 259:17	signed 36:3
121:13,15	210:3,10 223:2	170:25 172:5	shocked 57:1	significance

177:16	209:19 226:13	228:23	39:8 64:25	sound 149:6
significant	253:3	smart 101:18	98:17,19 99:1	218:1,3 244:18
28:21 76:21	situations 34:14	245:17	102:17 169:25	source 223:15
93:3,11 103:5	74:14 178:17	smarter 66:21	199:15 229:10	224:12 225:11
104:11 105:3	239:11	smartphone	solutions 6:4,5	South 101:2
164:9 165:5	six 25:22 133:23	93:15 102:3	21:4,12 22:20	110:19 226:12
171:21,21	195:24	Smith 4:2 7:22	31:9 53:18	space 29:17,21
217:15 249:15	size 128:1	114:19 119:1	55:5 106:17,24	105:17 160:21
249:21 253:15	138:20 152:1	122:3 148:11	108:14 206:6	212:11
significantly	218:8,11	157:10 172:22	207:13	sparkling 92:11
127:16 233:16	230:25 243:7	173:23	solve 53:20	speak 27:4 40:4
silencing 16:1	sizes 16:13	Smithfield 246:7	73:16 109:9	115:3 131:3
silver 105:10	skin 153:10,12	246:14	182:17 199:10	181:15 210:22
106:23	skipping 100:19	snapshot 187:9	solved 117:7	211:6,18
similar 117:7	slate 59:24	so-called 43:12	132:6	213:12 216:16
133:13 160:4	63:20 64:11	131:1 191:8	solving 112:11	236:12 237:11
178:3 193:16	66:23 73:13	social 23:15	256:23	244:5
Similarly 134:5	77:21	93:14 116:5	somebody 44:1	speakers 32:10
simple 21:17	slates 63:25	117:22 118:1	44:11 65:7	32:11
45:15 49:15	SLB 132:21	119:24 120:16	67:7 69:10,12	speaking 29:18
52:13 59:7	138:1 141:20	122:25 123:9	88:13 92:18	120:22 181:18
82:11 102:19	SLB-20 138:25	123:11 124:5	93:11 130:17	201:21 215:3
138:6	205:24 215:19	141:3 148:22	155:16 174:3	229:5 244:12
simpler 31:11	slew 192:5	151:11,13,16	203:22 225:11	special 11:1
106:17	slightly 39:4	155:18 160:10	225:13 226:2,5	154:12 223:20
simplified 84:3	slippery 97:12	162:7 168:15	246:9,16,16	224:19
simply 121:7	slips 239:20	189:16 223:5	253:5	specific 20:8
163:17 167:22	sliver 135:11	223:12 224:5	somebody's	34:17 38:8
204:16 246:2	slope 97:12	224:24 226:7,8	79:16	43:25 46:25
single 14:9	slow 22:18	245:17	somewhat	62:9 118:6,6
34:20 47:3	129:11	socialize 161:10	214:21 219:20	134:23 178:15
49:6 52:12	slows 233:16	socially 224:11	soon 97:15	192:22 193:21
107:1	slug 93:23	society 6:11 27:1	sorry 55:11	200:8 218:4
sit 86:23 124:2	small 19:11 57:4	47:16 68:2	86:21 161:8	235:21 237:3
125:15 163:15	58:10 66:5	81:11 214:12	257:5	specifically
sit-out 68:14	81:3 100:25	225:14,15	sort 11:10 27:12	159:11 191:18
site 82:5,11 91:6	128:5 135:11	230:3 245:9	30:9 33:1,3,4	196:10 215:18
121:16	138:19 141:8	256:21 259:24	40:17 53:18,19	219:22 237:20
sits 68:2	149:23 150:4	sold 146:10	67:11,13 68:25	247:21
sitting 46:19	150:16 151:6	solicit 60:16	71:18 99:5	spectrum
58:16 68:17	153:16,24	68:9,11 71:1	100:17 102:4	105:20,20
217:9 248:19	154:5 169:15	161:1	162:1 201:10	106:5,10,12
situated 241:16	170:24 185:10	solicitation 60:9	215:22 223:4	speech 105:24
situation 35:23	194:18 195:16	70:15,22 123:2	236:1 237:1	105:25 130:3
41:13 60:4,15	214:4 228:1	215:25 218:24	258:4	156:2
61:2,15 70:22	230:4 238:18	219:4 228:2	sorts 62:17	spend 149:18
79:7 86:7	238:18 252:11	solicited 68:6	97:13 255:4	170:14 171:25
94:23 122:13	smaller 68:1	solicitor 63:10	Soss 154:4	207:7,9 231:20
188:6 202:3	93:24 152:2	solution 31:13	sought 13:24	236:7 242:17

spending 170:15 185:14 197:14 225:12,12 236:18	stage 52:3,8 93:13 108:16	starting 90:6,7 92:7 180:23 227:13	stick 124:15	81:3,4 90:25
spends 220:17	stake 121:12 155:11 156:6 210:4	starts 113:18	sticks 179:22	101:19 104:7
spent 60:12,16 135:6 207:23 243:11	stakeholder 148:21 180:2	state 7:13 8:23 12:19 47:8 99:16 114:14 150:9 152:17 160:2 162:22 181:5 224:17 242:11 243:1	stiff-armed 204:18	132:18 141:9 149:23 169:6 181:5 194:5 242:11 245:1 252:22
spheres 50:4	stakeholders 21:11 97:7	stated 41:2,4 107:21	stinks 74:12	Street's 243:1
spill 190:22	stakes 71:20 209:25	statement 20:15 38:4 47:14,15 127:5 146:21 156:9 157:24 160:22 171:8 172:20 173:14 174:13 242:14 247:12	stock 59:11 87:18,24 104:5 107:18,25 109:21 167:9 168:3 190:21 190:22 195:11 246:10 255:3	Streets 150:9
spirited 10:16 44:25	stand 72:3 235:2 260:10	statements 5:3 46:3 139:17	stocks 81:22 188:12	strengthened 139:15,16
spoke 15:9 204:8	standard 160:5	States 100:17 140:14 168:8 220:6 232:7	stop 69:19 95:4 95:4 96:11 208:15	strengthening 213:8
spokesperson 202:25	standardized 184:14	statistic 244:6	stopped 224:25	strengths 12:21
spotlight 11:19 180:22	standards 141:5 186:3,7	Statistical 250:9	stories 65:7 66:14	stress 249:22
spread 55:17	standing 15:17 250:10	statistics 142:11	story 65:10 89:2 89:24 132:2 231:16 234:3	strides 136:6
stable 14:16	standpoint 68:17 226:23	stay 27:24 103:22 109:20 167:1 249:8	straight 78:8 169:8	strike 155:23 232:17
stacked 130:21	stands 126:8	steered 259:18	straight-throu... 106:3	strong 22:23 25:2 139:20 206:21 221:17 257:10
staff 2:10 10:10 10:13,14 12:11 13:19 15:23,24 15:24 16:24 17:1 18:14 24:5,7 40:23 44:20 53:14 63:9 75:14 113:9,13 115:14,25 123:18 128:10 128:12,24 132:23,24 143:7 158:13 159:7 170:13 177:1,5,10,19 177:24 179:5,7 179:10,12,25 180:4 182:12 187:6 193:24 198:10 199:1 205:25 214:2 215:2 216:9 240:14 253:25 255:19	start 16:14 18:3 26:18 27:3,17 32:17,25 33:7 40:17 53:21 63:7 65:17 80:24 94:3 98:4 107:4 111:23 116:3 132:3 133:7 144:20 158:5 173:23 174:4 177:17 180:14 180:20 181:13 181:25 182:2,9 183:18 190:8 194:21 202:18 206:4 216:14 217:16,21 241:10 246:22 247:7	Stein 2:8 13:17 25:22	straightforward 39:7 44:5 52:25	strongly 120:15 120:18 158:15 176:14,16 242:6
