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

DIVISION OF
CORPORATION FINANCE

April 26, 2018

David R. Brown
Nixon Peabody LLP
drbrown@nixonpeabody.com

Re: Navient Corporation

Dear Mr. Brown:

This letter is in regard to your correspondence dated April 26, 2018 concerning the shareholder proposal (the "Proposal") submitted to Navient Corporation (the "Company") by the Employees' Retirement System of Rhode Island and the AFL-CIO Reserve Fund for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders. Your letter indicates that the Proposal has been included in the Company's 2018 proxy materials and that the Company therefore withdraws its January 22, 2018 request for a no-action letter from the Division. Because the matter is now moot, we will have no further comment.

Copies of all of the correspondence related to this matter 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

cc: Kelly Rogers
State of Rhode Island and Providence Plantations
Office of the General Treasurer
kelly.rogers@treasury.ri.gov

NIXON PEABODY LLP
ATTORNEYS AT LAW

NIXONPEABODY.COM
@NIXONPEABODYLLP

David R. Brown
Partner
T 312-977-4426
drbrown@nixonpeabody.com

Three First National Plaza
70 West Madison, Suite 3500
Chicago, IL 60602
312-977-4400

April 26, 2018

VIA E-MAIL (SHAREHOLDERPROPOSALS@SEC.GOV)

U.S. Securities and Exchange Commission
Division of Corporation Finance
Office of Chief Counsel
100 F Street, N.E.
Washington, D.C. 20549
Attention: Matt McNair, Esq.

Re: Navient Corporation
Withdrawal of No-Action Request dated January 22, 2018 regarding Shareholder Proposals of the Employees' Retirement System of Rhode Island ("Rhode Island") and the AFL-CIO Reserve Fund ("Co-Filer")

Dear Mr. McNair:

We submit this letter on behalf of our client, Navient Corporation, a Delaware corporation (the "Company"). The Company has previously requested confirmation that the staff of the Division of Corporation Finance (the "Staff") of the Securities and Exchange Commission (the "Commission") would not recommend enforcement action to the Commission if the Company excluded identical shareholder proposals (together, the "Proposal") and the attendant supporting statement (the "Supporting Statement") submitted by Rhode Island and by the Co-Filer (the "Proponents"), from the Company's proxy materials for its 2018 Annual Meeting of Shareholders (the "2018 Proxy Materials") in a letter dated January 22, 2018 (the "No-Action Request"). We understand that the No-Action Request remains subject to ongoing review by the Staff.

Please be advised that the Proposal has been included in the Company's 2018 Proxy Materials, and the No-Action Request is therefore moot. Accordingly, on behalf of the Company, we hereby formally withdraw the No-Action Request.

Please do not hesitate to contact me at 312-977-4400 or drbrown@nixonpeabody.com.

Sincerely,

David R. Brown

cc: Hon. Seth M. Magaziner, State of Rhode Island and Providence Plantations
Hon. Kelly Rogers, State of Rhode Island and Providence Plantations
Ms. Heather Slavkin Corzo, AFL-CIO
Mr. Brandon Rees, AFL-CIO
Ms. Laura S. Unger, Chair, Nominations and Governance Committee, Navient Corp.
Mr. Mark L. Heleen, Navient Corporation
Mr. Kurt Slawson, Navient Corporation
Mr. Stephen P. Caso, Navient Corporation

Enclosures

NIXON PEABODY LLP
ATTORNEYS AT LAW

NIXONPEABODY.COM
@NIXONPEABODYLLP

David R. Brown
Partner
T 312-977-4426
drbrown@nixonpeabody.com

Three First National Plaza
70 West Madison, Suite 3500
Chicago, IL 60602
312-977-4400

1934 Act/Rule 14a-8

March 5, 2018

VIA E-MAIL (shareholderproposals@sec.gov)

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

Re: Navient Corporation
Securities Exchange Act of 1934 / Rule 14a-8
Shareholder Proposals of the Employees' Retirement System of Rhode Island ("Rhode Island") and the AFL-CIO Reserve Fund ("Co-Filer")
Response to February 15, 2018 letter submitted by Rhode Island

Ladies and Gentlemen:

We submit this letter on behalf of our client, Navient Corporation, a Delaware corporation (the "Company"), in response to a letter dated February 15, 2018 submitted by Rhode Island (the "Rhode Island Letter") in response to our original request for no-action relief submitted to the staff of the Division of Corporation Finance (the "Staff") of the Securities and Exchange Commission (the "Commission") on January 22, 2018 (the "Original Request"). In the Original Request, we requested that the Staff confirm that it will not recommend enforcement action to the Commission if the Company excludes identical shareholder proposals and the attendant supporting statement (together, the "Proposal") submitted by Rhode Island and by the Co-Filer (the "Proponents"), from the Company's proxy materials for its 2018 Annual Meeting of Shareholders (the "2018 Proxy Materials").

The Original Request explains that the Company intends to rely on Rule 14a-8(i)(7) (referred to herein as the "Ordinary Business Operations Exclusion") and Rule 14a-8(i)(10) (referred to herein as the "Substantially Implemented Exclusion") promulgated under the Securities Exchange Act of 1934 (the "Exchange Act") in excluding the Proposal and the Supporting Statement. Please refer to the Original Proposal for a copy of those materials.

Pursuant to Rule 14a-8(j) under the Exchange Act and Section C of Staff Legal Bulletin 14D (November 7, 2008) ("SLB 14D") we have, on behalf of the Company:

- filed this letter by email to shareholderproposals@sec.gov in lieu of submitting six paper copies; and

- concurrently sent a copy of this letter to each of the Proponents.

The Company will promptly forward to the Proponents any response from the Staff to this letter that the Staff transmits by email or fax only to the Company.

Pursuant to Rule 14a-8(k) and SLB 14D, the Company takes this opportunity to remind the Proponents that if either submits any further correspondence to the Commission or the Staff with respect to the Proposal, a copy of that correspondence should concurrently be furnished to the undersigned on behalf of the Company.

This letter responds to the Rhode Island Letter and supplements the Original Request. As a preliminary matter, we believe that the Original Request sets forth legally sufficient grounds for the exclusion of the Proposal, under both the Ordinary Business Operations Exclusion and the Substantially Implemented Exclusion. Accordingly, in the brief discussion below, we do not reiterate in full such grounds, although we would be happy to provide any addition information that the Staff may find helpful in reviewing the Original Request as supplemented by this letter.

The following is the brief response of Navient to the key assertions made in the Rhode Island Letter:

Assertion 1: "The Company has not demonstrated that the Proposal relates to ordinary business" and "The Proposal raises a significant social policy issue, transcending ordinary business."

Response: The Company disagrees. The Proposal clearly relates to the Company's evaluation of risk, the policies and procedures surrounding its day-to-day operations, its ability to adapt to certain events, and the preparation of a report, where the underlying subject matter of the evaluation and the report involves the ordinary business of the Company. The significant social policy issue exception does not apply.

The Recent Staff Legal Bulletin 14I ("SLB 14I") provides helpful guidance on the availability of the exception:

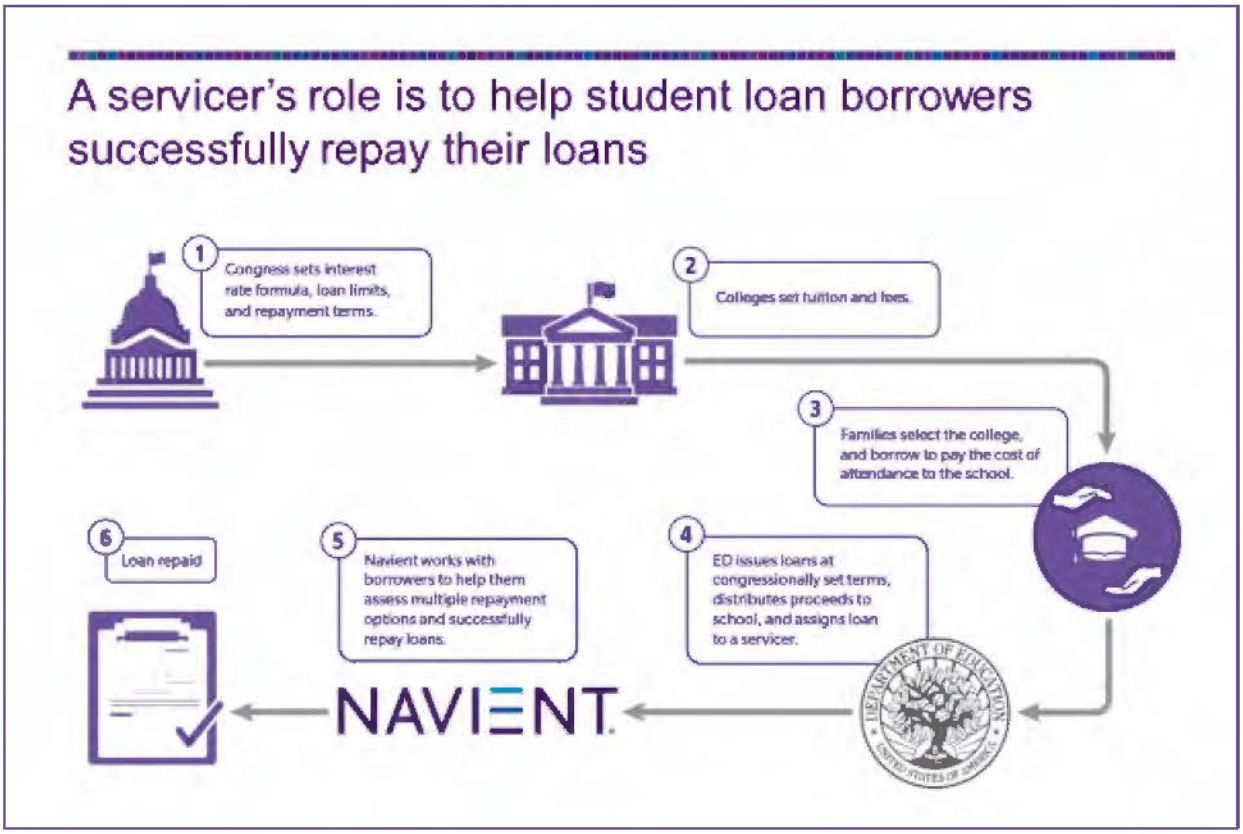
> "Whether the significant policy exception applies depends, in part, on the connection between the significant policy issue and the company's business operations … At issue in many Rule 14a-8(i)(7) no-action requests is whether a proposal that addresses ordinary business matters nonetheless focuses on a policy issue that is sufficiently significant. These determinations often raise difficult judgment calls that the Division believes are in the first instance matters that the

> board of directors is generally in a better position to determine. A board of directors, acting as steward with fiduciary duties to a company's shareholders, generally has significant duties of loyalty and care in overseeing management and the strategic direction of the company. A board acting in this capacity and with the knowledge of the company's business and the implications for a particular proposal on that company's business is well situated to analyze, determine and explain whether a particular issue is sufficiently significant because the matter transcends ordinary business and would be appropriate for a shareholder vote.

