



DIVISION OF
CORPORATION FINANCE

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

March 16, 2018

Ronald O. Mueller
Gibson, Dunn & Crutcher LLP
shareholderproposals@gibsondunn.com

Re: Intel Corporation
Incoming letter dated January 12, 2018

Dear Mr. Mueller:

This letter is in response to your correspondence dated January 12, 2018 concerning the shareholder proposals submitted to Intel Corporation (the "Company") by John Chevedden (the "Chevedden Proposal") and Myra K. Young (the "Young Proposal," collectively with the Chevedden Proposal, the "Proposals") for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders. We also have received correspondence from John Chevedden dated March 6, 2018. Copies of all of the correspondence on which this response is based will be made available on our website at <http://www.sec.gov/divisions/corpfin/cf-noaction/14a-8.shtml>. For your reference, a brief discussion of the Division's informal procedures regarding shareholder proposals is also available at the same website address.

Sincerely,

Matt S. McNair
Senior Special Counsel

Enclosure

cc: John Chevedden

March 16, 2018

Response of the Office of Chief Counsel
Division of Corporation Finance

Re: Intel Corporation
Incoming letter dated January 12, 2018

The Chevedden Proposal requests that the board undertake such steps as may be necessary to permit written consent by shareholders entitled to cast the minimum number of votes that would be necessary to authorize the action at a meeting at which all shareholders entitled to vote thereon were present and voting. The Young Proposal requests that the board adopt a policy, and amend other governing documents as necessary, to require the chair of the board of directors to be an independent member of the board.

We are unable to concur in your view that the Company may exclude the Proposals under rule 14a-8(i)(3). We are unable to conclude that you have demonstrated objectively that the portions of the supporting statement you reference are materially false or misleading. Accordingly, we do not believe that the Company may omit the Proposals from its proxy materials in reliance on rule 14a-8(i)(3).

We are unable to concur in your view that the Company may exclude the Proposals under rule 14a-8(i)(7). Accordingly, we do not believe that the Company may omit the Proposals from its proxy materials in reliance on rule 14a-8(i)(7).

Sincerely,

Evan S. Jacobson
Special Counsel

DIVISION OF CORPORATION FINANCE
INFORMAL PROCEDURES REGARDING SHAREHOLDER PROPOSALS

The Division of Corporation Finance believes that its responsibility with respect to matters arising under Rule 14a-8 [17 CFR 240.14a-8], as with other matters under the proxy rules, is to aid those who must comply with the rule by offering informal advice and suggestions and to determine, initially, whether or not it may be appropriate in a particular matter to recommend enforcement action to the Commission. In connection with a shareholder proposal under Rule 14a-8, the Division's staff considers the information furnished to it by the company in support of its intention to exclude the proposal from the company's proxy materials, as well as any information furnished by the proponent or the proponent's representative.

Although Rule 14a-8(k) does not require any communications from shareholders to the Commission's staff, the staff will always consider information concerning alleged violations of the statutes and rules administered by the Commission, including arguments as to whether or not activities proposed to be taken would violate the statute or rule involved. The receipt by the staff of such information, however, should not be construed as changing the staff's informal procedures and proxy review into a formal or adversarial procedure.

It is important to note that the staff's no-action responses to Rule 14a-8(j) submissions reflect only informal views. The determinations reached in these no-action letters do not and cannot adjudicate the merits of a company's position with respect to the proposal. Only a court such as a U.S. District Court can decide whether a company is obligated to include shareholder proposals in its proxy materials. Accordingly, a discretionary determination not to recommend or take Commission enforcement action does not preclude a proponent, or any shareholder of a company, from pursuing any rights he or she may have against the company in court, should the company's management omit the proposal from the company's proxy materials.

March 6, 2018

Office of Chief Counsel
Division of Corporation Finance
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

1 Rule 14a-8 Proposal
Intel Corporation (INTC)
1-Written Consent
John Chevedden
2-Independent Board Chairman
Myra K. Young

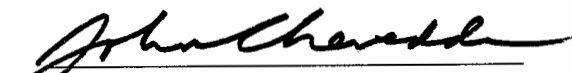
Ladies and Gentlemen:

This is in regard to the January 12, 2018 no-action request.

The company has not distinguished this no action request from *Union Pacific Corporation* (February 13, 2018).

This is to request that the Securities and Exchange Commission allow this resolution to stand and be voted upon in the 2018 proxy.

Sincerely,


John Chevedden

cc: Myra K. Young

Irving S. Gomez <irving.s.gomez@intel.com>

Proposal [4] – Shareholder Right to Act by Written Consent

Shareholders request that our board of directors undertake such steps as may be necessary to permit written consent by shareholders entitled to cast the minimum number of votes that would be necessary to authorize the action at a meeting at which all shareholders entitled to vote thereon were present and voting. This written consent is to be consistent with applicable law and consistent with giving shareholders the fullest power to act by written consent consistent with applicable law. This includes shareholder ability to initiate any topic for written consent consistent with applicable law.

This proposal topic won majority shareholder support at 13 major companies in a single year. This included 67%-support at both Allstate and Sprint. Hundreds of major companies enable shareholder action by written consent.

This proposal topic won impressive 42%-support at the Intel 2016 annual meeting. Plus this 42%-vote would have been still higher (above 45%) if small shareholders had the same access to corporate governance information as large shareholders. This proposal is important at Intel because Intel shareholders do not have the full right to call a special meeting that is available under state law.

It is especially important to adopt a shareholder right to make management more accountable to shareholders to make up for our management taking away an important shareholder right – the right to an in-person annual meeting. We did not have an opportunity to vote on giving up this right.

For decades shareholders of U.S. companies had a once-a-year opportunity to ask a \$20 million CEO and directors questions in person. Now our directors can casually flip their phones to mute during the annual shareholder meeting.

Our management is now free to run a make-believe meeting with Investor Relations devising softball questions in advance while tossing out challenging shareholder questions. Then our \$20 million+ CEO can simply read the scripted IR answers to a microphone – no opportunity for live audience feedback. There is no auditor present to see if management is trashing incoming shareholder questions.

The lack of an in-person annual meeting means that a board meeting can be scheduled months after the virtual meeting – by which time any serious issues raised by shareholders under these adverse conditions will be long forgotten by the directors. Plus a virtual meeting guarantees that there will be no media coverage for the benefit of shareholders.