Staff's 24:10 211:5	started 73:23 111:22 114:4 115:9,15,16 163:2 180:19 188:8 217:20 218:18,19	step 75:1 87:20 111:12 177:22 191:17 225:9	strategic 146:20 166:24 217:11 248:18	structural 96:4
staffer 17:4		steering 42:18 50:25 52:20 68:18 80:9	strategies 166:12	structurally 87:13
		stepping 147:21	strategy 117:17 146:9 166:15 168:13 183:15 190:9 191:3	structure 14:8 85:15 102:25 108:5,21 113:6 167:9 175:23 176:1 197:17 200:10 202:15 223:1 225:20 248:10 256:2,2
		steps 33:5 38:23 38:24 83:5 101:11 105:7 221:7 226:22	stratify 71:8	structures 214:16
		stewardship 6:22 8:22 117:15 248:18	streamlining 67:18	struggle 91:14 235:4
			street 1:23 8:23 13:11 22:13,23 22:23 33:3 50:3,20 54:4 73:23 78:10,12 78:24,24 79:5 79:9,25 80:14	struggles 119:7
				Stuckey 4:3 6:10 26:25 47:12 65:4 68:22 71:7,11
				studied 62:13
				studies 51:21 65:7 94:21

250:21 255:1	subset 128:5	240:15	survey 30:9	107:1 109:10
studios 250:20	170:25	support 66:9	221:15	110:5,6,12,21
study 50:14	subside 31:14	77:20 116:25	surveys 219:24	111:1,1,8,24
70:19 85:19	32:15	118:10,16	survivor 24:22	112:25 113:1,2
90:3 104:6	subsidiary	127:20 136:15	suspected 32:21	114:15 122:17
137:15,18	211:11	136:20 137:22	suspended	126:11 127:14
153:21	substance 25:8	151:15 160:4	33:22	136:3 139:18
stuff 42:4 68:23	substantial	164:5 169:16	suspense 33:20	139:24 140:11
sub-custodian	100:4,6 128:7	171:15 174:5	sustainability	141:8,12
31:19	171:1	174:19,20	236:14	142:21 151:20
sub-custodian...	substantially	224:5 248:10	sustainable	155:21 170:9
31:19	150:2 157:22	supported 117:4	124:3 242:3	180:25 187:10
sub-custodians	240:21 252:19	197:5 238:24	sweeping 99:24	187:11 259:23
56:2	substantive	supporting	186:6	261:2
subcommittee	134:10 177:11	165:14	swell 80:16	system's 143:5
69:11	success 82:11	supportive	switch 90:1	systems 39:11
subject 63:3	successful 48:13	103:11 158:16	176:20	101:6
84:14 105:24	49:8	supports 117:21	symbol 57:21,22	
157:22 196:8	succinctly 153:4	137:21 169:17	synch 80:16	
233:19	sudden 169:19	supposed 98:6	system 7:14 8:9	
subjective	Sued 159:17	149:16 153:10	12:19,19,25	
235:10 238:17	sufficient 40:4	sure 19:15 29:2	13:9,24 14:23	
238:23 239:11	93:7,8 117:25	38:1 40:4,22	14:23 22:22	
submission 26:4	213:14 222:13	43:21 44:19	28:18,24 29:1	
251:17 256:21	suggest 30:7	49:13 50:24	29:14,22 30:1	
submissions	148:16	51:15 52:2	30:4,13 31:12	
20:12 256:20	suggested 97:21	88:16 95:25	32:2 33:12,22	
submit 11:21	suggestion 62:23	96:23 105:14	36:2 37:2,7	
20:11 42:12	228:5 247:2	107:7,13,17	38:6,22 39:17	
43:11 133:18	suggestions	113:20 115:2	45:16 46:1	
142:2 144:3,10	85:14 90:10,10	115:24 125:9	47:2 48:12	
144:14 169:11	112:4	125:23,25	49:7,10 62:8,9	
233:7	suggests 18:2	130:16,24	62:15 63:24	
submitted 52:4	134:24	133:9 135:15	64:4,5,6,20	
120:6 137:3	suing 140:20	157:19 171:22	67:19 73:24	
153:22,23	suite 207:15	181:19 191:13	74:5,10,11,12	
submitting	suited 108:25	194:7,9 206:3	74:23 75:2,3,4	
51:16 127:9,16	summarize	207:12 208:4	75:8,18,21	
127:17 150:21	27:22 28:1	210:9,22	76:15,23 80:22	
subprime	220:18	226:19,25	81:3,23 83:18	
226:10	summary 27:17	229:1,12,18,21	84:2,6 87:4,9	
subscribe 192:6	118:15	232:8 233:17	87:12,23,25	
207:15 208:12	supermajority	233:20 234:17	88:1,5 91:15	
subscribers	154:10 165:5	235:14 238:6	91:17 96:8,12	
230:1	supplement	251:14 253:23	96:14,15,25	
subsequent	11:18	256:1 257:15	97:3,16 99:2,6	
42:13 227:14	supplementary	Surprise 164:6	99:9 100:3,7	
subsequently	138:15,20	surprised 34:14	101:2,7,8	
159:14	supplemented	250:7	106:8,9,13,17	

T

T 5:1,1 113:24
tab 208:8
table 12:13 13:8
54:22 58:24
84:11 107:9
112:21 119:14
132:18 140:9
184:18 198:2
213:23 217:9
256:3
tabulated 32:20
59:1
tabulation 56:4
56:20 58:9
71:19
tabulator 33:10
34:6,6 36:19
42:25 43:19
52:15 55:11
72:2
tabulators 21:20
40:1 41:19
44:4 52:9
99:25
tackle 38:19
53:19 69:11
70:3 116:12
tag 115:7
tagged 80:1
tail 240:18

take 20:1 24:12 28:3,6 32:2 33:5 36:14 37:24 38:24 43:20,21 50:22 53:17 58:15 72:13,16,25 75:1,5 80:3 83:5 87:1 93:2 104:23 111:12 135:17 137:5 138:15 142:9 155:21 163:23 164:7 165:3,7 165:8,12,13 172:4,6 181:24 183:21 186:8 186:17 190:15 190:16 191:17 200:7 201:22 206:1 217:19 218:7,8 220:24 221:7 236:6 241:4,6 243:4 244:25 246:6,7 255:18 256:18 257:2	115:18,21 132:10,10 133:7 135:16 137:14 143:25 147:12 160:10 165:10 172:11 174:11 190:19 191:17 192:6 194:2 200:6 206:6,22 209:15 219:5 219:14 231:24 232:3 235:17 235:20 236:10 238:21 239:7 245:4 talked 38:13 44:10 55:6,24 58:20 59:10 60:5 71:24 73:17 74:14 78:16 92:16 94:24 96:18 101:20 105:6 119:22 129:15 131:22,23 137:13 138:4 138:12 144:7 147:7 170:24 176:23 178:10 182:18 204:9 236:17 talking 45:19 46:13,14,20,21 52:3 63:13 92:25 93:2 99:4 104:16 105:25 110:4,5 110:11 111:20 121:10 123:24 130:22 135:4 142:12 143:23 146:13 152:25 165:8 169:23 169:24 171:4 172:23 178:4 192:10,14 207:10 234:23 234:24 239:8	248:14 254:14 256:17 talks 45:14 96:4 tall 106:22 tallies 160:23 161:4 Tamara 2:12 6:20 10:24 120:4 126:12 tangled 15:2 task 11:2 32:3 taught 16:24 Teachers' 7:13 114:14 teaching 217:4 team 6:23 13:21 24:8 34:13 35:13 48:11 117:12 216:25 229:22 239:19 teams 217:4 235:3 technical 