Staff Legal Bulletin No. 14E (Oct. 27, 2009) ("SLB 14E") further notes that the Staff will "focus on the subject matter to which the risk pertains or that gives rise to the risk…" and "will consider whether the underlying subject matter of the risk evaluation involves a matter of ordinary business to the company." Similarly, with respect to requests for preparation of reports, the Staff stated, in Exchange Act Release No. 20091 (Aug. 16, 1983) (48 FR 38218) that: "[T]he [S]taff will consider whether the subject matter of the special report…involves a matter of ordinary business; where it does, the proposal will be excludable under Rule 14a-8(c)(7)."[1]

As noted in the Original Request and further below in response to Assertion 5, the Company's Nominations and Governance Committee, acting upon delegated authority from the full Board of Directors (the "Board"), has given due consideration to the Proposal, including the requested report. In so doing, it has concluded that although student loans are an important topic, with respect to the Company's own business, the Proposal deals with routine matters and not matters that transcend ordinary business. As noted below in response to Assertion 3, the underlying subject matter of the Proposal directly relates to the Company's day-to-day business operations as one of several servicers of federal student loans. Among other factors, the Committee noted that 93% of all student loans are owned or guaranteed by the Federal government, and the risk of nonpayment is held by the government, not the Company. The Committee also noted that the Federal government sets borrowing eligibility, loan amounts, interest rates and repayment options, and bears the attendant risk of nonpayment for federal student loans, not the Company. Lastly, the Committee noted that the Company does not make private education loans (i.e., non-government guaranteed loans) except through a recent acquisition of a company that makes education loan refinancing loans to credit-worthy college graduates.

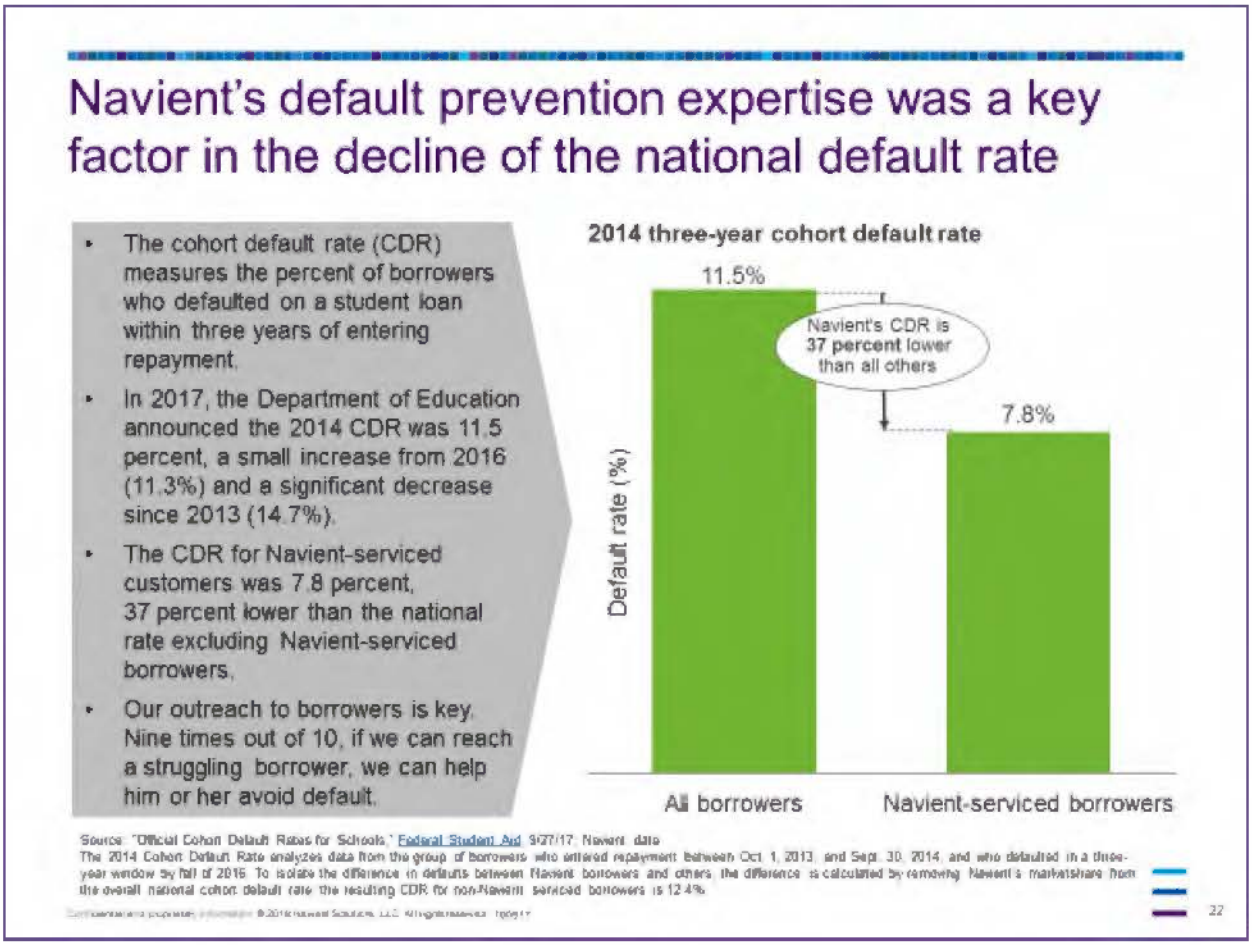
[1] Now Rule 14a-8(i)(7).



With respect to these federally-owned loans, the Company's role in servicing these loans is confined to following its contractual requirements with the Federal government, and applicable law. In carrying out this limited role, the Company has earned an excellent track record, as demonstrated by metrics such as default rates that are substantially lower than those of loans serviced by its competitors.[2] Accordingly, the borrowers whose loans it services are *more likely* to avoid default and/or be enrolled in affordable payment plans. At the same time, it is important to note that the Company does not have the discretion to decrease the interest rate, forgive debt or offer any repayment plans not authorized by Congress or the U.S. Department of Education.

[CONTINUED ON FOLLOWING PAGE]

[2] For example, federal student loans serviced by Navient are 37 percent less likely to default, according to the most recent Cohort Default Rate released by the Department of Education. See https://news.navient.com/news-releases/news-release-details/federal-student-loan-borrowers-serviced-navient-are-37-less.



To be clear, the Company is sensitive to the needs and concerns of borrowers, and has developed strategies to get information to those who struggle to repay their loans. For example, Navient promotes repayment options, including income-driven repayment, in more than 150 million communications annually. Separately, the Company supports the needs of those who struggle to repay their private education loans—those not guaranteed by the federal government—the Company was the first to create a loan modification program to support borrowers who needed more affordable payment plans.[3] Evaluating student loan-related risks is a core part of the Company's business operations and one that the Board and management, as opposed to shareholders, are in the best position to manage.

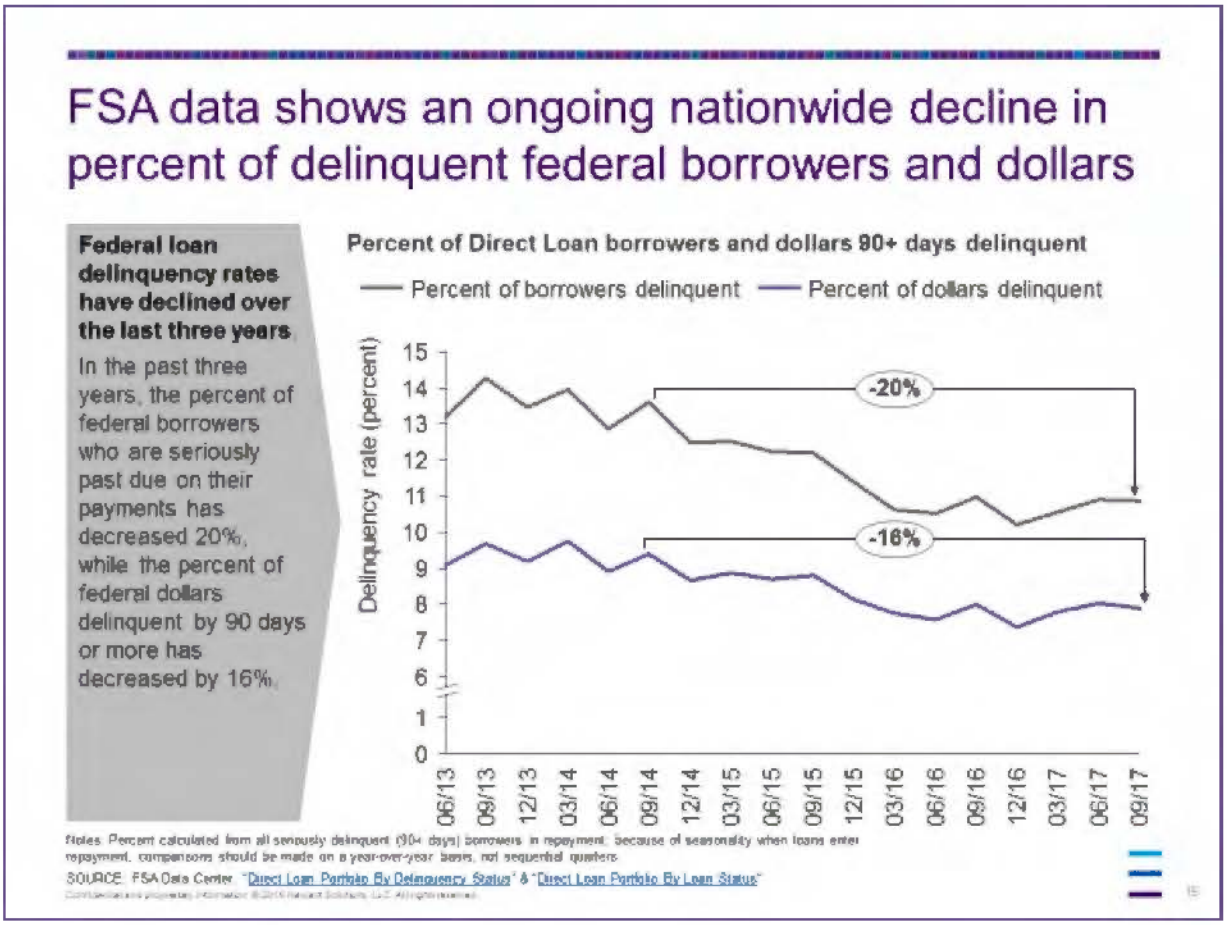
[3] In 2009, Navient pioneered the first private education loan modification program. The program was designed to help customers stay current on their loans and, unlike federal program solutions, make progress on repaying their principal balance. Today, more than $2 billion in loan balances are enrolled in these programs.

The Rhode Island Letter further attempts to characterize the Proposal as being "in regards to *governance measures* [emphasis in original] related to a widely recognized significant social policy issue, not a product or service offered by the Company." While the Company is aware that the Staff has at times determined that shareholder proposals relating to governance matters may not be appropriate for exclusion pursuant to the Ordinary Business Exclusion, merely casting a request for a report as a "governance measure" is not sufficient to demonstrate that it transcends ordinary business. Here too, SLB 14I is directly on point in stating that: "A board acting in this capacity and with the knowledge of the company's business and the implications for a particular proposal on that company's business is well situated to analyze, determine and explain whether a particular issue is sufficiently significant because the matter transcends ordinary business and would be appropriate for a shareholder vote." The Rhode Island Letter asks that the Staff ignore the standard referenced in SLB 14I, ignore the good faith determination of the Nominations and Governance Committee (discussed further below), and instead substitute the Proponents' views with respect to transcendence.

Assertion 2: "The role of student loan servicers in the student loan crisis is itself a significant social policy issue."