A virtual meeting is a complacency plan for our directors and top management. Top management has no incentive to avoid making mistakes for 365 days of the year out of concern that there will be an in-person accounting at the annual meeting in front of media.

Please vote to improve management accountability to shareholders:

Shareholder Right to Act by Written Consent – Proposal [4]

[The above line – *Is* for publication.]

[INTC Rule 14a-8 Proposal, November 25, 2017]
[This line and any line above it – Not for publication.]

Proposal [4] – Independent Board Chairman

Shareholders request our Board of Directors to adopt as policy, and amend our governing documents as necessary, to require henceforth that the Chair of the Board of Directors, whenever possible, to be an independent member of the Board. The Board would have the discretion to phase in this policy for the next CEO transition, implemented so it does not violate any existing agreement.

If the Board determines that a Chair who was independent when selected is no longer independent, the Board shall select a new Chair who satisfies the requirements of the policy within a reasonable amount of time. Compliance with this policy is waived if no independent director is available and willing to serve as Chairman. This proposal requests that all the necessary steps be taken to accomplish the above.

Supporting Statement: Caterpillar is an example of a company recently changing course and naming an independent board chairman. Caterpillar had strongly opposed a shareholder proposal for an independent board chairman as recently as its 2016 annual meeting. Wells Fargo also changed course and named an independent board chairman in 2016.

It was reported that 53% of the Standard & Poors 1,500 firms separate these 2 positions (2015 report): Chairman and CEO. This proposal topic won 50%-plus support at 5 major U.S. companies in 2013 including 73%-support at Netflix.

It is especially important to adopt a shareholder right to make our CEO more accountable to shareholders to make up for our management taking away an important shareholder right – the right to an in-person annual meeting. We did not have an opportunity to vote on giving up this right.

The Council of Institutional Investors, a coalition of funds with portfolios exceeding \$3 trillion, has among its published corporate governance guidelines for public companies, "Cyber meetings should only be a supplement to traditional in-person shareholder meetings, not a substitute." Face-to-face annual meetings facilitate unfiltered dialogue between shareholders and management, as well as important opportunities to exchange ideas before and after the meetings.

Please vote to enhance the independence of our CEO:

Independent Board Chairman – Proposal [4]

[The line above – /s for publication.]

January 12, 2018

VIA E-MAIL

Office of Chief Counsel
Division of Corporation Finance
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: *Intel Corporation*
Stockholder Proposals of John Chevedden and Myra K. Young
Exchange Act of 1934—Rule 14a-8

Ladies and Gentlemen:

This letter is to inform you that our client, Intel Corporation (the “Company”), intends to omit from its proxy statement and form of proxy for its 2018 Annual Stockholders Meeting (collectively, the “2018 Proxy Materials”) (i) a stockholder proposal (the “Chevedden Proposal”) and statements in support thereof (the “Chevedden Supporting Statement”) received from John Chevedden (“Chevedden”) and (ii) a stockholder proposal (the “Young Proposal” and together with the Chevedden Proposal, the “Proposals”) and statements in support thereof (the “Young Supporting Statement”) submitted by Chevedden on behalf of Myra K. Young (“Young” and together with Chevedden, the “Proponents”).

Pursuant to Rule 14a-8(j), we have:

- filed this letter with the Securities and Exchange Commission (the “Commission”) no later than eighty (80) calendar days before the Company intends to file its definitive 2018 Proxy Materials with the Commission; and
- concurrently sent copies of this correspondence to the Proponents.

Rule 14a-8(k) and Staff Legal Bulletin No. 14D (Nov. 7, 2008) (“SLB 14D”) provide that stockholder proponents are required to send companies a copy of any correspondence that the proponents elect to submit to the Commission or the staff of the Division of Corporation Finance (the “Staff”). Accordingly, we are taking this opportunity to inform the Proponents that if either elects to submit additional correspondence to the Commission or the Staff with respect to either Proposal, a copy of that correspondence should be furnished concurrently to the undersigned on behalf of the Company pursuant to Rule 14a-8(k) and SLB 14D.

Office of Chief Counsel
Division of Corporation Finance
January 12, 2018
Page 2

THE PROPOSALS

The Chevedden Proposal requests that the Company's Board of Directors (the "Board") take steps to permit stockholders to act by written consent. The Chevedden Supporting Statement consists of seven paragraphs, five of which address the Company's determination to conduct annual meetings of stockholders electronically:

...

It is especially important to adopt a shareholder right to make management more accountable to shareholders to make up for our management taking away an important shareholder right – the right to an in-person annual meeting. We did not have an opportunity to vote on giving up this right.

For decades shareholders of U.S. companies had a once-a-year opportunity to ask a \$20 million CEO and directors questions in person. Now our directors can casually flip their phones to mute during the annual shareholder meeting.

Our management is now free to run a make-believe meeting with Investor Relations devising softball questions in advance while tossing out challenging shareholder questions. Then our \$20 million+ CEO can simply read the scripted IR answers to a microphone - no opportunity for live audience feedback. There is no auditor present to see if management is trashing incoming shareholder questions.

The lack of an in-person annual meeting means that a board meeting can be scheduled months after the virtual meeting - by which time any serious issues raised by shareholders under these adverse conditions will be long forgotten by the directors. Plus a virtual meeting guarantees that there will be no media coverage for the benefit of shareholders.

A virtual meeting is a complacency plan for our directors and top management. Top management has no incentive to avoid making mistakes for 365 days of the year out of concern that there will be an in-person accounting at the annual meeting in front of media.

The Young Proposal requests that the Board adopt a policy requiring that the Board chair, whenever possible, be an independent director. The Young Supporting Statement consists of four

Office of Chief Counsel
Division of Corporation Finance
January 12, 2018
Page 3

paragraphs, two of which address the Company's determination to conduct annual meetings of stockholders electronically:

...

It is especially important to adopt a shareholder right to make our CEO more accountable to shareholders to make up for our management taking away an important shareholder right—the right to an in-person annual meeting. We did not have an opportunity to vote on giving up this right.

The Council of Institutional Investors, a coalition of funds with portfolios exceeding \$3 trillion, has among its published corporate governance guidelines for public companies, “Cyber meetings should only be a supplement to traditional in-person shareholder meetings, not a substitute.” Face-to-face annual meetings facilitate unfiltered dialogue between shareholders and management, as well as important opportunities to exchange ideas before and after the meetings.