27:7 37:17 97:23 211:19 technically 245:10 technological 97:3 98:14 technologies 92:17 106:16 109:24 120:9 120:14 129:16 technology 5:6 15:7,13,15,15 22:20 23:1,3 26:9 37:21 43:21 49:22 62:16 74:7 79:3,3 83:15 84:1 87:21 88:2 91:23 93:9,17 96:16 96:18 98:19 99:15,17 100:19,21 101:5,14 102:2 102:16 104:15 105:12,16,23	108:12 109:10 109:15 110:1 111:3 113:4,5 113:7 119:23 119:24 121:6 121:10 technology-ba... 97:16 Ted 2:17 5:7 10:20 26:7 27:19 33:6 37:14 40:22 47:12 53:13,21 63:8 tee 144:16 teeing 27:12 teens 162:2 176:10 teeth 249:6 telegraph 221:24 222:1,4 tell 47:21 67:10 69:2 77:24 89:2,24 145:15 146:7,8,9,10 146:23 201:13 241:4 260:2,15 261:5 telling 37:15 75:22 260:21 ten 16:23 23:24 34:19 47:9 89:10,14 129:17 159:24 168:24 169:2 195:3 236:2 ten-year 56:21 tend 20:4 203:20 250:19 251:4 259:15 tension 232:13 term 14:12 38:3 100:7 130:6 190:5,12,25 191:15 192:13 195:17 196:14 199:2 259:15 terms 33:4 37:9 38:10 40:11	45:1 54:5 63:25 98:4 105:12 124:7 130:15 131:11 131:14 135:3,5 138:3 145:20 146:4,24 148:1 148:9 165:18 171:23 173:20 175:21 176:13 179:18 180:4 188:9,14 200:24,24 206:7 238:1 245:20 256:3 256:17,23 terrible 162:13 terrific 100:9 113:9,9 196:24 261:1,9,11 test 62:20 testimony 262:12 thank 10:2 12:2 12:5,10,14 13:15,19 16:15 16:17 18:8,9 18:11,14,17 19:20,23,24 20:18,20 26:7 27:19 32:15,16 33:6 37:13 40:22,22,24 44:19 48:9,11 49:13 50:24 53:13 62:21 63:8 71:15 73:9 84:8 86:21 88:3,16 100:15 107:20 109:1,5 111:4 111:5 112:5,7 113:8 115:24 122:21 123:17 126:12,12 128:20 132:18 133:9,9 134:19 134:24 140:3,8 143:3,20
---	--	--	---	--

149:20 151:21	78:7 86:18	217:22 219:5	80:4,5,12 81:4	143:6 148:13
158:12 167:5	89:19 90:16	225:23,24	81:8,9,17 82:1	148:14,19
169:21 170:20	95:18 101:13	226:5 227:1,9	82:1,3,15,16	151:23 152:1,5
177:18 180:11	103:25 120:23	227:16,22	82:18,24,24	153:3 154:18
180:14,20	123:7 143:19	228:2,24 229:6	83:8,15,16,17	155:20,23
182:11,11	146:14 147:7	231:10 234:25	83:24,25 84:10	156:2,11,12
184:23 186:25	148:14 149:17	235:17 237:14	84:16,17,18,24	157:15 158:21
187:5,6 190:1	155:17 164:19	239:14 245:6	85:1,4,7,12,14	158:23 160:11
191:4,12,12	177:2 186:12	245:12,13,13	85:18 86:17	160:16,20
193:23 196:7	193:14 195:4	245:18,19	89:9,19 90:2,9	162:17 163:9
196:22,24	195:21 208:1	248:22 249:8	90:16 91:16,21	164:7,25
197:1 198:19	215:20 221:20	252:18 255:4	92:2,7 94:1,2,4	165:11,18,25
205:21 206:3	228:4 235:21	256:18,23,24	94:11,13 95:1	167:22 169:13
210:16 214:1	237:2 242:7	257:18	95:7,8,9,11,22	170:2,12 171:1
216:11 222:9	248:15 254:20	think 10:7 13:25	96:4,13,24	171:2,3 172:22
222:15 226:16	things 17:1,5,7	17:8 19:8,13	97:2,14,23	173:7,11,17,22
238:14 242:6	18:3 20:21	20:16 25:21	100:15 101:5	174:14,23,23
244:3 246:20	25:25 37:25	27:12 28:10,15	101:13,19,23	175:5,8,12,14
246:21 249:13	43:1 45:1,20	28:17 29:4,7	102:6,16,19,25	178:12,20,25
256:11 257:7	59:8 60:19	29:12,13,14,19	103:2,5,12,16	179:2,8,10,17
258:14 260:24	62:17 66:11	30:5 31:9,10	105:6,18	179:18 183:13
261:11	67:15 68:4	31:17 32:7,11	106:22 107:7	184:18 185:25
thanked 128:23	69:17,25 71:24	32:13 35:8	108:15,22	188:5,18,20
thankfully 35:9	72:10,12 73:13	36:25 37:7,10	109:6,7,14,16	189:13,14,19
thanking 11:11	73:14,15,20	38:16,20 39:6	110:1,2,4,16	189:23 190:1,6
thanks 27:20,21	77:5,17 89:9	40:5,12 41:2	111:7,11,21,22	191:19,20,21
36:25 37:14	94:10,24 99:4	41:24 42:10,24	112:24 114:3	191:22,23
47:12 77:2	101:19 102:13	43:8 44:9,25	115:15 120:13	192:17 193:17
80:15 84:8	104:16,23	45:17 47:7,9	120:14,16,17	196:16 197:13
96:23 113:8,12	107:24 109:13	48:7,12,16	121:14 122:4	197:20,24
113:21 144:22	111:12 112:24	49:24 50:14,16	122:18 123:15	198:6,21
180:8 183:17	119:21 120:6	50:17,20 51:1	123:24 124:8	199:15,22
213:21 215:1,1	121:14 127:23	51:2,19,21	124:19,21,24	200:1 201:16
226:25,25	133:1 138:1	52:1,5,16 53:1	125:7,13 126:7	201:19,24
257:2 261:9,9	141:1 144:17	53:3,18 54:1	126:10 127:12	202:2,4,6
theaters 250:20	144:18 145:10	55:16,21 59:10	128:13,15,17	204:2,7 205:7
250:22	146:11 148:8	60:6,14,23	129:4,11,13	212:2,10 214:3
thee 235:19	152:6 161:11	61:14,19,24	130:7,12	214:9,15,16,20
theirs 98:8	163:23 170:4	62:4,6,7,12,17	132:12 133:3	214:24 215:5,6
theme 31:15,18	171:4 176:25	62:18 63:6,23	133:11,16	215:12,13,13
202:13 261:4	177:3,14	64:4 66:7	134:3,5,7,10	215:17,18,25
themes 28:1	179:18 180:4	67:20,21,25	134:13,20	216:1,10 217:8
29:7,18	182:20 195:7	70:6,8 71:18	135:7,9,19	218:9,10,25
theoretically	195:10,12	71:23 72:6,12	136:2,4,5,6,7	219:19 221:1,4
161:21	204:16,23	72:13,20,22	136:11,25	221:10 223:17
thing 19:14	205:4 206:10	74:2,2,7,25	137:2,5 138:1	223:18,19
23:23 35:22	207:4 209:6	75:3,5 77:4,5,7	138:2,10,24	224:25 225:8
45:15 53:17	214:3,6,22,23	77:8,18,23	139:1,5,6,9,14	226:14 227:1,5
66:17 68:16	216:3 217:10	78:5,7 79:16	139:18 140:3	228:14,25