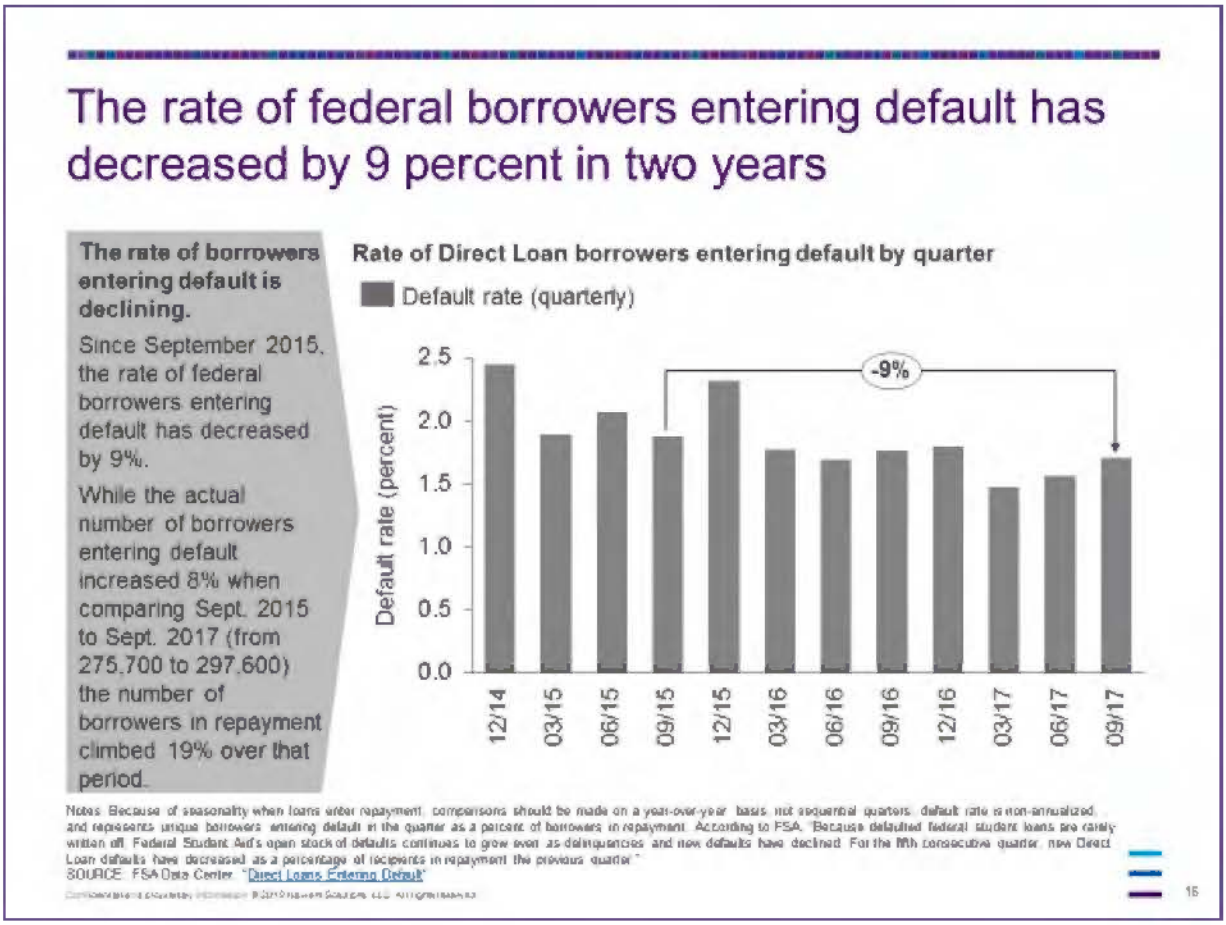
Response: As noted above and in the Original Request, student loan limits, interest rates and repayment terms are established by Congress and beyond the control of the Company in the case of federal loans. One of the most significant reasons for the growth in student debt is the expansion in 2006 of the federal student loan program to cover the total cost of attendance of graduate school. At the same time, delinquency and default rates have been declining. In the past three years, the percent of federal borrowers who are seriously past due on their payments has decreased 20 percent, while the percent of federal dollars delinquent by 90 days or more has decreased by 16 percent.

[CONTINUED ON FOLLOWING PAGE]



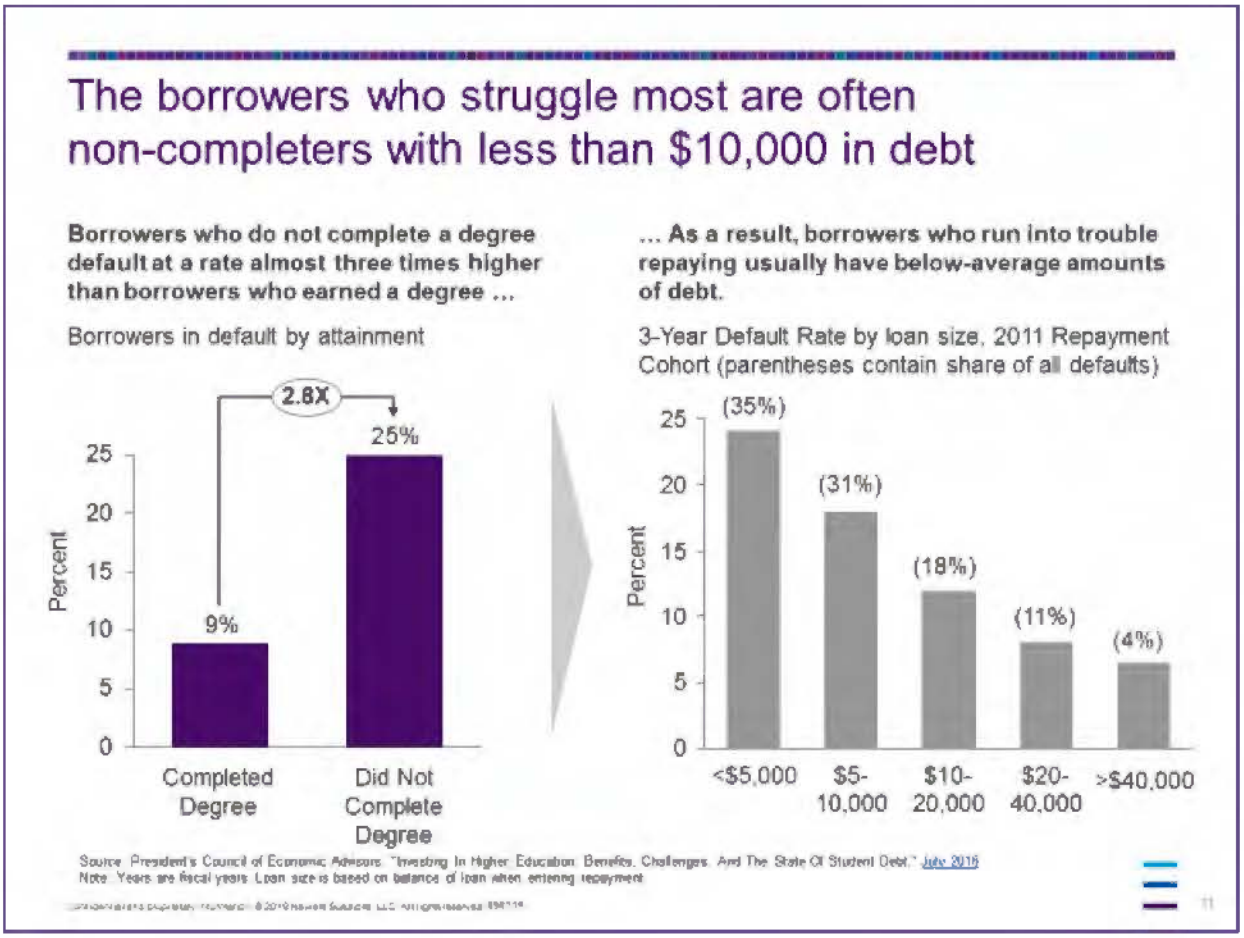
Since September 2015, the rate of federal borrowers entering default has decreased by 9%.

[CONTINUED ON FOLLOWING PAGE]



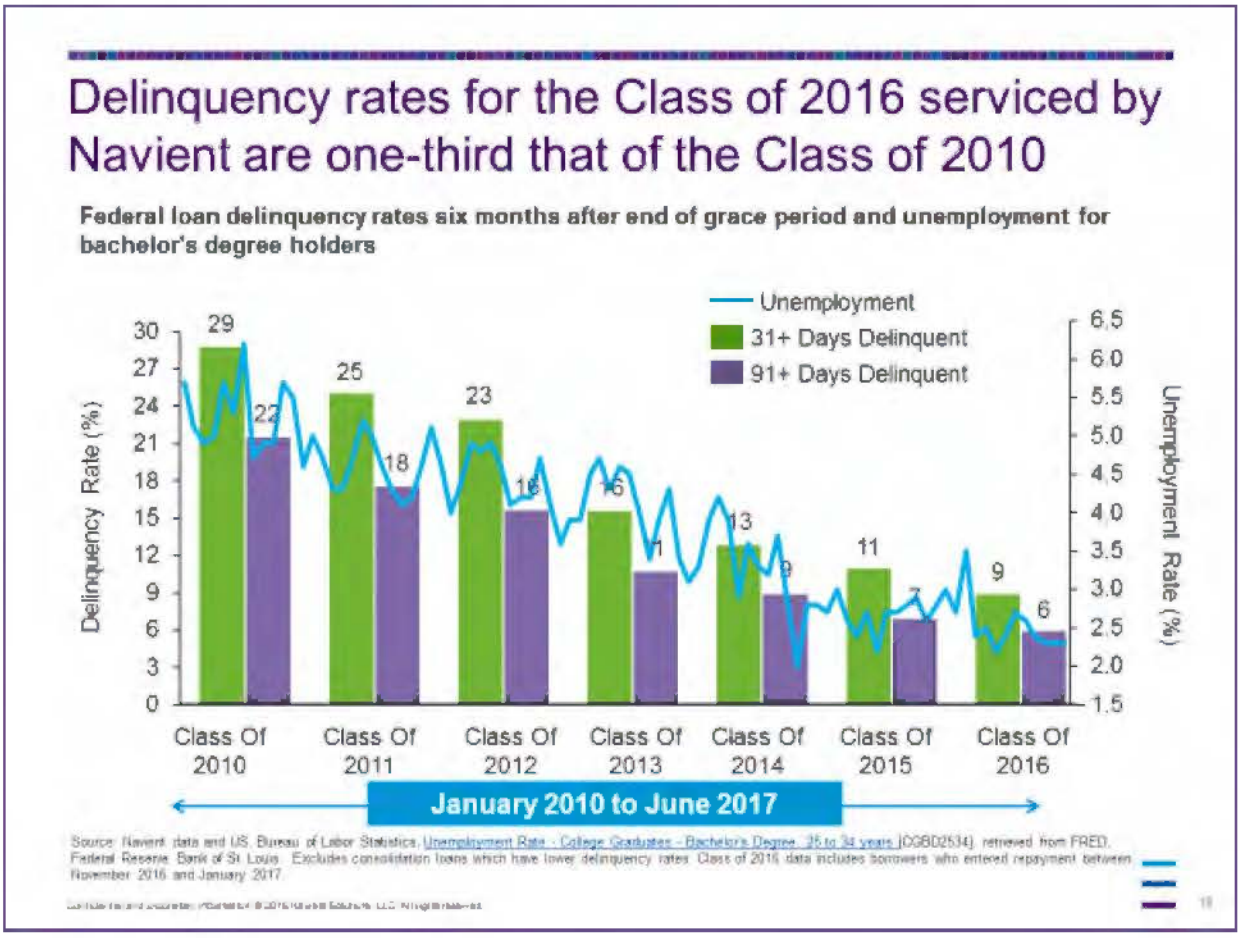
While delinquency and default rates are declining, it is important to recognize that, contrary to the story most presented in the media, the most significant challenges are among individuals who borrowed relatively small amounts—generally a signal that they did not complete college. A White House report published in 2016 by the Obama administration showed that two-thirds of defaults came from borrowers with less than $10,000 in balances. One third had a balance of less than $5,000. At these levels, it is clear these are borrowers who went to college, borrowed, but did not complete their degree. ***Those who did not complete are three-times as likely to default as those who achieved their degree***.[4] This is a factor that no servicers, given their role in servicing loans after they are made, may impact or assess.