A copy of the Proposals, as well as related correspondence with the Proponents, is attached to this letter as Exhibit A.

BASES FOR EXCLUSION

We believe that the Proposals may properly be excluded from the 2018 Proxy Materials pursuant to:

- Rule 14a-8(i)(7) because the Proposals relate to the determination of whether to hold annual meetings in person, and thus address the Company's ordinary business operations; and
- Rule 14a-8(i)(3) because the Proposals are false and misleading in violation of Rule 14a-9.

ANALYSIS

I. The Proposals May Be Excluded Under Rule 14a-8(i)(7) Because They Deal With Matters Related To The Company's Ordinary Business Operations.

The Proposals may be omitted pursuant to Rule 14a-8(i)(7) because they relate to the determination of whether to hold annual meetings in person and thus address the Company's

Office of Chief Counsel
Division of Corporation Finance
January 12, 2018
Page 4

ordinary business operations. Rule 14a-8(i)(7) permits a company to omit from its proxy materials a stockholder proposal that relates to the company's "ordinary business" operations. According to the Commission's release accompanying the 1998 amendments to Rule 14a-8, the term "ordinary business" "refers to matters that are not necessarily 'ordinary' in the common meaning of the word," but instead the term "is rooted in the corporate law concept providing management with flexibility in directing certain core matters involving the company's business and operations." Exchange Act Release No. 40018 (May 21, 1998) (the "1998 Release"). In the 1998 Release, the Commission stated that the underlying policy of the ordinary business exclusion is "to confine the resolution of ordinary business problems to management and the board of directors, since it is impracticable for stockholders to decide how to solve such problems at an annual stockholders meeting," and identified one of the central considerations underlying the rule to be that "[c]ertain tasks are so fundamental to management's ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct stockholder oversight." The 1998 Release further distinguishes proposals pertaining to ordinary business matters from those involving "significant social policy issues," the latter of which are not excludable under Rule 14a-8(i)(7) because they "transcend the day-to-day business matters and raise policy issues so significant that it would be appropriate for a stockholder vote." *Id.* (citing Exchange Act Release No. 12999 (Nov. 22, 1976)).

When assessing proposals under Rule 14a-8(i)(7), the Staff considers the terms of the resolution and its supporting statement as a whole. *See* Staff Legal Bulletin No. 14C, part D.2 (June 28, 2005) ("SLB 14C") ("In determining whether the focus of these proposals is a significant social policy issue, we consider both the proposal and the supporting statement as a whole.").

A. The Proposals Are Excludable Under Rule 14a-8(i)(7) Because The Thrust And Focus Of The Proposals Addresses the Company's Decision On Whether To Hold Annual Meetings Of Stockholders In Person.

The Proposals are excludable pursuant to Rule 14a-8(i)(7) as relating to the Company's ordinary business operations because, despite the Proponents' efforts to use the form of a corporate governance proposal to avoid exclusion, the thrust and focus of the Proposals is the Company's decision on whether to hold the Company's annual meeting of stockholders in person.

As noted above, when evaluating whether a proposal may be excluded under Rule 14a-8(i)(7), the Staff evaluates whether the underlying subject matter of the resolution and its supporting statement, taken as a whole, involves a matter of ordinary business to the company. SLB 14C, at part D.2. Here, the Proposals are couched as two separate matters of corporate governance (*i.e.*, permitting Company stockholders to act by written consent and requiring that the Chair of the Board be an independent director), but both the Chevedden Supporting Statement and Young Supporting Statement demonstrate that both the principal reason for and the principal focus of

Office of Chief Counsel
Division of Corporation Finance
January 12, 2018
Page 5

the Proposals are the Company's determination to hold annual meetings of stockholder electronically instead of in person. In fact, one-half of the Young Supporting Statement and over two-thirds of the Chevedden Supporting Statement is solely dedicated, not to the purported subject matter of the underlying Proposals, but to a highly-critical and (as addressed in part II of this letter) misleading¹ discussion of the Company's decision to conduct its annual meeting of stockholders in a virtual-only format. In this regard, the Proposals are comparable to many other proposals that the Staff has concurred may be excluded under Rule 14a-8(i)(7), where the resolution addresses one topic but the supporting statements demonstrate that the proposal will operate as a referendum on ordinary business matters.

For example, in *General Electric Co. (St. Joseph Health System)* (avail. Jan. 10, 2005), the Staff considered a proposal raising a general corporate governance matter by requesting that the company's compensation committee "include social responsibility and environmental (as well as financial) criteria" in setting executive compensation. The proposal was preceded by a number of recitals addressing executive compensation, but the supporting statement read, "[w]e believe it is especially appropriate for our company to adopt social responsibility and environmental criteria for executive compensation because:" and then set forth a number of paragraphs regarding an alleged link between teen smoking and the depiction of smoking in movies. The company argued that the supporting statement evidenced the proponents' intent to "obtain[] a forum for the [p]roponents to set forth their concerns about an alleged link between teen smoking and the depiction of smoking in movies," a matter implicating the company's ordinary business operations. The Staff permitted exclusion of the proposal under Rule 14a-8(i)(7), noting that "although the proposal mentions executive compensation, the thrust and focus of the proposal is on the ordinary business matter of the nature, presentation and content of programming and film production." The Staff has concurred in similar analyses many times in the 12 years since *General Electric Co. (St. Joseph Health System)*.² Just as the proponents in *General Electric Co.*

¹ We note, in particular, that both the Chevedden Supporting Statement and Young Supporting Statement falsely claim that the Company's decision to hold an exclusively virtual annual meeting deprived the Company's stockholders of "an important shareholder right." As discussed in part II below, Delaware General Corporation Law does not provide stockholders a right to an in-person annual meeting.