229:6,7,19 230:17 231:1,8 231:13,14 233:9 234:2,7 235:1,3,8,9,10 235:13,15 236:4,20,25 237:6 238:15 238:19 239:1 239:20 240:18 242:1,18 243:24 244:1,8 244:10,12,17 244:20 245:3 245:17,22 246:1,8,14,19 247:10,15,17 248:16,24 249:7,9,10,20 249:21 250:3,8 250:15,19 251:1,4,24 253:8,10,19 254:6 255:24 256:4,5,6,7,10 256:19,25 257:18,21 258:1,4,5,14 258:19,21 259:2,6,15 261:1,1 thinking 17:2 33:18 65:17 125:1 176:13 179:7 215:17 216:3 217:23 237:4 245:6 thinks 131:24 250:5 third 12:25 14:25 17:22 24:24 31:14,15 39:4 108:10 112:22 147:7 174:11 176:14 204:1 249:1 this,that 86:19 thorough 227:3 thought 23:25	32:2,12,25 33:11,17 36:5 37:11 42:7 49:10 56:14,19 67:8 68:6 90:14 96:6 98:1 129:3 131:7 132:5 145:20 183:7 183:14 217:23 226:16 230:7 236:8 thoughtful 17:20 20:2 25:19 68:7 186:6 222:7 239:24 242:12 255:10,18 256:20,22 thoughtfully 21:1 thoughts 18:22 21:13 50:23 51:3 53:10 83:13 107:12 123:16 144:22 147:19 179:14 187:3 191:9 251:16 thousand 90:21 184:10 thousands 67:24 192:1 194:5 233:11,15 241:23 258:9 threaten 225:17 threatened 252:7 three 8:2 9:2 11:5 15:6 25:23,23 28:11 31:20 54:3 61:4 66:22 75:4 111:18 129:19 130:9 132:17 152:10 158:1 162:8 174:6,7 180:17 182:13,15	198:10 218:10 244:17 257:9 three- 104:5 three-year 145:22 threshold 23:23 70:15 127:19 137:3,9 139:3 142:3 144:9,17 144:23 145:6 145:10 147:20 147:24 148:2,3 148:4,25 149:6 149:25 150:3 153:19,21 155:1 157:24 167:15 170:21 171:9,10,18 thresholds 127:15 128:1,4 136:12 140:5,7 142:7 144:1 145:8,15 157:20,25 158:7 169:14 169:24 170:24 171:5,16 173:19 throw 48:2 throwing 235:22 thrown 56:17 61:23 78:15 Thursday 1:12 262:5 tidbits 53:18 tie 255:3 tiering 127:25 till 32:3 Tim 160:18 time 12:15,16 17:20 18:10 19:23 21:1 24:21 25:13 28:20 33:11 34:24 35:1,8 37:8,24 38:19 42:15 55:12 56:16,21 62:10 70:11 71:4	72:3 77:5 80:15 87:20 90:3,5 91:4,9 92:20 107:7 108:9,9 113:19 117:25 124:14 136:19,23,24 139:7 144:23 145:21 146:17 149:19 152:16 155:4 159:13 159:18 161:20 163:12,14,20 163:23 164:10 165:2,3,7,8,11 168:18 169:18 171:15,25 173:2,4 174:14 176:22 180:12 182:7 183:11 183:15 185:13 185:15 190:12 192:24 196:23 197:14 200:18 203:16,19 205:14 207:7,9 207:10,24 208:22 209:7 212:23 214:5 217:1 219:18 219:23 220:17 221:2,3,9,14 222:19 223:7 227:21 231:14 233:20 234:25 235:1,23 236:7 236:19 238:7 238:25 239:17 241:5,6 242:17 243:2,10 244:23 257:1 257:23 258:8 259:20 time- 186:22 time-based 255:2 time-consuming 185:23 timeliness 252:4	timely 112:19 116:2 timeout 171:5 171:13 times 54:5 66:16 72:21 123:24 131:23 137:23 158:1 168:24 179:2 229:24 title 69:5 to-end 56:5 112:20 today 10:10 11:15 12:17 13:8 16:25 17:3,8,13,19 17:22 18:9,19 18:22 19:9,19 20:4,7,10,25 21:9 23:13,24 26:14 28:1,6 28:18 32:13 40:18 41:10,18 44:23 46:18 49:18 53:16 70:3 71:16,25 74:8 81:6,9 82:22 88:24 101:20 106:6 108:11 110:11 111:15,23,24 112:8 115:12 116:1 121:11 123:24 129:16 132:21 135:22 143:25 148:25 150:7 159:3,6 160:4 164:13 164:21 165:1 166:3 167:23 168:5 169:23 187:7 188:1 214:2 217:8 223:8,15 248:15,17,21 253:16 256:10 257:18 260:25 261:4 today's 11:10,18
---	--	---	---	---

15:6 16:14,16 18:2 20:19 23:21 24:4 26:4 114:5 126:19 256:13 told 55:15 68:3 97:9 Tom 3:18 7:16 114:16 128:21 135:13 140:9 151:22 156:5 164:4 167:5,6 178:10 Tom's 141:20 167:19 tomorrow 221:10 ton 186:4 tool 49:4 52:22 102:21 116:15 116:18 133:15 133:16 189:17 toolbelt 133:16 tools 23:22 185:4 top 34:19 90:20 90:22 106:7,8 118:2 205:13 209:21 210:3 249:8 topic 11:15 28:9 49:12 117:20 120:22 140:4 147:16 157:18 199:23 202:12 257:15 topics 20:5,18 20:24 29:7 108:10 109:1 110:8 117:16 118:19 176:24 202:1 total 142:16 168:7 218:19 totally 88:21 188:5 199:15 touch 80:18 143:23 176:25 touched 119:21	tough 24:20 traceable 38:8 62:9 96:20 99:17 track 74:22 219:6 239:18 trade 33:20,21 49:1 204:20,21 traded 168:5 trader's 204:7 trades 92:18 trading 81:7 112:24 113:2,3 traditional 102:12 transcript 262:10 263:4,5 263:10 transcription 262:10 transfer 15:1 21:19 31:18 32:19 33:9 34:11 36:19 42:6,23 44:23 45:2 52:5 55:10 57:6 58:5 transformative 167:2 translates 176:9 transmit 39:24 transparency 13:5 15:4 22:1 101:2 138:3 139:10 156:6 156:14,15,18 157:3 208:1,6 208:13 211:16 216:14 226:20 226:23 229:8 234:21 transparent 12:14 101:7 230:24 transparently 155:10 transportation 60:8 61:8	treat 129:25 205:8 treated 98:12 204:24,24 treating 229:11 tremendous 17:4 128:10 130:20 140:24 219:17 Triam 6:7 26:24 53:22 tribute 24:16 tried 20:22 43:6 72:7 133:24 tries 70:4 trigger 70:15 Trillium 7:10 114:13 123:19 162:21 163:11 trip 18:10 tripartite 135:17 triumph 17:9 trouble 138:24 144:25 235:13 257:7 troubling 242:1 true 15:25 30:24 37:5 98:21 109:14 262:10 263:4 truly 88:8 90:10 110:10 truncate 69:5 trust 20:5 81:14 200:17 trusted 242:4 trusts 138:23 truth 73:10 192:16 try 27:24 37:5 61:21 65:17 78:2 79:23 92:15 102:19 103:18 121:25 132:24 172:15 179:23 182:17 190:10 208:3 220:20 228:2 232:17	trying 30:8 46:25 48:2 70:2 79:8,16 81:10 89:4 91:4,6 92:1 94:23 119:8 131:15 139:13 148:9 153:4,6 155:6 169:25 171:12 174:8 178:23 179:21 196:20 204:17 220:17 223:21 225:20 229:9 230:19 233:22 246:13 tted 154:22 turn 26:6 27:6 58:7 71:4 109:3 115:5,7 123:15 133:3 157:18 181:15 181:16,24 182:10 185:21 201:17 202:11 202:17,21 203:7,21 212:21,22 213:10 240:22 245:25 246:17 250:8 turned 33:19 36:6 58:12 148:24 176:5 210:21 turnover 150:24 turns 56:12 58:10 Tuttle 4:4 6:12 27:1 107:13 tweaks 139:8 twelfth 187:11 twice 158:1 Twitter 123:3 126:4 Twittersphere 123:6 two 6:18 7:2 10:23 11:4	16:21 17:7 35:14 42:9 45:6 47:18 50:4,7 53:7 54:2,4,7,8,18 54:23,25 55:18 55:23 75:4 77:7 79:8 91:9 100:22 108:10 110:8 112:15 114:1 138:17 152:6 158:22 162:17 165:4 168:1 171:16 182:14 184:8 184:17 187:20 189:23 203:12 203:24 209:3,4 229:16,17 232:4,10 237:15 251:9 260:25 two-thirds 161:23 two-way 101:19 tying 127:23 type 71:21 83:17 108:13,25 118:23 119:2 136:20 209:22 254:20 types 48:23 52:11 94:11,24 118:24 119:3,3 119:24 typical 185:16 254:20 typically 59:20 59:23 67:3 81:21 104:20 119:20 154:6 227:3 243:15 244:19
