

Vanessa Countryman, Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-0609

December 12, 2019

Dear Vanessa,

We are writing to convey our deep concerns regarding the SEC's proposed shareholder rights amendments, specifically: rules governing proxy solicitations (File Number S7-22-19) and procedural requirements for submitting shareholder proposals (File Number S7-23-19).

ARGA Investment Management (ARGA) is a global asset management firm that invests in publicly-held equities on behalf of clients, which include pension funds, endowments, foundations, etc. As an active manager, it is our fiduciary duty to engage with companies we own on issues that impact their long-term business operations and stakeholders including our clients.

We are particularly concerned that your proposed amendments to procedural requirements for resubmitted shareholder proposals will burden and discourage shareholders from resubmitting proposals. The proposed 3-tiered approach to demonstrating ownership stake will disadvantage managers with smaller stakes. The proposed increase to the proportion of votes needed for proposal resubmission will stifle diligent asset managers' ability to get concerns heard by the investment community. It will detrimentally limit the timeframe for other investors to consider and react to such proposals.

Shareholder resolutions are a critical tool for asset managers to hold companies accountable on major issues such as capital allocation, corporate governance and other ESG factors. Such long-term issues are rarely handled by annual company resolutions. It is incumbent on owners such as us to raise these issues - both to the company and other investors.

As a UN PRI signatory, ARGA supports the UN PRI's views in its 11/ 7/19 post, "SEC vote seeks to create roadblock for responsible investment." They, and we, argue that the amendments will disenfranchise investors who rightly use shareholder resolutions to encourage responsible corporate behavior.

Your proposed amendments governing proxy solicitations - along with your August 2019 interpretation that applies proxy solicitation rules to the provision of proxy advice - will preempt proxy institutions such as Institutional Shareholder Services (ISS) and Glass Lewis from delivering important advice in a timely and objective manner. We and our proxy firm, Glass Lewis, share ISS' concerns in its 10/31/2019 lawsuit against the SEC and SEC Chairman Walter Clayton, which claims the amendments will materially damage ISS' role in preserving companies' independence. Glass Lewis warns the proposed rules could delay research and recommendations by 11 or more days.

ARGA supports the global goal of improved corporate governance. In addition to our own research, we use research by Glass Lewis to actively engage with companies to improve their corporate governance practices. By stifling the ability of such proxy companies to deliver timely advice, the amendments will deter the worthy goal of improved global corporate governance.

For these reasons and others, we believe the proposed resolutions will materially weaken the US as upholder of best-in-class governance standards. They will detrimentally deter asset managers' ability to encourage greater corporate accountability and governance. We strongly urge the SEC to reconsider these proposals.

Regards,

Neda Clark
Chief Compliance Office