² See also *Comcast Corp.* (avail. Mar. 10, 2015) (permitting exclusion under Rule 14a-8(i)(7) of a proposal requesting a review of human rights policies where the company argued that the proposal "attempts to avoid [exclusion under Rule 14a-8(i)(7)]" by relocating the underling focus of the proposal "from the 'resolved' clause of the [p]roposal to a subsequent sentence nominally labeled 'supporting statement'"); *Apple Inc.* (avail. Nov. 17, 2014) (permitting exclusion under Rule 14a-8(i)(7) where the Staff noted that "although the proposal relates to executive compensation, the thrust and focus is on [an] ordinary business matter"); *Johnson & Johnson (NorthStar Asset Management, Inc. Funded Pension Plan)* (avail. Feb. 10, 2014) (permitting exclusion under Rule 14a-8(i)(7) of a proposal with a resolution concerning the general political activities of the company where the preamble paragraphs to the proposal indicated that the thrust and focus of the proposal was on specific company political expenditures, which are ordinary business matters); *The Walt Disney Co. (St. Joseph*

Office of Chief Counsel
Division of Corporation Finance
January 12, 2018
Page 6

(*St. Joseph Health System*) demonstrated that the objective of their proposals was to address an ordinary business matter by stating that the proposal was “especially appropriate” because of the manner in which the company was addressing an ordinary business matter, here as well the Proponents’ reveal that the principal justification for the Proposals is their argument that the Proposals are “especially appropriate” in light of the Company’s determination to conduct its annual meeting of stockholders in a virtual-only format.

Similarly, when evaluating whether facially neutral proposals are in fact “veiled attempts to conduct a shareholder referendum” on an ordinary business matter, the Staff has looked at the extent to which the ordinary business matter is addressed in the supporting statements. *The Home Depot, Inc.* (avail. Mar. 18, 2011). For example, in the context of proposals addressing policies on charitable contributions, the Staff has consistently permitted exclusion under Rule 14a-8(i)(7) of facially neutral proposals if the supporting statements indicate that the proposal, in fact, would serve as a referendum on contributions to particular organizations. Most recently, in *Starbucks Corp.* (avail. Jan. 4, 2018), a facially neutral proposal requested that the company “consider issuing a semiannual report on the Company’s website . . . disclosing: the Company’s standards for choosing which organizations receive the Company’s assets in the form of charitable contributions.” Notwithstanding the facially neutral language of the proposed resolution, the Staff concurred that the proposal could be excluded because the supporting statement included three sentences referring to specific organizations or groups. *See also Johnson & Johnson* (avail. Feb. 12, 2007) (concurring with the exclusion under Rule 14a-8(i)(7) of a facially neutral proposal requesting that the company disclose all recipients of corporate charitable contributions where the proposal’s preamble and supporting statement made clear that the proposed policy was intended to specifically target the company’s support of Planned Parenthood and organizations that support same-sex marriage). To a far greater extent than in *Starbucks* and *Johnson & Johnson*, the supporting statements in the Proposals demonstrate that the Proposals’ thrust and focus is the determination of whether to hold annual meetings in person. Here, one-half of the Young Supporting Statement and over two-thirds of the Chevedden Supporting Statement is dedicated to the discussion of this ordinary business matter, surpassing even the extent to which the supporting statement in *Starbucks* focused on specific organizations. Thus, as in *Starbucks* and *Johnson & Johnson*, the Chevedden Supporting Statement and Young Supporting Statement demonstrate that the Proposals would operate as a referendum on the Company’s ordinary business operations and are therefore excludable under Rule 14a-8(i)(7).

Health System (avail. Dec. 15, 2004) (permitting exclusion under Rule 14a-8(i)(7) of a proposal identical to the proposal in *General Electric Co. (St. Joseph Health System)* (avail. Jan. 10, 2005), where the company argued that the proponents were attempting to “us[e] the form of an executive compensation proposal to sneak in its otherwise excludable opinion regarding a matter of ordinary business (on-screen smoking in the [c]ompany’s movies”).

Office of Chief Counsel
Division of Corporation Finance
January 12, 2018
Page 7

B. The Determination Of Whether To Hold Annual Meetings Of Stockholders In Person Or Electronically Is An Ordinary Business Matter That Is Excludable Under Rule 14a-8(i)(7).

Since 2000, when the Delaware General Corporation Law was amended to permit exclusively virtual annual meetings of stockholders, an increasing number of companies, including the Company, have determined to hold such meetings. The conduct of an annual meeting, as with other aspects of management's engagement with stockholders, is well-established as a matter of ordinary business.³ Consistent with this long line of precedents, the Staff recently concurred that

³ For precedent where the Staff has concurred that proposals relating to the conduct of a company's annual meeting were omitted under Rule 14a-8(i)(7) as relating to a company's ordinary business, *see, e.g., Servotronics, Inc.* (avail. Feb. 19, 2015) (concurring in the omission of a proposal "concerning the conduct of shareholder meetings" where the proposal requested that "a question-and-answer period be included in conjunction with the Servotronics Annual Shareholder Meetings"); *Mattel, Inc.* (avail. Jan. 14, 2014) (concurring in the omission of a proposal requesting that the chairman "answer with accuracy the questions asked by shareholders at the Annual Meeting"); *Citigroup Inc.* (avail. Feb. 7, 2013) (concurring in the omission of a proposal requesting "a reasonable amount of time before and after the annual meeting for shareholder dialogue" with directors); *Bank of America Corp.* (avail. Dec. 22, 2009) (concurring in the omission of a proposal recommending that all stockholders be entitled to attend and speak at all annual meetings because "[p]roposals concerning the conduct of shareholder meetings generally are excludable under rule 14a-8(i)(7)"); *Niagara Mohawk Holdings, Inc. (Hartley)* (avail. Mar. 5, 2001) (concurring in the omission of a proposal seeking an area for stockholder discussion at an annual meeting); *PG&E Corp.* (avail. Jan. 27, 2000) (concurring in the omission of a proposal seeking to allow each stockholder to speak for 30 minutes at annual meetings).

Further, the Staff has consistently agreed that proposals relating to the webcast and use of electronic media and communications technology to record and conduct annual meetings may be excluded under Rule 14a-8(i)(7) as relating to the ordinary business of conducting annual meetings. *See, e.g., Con-way, Inc.* (avail. Jan. 22, 2009) (concurring in the omission of a proposal requesting that the company broadcast future annual meetings over the Internet using webcast technology, since the proposal involved "shareholder relations and the conduct of annual meetings"); *Northeast Utilities* (avail. Mar. 3, 2008) (concurring in the omission of a proposal requesting, among other things, that the company allow stockholder voting to be conducted by electronic means); *Commonwealth Energy Corp.* (avail. Nov. 15, 2002) (concurring in the omission of a proposal requesting that, among other things, the company make audio or video recordings of its annual meetings); *Irvine Sensors Corp.* (avail. Jan. 2, 2001) (concurring in the omission of a proposal requesting that the company webcast its annual meetings since the proposal related to "procedures for establishing regular communications and updates withshareholders").