U				
U.S 1:1,22 7:17 45:20 67:24 77:15 103:7,15 114:16 159:4				

187:11 242:2	149:18 160:20	77:6 78:4	254:16	77:20 90:9
U.S.-centric	174:3,22	83:18 101:24	useful 18:13	97:2 132:14
206:15	175:12 177:23	112:20 129:20	132:2 147:4,6	139:2 202:1
ubiquitous	178:12 179:9	129:25 154:20	175:13 176:19	219:24 220:5
12:22	179:16 183:5	154:22,23,24	177:12	varying 105:18
UK 110:17,20	190:10 204:4	universally	user 211:7,17	106:10
ultimate 81:18	207:6 211:8,14	200:2	user-friendly	vast 59:23 89:14
84:23	213:13 221:7	University 9:9	81:19	90:1 119:13
ultimately 15:10	228:17 254:10	181:8	uses 143:12	192:7 220:8
55:2 63:21,23	understanding	unlimited	Usually 79:19	vault 36:7
64:21,23 83:6	92:9 95:23	160:21	utility 98:12	vendor 102:4
84:21 112:1	104:15,15	unquestionable	205:8,9	veneer 106:8,13
159:20 161:16	118:11 125:3	12:23	utilizing 194:22	verbally 207:21
195:8 213:16	228:11 245:11	unwilling 67:7	utopian 106:1	verified 155:11
251:12 252:8	245:14	121:1		verify 30:8 31:2
252:22 255:8	understood 94:5	update 218:13	V	Verizon 152:12
258:3	undertake	219:9 221:22	vacancies 70:13	version 174:16
unable 65:24	144:16	234:9 249:2	valid 64:22	versus 33:3 37:9
75:23 121:1	undertook 47:16	updating 127:13	143:14 148:18	79:6 210:25
178:19	undervoting	216:20	validate 49:6	220:12 244:6
unacceptable	33:2 51:13	uphill 227:24	52:23	vested 259:9
231:15	underway 12:2	urge 120:15,19	valuable 160:14	viability 42:20
unaffected	undoing 224:22	121:4 225:16	180:2	vibrant 14:15
189:3	unfair 199:15	urged 34:23	valuation 125:5	Vice 5:15 6:8,14
unallocated	unfavorable	use 15:14 20:7	168:7	7:7,9,16 8:10
59:14,25 60:2	159:2	23:1 41:10,10	value 14:10 16:2	8:19 105:23
unchanged 57:9	unfortunately	49:9 52:22	25:14 116:22	view 33:1 37:8
uncontested	14:16 33:23	63:15 70:1,23	118:3,4 127:1	37:19 38:12
60:12	52:21 71:20	71:8 91:19	129:9 151:13	46:2,23 51:13
uncontrolled	72:8 90:6	92:17 95:23	153:12 155:5	63:12 67:16
77:11	196:6	96:20 101:21	159:7 160:9	68:8 75:14
undercounted	uniform 70:7	102:22 110:2	166:23 168:16	87:3,13 88:9
111:17	unique 80:5	118:19 120:9	188:25 197:13	95:25 97:23
underlying	109:12 236:1	120:10 122:25	197:18 200:24	106:11 123:19
13:25 31:22	Unit 7:13	123:3,11	200:25 219:17	123:20 130:5
45:23 49:20	United 100:17	140:22 143:14	241:7,8,21	183:21 186:1
86:19 103:1	140:14 168:8	147:25 148:5	249:15	200:7,11
underreprese...	220:6 232:7	151:2 153:21	values 14:11	204:19,20
222:3	UnitedHealth	155:6 167:17	223:13,14	207:23 208:20
underscore	7:24 114:20	182:1,6,13	241:7	208:22 238:25
221:21	119:4	184:7,11,19	Vanguard	250:23 251:9
undersigned	unity 100:20	188:20 192:13	129:12	251:18 253:15
262:9	universal 32:4	194:3 197:10	Vanguards	viewed 130:1
understand 16:4	39:5 61:18	200:2 201:7	150:9	viewpoint
47:23 71:7	64:9,24 65:1,5	212:7 213:15	variety 23:14	237:12
74:1 76:20	66:6,10 67:19	216:20 219:9	28:25 173:24	viewpoints
89:4,6 91:21	70:1,16,24	223:24 224:20	173:25	20:24 113:16
91:22 92:8	72:15,22 73:10	230:11 233:21	various 37:4	views 10:10,12
96:10 125:1	73:18 75:11,12	234:14 252:8	47:21 62:20	10:15 24:11

28:7 96:6	67:14,16 71:8	voteable 48:21	39:10,15 54:9	walked 58:5
107:18 115:11	72:6,21,21	voted 22:9 35:24	55:25 56:1	76:4
116:16 186:18	73:1,22 74:23	36:12 39:20,21	57:5 59:9,10	wall 22:23
215:16 226:19	75:19,19,19	49:21 51:15,17	60:4 61:10,12	214:19
251:2	78:13,20 79:11	54:8 56:19	61:13 62:3,11	wandering
village 223:4	81:23 82:8,13	57:11 58:1	62:14,25 64:2	142:24
violate 68:12	83:22,23 99:24	59:16,17,23	74:12 77:14	want 12:14
130:3	101:15 102:9	60:1 61:21	78:17 79:2,5	13:17,19 16:18
violent 41:24	111:2,14,14,16	70:3 74:22	81:2,19 82:3	16:21 18:10,14
44:12 45:3	112:3,3,18	75:24 158:1	83:11 84:5	19:21 27:9
virtually 28:20	116:6 117:1,9	174:8 184:13	99:3 100:23	30:12 34:10
54:10 142:8	118:4 121:1,7	185:9 197:4	112:2 113:1	40:25 41:14
198:17 242:11	121:19,21	198:14 240:12	120:9,17,25	44:21 49:11,14
vision 106:1	122:6,9,13,18	242:24	121:5,15,24	50:22 53:16
139:22 201:6	123:4 133:25	voter 49:19	127:7 135:6	63:2 65:3,4
230:9	134:1 137:16	votes 14:19	136:22 149:15	67:3 69:19,23
visit 105:4	143:11 144:6	17:15 30:22	165:6 167:9	70:21 73:6
Visiting 8:16	146:16 149:14	31:2,17 34:9	176:16 178:11	77:24 79:1
vital 188:19	152:20 154:2	36:14 38:13	182:19 183:16	81:23 82:21
215:8	158:16 159:23	45:5 46:6,8	185:4,12,23	83:7,10,22
vitality 125:2	159:24 160:23	48:19 51:4,14	186:17 187:20	87:7 88:8,10
vocal 105:10	161:4,16	54:18 55:15,18	191:9 193:8,14	88:18 89:24
voice 14:9	163:21,23	56:13 60:16	194:10 195:6	90:10,14 92:21
137:11 139:20	169:2,7 170:3	74:15,21,21	195:18 196:18	95:8 96:21,25
148:16 154:19	170:4 172:12	78:15,25 80:3	196:19,21	98:16 101:7
155:24	173:14 174:5,7	97:18 99:20	200:3,23 203:7	102:3 103:16
volume 196:2	174:9,18,22	121:22 122:1	204:11 213:17	103:17 109:9
volumes 81:7	175:7,16 176:4	131:4 154:9,13	214:6,22	111:13 112:7
voluntary	176:7,8 182:14	159:24 161:2	216:13,17,17	112:22 113:12
172:18	183:6,23 184:9	168:24 169:3	216:24 217:11	120:20 122:10
volunteer 179:2	186:21 187:14	171:11,11	226:24 227:23	123:6 124:19
