

**VIA E-MAIL**

Ms. Vanessa Countryman  
Secretary  
U.S. Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549  
rule-comments@sec.gov

**Re: Comment Letter on the New York Stock Exchange's ("NYSE") Proposal to Amend Section 302.00 of the NYSE Listed Company Manual to Exempt Closed-End Funds from the Requirement to Hold Annual Shareholder Meetings (File No: SR-NYSE-2024-35)**

Dear Ms. Countryman:

I write to you in support of the NYSE's application to amend Section 302.00 of the NYSE Listed Company Manual to exempt closed-end funds ("CEFs") from the requirement to hold annual shareholder meetings (the "**Proposal**").<sup>1</sup>

I have served as a director to CEFs for more than 20 years across four different fund complexes and, for the Neuberger Berman funds, have served as the Chair or Vice Chair of the Closed-End Funds Committee for 17 years. I will retire from the Neuberger Berman funds at the end of the year due to the Board retirement policy for directors. I have also served as a board member for multiple open-end mutual funds and ETFs, as CFO of a publicly-traded regional bank (ticker PBCT) and as a member of the Nasdaq Issuers' Affairs Committee. These experiences have given me a few different perspectives on governance and the role of annual shareholder meetings.

Annual shareholder meetings for operating companies can serve as a forum for shareholders to engage and interact with management regarding past actions or future plans, pose questions or receive information that will assist them in determining how the company should be valued and provide feedback to the company. For example, while CFO of PBCT, shareholders routinely attended annual shareholder meetings, while analysts and portfolio managers routinely participated in earnings calls, to ask questions, including about earnings (or components of earnings), business plans, implementation of strategies or changes to strategies, expenses, growth prospects, competition, and succession planning. CEF shareholders, however, do not use annual shareholder meetings in a similar way. In fact, over the course of 20 years and countless shareholder meetings, I recall exactly one instance of a retail shareholder attending an annual shareholder meeting. This occurrence was so anomalous that I remember it vividly more than 15 years later. My experience with retail (and institutional) CEF shareholders not attending annual shareholder meetings, coupled with the fact that I have never received a written question from a shareholder, convinces me that shareholder meetings are not of material interest to retail CEF shareholders.

With CEFs, annual shareholder meetings are routinely used by a cadre of "activist" managers as a tool to force CEFs to conduct liquidity events in the near-term with little to no regard for the remaining

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<sup>1</sup> Notice of Filing of Proposed Rule Change Amending Section 302.00 of the NYSE Listed Company Manual to Exempt Closed-End Funds Registered Under the Investment Company Act of 1940 From the Requirement to Hold Annual Shareholder Meetings, Exchange Act Release No. 100460, 89 Fed. Reg. 56447 (July 9, 2024), *available at* <https://www.govinfo.gov/content/pkg/FR-2024-07-09/pdf/2024-15037.pdf>.

shareholders, all the while claiming that their interests are aligned with such shareholders. The detrimental long-term effects of this “activism” combined with the costs attendant to the proxy process and the low rates of CEF shareholder attendance at annual shareholder meetings all point to the same conclusion – that annual shareholder meetings impose costs on CEFs and their shareholders without providing appreciable offsetting positive benefits.

CEFs and their shareholders would benefit from the elimination of the annual meeting requirement. I therefore strongly urge the SEC to approve the Proposal.

Sincerely,

/s/ George W. Morriss