The Staff more generally has concurred with the exclusion of proposals relating to communications by companies with their stockholders. *See, e.g., ARIAD Pharmaceuticals, Inc.* (avail. June 1, 2016) (concurring in the omission of a proposal requesting that the company's board respond to questions specified in the proposal because the proposal related to "the nature of communications between a company and its shareholders"); *Peregrine Pharmaceuticals, Inc.* (avail. Jul. 16, 2013) (concurring in the omission of a proposal requesting that management respond to stockholder questions on public company conference calls because the proposal related to "the ability of shareholders to communicate with management"); *Ford Motor Co.* (avail. Mar. 1, 2010) (concurring in the omission of a proposal relating to how the company distributes restated financial statements

Office of Chief Counsel
Division of Corporation Finance
January 12, 2018
Page 8

a company's determination of whether to hold annual meetings electronically or in person implicates a company's ordinary business operations. *See HP Inc.* (avail. Dec. 28, 2016). In *HP Inc.*, the proponents, who included Mr. Chevedden, submitted a proposal requesting that the company "adopt a corporate governance policy to initiate or restore in-person annual meetings." In the supporting statement to the proposal in *HP Inc.*, the proponents deployed similar arguments and rhetorical flourishes that the Proponents use here in the Chevedden Supporting Statement and Young Supporting Statement, including the unfounded claim that a virtual meeting empowers the company to manipulate its engagement with its stockholders. In *HP Inc.*, the Staff concurred in the exclusion of the proposal pursuant to Rule 14a-8(i)(7), noting that the proposal, which "relates to the determination of whether to hold annual meetings in person" related to HP Inc.'s ordinary business operations. The Staff's concurrence in *HP Inc.* is consistent with its 2002 no-action position concerning a company's omission from its proxy materials of a nearly identical stockholder proposal related to another company's determination of whether to hold an in-person annual meeting of stockholders. *See EMC Corp.* (avail. Mar. 7, 2002) (concurring with the omission under Rule 14a-8(i)(7) as relating to the company's ordinary business operations of a proposal related to "the determination whether to continue to hold annual meetings in person").

Although the Proponents have drafted the Proposals so as to appear to be focused on two different corporate governance issues, the Proposals' supporting statements demonstrate that both the principal reason for and the principal focus of the Proposals relate to the Company's ordinary business matters, just as in *HP Inc.* and *EMC Corp.* As described above, both the Chevedden Supporting Statement and Young Supporting Statement focus primarily on the determination of whether the Company conducts its annual meeting of stockholders electronically or in person. As in *General Electric Co. (St. Joseph Health System)*, *Starbucks Corp.* and the other precedent cited above, the Proponents have, through both Proposals, attempted to "us[e] the form of [a significant policy issue] proposal to sneak in its otherwise excludable opinion regarding a matter of ordinary business." Accordingly, because the Proposals are principally focused on the decision as to whether the Company conducts its annual Meetings of stockholders in person, the Proposals may be excluded pursuant to Rule 14a-8(i)(7) as relating to the Company's ordinary business operations.

to stockholders since "[p]roposals concerning the methods used by a company to distribute or present information to its shareholders are generally excludable under rule 14a- 8(i)(7)"; *Ford Motor Co.* (avail. Feb. 12, 2008) (concurring in the omission of a proposal seeking the distribution of the directors' direct mailing addresses to stockholders).

Office of Chief Counsel
Division of Corporation Finance
January 12, 2018
Page 9

II. The Proposals May Be Excluded Under Rule 14a-8(i)(3) Because They Are Materially False and Misleading.

Rule 14a-8(i)(3) provides that a company may exclude from its proxy materials a stockholder proposal if the proposal or supporting statement is “contrary to any of the Commission’s proxy rules, including [Rule] 14a-9, which prohibits materially false or misleading statements in proxy soliciting materials.” Specifically, Rule 14a-9 provides that no solicitation shall be made by means of any proxy statement “containing any statement which, at the time and in light of the circumstances under which it is made, is false or misleading with respect to any material fact, or which omits to state any material fact necessary in order to make the statements therein not false or misleading.” In Staff Legal Bulletin No. 14B (Sept. 15, 2004), the Staff stated that exclusion under Rule 14a-8(i)(3) may be appropriate where “the company demonstrates objectively that a factual statement is materially false or misleading.”

The Staff consistently has allowed the exclusion under Rule 14a-8(i)(3) of entire stockholder proposals that contain statements that are materially false or misleading. *See, e.g., Ferro Corp.* (avail. Mar. 17, 2015) (concurring in the exclusion of a proposal requesting that the company reincorporate in Delaware based on misstatements of Ohio law, which improperly suggested that the stockholders would have increased rights if the Delaware law governed the company instead of Ohio law); *General Electric Co.* (avail. Jan. 6, 2009) (concurring in the exclusion of a proposal under which any director who received more than 25% in “withheld” votes would not be permitted to serve on any key board committee for two years because the company did not typically allow stockholders to withhold votes in director elections); *Johnson & Johnson* (avail. Jan. 31, 2007) (concurring in the exclusion of a proposal to provide stockholders a “vote on an advisory management resolution . . . to approve the Compensation Committee [R]eport” because the proposal would create the false implication that stockholders would receive a vote on executive compensation); *State Street Corp.* (avail. Mar. 1, 2005) (concurring in the exclusion of a proposal requesting stockholder action pursuant to a section of state law that had been recodified and was thus no longer applicable); *General Magic, Inc.* (avail. May 1, 2000) (concurring in the exclusion of a proposal requesting that the company make “no more false statements” to its stockholders because the proposal created the false impression that the company tolerated dishonest behavior by its employees when in fact the company had corporate policies to the contrary).