vote 21:16,21,22	188:22,24	173:15 175:4	241:11 245:18	129:18 132:5
23:22 29:23	191:7 192:9,11	175:15 178:2,8	245:23 246:9	132:10,10
31:23 36:6,14	192:14 193:19	184:3 186:14	246:16 248:8	133:3,11 135:1
36:15,16,23	194:7 195:9	186:20 187:23	252:13,23	135:13 140:5
37:5 38:15,25	200:18 201:12	189:10 192:4,9	253:14,16,22	143:18 147:12
39:17,18,25	201:14,15	192:21 193:20	254:11 258:9	151:1 154:13
40:9,18 41:23	202:8 203:7	197:7 198:9	261:2,6	156:12,20
41:25 42:17,20	228:24 233:8	211:21,21		158:12 161:18
43:9 45:2,8,9	233:12 241:24	230:18 244:7	W	166:13 170:9
45:12,14 46:10	241:25 244:18	253:23 258:21	Wachtell 5:19	170:11,14,18
46:12,23 47:3	244:22 249:14	259:10	26:22	172:4,6,6,7,14
47:19 48:12,12	249:19 252:14	voting 5:6 10:18	wagging 240:19	172:15 176:22
51:4 52:8	253:12 255:7	15:7,17 21:15	wait 116:12	176:25 181:14
54:10,12 57:19	258:10 259:1,3	22:1 23:1	146:15 152:21	181:22 184:19
57:24 58:4,8	259:4,5 260:12	25:16 26:9	209:16 233:15	186:13,17,21
58:11 63:1,21	260:14	29:22 30:13,21	waiting 202:21	187:1,25
64:10,11,11	vote's 111:15	31:2 32:18	wake 205:24	189:22 191:25
65:11,14,24	160:24	33:2 36:8	walk 77:4	192:19 193:23

194:2,7,20	166:18	ways 19:6 28:21	108:7 109:8	83:4 90:18
196:7,8,14,16	Wardwell 6:25	29:4 30:16	110:4,5,10,17	91:15 94:14,20
196:17 199:24	114:11	50:7 64:15	110:20 113:17	94:24,25 96:17
201:4 202:17	warning 205:17	75:20 80:20	114:24,25	99:4 103:8,15
203:23 205:5	wash 190:20	83:25 84:2,19	120:21 121:9	105:3 107:15
205:10 209:5	washed 253:7	91:18 92:3	123:25 125:17	108:1 120:7,10
210:9 213:9,25	Washington	97:13 112:15	135:4,20	129:15 137:13
219:4 221:20	1:24 262:6	115:18 120:1	137:13 138:13	138:4 139:5,25
221:21 222:5,6	263:6	124:12 153:20	142:12 151:18	140:24 143:22
222:9,16 226:2	wasn't 52:14	156:11 166:5	152:25 156:13	144:7 159:18
226:2,5,6,18	55:12 56:10	167:7 175:3	156:13 158:23	172:22 176:23
227:20 228:4	153:25 208:22	179:23 182:13	166:16,22	178:16,17
230:23,23	watch 259:14	186:21 191:20	169:23,24	189:13 190:21
232:12 233:14	watching 26:12	208:6 244:17	171:4,12	193:7 204:17
233:17 234:17	112:23	256:22	172:23 176:20	204:17 205:12
234:22 235:12	way 13:2 14:20	we'll 10:22	177:7,13 178:7	209:13 229:4
237:7 239:23	17:15 27:12	11:16,25 12:2	178:20 180:19	229:23,24
240:8,10,13	32:1,12 38:13	19:9 26:15	183:6,20,20	230:21 233:10
241:15,18,18	39:7,21 41:6	27:8 63:6	184:18 187:16	237:15 248:14
242:6 243:1	44:16 55:15,18	76:24 80:15	189:20 193:20	249:2 250:13
244:5 246:7	56:25 59:7	84:1 92:22	194:9 196:20	251:7,17 255:8
247:17 251:14	60:4,24 61:12	96:16 100:13	201:12 203:8	260:14
255:19 256:11	61:15,16,19	109:3 113:11	207:20 219:3,6	wealth 8:11,12
257:3,6 258:12	62:12 64:21	114:3,9 115:15	219:10 221:3,6	181:1 223:5,6
260:22,24	65:18 72:10,14	122:2 140:6	221:22 222:18	web 15:2 50:12
261:1	83:1,10 85:20	142:5 144:20	223:8 224:22	99:20 213:22
wanted 47:13	85:21 87:7	157:18 169:9	224:22,23	web-face 102:21
57:24 58:7,11	88:5 91:16	169:10 172:10	225:19,20	webcast 10:3
65:14 71:14	93:7,8 96:8	172:12 177:17	227:17 233:22	26:12
76:6 107:6,13	99:4,9 107:8	180:9 181:21	234:23,24	website 11:19
107:17 115:18	111:2 123:9	199:22 200:20	235:11,14	20:16 26:16
120:21 121:9	124:10 133:20	201:17 206:4	236:23 238:21	82:3,5,6
122:24 134:5	137:21 145:17	212:22 214:23	239:8 240:17	180:22 220:1
134:18 135:2	145:19 156:4	215:14 240:22	244:15 245:5	230:13 247:13
141:19 148:11	160:25 164:24	we're 10:3 16:25	248:21 249:1,2	week 97:9 120:6
152:12 153:18	165:25 166:24	18:16,18,21	249:7 250:12	weekend 65:13
158:5 168:22	167:3 169:5	23:2 24:14	254:24 256:17	65:16,19
169:21 174:23	175:14 176:12	32:17 35:22	261:2	weeks 54:15,24
178:14 190:2	179:9 185:18	36:2 37:3	we've 11:21	55:20 58:14
192:17 196:4	186:23 187:15	41:24 46:4,21	17:13 20:22	78:11 177:6
199:22 201:2	191:16 193:15	46:25 51:14,16	22:15 25:4,7	221:1
213:21 237:11	194:3,10 195:8	51:16 62:7	41:6 42:21,21	weigh 18:25
240:24 242:7	201:14 203:19	69:21 70:2	42:24 44:7,7	71:14 101:10
250:23 255:24	204:24,25	72:9 74:9	45:19 48:19	120:4 123:5
258:17	205:16 215:5	79:25 82:8,13	53:6 55:6,24	234:18 247:8
wants 89:2	218:21 228:5,8	84:13,14 90:6	60:5 69:7	255:25
90:23 91:10	228:16 232:24	90:7 92:1,25	73:17 74:7,14	weight 178:2,8
141:23 226:5	236:16 243:22	103:11,18,22	78:4,5,19 81:4	welcome 24:6
War 141:13	249:9 251:12	106:6 107:19	81:6 82:10	26:10 114:4,23

welcoming 19:22	withdraw 117:2 161:16	40:1,14 42:7 48:7,8 100:1 141:13 179:20	176:17 220:23 228:21	182:24 184:4 184:10 193:9 197:4 198:10
well- 253:19	withdrawing 189:23 225:8	workforce 187:21	wouldn't 20:3 66:17 115:4 119:1 153:25	209:16 218:16 219:7 220:11 220:12 221:12
well-established 219:19	withdrew 225:4	working 16:23 19:1 29:1 110:17,17,20	154:1,2 159:18 211:25 240:13 255:19	221:25 227:14 231:6 234:16 239:9 242:11
well-functioni... 126:11 142:21	withhold 77:20	wonder 53:8 136:3 143:5,16 168:10 173:10	wow 33:17 255:9	243:18,18,20 259:16
well-known 24:18	women 154:3	workplace 159:12	wrap 246:22	year's 174:13 241:19
well-served 205:2	won 54:18 58:14	works 21:24 29:10 42:21,24 51:2 63:17,24	wrinkles 67:16	year-round 116:8
well-understood 253:20	wondered 65:8	64:16 74:10 75:9 101:14 103:10 104:10	write 61:22 125:15 208:21	years 11:3 13:14 13:14,23 15:23 17:2 23:9,24