[4] See https://obamawhitehouse.archives.gov/sites/default/files/page/files/20160718_cea_student_debt.pdf.



One of the single most important ways that student loan borrowers can avoid delinquency and default is to stay in contact with their student loan servicer. In fact, the Company finds that when it can reach a struggling, past-due federal loan borrower, 9 times out of 10 it can help that individual avoid default. Yet, 90 percent of federal student loan borrowers who end up in default have never responded to the Company's outreach nor contacted it in the year of missed payments leading up to default. The Company has designed data-driven outreach strategies using multiple communications channels (letter, phone call, email, text message, etc.) to continually enhance its ability to reach at-risk borrowers.

With the improving economy and expanded availability of income-driven repayment options, Navient has seen dramatic improvements in delinquency rates among new-to-repayment cohorts each year. Serious delinquency rates for the Class of 2016 serviced by the Company are one-third that of the Class of 2010. And as noted above, the Company's borrowers are less likely to default. The Company is proud of the extremely positive results its servicing program has achieved for the borrowers it serves.



The Rhode Island Letter cites certain pending enforcement actions initiated against the Company by the Consumer Financial Protection Bureau (CFPB) and by the Attorneys General of the States of Illinois, Washington, and Pennsylvania, in support of its assertion. It also cites a December 2017 lawsuit filing. The Company has denied these allegations and repeatedly noted that it is vigorously defending its record in court. Each of these enforcement actions is in the initial stages of litigation, and no court has determined that the Company engaged in any of the practices being alleged. More importantly, none of the enforcement actions allege that the Company violated the Higher Education Act or its contract with the Department of Education. The Rhode Island letter goes on to refer, among other things, to allegations made by the Washington State Attorney General that the Company's predecessor, SLM Corporation (or "Sallie Mae" or "SLM"), made "subprime loans" in an attempt to conflate the loans serviced by the Company with the subprime loans made by mortgage lenders leading up to the financial crisis. Again, no court has determined

that SLM or the Company engaged in these alleged practices[5] and the lending practices complained about ceased nearly a decade ago.

Assertion 3: "The proposal does not attempt to micromanage the Company."

Response: The Proposal does in fact seek to micromanage the Company by probing too deeply into matters of a complex nature not suitable for a shareholder vote. The underlying subject matter of the risk evaluation and report described in the Proposal directly relates to the Company's day-to-day business operations. The Company is one of several servicers of federal student loans, with a long history of providing excellent service to millions of individuals and a robust risk-management framework. It has provided substantial disclosures in the 2017 Proxy Statement and elsewhere of its methodology in assessing and managing risk, in a manner that complies with applicable law. The decision of exactly how to disclose risk, e.g., in the proxy statement or with a separate report, is best addressed by management, and shareholders, as a group, are not in a position to make an informed judgment on this topic.

Assertion 4: "The Company has not substantially implemented the Proposal."

Response: The Company disagrees. As noted in the Original Request, the Staff has consistently granted no-action relief under Rule 14a-8(i)(10) (the Substantially Implemented Exclusion) where it has determined that an issuer's policies, practices and procedures or public disclosures compare favorably with the guidelines of the proposal. See, e.g., the no-action letters dating from 1991 to 2017 cited in Section 4 of the Original Request. We note that the Staff has granted no-action relief in cases in which the issuer already addressed the underlying concerns and satisfied the essential objectives of the proposal, even if the proposal had not been implemented exactly as proposed by the proponent. Here, the Company has substantially implemented the Proposal, the essential objective of which is disclosure concerning how the Board "effectively monitor[s] and manage[s] financial and reputational risks" and "whether Navient has assigned responsibility for such monitoring to the Board or one or more Board committees." The Company's public disclosures are very clear on this topic, as described in the Original Request and more fully in the 2017 Proxy Statement. The Company intends to continue and expand upon these disclosures in the 2018 Proxy Statement.

The Rhode Island Letter objects that it asks for a report on these topics, but whether they are addressed in substantial compliance with the request in Proposal in the Company's public disclosures, such as the 2017 Proxy Statement, or in a free-standing report, appears to fall clearly within the discretion of the Company. The Rhode Island Letter further objects that the Proposal requests "whether [the Company] has revised senior executive compensation metrics or policies as part of those measures." In addition to the actions taken by the Company and described in the

[5] The Company has compiled its responses and facts at Navient.com/legalfacts.

Original Request, please note that in August 2017, the Compensation and Personnel Committee of the Board reviewed proposed changes to its charter and recommended that the Board approve and adopt a revised charter (the "Charter"), well in advance of receiving the Proposal. The Board concurred in this recommendation, adopting the Charter, which is reflected on the Company's website. The Charter includes, in relevant part, the following duties for the Committee:

> Risk Oversight
>
> (20) Oversee a review of the risks arising from the Company's compensation policies and practices to determine whether such policies and practices are reasonably likely to have a material adverse effect on the Company.
>
> (21) Periodically, but not less than annually, oversee a review of the Company's compliance and performance against the risk measures and limits contained in the Company's Board approved risk appetite framework relating to the Company's personnel, *including compensation, attrition and succession planning, and aspects of shareholder confidence relating to compensation policies, including a review of the Company's incentive compensation arrangements and whether those arrangements have operated as intended* [emphasis added].

The Charter further illustrates that the Company has already substantially implemented the Proposal by assigning substantial responsibility for risk oversight to the Compensation Committee and allowing for periodic review of compensation based on risk assessments.

The Committee also undertook an extensive review of the Company's "clawback" policy during 2017 and it recommended changes to the Board which were subsequently approved on November 14, 2017 and which will be described in the Company's 2018 Proxy Statement. The Board has always believed that misconduct should trigger a clawback of executive compensation. That sentiment was reflected in the Company's prior policy and remains a key component of the newly amended clawback policy, which provides that the Board may clawback executive compensation whenever "…a participant has committed a material violation of company policy or has committed fraud or misconduct." The Company's policies include approved risk frameworks, and material violations of these could result in a clawback of executive compensation pursuant to the Company's amended clawback policy.

Finally, we note that Item 407(h) of Regulation S-K and Item 7(b) of Schedule 14A require the disclosure of the extent of the board's role in risk oversight, such as how the board administers its oversight function and how this affects the board's leadership structure. The Company complies with these requirements, which capture the essential information requested by the Proposal, and the Company therefore has already substantially implemented it.

Assertion 5: "The Company has not provided a meaningful Board analysis of the Proposal."

Response: The Company has in fact conducted a meaningful Board analysis, carried out by the Nominations and Governance Committee in the exercise of its duties delegated to it by the Board in its recently revised charter. The Rhode Island Letter implies that SLB 14I requires that the entire Board undertake a comprehensive analysis of the Proposal and provide a summary of the inner workings of that analysis in a request for no-action relief. Although SLB 14I is very recent guidance, we do not believe that the Proponent's position is consistent with the plain language of SLB 14I, or with recent statements by a member of the Staff, Matt McNair, Senior Special Counsel in the Office of Chief Counsel.[6] Mr. McNair stated that (a) SLB 14I does not change the overall framework for evaluating requests for no-action relief with respect to shareholder proposals, and (b) discussion of a board of directors' analysis is optional and helpful, but not required. Mr. McNair further shared his view that there was no set format or methodology for discussion of board deliberations, and that consideration could be delegated to a board committee in the board's discretion.

In this case, the Company's Nominations and Governance Committee, and two other members of the Board (taken together, a majority of the Board) reviewed in detail with management and legal advisors many of the efforts that the Board, its committees and management have taken to manage reputational risk. This process included two teleconference meetings of the Committee and other directors held on Monday, January 8, 2018[7] and on Friday, January 19, 2018.[8] These meetings specifically addressed the governance and other measures that the Company takes to address financial and reputational risks associated with student loans, whether the Proposal raised a significant matter of public policy with respect to the Company's business, whether the Proposal had been substantially implemented, and related matters. The meetings followed weeks of background work by management and internal and external legal advisors to review the Proposal and ensure that the Committee had all requisite information. At both meetings, all attendees engaged in discussions regarding the subject matter of the Proposal. Portions of the discussion at the meeting are covered by attorney-client privilege, making it inappropriate to disclose them in full here. Taken together, the Company believes that the process

[6] Statements of Mr. McNair made on TheCorporateCounsel.net webinar "Shareholder Proposals: Corp Fin Speaks," November 14, 2017. The Company acknowledges Mr. McNair's disclaimer that his views stated were his own and did not necessarily reflect the views of the other members of the Staff, individual Commissioners or the Commission as a whole. The Company nonetheless believes that they may provide important clarification as to the scope and nature of the board analysis contemplated by SLB 14I.

[7] This meeting included Committee members Laura S. Unger (Chair), Diane Suitt Gilleland, and Barry L. Williams, as well as William M. Diefenderfer III (Chairman of the Board), along with Mark L. Heleen (Chief Legal Officer and Secretary), Kurt T. Slawson (Deputy General Counsel) and Steven P. Caso (Associate General Counsel).

[8] This meeting included Committee members Laura S. Unger (Chair), Anna Escobedo Cabral, Diane Suitt Gilleland, and Barry L. Williams, as well as William M. Diefenderfer III (Chairman of the Board) and Linda Mills (Chair of the Compensation and Personnel Committee), along with Mark L. Heleen (Chief Legal Officer and Secretary), Kurt T. Slawson (Deputy General Counsel) and Steven P. Caso (Associate General Counsel).

followed was sufficient to permit the Board to make a well-informed determination that the Proposal was appropriate for exclusion because (a) it relates to the ordinary business of the Company, (b) no significant policy (as to the Company) is implicated such that an exception to the ordinary business exclusion would apply, and (c) the Proposal has been substantially implemented. We believe that this process was fully compliant with the Staff's guidance, including under SLB 14I, as well as good corporate governance practices.

Conclusion

Based on the foregoing, we respectfully request that the Staff confirm that it will not recommend enforcement action to the Commission if the Company excludes the Proposal from its 2018 Proxy Materials in reliance upon Rule 14a-8(i)(7) or Rule 14a-8(i)(10).

We are happy to provide you with any additional information and answer any questions that you may have regarding the matters discussed herein. Please do not hesitate to contact me at 312-977-4400 or drbrown@nixonpeabody.com.

Thank you for your attention to this request.