Here, the Proposals both contain the same false and misleading statements that are integral to the Proposals’ thrust and focus—the decision made by the Company concerning whether to hold the Company’s annual meeting of stockholders in person. As discussed in part I above, although the Proposals purport to be focused on two separate corporate governance matters, both the Chevedden Supporting Statement and Young Supporting Statement demonstrate that the principal reason for and the principal focus of the Proposals are the Company’s determination of

Office of Chief Counsel
Division of Corporation Finance
January 12, 2018
Page 10

whether to hold annual meetings of stockholder in person or electronically. In both supporting statements, the Proponents make the same false and misleading assertion in support of their argument that it is “especially important” for stockholders to vote for the Proposals, by claiming that the Company has deprived stockholders of “an important shareholder right.”

The Chevedden Supporting Statement provides, in pertinent part (emphasis added):

It is especially important to adopt a shareholder right to make management more accountable to shareholders **to make up for our management taking away an important shareholder right – the right to an in-person annual meeting.** We did not have an opportunity to vote on giving up this right.

The Young Supporting Statement provides, in pertinent part (emphasis added):

It is especially important to adopt a shareholder right to make our CEO more accountable to shareholders **to make up for our management taking away an important shareholder right-the right to an in-person annual meeting.** We did not have an opportunity to vote on giving up this right.

Contrary to these false and misleading statements, neither Delaware law nor the Company’s Amended and Restated Bylaws grant Company stockholders the right to attend an *in-person* annual meeting. As described in part I above, in 2000, the General Corporation Law of Delaware was amended to provide that “the board of directors may, **in its sole discretion,** determine that the meeting [of stockholders] shall not be held at any place, but may instead be held solely by means of remote communication as authorized by paragraph (a)(2) of this section.” See Delaware General Corporation Law Section 211(a)(1). Thus, under Delaware law, the board of directors has *exclusive* authority to determine whether to hold annual meetings of stockholder in person or electronically. Thus, contrary to the Proposals’ supporting statements, there is no stockholder “right to an in-person annual meeting.” These false and misleading statements, which serve as the foundation for the Proponents’ arguments in both supporting statements, therefore render the Proposals excludable under Rule 14a-8(i)(3) because they create the false implication that adoption of the Proposals is necessary because the Company has denied its stockholders of their legal rights.

Office of Chief Counsel
Division of Corporation Finance
January 12, 2018
Page 11

The Chevedden Supporting Statement makes a number of additional false and misleading statements regarding the manner in which the Company has conducted its virtual-only annual meetings of stockholders.⁴ For example:

- The Chevedden Supporting Statement makes a number of assertions to the effect that the Company ran “a make-believe meeting with Investor Relations devising softball questions in advance while tossing out challenging shareholder questions.” In fact, however, the Company answered difficult stockholder questions regarding competition, alleged conflicts of interest and other topics during its annual meeting and posted on its website the questions and answers that it did not have the opportunity to address in the allotted time at the annual meeting (including questions presented by Mr. Chevedden).⁵
- The Chevedden Supporting Statement asserts that “[t]here is no auditor present [at the annual meeting] to see if management is trashing incoming shareholder questions.” In fact, however, a representative from the Company’s auditor was at the virtual annual meeting to answer questions.⁶
- The Chevedden Supporting Statement states, “Plus a virtual meeting guarantees that there will be no media coverage for the benefit of shareholders.” In fact, however, there was media coverage of the Company’s annual meeting.⁷

Applying the Staff precedents in *Microsoft*, *General Electric*, *Johnson & Johnson*, *State Street* and *General Magic* cited above to the Proposals demonstrates that the false and misleading statements in both supporting statements would be material to stockholders’ consideration of the Proposals. Just as the excludable proposals in *Microsoft*, *General Electric*, *Johnson & Johnson*, *State Street* and *General Magic* created false impressions that would impermissibly mislead stockholders considering the proposals, the materially false and misleading statements in the Proposals’ supporting statements make the Proposals and the supporting statements so

⁴ A replay of the Company’s 2017 Annual Meeting of Stockholders is available at <https://www.intc.com/investor-relations/events-and-presentations/events-calendar/event-details/2017/Annual-Stockholders-Meeting-2017/default.aspx>.

⁵ Those questions and answers addressed during the meeting commence at 35:02 minutes into the annual meeting, and the questions and answers that were not addressed at the meeting are posted at https://s21.q4cdn.com/600692695/files/doc_downloads/2017-ASM-Investors-QA-May-26-9am.pdf.

⁶ See <https://intel.onlineshareholdermeeting.com/vsm/web?pvskey=INTEL17>, at 7:02 minutes into the annual meeting (“Jeff Lange, a senior partner of our audit team from Ernst & Young, is here today, and is available to answer questions during the question and answer session.”).

⁷ See, e.g., Kate Conger, *Shareholders Pressure Intel Over PAC Spending*, Techcrunch.com, May 3, 2017, available at <https://techcrunch.com/2017/05/03/shareholders-pressure-intel-over-pac-spending>.

Office of Chief Counsel
Division of Corporation Finance
January 12, 2018
Page 12

fundamentally misleading that it would “require detailed and extensive editing in order to bring [the Proposal and Supporting Statement] into compliance with the proxy rules.” SLB 14. Accordingly, the Proposals are excludable under Rule 14a-8(i)(3) for containing materially false and misleading statements that violate Rule 14a-9.

CONCLUSION

Based upon the foregoing analysis, we respectfully request that the Staff concur that it will take no action if the Company excludes the Proposals from its 2018 Proxy Materials.

We would be happy to provide you with any additional information and answer any questions that you may have regarding this subject. Correspondence regarding this letter should be sent to stockholderproposals@gibsondunn.com. If we can be of any further assistance in this matter, please do not hesitate to call me at (202) 955-8671 or Irving S. Gomez, the Company’s Senior Counsel, Corporate Legal Group, at (408) 653-7868.

Sincerely,



Ronald O. Mueller

Enclosures

cc: Irving S. Gomez, Intel Corporation
John Chevedden
Myra K. Young

EXHIBIT A

From: ***
To: [Gomez, Irving S](#)
Subject: Rule 14a-8 Proposal (INTC)` `
Date: Wednesday, November 22, 2017 11:25:04 AM
Attachments: [CCE22112017_3.pdf](#)

Mr. Gomez,

Please see the attached rule 14a-8 proposal to improve corporate governance and enhance long-term shareholder value at de minimis up-front cost – especially considering the substantial market capitalization of the company.