went 35:6 36:12 65:14 76:9 95:2 120:24 131:21 134:1 160:1 174:18	wonderful 73:20 106:4 225:13 226:7	107:23 111:8 151:4 170:10 171:23 179:24 200:10 237:5 256:4	writing 62:21 103:9 125:12 179:23 209:9 209:10	32:6 35:12 37:6 41:7 42:9 42:24 43:14 45:20 47:10 52:7 66:7 68:18 69:6 75:5,11 77:7 86:23 89:10,14 96:9 103:8 104:5 108:1 115:16 118:10 129:12,17
weren't 47:24 59:1 154:15	wondering 206:1	world 14:16 45:3,21 91:16 110:18 141:13 150:9 158:20 160:15 164:14 166:17,18 167:6,7 220:2 220:6,9 226:10 230:15 232:6 248:19	written 11:14,17 18:11 56:6 125:10 154:12	137:7 138:17 139:25 140:15 150:23 153:14 158:2,19 159:24,25 162:9 163:16 164:17 166:2 169:2,12 171:7 171:14,14 195:25 204:17 205:13 206:20 213:7 218:18 219:21 227:14 229:25 242:10 243:17 250:14 251:8 255:2
whatnot 211:3	word 49:11 74:12	world's 223:7	wrong 38:17 73:4,4 99:5 172:22 203:13 244:25	Y 24:16 35:24 yeah 193:6 year 24:7 32:21 51:10 53:7 67:23,24 80:10 85:3,4 104:6 132:17 135:12 139:2 142:1 150:20 152:21 152:25 154:7 154:11 161:25 162:24,24 163:20,22 164:9,9 165:21 165:23 166:4,4 166:21,22 169:9 175:18 175:18,24 177:4 182:24
white 202:4	worded 83:1	Worldwide 8:20 181:4	XY 131:23	Y 24:16 35:24 yeah 193:6 year 24:7 32:21 51:10 53:7 67:23,24 80:10 85:3,4 104:6 132:17 135:12 139:2 142:1 150:20 152:21 152:25 154:7 154:11 161:25 162:24,24 163:20,22 164:9,9 165:21 165:23 166:4,4 166:21,22 169:9 175:18 175:18,24 177:4 182:24
wholeheartedly 48:4 148:20	words 86:3 104:8,8,11 125:25 241:23	worried 77:19 223:9 240:17		
wide 160:11 186:5 242:19	work 11:10,18 13:25 18:15,17 19:25 21:12,20 22:16 24:1 37:4,11,14 38:19 40:15 41:24 48:6 51:5,14 64:5,7 64:7,17 74:13 74:23 77:8 84:11 85:21 89:3 96:12 100:22 103:14 107:23 128:10 143:1 169:10 179:20 184:9 184:12 185:17 186:4 192:3 193:10 197:10 197:23 198:13 198:13 202:7 204:12 206:17 212:25 230:7 232:16 243:25 249:18,22 252:5 261:11	worry 34:3,8 67:1 252:3		
widely 232:6	work 11:10,18 13:25 18:15,17 19:25 21:12,20 22:16 24:1 37:4,11,14 38:19 40:15 41:24 48:6 51:5,14 64:5,7 64:7,17 74:13 74:23 77:8 84:11 85:21 89:3 96:12 100:22 103:14 107:23 128:10 143:1 169:10 179:20 184:9 184:12 185:17 186:4 192:3 193:10 197:10 197:23 198:13 198:13 202:7 204:12 206:17 212:25 230:7 232:16 243:25 249:18,22 252:5 261:11	worrying 241:1		
wider 23:16	work 11:10,18 13:25 18:15,17 19:25 21:12,20 22:16 24:1 37:4,11,14 38:19 40:15 41:24 48:6 51:5,14 64:5,7 64:7,17 74:13 74:23 77:8 84:11 85:21 89:3 96:12 100:22 103:14 107:23 128:10 143:1 169:10 179:20 184:9 184:12 185:17 186:4 192:3 193:10 197:10 197:23 198:13 198:13 202:7 204:12 206:17 212:25 230:7 232:16 243:25 249:18,22 252:5 261:11	worst 256:10		
wife 76:4	work 11:10,18 13:25 18:15,17 19:25 21:12,20 22:16 24:1 37:4,11,14 38:19 40:15 41:24 48:6 51:5,14 64:5,7 64:7,17 74:13 74:23 77:8 84:11 85:21 89:3 96:12 100:22 103:14 107:23 128:10 143:1 169:10 179:20 184:9 184:12 185:17 186:4 192:3 193:10 197:10 197:23 198:13 198:13 202:7 204:12 206:17 212:25 230:7 232:16 243:25 249:18,22 252:5 261:11	worth 50:14,17 50:21 60:15 122:19 153:13 242:16		
William 2:15	work 11:10,18 13:25 18:15,17 19:25 21:12,20 22:16 24:1 37:4,11,14 38:19 40:15 41:24 48:6 51:5,14 64:5,7 64:7,17 74:13 74:23 77:8 84:11 85:21 89:3 96:12 100:22 103:14 107:23 128:10 143:1 169:10 179:20 184:9 184:12 185:17 186:4 192:3 193:10 197:10 197:23 198:13 198:13 202:7 204:12 206:17 212:25 230:7 232:16 243:25 249:18,22 252:5 261:11	worthwhile 149:8		
willing 63:20 130:23 224:18 238:21	work 11:10,18 13:25 18:15,17 19:25 21:12,20 22:16 24:1 37:4,11,14 38:19 40:15 41:24 48:6 51:5,14 64:5,7 64:7,17 74:13 74:23 77:8 84:11 85:21 89:3 96:12 100:22 103:14 107:23 128:10 143:1 169:10 179:20 184:9 184:12 185:17 186:4 192:3 193:10 197:10 197:23 198:13 198:13 202:7 204:12 206:17 212:25 230:7 232:16 243:25 249:18,22 252:5 261:11	worthy 85:19		
willingness 19:20 116:23	work 11:10,18 13:25 18:15,17 19:25 21:12,20 22:16 24:1 37:4,11,14 38:19 40:15 41:24 48:6 51:5,14 64:5,7 64:7,17 74:13 74:23 77:8 84:11 85:21 89:3 96:12 100:22 103:14 107:23 128:10 143:1 169:10 179:20 184:9 184:12 185:17 186:4 192:3 193:10 197:10 197:23 198:13 198:13 202:7 204:12 206:17 212:25 230:7 232:16 243:25 249:18,22 252:5 261:11			
willpower 28:23 28:23	work 11:10,18 13:25 18:15,17 19:25 21:12,20 22:16 24:1 37:4,11,14 38:19 40:15 41:24 48:6 51:5,14 64:5,7 64:7,17 74:13 74:23 77:8 84:11 85:21 89:3 96:12 100:22 103:14 107:23 128:10 143:1 169:10 179:20 184:9 184:12 185:17 186:4 192:3 193:10 197:10 197:23 198:13 198:13 202:7 204:12 206:17 212:25 230:7 232:16 243:25 249:18,22 252:5 261:11			
Wilma 154:4	work 11:10,18 13:25 18:15,17 19:25 21:12,20 22:16 24:1 37:4,11,14 38:19 40:15 41:24 48:6 51:5,14 64:5,7 64:7,17 74:13 74:23 77:8 84:11 85:21 89:3 96:12 100:22 103:14 107:23 128:10 143:1 169:10 179:20 184:9 184:12 185:17 186:4 192:3 193:10 197:10 197:23 198:13 198:13 202:7 204:12 206:17 212:25 230:7 232:16 243:25 249:18,22 252:5 261:11			
win 66:24 67:11 87:16	work 11:10,18 13:25 18:15,17 19:25 21:12,20 22:16 24:1 37:4,11,14 38:19 40:15 41:24 48:6 51:5,14 64:5,7 64:7,17 74:13 74:23 77:8 84:11 85:21 89:3 96:12 100:22 103:14 107:23 128:10 143:1 169:10 179:20 184:9 184:12 185:17 186:4 192:3 193:10 197:10 197:23 198:13 198:13 202:7 204:12 206:17 212:25 230:7 232:16 243:25 249:18,22 252:5 261:11			