Sincerely,

David R. Brown

cc: Hon. Seth M. Magaziner, State of Rhode Island and Providence Plantations
Hon. Kelly Rogers, State of Rhode Island and Providence Plantations
Ms. Heather Slavkin Corzo, AFL-CIO
Mr. Brandon Rees, AFL-CIO
Ms. Laura S. Unger, Chair, Nominations and Governance Committee, Navient Corp.
Mr. Mark L. Heleen, Navient Corporation
Mr. Kurt T. Slawson, Navient Corporation
Mr. Stephen P. Caso, Navient Corporation

State of Rhode Island and Providence Plantations
Office of the General Treasurer
State House – Room 102
Providence, Rhode Island 02903

Seth Magaziner
General Treasurer

February 15, 2018

VIA e-mail: shareholderproposals@sec.gov

Office of Chief Counsel
Division of Corporation Finance
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549

Re: Navient Corporation request to exclude a shareholder proposal by the Employees' Retirement System of Rhode Island Pooled Trust regarding the student loan crisis

Dear Sir/Madam:

This letter is submitted on behalf of the Employees' Retirement System of Rhode Island Pooled Trust, which is the beneficial owner of shares of common stock of Navient Corporation (hereinafter referred to as "Navient" or the "Company"), and which has submitted a shareholder proposal (hereinafter referred to as the "Proposal"), co-filed by the AFL-CIO Reserve Fund, to Navient.

By letter dated January 22, 2018, Navient requested that the staff of the Division of Corporation Finance (the "Staff") of the Securities and Exchange Commission (the "Commission") state that it will not recommend enforcement action if the Company excludes the Proposal from its 2018 proxy statement in reliance on Rule 14a-8(i)(7) and Rule 14a-8(i)(10).

We respectfully request that Staff decline to grant the relief requested by the Company, as the Company has not met its burden of proof in demonstrating that the Proposal relates to the Company's ordinary business operations or that the Proposal has been substantially implemented.

I. The Proposal:

The Proposal calls for the following:

> RESOLVED, that the shareholders request the Board of Directors (the "Board") issue a report to investors (at reasonable cost, excluding proprietary information, and within a reasonable time) on the governance measures Navient has implemented to more effectively monitor and manage financial and reputational risks related to the student loan crisis in the United States, including whether Navient has assigned responsibility for such monitoring to the Board or one or more Board committees or has revised senior executive compensation metrics or policies.

II. The Company has not demonstrated that the Proposal relates to ordinary business

The Company contends that the underlying nature of the Proposal relates primarily to assessment of risk and the polies and procedures surrounding its day-to-day operations, that the proposal implicates compliance with the law, and that the request is an attempt to micro-manage the company by probing too deeply into matters that are too complex in nature for shareholders to understand. The Company fails to demonstrate these points and falls far short of its burden of demonstrating that the Proposal may be excluded from its proxy materials on the basis that it relates to ordinary business.

As the Company notes in its request, Staff Legal Bulletin 14E (Oct. 27, 2009) ("SLB 14E") clarifies that when a proposal is regarding an evaluation of risk, the Staff will look to the *subject matter* to which that risk pertains in considering if the proposal can appropriately be considered ordinary business. Further, with proposals requesting a report, the Staff will look to the *subject of the requested report* in determining if the proposal falls under ordinary business. Exchange Act Release No. 20091 (Aug. 16, 1983). Here, the subject of the requested report, and the source of the risk of which the report seeks evaluation, is the growing social policy issue of the student loan crisis in the United States.

In arguing that the reasoning of SLB 14E favors exclusion, the Company cites a series of past Staff determinations on shareholder proposals seeking reviews and/or reports on various risks. Each cited instance is clearly and readily distinguishable from the Proposal at hand, however. The proposal in *Navient Corporation* (Feb. 13, 2017) requested a report on the Company's servicing abilities, a question of product quality. *Amazon.com, Inc.* (Mar. 27, 2015) dealt with the choice of products offered by the retailer. *FedEx Corp.* (July 11, 2014) concerned ordinary management choices about how to promote the company. *Exxon Mobil Corp.* (March 6, 2012) dealt with the risks of a product the company chose to develop and sell. The report proposed in *Sempra Energy* (Jan. 12, 2012) sought information about legal risks associated with the places where the company chose to do business. The company's choice of products to sell was the subject matter in *Walgreens Boots Alliance, Inc.* (Nov. 7, 2016).

While some of the proposals involved in these determinations may have been related to significant social policy issues, they ultimately centered around product quality and/or choice, promotional strategies, and legal compliance—traditional ordinary business topics. The Company's characterization of the instant Proposal as seeking information about the Company's monitoring and management of risk ignores this point. Rather, the Proposal seeks information on governance measures taken by the Board to address a significant social policy issue with an undeniable nexus to the Company's core business, and whether that issue has been considered in any revision of its senior executive compensation.

A. The Proposal raises a significant social policy issue, transcending ordinary business

The Company makes several arguments in its attempt argue that the Proposal may be excluded on ordinary business grounds. First, the Company argues that the Staff has concurred with previous no-action requests concerning shareholder proposal related to student loans. The Company cites *Navient Corporation* (Feb. 13, 2017) (allowing exclusion of a proposal requesting report on the Company's ability to service defaulted borrowers and those at risk of default, and adapt to changes in public policy, in the event of an economic downturn); *DeVry, Inc.* (Sept. 6, 2013) (allowing exclusion of a proposal for an annual report about loan repayment rates of former students); and *Fifth Third Bancorp* (Dec. 17, 2012) (allowing exclusion of a proposal for report on the issuer's direct advance lending policies in addressing the social and financial impacts of predatory lending) to support their position.

The Proposal at hand is easily distinguishable from these previous shareholder proposals. The proposals at issue in each of these instances were focused on specific products and services offered by the issuers within a narrow subset of social concerns (respectively: ability to provide quality service to vulnerable borrowers in the event of a recession; quality of for-profit education product insofar as graduates' ability to find work; and specific loans

and services that could be used in addressing predatory lending). As stated above, the Proposal is in regards to *governance measures* related to a widely recognized significant social policy issue, not a product or service offered by the Company.

Second, the Company attempts to distinguish shareholder proposals on the foreclosure crisis where the Staff did not concur with issuers' no-action requests. However, in *Wells Fargo* (March 11, 2013) and *Bank of America* (March 14, 2011), the underlying subject matter—the foreclosure crisis—was not concerning the banks' products or ability to provide services, but the significant social policy issue implicated by the proposals. The Company's assertion that the relatively small size of outstanding student loan debt compared to mortgage debt is irrelevant. The appropriate question is whether the issue of the student loan crisis has become a topic of widespread public debate that transcends day-to-day business matters and raises a significant social policy issue.

There is no doubt that the student loan crisis has grown to become a significant social policy issue. In fact, Navient CEO Jack Remondi described the difficulty that former students face in repaying their student loans as a crisis in an article that he authored titled "The Student Loan Crisis We Should Work Together to Solve." [1]

Student loans and the impact of student debt on economic growth are constant subjects of media attention, with stories and editorials about every aspect of the issue becoming more and more common in recent years.[2] Student loan debt is a hot political issue that no federal candidate can afford to neglect, and is passionately debated issue in Congress and statehouses across the country, with local, state, and federal bodies examining the issue, seeking ways to alleviate the financial pressure faced by students and families.[3] Over fifty bills on student loans

---

[1] Jack Remondi, *The Student Loan Crisis We Should Work Together to Solve*, MEDIUM, Oct. 20, 2017, https://medium.com/@JackRemondi/the-student-loan-crisis-we-should-work-together-to-solve-8629b800de89.

[2] *See, e.g.,* Robert Gebelhoff, *Projections for student loan defaults are terrifying. It's time to act.*, WASHINGTON POST, Jan. 22, 2018, https://www.washingtonpost.com/blogs/post-partisan/wp/2018/01/22/projections-for-student-loan-defaults-are-terrifying-its-time-to-act/?utm_term=.17cb0c759803; Michele Lerner, *Report: Student loan debt delays homeownership by seven years*, WASHINGTON POST, Oct. 19, 2017, https://www.washingtonpost.com/news/where-we-live/wp/2017/10/19/report-student-loan-debt-delays-homeownership-by-seven-years/?utm_term=.024426e0a911; Liz Weston, *How student loans can follow you to the grave*, LA TIMES, Oct. 8, 2017, http://www.latimes.com/business/la-fi-montalk-20171007-story.html; Danielle Douglas-Gabriel, *The number of people defaulting on federal student loans is climbing*, WASHINGTON POST, Sept. 28, 2017, https://www.washingtonpost.com/?utm_term=.e81b1b2163d9; Andrew Khouri, *High prices and student loans put housing out of reach*, readers say, LA TIMES, Aug. 4, 2017, http://www.latimes.com/business/la-fi-student-20170804-story.html; Michelle Singletary, *College grads face next hurdle: Paying back student loans*, WASHINGTON POST, June 4, 2017, https://www.washingtonpost.com/business/get-there/with-new-degrees-in-hand-college-grads-face-another-hurdle-paying-back-student-loans/2017/06/02/7831cc06-4550-11e7-bcde-624ad94170ab_story.html?utm_term=.b47fa9ff669a; Editorial, *Student Debt's Grip on the Economy*, NY TIMES, May 20, 2017, https://www.nytimes.com/2017/05/20/opinion/sunday/student-debts-economy-loans.html; Maxwell Strachan, *Nicki Minaj Is Starting An 'Official Charity' To Pay Off Student Loans*, HUFFINGTON POST, May 13, 2017, https://www.huffingtonpost.com/entry/nicki-minaj-charity-student-loans-tuition_us_591729d0e4b00f308cf592b2?utm_hp_ref=student-loans; Rana Foroohar, *The US college debt bubble is becoming dangerous*, FINANCIAL TIMES, April 9, 2017, https://www.ft.com/content/a272ee4c-1b83-11e7-bcac-6d03d067f81f; Derek Thompson, *The Scariest Student Loan Number*, THE ATLANTIC, Jul. 19, 2016, https://www.theatlantic.com/business/archive/2016/07/the-scariest-student-loan-number/492023/; Jim Puzzanghera, *Soaring student loan debt poses risk to nation's future economic growth*, LA TIMES, Sep. 5, 2015, http://www.latimes.com/business/la-fi-student-debt-20150906-story.html; Gillian B. White, *The Mental and Physical Toll of Student Loans*, THE ATLANTIC, Feb. 2, 2015, https://www.theatlantic.com/business/archive/2015/02/the-mental-and-physical-toll-of-student-loans/385032/; Gail Marks Jarvis, *Many college freshmen clueless about debt load*, DETROIT NEWS, Jan. 26, 2015, http://www.detroitnews.com/story/business/personal-finance/2015/01/26/freshmen-clueless-college-debt/22332103/.