Sincerely,

John Chevedden

JOHN CHEVEDDEN

Ms. Suzan A. Miller
Corporate Secretary
Intel Corporation (INTC)
2200 Mission College Blvd.
Santa Clara CA 95054
PH: 408 765-8080
FX: 408-653-8050

Dear Ms. Miller,


This Rule 14a-8 proposal is respectfully submitted in support of the long-term performance of our company.

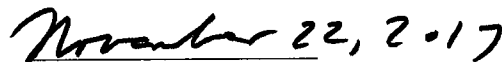
This Rule 14a-8 proposal is intended as a low-cost method to improve company performance – especially compared to the substantial captialization of our company.

This proposal is for the next annual shareholder meeting. Rule 14a-8 requirements will be met including the continuous ownership of the required stock value until after the date of the respective shareholder meeting and presentation of the proposal at the annual meeting. This submitted format, with the shareholder-supplied emphasis, is intended to be used for definitive proxy publication.

Your consideration and the consideration of the Board of Directors is appreciated in support of the long-term performance of our company. Please acknowledge receipt of this proposal by email to

Sincerely,


John Chevedden


Date

cc: Irving S. Gomez <irving.s.gomez@intel.com>

Proposal [4] – Shareholder Right to Act by Written Consent

Shareholders request that our board of directors undertake such steps as may be necessary to permit written consent by shareholders entitled to cast the minimum number of votes that would be necessary to authorize the action at a meeting at which all shareholders entitled to vote thereon were present and voting. This written consent is to be consistent with applicable law and consistent with giving shareholders the fullest power to act by written consent consistent with applicable law. This includes shareholder ability to initiate any topic for written consent consistent with applicable law.

This proposal topic won majority shareholder support at 13 major companies in a single year. This included 67%-support at both Allstate and Sprint. Hundreds of major companies enable shareholder action by written consent.

This proposal topic won impressive 42%-support at the Intel 2016 annual meeting. Plus this 42%-vote would have been still higher (above 45%) if small shareholders had the same access to corporate governance information as large shareholders. This proposal is important at Intel because Intel shareholders do not have the full right to call a special meeting that is available under state law.

It is especially important to adopt a shareholder right to make management more accountable to shareholders to make up for our management taking away an important shareholder right – the right to an in-person annual meeting. We did not have an opportunity to vote on giving up this right.

For decades shareholders of U.S. companies had a once-a-year opportunity to ask a \$20 million CEO and directors questions in person. Now our directors can casually flip their phones to mute during the annual shareholder meeting.

Our management is now free to run a make-believe meeting with Investor Relations devising softball questions in advance while tossing out challenging shareholder questions. Then our \$20 million+ CEO can simply read the scripted IR answers to a microphone – no opportunity for live audience feedback. There is no auditor present to see if management is trashing incoming shareholder questions.

The lack of an in-person annual meeting means that a board meeting can be scheduled months after the virtual meeting – by which time any serious issues raised by shareholders under these adverse conditions will be long forgotten by the directors. Plus a virtual meeting guarantees that there will be no media coverage for the benefit of shareholders.

A virtual meeting is a complacency plan for our directors and top management. Top management has no incentive to avoid making mistakes for 365 days of the year out of concern that there will be an in-person accounting at the annual meeting in front of media.

Please vote to improve management accountability to shareholders:

Shareholder Right to Act by Written Consent – Proposal [4]

[The above line – *Is* for publication.]

John Chevedden,
proposal.

sponsors this

Notes:

This proposal is believed to conform with Staff Legal Bulletin No. 14B (CF), September 15, 2004 including (emphasis added):

Accordingly, going forward, we believe that it would not be appropriate for companies to exclude supporting statement language and/or an entire proposal in reliance on rule 14a-8(l)(3) in the following circumstances:

- the company objects to factual assertions because they are not supported;
- the company objects to factual assertions that, while not materially false or misleading, may be disputed or countered;
- the company objects to factual assertions because those assertions may be interpreted by shareholders in a manner that is unfavorable to the company, its directors, or its officers; and/or
- the company objects to statements because they represent the opinion of the shareholder proponent or a referenced source, but the statements are not identified specifically as such.

We believe that it is appropriate under rule 14a-8 for companies to address these objections in their statements of opposition.

See also: Sun Microsystems, Inc. (July 21, 2005).

The stock supporting this proposal will be held until after the annual meeting and the proposal will be presented at the annual meeting. Please acknowledge this proposal promptly by email

From: ***
Sent: Tuesday, November 28, 2017 4:23 PM
To: Gomez, Irving S <irving.s.gomez@intel.com>
Cc: Miller, Suzan A <suzan.a.miller@intel.com>
Subject: Rule 14a-8 Proposal (INTC) blb

Mr. Gomez,

Please see the attached rule 14a-8 proposal to improve corporate governance and enhance long-term shareholder value at de minimis up-front cost especially considering the substantial market capitalization of the company.

Sincerely,
John Chevedden



November 28, 2017

John R. Chevedden

To Whom It May Concern:

This letter is provided at the request of Mr. John R. Chevedden, a customer of Fidelity Investments.

Please accept this letter as confirmation that as of the date of this letter, Mr. Chevedden has continuously owned no fewer than the share quantity listed in the following table in each of the following securities, since October 1, 2016:

Security name	CUSIP	Trading symbol	Share quantity
Ford Motor Company	345370860	F	500
Dover Corporation	260003108	DOV	50
Expeditors International of Washington	302130109	EXPD	50
O'Reilly Automotive, Inc.	67103H107	ORLY	50
Intel Corporation	458140100	INTC	100

The securities referenced in the preceding table are registered in the name of National Financial Services LLC, a DTC participant (DTC number: 0226) and Fidelity Investments subsidiary.

I hope you find this information helpful. If you have any questions regarding this issue, please feel free to contact me by calling 800-397-9945 between the hours of 8:30 a.m. and 5:00 p.m. Central Time (Monday through Friday) and entering my extension 15838 when prompted.

Sincerely,

George Stasinopoulos
Personal Investing Operations

Our File: W180510-28NOV17

From: ***
To: [Gomez, Irving S](#)
Cc: [INTEL:Miller, Suzan](#)
Subject: Rule 14a-8 Proposal (INTC)``
Date: Sunday, November 26, 2017 3:18:17 PM
Attachments: [CCE26112017_7.pdf](#)

Mr. Gomez,

Please see the attached rule 14a-8 proposal to improve corporate governance and enhance long-term shareholder value at de minimis up-front cost – especially considering the substantial market capitalization of the company.