wind 106:25	work 11:10,18 13:25 18:15,17 19:25 21:12,20 22:16 24:1 37:4,11,14 38:19 40:15 41:24 48:6 51:5,14 64:5,7 64:7,17 74:13 74:23 77:8 84:11 85:21 89:3 96:12 100:22 103:14 107:23 128:10 143:1 169:10 179:20 184:9 184:12 185:17 186:4 192:3 193:10 197:10 197:23 198:13 198:13 202:7 204:12 206:17 212:25 230:7 232:16 243:25 249:18,22 252:5 261:11			
window 161:2	work 11:10,18 13:25 18:15,17 19:25 21:12,20 22:16 24:1 37:4,11,14 38:19 40:15 41:24 48:6 51:5,14 64:5,7 64:7,17 74:13 74:23 77:8 84:11 85:21 89:3 96:12 100:22 103:14 107:23 128:10 143:1 169:10 179:20 184:9 184:12 185:17 186:4 192:3 193:10 197:10 197:23 198:13 198:13 202:7 204:12 206:17 212:25 230:7 232:16 243:25 249:18,22 252:5 261:11			
wink 178:21	work 11:10,18 13:25 18:15,17 19:25 21:12,20 22:16 24:1 37:4,11,14 38:19 40:15 41:24 48:6 51:5,14 64:5,7 64:7,17 74:13 74:23 77:8 84:11 85:21 89:3 96:12 100:22 103:14 107:23 128:10 143:1 169:10 179:20 184:9 184:12 185:17 186:4 192:3 193:10 197:10 197:23 198:13 198:13 202:7 204:12 206:17 212:25 230:7 232:16 243:25 249:18,22 252:5 261:11			
wins 67:8	work 11:10,18 13:25 18:15,17 19:25 21:12,20 22:16 24:1 37:4,11,14 38:19 40:15 41:24 48:6 51:5,14 64:5,7 64:7,17 74:13 74:23 77:8 84:11 85:21 89:3 96:12 100:22 103:14 107:23 128:10 143:1 169:10 179:20 184:9 184:12 185:17 186:4 192:3 193:10 197:10 197:23 198:13 198:13 202:7 204:12 206:17 212:25 230:7 232:16 243:25 249:18,22 252:5 261:11			
wipe 142:8	work 11:10,18 13:25 18:15,17 19:25 21:12,20 22:16 24:1 37:4,11,14 38:19 40:15 41:24 48:6 51:5,14 64:5,7 64:7,17 74:13 74:23 77:8 84:11 85:21 89:3 96:12 100:22 103:14 107:23 128:10 143:1 169:10 179:20 184:9 184:12 185:17 186:4 192:3 193:10 197:10 197:23 198:13 198:13 202:7 204:12 206:17 212:25 230:7 232:16 243:25 249:18,22 252:5 261:11			
wish 196:22	work 11:10,18 13:25 18:15,17 19:25 21:12,20 22:16 24:1 37:4,11,14 38:19 40:15 41:24 48:6 51:5,14 64:5,7 64:7,17 74:13 74:23 77:8 84:11 85:21 89:3 96:12 100:22 103:14 107:23 128:10 143:1 169:10 179:20 184:9 184:12 185:17 186:4 192:3 193:10 197:10 197:23 198:13 198:13 202:7 204:12 206:17 212:25 230:7 232:16 243:25 249:18,22 252:5 261:11			
wishes 22:10 194:8,9	work 11:10,18 13:25 18:15,17 19:25 21:12,20 22:16 24:1 37:4,11,14 38:19 40:15 41:24 48:6 51:5,14 64:5,7 64:7,17 74:13 74:23 77:8 84:11 85:21 89:3 96:12 100:22 103:14 107:23 128:10 143:1 169:10 179:20 184:9 184:12 185:17 186:4 192:3 193:10 197:10 197:23 198:13 198:13 202:7 204:12 206:17 212:25 230:7 232:16 243:25 249:18,22 252:5 261:11			yesterday 16:5

25:22 247:13	100,000 54:21	1st 221:12	176:11	213:25 242:23
York 7:6 9:9	58:23 78:9		23,000 197:5	45-50 99:9
42:15 87:18,24	79:9	<hr/> 2 <hr/>	24 150:14	475 171:19
104:5,14	107 138:17	2 135:8 138:19	242:24	48 153:22
107:18,25	10th 54:13	138:21 142:14	24- 244:7	163:21 242:24
109:21 114:12	11 164:17 176:1	142:15 170:3	2400 108:7	244:8
149:10 158:15	176:2	2-1/2 138:19,21	25 42:10 60:13	48-hour 244:7
159:11 162:20	11/15/2018	2,000 144:5,8,23	67:22 71:5	492 133:24,25
162:22 164:10	263:6,14	145:17 148:25	102:3 153:14	
181:8	11:40 10:22	149:3 150:5	250 35:17 137:6	<hr/> 5 <hr/>
Yu 2:17 5:7	11:48 113:22	153:11 155:1	26 5:6	5 90:15 134:11
10:20 26:7,10	116 6:19	2,400 137:5	260 9:11	164:1 254:6
32:16 40:9	12 5:3 40:15	20 45:20 67:22	27 95:2 137:9	5- 67:24
44:14,16 47:11	176:8	86:23 110:17	28 137:7	5:00 261:13
48:10 49:11	13 94:21 125:24	135:21 136:1	286 153:21	50 13:14 67:22
50:22 53:5	215:19	138:1 139:25	29 137:7 188:1	154:6 155:19
105:9 107:3,11	130 32:21	166:2 169:3,5		160:4 176:13
109:2 113:11	139 138:15	170:6 195:3	<hr/> 3 <hr/>	195:2
	14 159:23	206:20 209:21	3 135:8 157:25	50- 71:5
<hr/> Z <hr/>	14a 124:8	210:3 253:25	164:3 167:14	50,000 57:24
Zecca 4:5 6:14	130:18 134:6	255:20	170:3 254:6	58:11,17,17
27:2 84:8	134:10	20,000 219:1	3,000 84:12	500 125:25
100:15	14a(8) 143:24	200 13:14	150:7 153:13	159:5 188:3
zombie 136:13	14h 141:20	132:17	219:6	221:15 232:1
137:8,10,20	14i 132:6	2003 200:4	3,000-plus	52 176:9
161:20 162:3	14J 177:22	201:17 216:23	171:20	540 159:3
165:15	14o 139:3	217:10	3:00 11:5 180:14	
zombies 142:23	15 1:12 121:21	2004 142:19	30 136:7 158:19	<hr/> 6 <hr/>
142:24	137:18 139:25	2006 87:19	204:3 242:23	6 157:25 164:3
zoom 135:15	165:14 170:6	2009 129:1	3000 142:19	167:14
	176:15 205:13	2010 22:3 97:21	30s 162:25	6-15-30 170:22
<hr/> 0 <hr/>	218:18 236:2	120:8 133:23	176:12	60 60:15 86:11
	251:7 262:5	247:17	35 41:20 60:11	90:13 134:1
<hr/> 1 <hr/>	150 154:8	2011 160:3	350 35:17	213:25
1 142:18 144:5	15th 54:14,25	2012 43:18	38 137:16	64 154:9
148:25 149:4,5	17 96:9 137:6	108:2		
152:13	171:7	2013 137:15	<hr/> 4 <hr/>	<hr/> 7 <hr/>
1,000 149:25	18 164:17	138:5	4 134:11 142:16	7 134:11 164:1
1,500 239:9	183 8:3 32:20	2015/2016 42:10	164:1	7.7 140:15
1:15 10:23	1944 153:22	2016 70:16	4- 221:14	70 90:19 91:25
113:18	1950s 149:24	105:24 133:23	40 41:20 54:3	159:4
1:17 113:25	1951 153:22	2017 53:22,23	154:11 188:2	70,000 90:21
10 157:25	1954 164:8,8,19	197:4	40-year 185:9	75 68:9 175:15
159:25 164:3	164:22	2018 1:12 262:5	401(k) 123:25	175:19
165:17 167:14	1980s 150:1	2019 143:10	42 154:12	
244:23	1990s 159:10	152:14 221:12	43,000 54:18	<hr/> 8 <hr/>
10,000 123:21	1993 159:23	206(4)-6 252:12	55:15 58:15	8,000 67:24
198:9	1997 150:1	253:11	43,000-vote	80 107:25
100 1:23 13:14	1998 150:7	20s 162:6 163:1	55:17	136:21 137:21
71:6 81:10			45 46:22 176:3	158:16 165:15