[3] *See, e.g.,* Press release: Sen. Warren, Rep. Courtney Introduce Student Loan Refinancing Legislation with Vast Democratic Support in Senate and House (May 17, 2017) (https://www.warren.senate.gov/?p=press_release&id=1608); Melanie Mason, *In a bid to ease student debt, California considers a role in helping refinance private loans*, LA TIMES, Apr. 18, 2017, http://www.latimes.com/politics/la-pol-sac-student-loan-refinance-proposal-20170418-story.html; Linda Bell, *Millennials Drowning in Student Loans Play Key Election Role*, FOX BUSINESS, Aug. 3, 2016, http://www.foxbusiness.com/politics/2016/08/03/millennials-drowning-in-student-loans-play-key-election-role.html; Matt Carter, *Democrats' student loan fix just a starting point for further debate,* CREDIBLE, Feb. 17, 2016, https://www.credible.com/news/student-loans/student-loan-fix-starting-point-for-debate/; Sam Brodey, *Giving borrowers a break on their student loans is good politics for Democrats—but is it a fair policy?*, MINNEAPOLIS POST, Feb.

have been introduced in Congress in this session alone according to one tracker.[4] Think tanks have launched programs on and research into student loan debt.[5] Academics have written volumes on the subject.[6] Multiple organizations have been formed solely for the purpose of advocating for policies to address student debt in the United States.[7]

The amount of student loan debt is increasing in our economy and on an individual level. The New York Federal Reserve Bank estimates that 44 million student loan borrowers owed $1.5 trillion at the end of 2017, an increase of over 30 percent in just five years that shows no signs of stopping.[8] Student loan debt is the second-largest source of household debt. Only mortgage debt, which is decreasing as a percentage of household debt, is greater. More students are borrowing to pay for school than ever before, and individual students are taking on significantly more debt. The Consumer Financial Protection Bureau reports that nearly half of student loan borrowers leave school owing at least $20,000 – which is double the share of borrowers who had that level of debt ten years ago.[9] And for new graduates, the numbers are becoming increasingly stark: state-by-state, Bachelors recipients in 2016 had debt ranging from $20,000 in Utah to $36,350 in New Hampshire upon graduation, with the likelihood of new graduates holding debt ranging from only 43 percent in Utah to 77 percent in West Virginia.[10]

An increasing number of borrowers are struggling to repay their loans. The U.S. Department of Education estimates that an astonishing 8 million Americans are currently in default on more than $178 billion in student loans.[11] The U.S. Department of Education reported in 2017 that the loan default rate for students who entered repayment between fiscal years 2013 and 2014—the most recent years for which federal Department of

---

16, 2016, https://www.minnpost.com/dc-dispatches/2016/02/giving-borrowers-break-their-student-loans-good-politics-democrats-it-fair-pol; Shahien Nasiripour, *These 10 State Lawmakers Are Pushing For Debt-Free College*, HUFFINGTON POST, Dec. 7, 2015, https://www.huffingtonpost.com/entry/state-lawmakers-debt-free-college_us_5665af7ce4b08e945ff010a4?utm_hp_ref=student-loans; Shahien Nasiripour, *Senate Democrats Slam Obama Education Chief's 'Absurd' Logic*, HUFFINGTON POST, Dec. 1, 2015, https://www.huffingtonpost.com/entry/senate-democrats-slam-obama-duncan-education_us_565db5e1e4b08e945fec8077?utm_hp_ref=student-loans; Betsy Mayotte, *Explore How Presidential Candidates Stand on Student Loan Debt*, US NEWS AND WORLD REPORT, Oct. 28, 2015, https://www.usnews.com/education/blogs/student-loan-ranger/2015/10/28/explore-how-presidential-candidates-stand-on-student-loan-debt.

[4] https://www.nasfaa.org/legislative_tracker_loans_repayment

[5] *See, e.g.,* WILLIAM GALE, ET AL., TAX POLICY CENTER, STUDENT LOANS RISING: AN OVERVIEW OF CAUSES, CONSEQUENCES, AND POLICY OPTIONS (May 2014), available at https://www.urban.org/sites/default/files/publication/22591/413123-Student-Loans-Rising.PDF; NEW AMERICA, STUDENT LOANS (accessed Feb. 8, 2017), https://www.newamerica.org/education-policy/policy-explainers/higher-ed-workforce/federal-student-aid/federal-student-loans/; URBAN INSTITUTE, UNDERSTANDING COLLEGE AFFORDABILITY (accessed Feb. 8, 2018), http://collegeaffordability.urban.org/after-college/student-debt/#/;

[6] *See, e.g.,* SCOTT FULLWILER, ET AL., LEVY ECONOMICS INSTITUTE OF BARD COLLEGE, THE MACROECONOMIC EFFECTS OF STUDENT DEBT CANCELLATION, (Feb. 2018), *available at* http://www.levyinstitute.org/publications/the-macroeconomic-effects-of-student-debt-cancellation; Jonathon D. Glater, *Student Debt and the Siren Song of Systemic Risk*, 53 HARVARD JOURNAL ON LEGISLATION 99 (2016), available at http://harvardjol.com/wp-content/uploads/2016/02/HLL103_crop.pdf; Jonathan D. Glater, *Student Debt and Higher Education Risk*, 103 CALIFORNIA LAW REVIEW 1561 (2015), available at http://www.californialawreview.org/wp-content/uploads/2015/12/Glater_Student_Debt_Higher_Education_Risk.pdf; Preston Mueller, *The Non-Dischargeability of Private Student Loans: A Looming Financial Crisis?*, 32 EMORY BANKRUPTCY DEVELOPMENTS JOURNAL 229 (2015), *available at* http://law.emory.edu/ebdj/content/volume-32/issue-1/comments/non-dischargeability-private-student-loans-looming-crisis.html; William Elliott and IlSung Nam, *Is Student Debt Jeopardizing the Short-Term Financial Health of U.S. Households?*, 95 FEDERAL RESERVE BANK OF ST. LOUIS REVIEW 405 (2013), *available at* https://files.stlouisfed.org/files/htdocs/publications/review/13/09/Elliott.pdf.

[7] *See, e.g.,* Colin A. Young, *AG, Chamber of Commerce form group to address student loan debt*, BOSTON GLOBE, May 19, 2016, https://www.bostonglobe.com/metro/2016/05/19/chamber-commerce-form-group-address-student-loan-debt/tavKyEqbB4gzALRyLO4AXJ/story.html; Higher Ed Not Debt, https://higherednotdebt.org/about; Student Debt Crisis, http://studentdebtcrisis.org/about/.

[8] https://www.federalreserve.gov/releases/g19/current/default.htm

[9] https://www.consumerfinance.gov/about-us/newsroom/cfpb-finds-percentage-borrowers-20k-student-debt-doubled-over-last-decade/

[10] THE INSTITUTE FOR COLLEGE ACCESS AND SUCCESS, STUDENT DEBT AND THE CLASS OF 2016 (Sept. 2017), *available at* https://ticas.org/sites/default/files/pub_files/classof2016.pdf.

[11] https://studentaid.ed.gov/sa/about/data-center/student/portfolio

Education data is available—has increased to 11.5 percent. In January 2018, The Brookings Institute released a report *The Looming Student Loan Default Crisis is Worse than We Thought*, which finds that an estimated 28 to 29 percent of all student borrowers ultimately default on their loans within 12 years of college entry.[12] Key findings include:

- Trends for the 1996 entry cohort show that cumulative default rates continue to rise between 12 and 20 years after initial entry. Applying these trends to the 2004 entry cohort suggests that nearly 40 percent may default on their student loans by 2023.
- For-profit borrowers default at twice the rate of public two-year borrowers.
- While average debt per student has risen over time, defaults are highest among those who borrow relatively small amounts.
- Debt and default among black college students is at crisis levels, with black BA graduates defaulting at five times the rate of white BA graduates

Race and gender disparities in student loan debt and its impacts have been well documented, raising serious questions about the role of student loans in widening race and gender wealth and achievement gaps.[13] Similarly the role of student loan debt in once-again rising levels of senior poverty has become a subject of considerable debate.[14]

Other recent studies show that the student loan crisis is having a deep and widespread social policy impact on our economy and society. In June 2017, Consumer Reports published *Student Debt: Lives on Hold*, which discusses the increase in student loan demand and associated challenges faced by struggling borrowers.[15] Experian's 2017 *State of Credit Survey*, which was published in January 2018, notes that while average credit scores are trending higher, the student loan story "keeps getting worse".[16] In August 2017, the Pew Research Center, published an analysis of recently released data from the Federal Reserve Board's 2016 Survey of Household Economics and Decisionmaking. The analysis found that about four-in-ten adults under age 30 have student loan debt and that young college graduates with student loans are more likely than those without loans to have a second job and to report struggling financially.[17]

As the student loan crisis grows, the millions of distressed and defaulting borrowers create spillover effects on the U.S. economy. Widespread defaults on federally guaranteed or reinsured loans would pose a fiscal problem for the country, a major concern in and of itself. Even without mass defaults, however, student loans present a burden on the economy. When borrowers default, the cost of their outstanding obligation grows (e.g. through capitalized interest or late fees); there are often negative credit score implications; and they have less opportunity to save for retirement. In twenty states, default can result in the loss of a borrowers' professional

---

[12] https://www.brookings.edu/research/the-looming-student-loan-default-crisis-is-worse-than-we-thought/

[13] AMERICAN ASSOCIATION OF UNIVERSITY WOMEN, WOMEN'S STUDENT DEBT CRISIS IN THE UNITED STATES (May 24, 2017), *available at* https://www.aauw.org/research/deeper-in-debt/; Kaitlin Mulhere, *There's a Massive Racial Gap in Student Loan Defaults, New Data Show*, NY TIMES, Oct. 17, 2017, http://time.com/money/4986253/race-gap-student-loan-defaults-debt/; Emily Deruy, *The Racial Disparity of the Student-Loan Crisis*, THE ATLANTIC, Oct. 24, 2016, https://www.theatlantic.com/education/archive/2016/10/why-debt-balloons-after-graduation-for-black-students/505058/; Gail Marks Jarvis, *Gender pay gap affects student loan debt load*, ST. LOUIS POST-DISPATCH, Nov. 4, 2012, http://www.stltoday.com/business/local/gender-pay-gap-affects-student-loan-debt-load/article_9ae9315d-6084-5fce-8d9b-4b1d5564a680.html;

[14] Sheryl Nance-Nash, *65-plus crowd facing growing burden from student loan debt*, NEWSDAY, Sept. 10, 2017, https://www.newsday.com/business/65-plus-crowd-facing-growing-burden-from-student-loan-debt-1.14124052; Zach Carter, *The Student Debt Crisis Is Driving Elderly People Into Poverty*, HUFFINGTON POST, Dec. 20, 2016, https://www.huffingtonpost.com/entry/student-debt-elderly-poverty_us_58595c6be4b08debb78b2f2a?utm_hp_ref=student-loans; Becky Yerak, *Student Loan Debt Is No Longer Just A Gen Y Problem*, BUSINESS INSIDER, Jul. 11, 2012, http://www.businessinsider.com/this-surprising-group-of-people-is-responsible-for-20-percent-of-student-loan-debt-2012-7.

[15] https://www.consumerreports.org/student-loan-debt-crisis/lives-on-hold/.

[16] https://www.experian.com/blogs/ask-experian/state-of-credit/.

[17] http://www.pewresearch.org/fact-tank/2017/08/24/5-facts-about-student-loans/.

and/or drivers license.[18] For older American borrowers, a student loan default can also mean offset Social Security benefits.[19]

Further, student loan borrowers are forced to put off important financial milestones such as purchasing a home. A June 2016 survey conducted by the National Association of Realtors and American Student Assistance found that "Seventy-one percent of non-homeowners repaying their student loans on time believe their debt is stymieing their ability to purchase a home, and slightly over half of all borrowers say they expect to be delayed from buying by more than five years".[20] Federal Reserve researchers found that student loan debt does play a significant role in the declining rate of home ownership by younger consumers.[21]

B. The role of student loan servicers in the student loan crisis is itself a significant social policy issue

The role of student loan servicers like Navient in the student loan crisis has itself become a significant social policy issue, which illustrates the fact that the student loan crisis is significantly related to the Company's business. Student loan servicers act as the middleman between borrowers and lenders, collecting payments and administering repayment plans. Media attention has not been favorable to servicers in this regard.[22] Policymakers have been paying attention to this trend and responding.[23]

Regulatory interest in the role of servicers in the student loan crisis has been substantial in recent years and has led to enforcement actions by federal agencies as well as state attorneys general. In April 2017, the Consumer Financial Protection Bureau reported a trend of triple digit increases in complaints related to student loan servicing as compared to similar periods, with complaints increasing in nearly every state.[24] Liz Hill, who serves as press secretary for the U.S. Education Department has been quoted as describing the current student loan system as "a mess", adding that "income driven repayment plans are confusing".[25] Navient is currently facing lawsuits from the Consumer Finance Protection Bureau, Washington State, Illinois and Pennsylvania, alleging that it harmed student loan borrowers. The Company is also facing a class action lawsuit from investors alleging that it made false and/or misleading statements and engaged in deceptive practices to facilitate the origination of subprime student loans.