Sincerely,

John Chevedden

Ms. Suzan A. Miller <suzan.a.miller@intel.com>
Corporate Secretary
Intel Corporation (INTC)
2200 Mission College Blvd.
Santa Clara CA 95054
PH: 408 765-8080
FX: 408-653-8050

Dear Corporate Secretary,

I am pleased to be a shareholder in Intel Corporation (INTC) and appreciate the leadership our company has shown. However, I also believe Intel has unrealized potential that can be unlocked through low or no cost corporate governance reform.

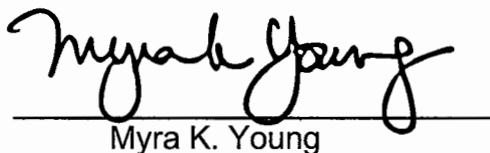
I am submitting the attached shareholder proposal (*Independent Board Chairman*) for a vote at the next annual shareholder meeting. The proposal meets all Rule 14a-8 requirements, including the continuous ownership of the required stock value for over a year and I pledge to continue to hold the required amount of stock until after the date of the next shareholder meeting. My submitted format, with the shareholder-supplied emphasis, is intended to be used for definitive proxy publication.

This letter confirms that I am delegating John Chevedden to act as my agent regarding this Rule 14a-8 proposal, including its submission, negotiations and/or modification, and presentation at the forthcoming shareholder meeting. Please direct all future communications regarding my rule 14a-8 proposal to John Chevedden

at: *** to facilitate prompt communication. Please identify me as the proponent of the proposal exclusively.

Your consideration and the consideration of the Board of Directors is appreciated in responding to this proposal. Please acknowledge receipt of my proposal promptly by email to

Sincerely,



Myra K. Young

November 26, 2017

Date

cc: Irving S. Gomez <irving.s.gomez@intel.com>

[INTC Rule 14a-8 Proposal, November 25, 2017]
[This line and any line above it – *Not* for publication.]

Proposal [4] – Independent Board Chairman

Shareholders request our Board of Directors to adopt as policy, and amend our governing documents as necessary, to require henceforth that the Chair of the Board of Directors, whenever possible, to be an independent member of the Board. The Board would have the discretion to phase in this policy for the next CEO transition, implemented so it does not violate any existing agreement.

If the Board determines that a Chair who was independent when selected is no longer independent, the Board shall select a new Chair who satisfies the requirements of the policy within a reasonable amount of time. Compliance with this policy is waived if no independent director is available and willing to serve as Chairman. This proposal requests that all the necessary steps be taken to accomplish the above.

Supporting Statement: Caterpillar is an example of a company recently changing course and naming an independent board chairman. Caterpillar had strongly opposed a shareholder proposal for an independent board chairman as recently as its 2016 annual meeting. Wells Fargo also changed course and named an independent board chairman in 2016.

It was reported that 53% of the Standard & Poors 1,500 firms separate these 2 positions (2015 report): Chairman and CEO. This proposal topic won 50%-plus support at 5 major U.S. companies in 2013 including 73%-support at Netflix.

It is especially important to adopt a shareholder right to make our CEO more accountable to shareholders to make up for our management taking away an important shareholder right – the right to an in-person annual meeting. We did not have an opportunity to vote on giving up this right.

The Council of Institutional Investors, a coalition of funds with portfolios exceeding \$3 trillion, has among its published corporate governance guidelines for public companies, "Cyber meetings should only be a supplement to traditional in-person shareholder meetings, not a substitute." Face-to-face annual meetings facilitate unfiltered dialogue between shareholders and management, as well as important opportunities to exchange ideas before and after the meetings.

Please vote to enhance the independence of our CEO:
Independent Board Chairman – Proposal [4]
[The line above – /s for publication.]

Myra K. Young,

sponsored this proposal.

Notes:

This proposal is believed to conform with Staff Legal Bulletin No. 14B (CF), September 15, 2004 including (emphasis added):

Accordingly, going forward, we believe that it would not be appropriate for companies to exclude supporting statement language and/or an entire proposal in reliance on rule 14a-8(l)(3) in the following circumstances:

- the company objects to factual assertions because they are not supported;
- the company objects to factual assertions that, while not materially false or misleading, may be disputed or countered;
- the company objects to factual assertions because those assertions may be interpreted by shareholders in a manner that is unfavorable to the company, its directors, or its officers; and/or
- the company objects to statements because they represent the opinion of the shareholder proponent or a referenced source, but the statements are not identified specifically as such.

We believe that it is appropriate under rule 14a-8 for companies to address these objections in their statements of opposition.

See also: Sun Microsystems, Inc. (July 21, 2005).

The stock supporting this proposal will be held until after the annual meeting and the proposal will be presented at the annual meeting. Please acknowledge this proposal promptly by email

From: ***
Sent: Monday, November 27, 2017 3:07 PM To:
Gomez, Irving S <irving.s.gomez@intel.com> Cc:
Miller, Suzan A <suzan.a.miller@intel.com>
Subject: Rule 14a-8 Proposal (INTC) blb

Mr. Gomez,
Please see the attached broker letter.
Sincerely,
John Chevedden



11/27/2017

Myra Young

Re: Your TD Ameritrade Account Ending in ***

Dear Myra Young,

Thank you for allowing me to assist you today. Pursuant to your request, this letter is to confirm that as of the date of this letter, Myra K. Young held, and had held continuously for at least 13 months, 100 shares of Intel Corp (INTC) common stock in her account ending in *** at TD Ameritrade. The DTC clearinghouse number for TD Ameritrade is 0188.

If we can be of any further assistance, please let us know. Just log in to your account and go to the Message Center to write us. You can also call Client Services at 800-669-3900. We're available 24 hours a day, seven days a week.

Sincerely,

A handwritten signature in cursive script that reads 'Matthew Henscheid'.

Matthew Henscheid
Resource Specialist
TD Ameritrade

This information is furnished as part of a general information service and TD Ameritrade shall not be liable for any damages arising out of any inaccuracy in the information. Because this information may differ from your TD Ameritrade monthly statement, you should rely only on the TD Ameritrade monthly statement as the official record of your TD Ameritrade account.

Market volatility, volume, and system availability may delay account access and trade executions.

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