The Consumer Finance Protection Bureau ("CFPB") filed a civil suit against Navient alleging the Company "systematically deterring numerous borrowers from obtaining access to some or all of the benefits and protections" of income-related and extended repayment plans. Further, the CFPB alleges "Navient has failed to perform its core duties in the servicing of student loans, violating Federal consumer financial laws, as well as the trust that borrowers placed in the company". Navient's motion to dismiss the CFPB lawsuit was denied by U.S. District Judge Robert D. Mariani in August 2017. In his decision, Judge Mariani wrote that the Company's assertion that it complied with the Higher Education Act, Department of Education regulations, and its loan

---

[18] *See,* Jessica Silver-Greenberg, Stacy Cowley, and Natalie Kitroeff, *When Unpaid Student Loan Bills Mean You Can No Longer Work,* NY TIMES, Nov. 18, 2017, https://www.nytimes.com/2017/11/18/business/student-loans-licenses.html.

[19] *See,* Jillian Berman, *More borrowers are losing Social Security benefits over old student loans,* MARKETWATCH, Dec. 20, 2016, https://www.marketwatch.com/story/more-borrowers-are-losing-social-security-benefits-over-old-student-loans-2016-12-20.

[20] https://www.nar.realtor/newsroom/71-percent-believe-student-debt-delays-homeownership.

[21] https://www.newyorkfed.org/medialibrary/media/research/staff_reports/sr820.pdf?la=en.

[22] *See, e.g.,* Ron Lieber, *A Student Loan Nightmare: The Teacher in the Wrong Payment Plan*, NY TIMES, Oct. 27, 2017, https://www.nytimes.com/2017/10/27/your-money/paying-for-college/student-loan-payments.html; Stacy Cowley and Jessica Silver-Greenberg, *As Paperwork Goes Missing, Private Student Loan Debts May Be Wiped Away*, NY TIMES, July 17, 2017, https://www.nytimes.com/2017/07/17/business/dealbook/student-loan-debt-collection.html; Catherine Curan, *The student debt crisis is worsening at the hands of loan servicers,* NY Post, Jan. 28, 2017, https://nypost.com/2017/01/28/the-student-debt-crisis-is-worsening-at-the-hands-of-loan-servicers/; Kevin Carey, *Student Debt in America: Lend With a Smile, Collect With a Fist*, NY TIMES, Nov. 27, 2015, https://www.nytimes.com/2015/11/29/upshot/student-debt-in-america-lend-with-a-smile-collect-with-a-fist.html.

[23] *See, e.g.,* Danielle Douglas-Gabrial, *Elizabeth Warren presses the Education Department to rein in Navient*, Washington Post, May 12, 2016, https://www.washingtonpost.com/news/grade-point/wp/2016/05/12/elizabeth-warren-presses-the-education-department-to-rein-in-navient/;

[24] https://www.consumerfinance.gov/about-us/newsroom/cfpb-monthly-snapshot-spotlights-student-loan-complaints/.

[25] https://www.reuters.com/investigates/special-report/usa-studentloans/.

servicing contract with the U.S. Department of Education didn't relieve the Company of its obligation to not commit unfair, deceptive, or abusive acts.

Various state attorneys general have also sued Navient for allegedly improper student loan servicing practices. In January 2017, Washington State Attorney General Bob Ferguson filed a lawsuit against Navient, alleging the Company improperly steers financially distressed students toward short-term forbearance and engages in misleading collection tactics. Further, the lawsuit alleges that Navient made subprime loans as part of "preferred lending" programs with schools to gain access to highly profitable federally-guaranteed loan volume and "prime" private student loan borrowers. Navient's motion to have this lawsuit dismissed was denied in August 2017.

Illinois Attorney General Lisa Madigan filed a lawsuit against Navient in January 2017, stating that her investigation found that the Company's predecessor Sallie Mae put student borrowers into expensive subprime loans that it knew were going to fail. Madigan alleges that these actions have led to student borrowers needlessly carrying billions of dollars in debt. In October 2017, Pennsylvania Attorney General Josh Shapiro filed a lawsuit against Navient over widespread abuses in their student loan origination and servicing businesses. The suit alleges that the Company committed unfair and deceptive acts by steering student borrowers into forbearance, which results in the accrual of additional interest that is added to the loans' principal that students were required to repay.

Most recently, in December 2017 a class action lawsuit was filed on behalf of purchasers of the securities of Navient from February 25, 2016 through October 4, 2017. The suit alleges that Navient made false and/or misleading statements and engaged in deceptive practices to facilitate the origination of subprime loans. The suit also alleges that Navient committed unfair and deceptive acts by steering student borrowers into payment plans that postponed bills, allowing interest to accumulate, rather than helping them enroll in income-driven repayment plans. As a result of these actions, it is alleged that Navient's public statements were materially false and misleading at all relevant times.

C. The Proposal does not attempt to micromanage the Company

In an apparent attempt to cast the Proposal as micromanaging the day-to-day business of the Company, Navient ignores the plain language of the Proposal's request that "the Board of Directors (the "Board") issue a report to investors (at reasonable cost, excluding proprietary information, and within a reasonable time) on the governance measures Navient has implemented to more effectively monitor and manage financial and reputational risks related to the student loan crisis in the United States, including whether Navient has assigned responsibility for such monitoring to the Board or one or more Board committees or has revised senior executive compensation metrics or policies."

In other words, the Proposal seeks greater transparency from Navient on its corporate governance and senior executive compensation policies. This Proposal does not aim to dictate specific business practices or decisions to the Company. No mandates are recommended or suggested. Further, it is difficult to understand how the request may "probe too deeply into matters of a complex nature". When provided with the requested information, shareholders would be in a better position to make an informed judgement on the governance measures Navient has implemented to more effectively monitor and manage financial and reputational risks related to the student loan crisis in the United States.

For these reasons, we respectfully request the Staff to conclude that the Company has not met its burden of proof to exclude the Proposal from its proxy materials under Rule 14a-8(i)(3).

III. The Company has not substantially implemented the Proposal

Navient claims that it has substantially implemented the Proposal, but the explanation offered in its request letter does not indicate that it has. As noted by the Company, shareholder proposals may be excluded under Rule 14a-8(i)(10) if the issuer has reasonably and substantially satisfied the essential objectives and guidelines of the proposal. To do so, the issuer's action must compare favorably to that requested in the proposal such that it renders moot the core concerns raised in the proposal.

The core of the Company's "substantially implemented" claim is that the Board of Directors has delegated responsibility for risk oversight to its Nominations and Governance Committee. However, the Proposal asks the Company for a report on governance measures the Company has implemented to more effectively monitor and manage reputational and financial risks related to the student loan crisis in the United States, ***and whether it has revised senior executive compensation metrics or policies as part of those measures*** (emphasis added). The Company does not claim to have implemented the senior executive compensation part of the Proposal's request. Senior executive compensation is a core concern of the Proposal, and the Company has not substantially satisfied this essential objective.

Moreover, the Company's proxy statement disclosure and the Board of Directors' recently adopted changes to the charter of the Nominations and Governance Committee do not satisfy the Proposal's request for a report on governance measures that the Company has undertaken in response to the student loan crisis. According to disclosure provided by the Company, the Board of Directors and its Nominations and Governance Committee has responsibility for overseeing business and operations as they impact risks, and to periodically review compliance and Company performance against risk measures contained in a "risk appetite framework." However, the proxy statement and the charter do not specifically address the student loan crisis or state whether the Company believes it is a risk to the Company. The student loan crisis is not even listed as one of the nine domains of Navient's risks.

Each no action letter cited by the Company can be distinguished from the Proposal at hand. *Kewanee Scientific Corp.* (May 31, 2017) allowed the exclusion of a proposal to make non-employee directors ineligible to participate in the company's healthcare program when the company had had recently adopted a policy to do so in the following year. *Wal-Mart Stores, Inc.* (March 16, 2017) allowed exclusion of a proposal to amend governance guidelines to remove disqualified directors in accordance with applicable law when existing company bylaws and applicable law already implemented the essential objective of the proposal to the extent allowable by law, shareholders were able to discontinue and remove directors, and directors were elected annually. *Dominion Resources, Inc.* (Feb. 9, 2016) found the company's existing disclosure of emissions and the company's approach and efforts to reducing emissions substantially implemented a shareholder proposal for a report on measuring emissions, emission reduction goals, and mitigation efforts. A proposal to amend Board rules to have a single class of directors all of whom would be subject to annual election was found in *Ryder System, Inc.* (Feb. 11, 2015) to be substantially implemented by bylaw changes that declassified the Board. In each of these no action letters, the company took actions that addressed the underlying concern of the proposal and satisfied the essential objectives thereof. Here, the Company ignores the underlying concern of the Proposal (the growing student loan crisis) and its essential objectives (to provide shareholders with information on how the Company has adjusted governance measures, including executive compensation metrics, in response to the growing crisis). There is a fundamental difference between actions that address the concerns and essential objectives of a proposal and simply pointing to a generic delegation of risk management functions to a committee of the board of directors.

Shareholder proposals are not substantially implemented when a company provides only general information, does not address the core concern of the proposal, or fails to take an action that may be made necessary by the proposal. *Texas Instruments, Inc.* (Jan. 26, 2018) (proposal for report on company's gender pay gap policies and goals was not substantially implemented by general report on pay discrimination); *Brocade Communications Systems, Inc.* (Feb. 23, 2015) (proposal for incentive pay recoupment policy, including provisions for

misconduct and poor risk management, not substantially implemented by existing clawback policy with the "same objective"); *Dominion Resources* (Feb. 28, 2014) (proposal for report on lobbying contributions and expenditures not substantially implemented by report on company lobbying policies); *Dominion Resources* (Feb. 15, 2013) (proposal for review and report of greenhouse gas emissions reduction efforts not substantially implemented by publication of data showing a reduction in emissions because no review was done); *Lowe's Companies, Inc.* (Mar. 21, 2006) (proposal for report on wood sourcing and policies not substantially implemented by disclosure of a category of information in annual report because proponent's supporting statement sought information on company-wide practices and indicators relating to long-term sustainable sourcing goal).

The proposal and supporting statement make it abundantly clear that the core concern of the proposal is the student loan crisis, and the essential objective the disclosure of the Company's governance measures to monitor and manage risks arising from this significant social policy issue, and whether this category of risk is taken into account in senior executive compensation. None of this is provided by the Company in its existing disclosures, let alone in a way that may compare favorably with the Proposal. As the Company has not substantially implemented the Proposal, we respectfully ask Staff to conclude that the Company has not met its burden of proof under Rule 14a-8(i)(10).

IV. The Company has not provided a meaningful Board analysis of the Proposal

In Staff Legal Bulletin No. 14I (November 1, 2017), the Staff wrote that "we would expect a company's no-action request to include a discussion that reflects the board's analysis of the particular policy issue raised and its significance. That explanation would be most helpful if it detailed the specific processes employed by the board to ensure that its conclusions are well-informed and well-reasoned. We believe that a well-developed discussion of the board's analysis of these matters will greatly assist the staff with its review of no-action requests under Rule 14a-8(i)(7)". The Company has not provided any analysis of the Proposal by the Board except to provide a conclusory statement ratifying the decision to seek no-action relief. Accordingly, the Board's analysis of the Proposal should be disregarded by the Staff in its determination because the Board's analysis is neither well-informed nor well-reasoned.

V. Conclusion

We respectfully request that the Staff does not concur with the Company in its belief that it is entitled to exclude the Proposal from its proxy materials. In the event that the Staff should intend to concur with the Company, we respectfully request the opportunity to speak with the Staff in advance of a final determination. Please contact our Deputy Treasurer for Policy, Kelly Rogers, by phone (401-222-5126) or email Kelly.Rogers@treasury.ri.gov, with any questions in connection with this matter, or if the Staff wishes any further information.

Sincerely,

Seth M. Magaziner
General Treasurer

cc: Mr. Mark L. Heleen, Navient Corporation
Mr. Kurt Slawson, Navient Corporation
Mr. Stephen P. Caso, Navient Corporation
Ms. Laura S. Unger, Chair, Nominations and Governance Committee, Navient Corporation
Mr. David R. Brown, Nixon Peabody, LLP
Ms. Heather Slavkin Corzo, AFL-CIO
Mr. Brandon Rees, AFL-CIO
Ms. Kelly Rogers, State of Rhode Island and Providence Plantations
Mr. Randall Rice, State of Rhode Island and Providence Plantations

NIXON PEABODY LLP
ATTORNEYS AT LAW

NIXONPEABODY.COM
@NIXONPEABODYLLP

David R. Brown
Partner
T 312-977-4426
drbrown@nixonpeabody.com

Three First National Plaza
70 West Madison, Suite 3500
Chicago, IL 60602
312-977-4400

1934 Act/Rule 14a-8

January 22, 2018

VIA E-MAIL (shareholderproposals@sec.gov)

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

Re: Navient Corporation
Securities Exchange Act of 1934 / Rule 14a-8
Shareholder Proposals of the Employees' Retirement System of Rhode Island ("Rhode Island") and the AFL-CIO Reserve Fund ("Co-Filer")

Ladies and Gentlemen:

We submit this letter on behalf of our client, Navient Corporation, a Delaware corporation (the "Company"). The Company is requesting confirmation that the staff of the Division of Corporation Finance (the "Staff") of the Securities and Exchange Commission (the "Commission") will not recommend enforcement action to the Commission if the Company excludes identical shareholder proposals (together, the "Proposal") and the attendant supporting statement (the "Supporting Statement") submitted by Rhode Island and by the Co-Filer (the "Proponents"), from the Company's proxy materials for its 2018 Annual Meeting of Shareholders (the "2018 Proxy Materials").

In excluding the Proposal and the Supporting Statement, the Company intends to rely on Rule 14a-8(i)(7) (referred to herein as the "Ordinary Business Operations Exclusion") and Rule 14a-8(i)(10) (referred to herein as the "Substantially Implemented Exclusion") promulgated under the Securities Exchange Act of 1934 (the "Exchange Act"). The Proposal and the Supporting Statement are summarized below, and copies are attached hereto as Exhibit A.

Pursuant to Rule 14a-8(j) under the Exchange Act and Section C of Staff Legal Bulletin 14D (November 7, 2008) ("SLB 14D") we have, on behalf of the Company:

- filed this letter by email to shareholderproposals@sec.gov in lieu of submitting six paper copies;

- filed this letter with 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 a copy of this letter to each of the Proponents.

The Company will promptly forward to the Proponents any response from the Staff to this request that the Staff transmits by email or fax only to the undersigned or to the Company.

Pursuant to Rule 14a-8(k) and SLB 14D, the Company takes this opportunity to remind the Proponents that if either submits correspondence to the Commission or the Staff with respect to the Proposal and/or the Supporting Statement, a copy of that correspondence should concurrently be furnished to the undersigned on behalf of the Company.

Below please find (1) a summary of the Proposal, (2) a summary of the Company's bases for exclusion of the Proposal from the 2018 Proxy Materials, (3) a discussion of the applicability of the Ordinary Business Operations Exclusion, (4) a discussion of the applicability of the Substantially Implemented Exclusion, (5) a brief explanation of the role of the Company's Board of Directors (the "Board") and its designees in considering the Proposal, and (6) concluding remarks.

(1) Summary of the Proposal

On December 11, 2017, the Company received a letter from Rhode Island containing the Proposal and the Supporting Statement. On December 13, 2017, the Company received a letter from the Co-Filer containing the Proposal and Supporting Statement in identical form, and noting its status as a co-filer with Rhode Island. Accordingly, the discussion below pertains to both submissions.

The Proposal states, in part:

"Whereas Navient Corporation ("Navient") services and manages more than $300 billion in federal and private student loans for approximately 12 million borrowers;

Whereas the U.S. Department of Education reports that the number of borrowers not making payments on their federal student loans within three years of leaving college has risen to 11.5%;

Whereas more than a million borrowers with Direct Loans at Navient have defaulted on student loans; and

Whereas, increased defaults create additional financial hardships for Navient customers, which may negatively impact the company and shareholders;"

"RESOLVED, that the shareholders request the Board of Directors (the "Board") issue a report to investors (at reasonable cost, excluding proprietary information, and within a reasonable time) on the governance measures Navient has implemented to more effectively monitor and manage financial and reputational risks related to the student loan crisis in the United States, including whether Navient has assigned responsibility for such monitoring to the Board or one or more Board committees or has revised senior executive compensation metrics or policies."

The Supporting Statement is as follows:

"The student loan crisis is a growing social problem in the United States. A representative of the U.S. Department of Education (DOE) recently characterized the student loan system as "a mess" and added that "income driven repayment plans are confusing." This statement is referred to herein as "Statement #1."

"Earlier this year, the Consumer Financial Protection Bureau (CFPB) reported a trend of triple digit increases in complaints related to student loan servicing as compared to similar periods, with complaints increasing in nearly every state."

"Previously, the Government Accountability Office found that the DOE lacked a minimum set of standards loan servicers to provide effective customer service; even as the DOE encouraged federal student loan servicers to adopt 'high touch loan servicing' for borrowers at high risk of default."

"For these reasons, we believe Navient should report on the efforts the company has taken and intends to take to more effectively monitor and manage financial and reputational risks related to the student loan crisis in the United States."

(2) Summary of the Company's Bases for Exclusion

The Company believes that there are at least two independent and legally sufficient bases for exclusion of the Proposal and the Supporting Statement as follows:

(a) Ordinary Business Operations Exclusion

The Proposal and the Supporting Statement are excludible from the 2018 Proxy Materials under the Ordinary Business Operations Exclusion for several reasons, as further explained below: First, they primarily relate to the Company's evaluation of risk, the policies and procedures surrounding its day-to-day operations, and the Company's ability to adapt to

certain events, and the preparation of a report, where the underlying subject matter of the evaluation and the report requested involves a matter of ordinary business to the Company. Second, they implicate the Company's compliance with federal and state law. Third, they attempt to micromanage the Company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment. Finally, they do not focus on policy issues so significant that they transcend the day-to-day business of the Company and would be appropriate for a shareholder vote.

(b) Substantially Implemented Exclusion

The Proposal and the Supporting Statement are also excludible under the Substantially Implemented Exclusion because they are already addressed by the Company's policies, practices, procedures and public disclosures, as further detailed below.

(3) Application of the Ordinary Business Operations Exclusion

Rule 14a-8(i)(7) permits exclusion of a shareholder proposal if the proposal deals with a matter that is part of an issuer's "ordinary business operations." "Ordinary" refers not to matters that are "ordinary" within the common meaning of the word, but instead matters that are ordinary in the corporate law sense of providing management with "flexibility in directing certain core matters involving the company's business and operations." See *Final Rule: Amendments to Rules on Shareholder Proposals by the Commission,* Exchange Act Release No. 40,018 (May 21, 1998) (the "1998 Release") at Article II, paragraph 5. The 1998 Release outlines two central considerations for determining whether the Ordinary Business Operations Exclusion applies: (a) whether the subject matter of the proposal is so fundamental to management's ability to run a company on a day-to-day basis that the matter could not, as a practical matter, be subject to direct shareholder oversight; and (b) whether the proposal seeks to micro-manage the company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment.

(a) The Proposal primarily relates to the Company's evaluation of risk, the policies and procedures surrounding its day-to-day operations, its ability to adapt to certain events, and the preparation of a report, where the underlying subject matter of the evaluation and the report involves the ordinary business of the Company.

The Proposal requests that the Company issue a report on the "governance measures Navient has implemented to more effectively monitor and manage financial and reputational risks … including whether Navient has assigned responsibility for such monitoring to the Board or one or more Board committees or has revised senior executive compensation metrics or policies," where the underlying subject matter of the evaluation and the report requested

involves the ordinary business of the Company. This is a clear basis for exclusion under Rule 14a-8(i)(7).

Staff Legal Bulletin No. 14E (Oct. 27, 2009) ("SLB 14E") summarizes the Staff's approach to evaluating shareholder proposals that request a risk assessment:

> "[R]ather than focusing on whether a proposal and supporting statement relate to the company engaging in an evaluation of risk, we will instead focus on the subject matter to which the risk pertains or that gives rise to the risk… [W]e will consider whether the underlying subject matter of the risk evaluation involves a matter of ordinary business to the company."

Similarly, with respect to requests for preparation of reports, the Staff stated, in Exchange Act Release No. 20091 (Aug. 16, 1983) (48 FR 38218) (the "1983 Release") that:

> "[T]he [S]taff will consider whether the subject matter of the special report…involves a matter of ordinary business; where it does, the proposal will be excludable under Rule 14a-8(c)(7)"*
>
> *[now Rule 14a-8(i)(7)]

The Staff has consistently applied the reasoning of SLB 14E in concurring in the exclusion of shareholder proposals seeking risk assessments when the underlying subject matter concerns ordinary business operations. See, e.g., *Navient Corporation* (Feb. 13, 2017) (concurring with the Company's exclusion of a proposal asking its board of directors to provide a "comprehensive review of the company's ability to adequately service customers in default and at risk of default, including efforts to encourage the use of Income Drive [sic] Repayment plans, the ability to adapt to shifting legal and regulatory standards for loan servicing, and the ability to adequately service borrowers in the event of economic shock," on the grounds that the proposal involved ordinary business operations related to the company's loan servicing abilities); *Amazon.com, Inc.* (Mar. 27, 2015) (concurring with the exclusion of a proposal asking the board to report on "reputational and financial risks that it may face as a result of negative public opinion pertaining to the treatment of animals used to product products it sells" which involved ordinary business operations relating to the products and services offered for sale); *FedEx Corp*. (July 11, 2014) (concurring with the exclusion of a proposal asking the board to report on how the company could "better respond to reputational damage from its association with the Washington D.C. NFL franchise team name controversy," which involved ordinary business matters (the manner in which the company advertises its products and services)); *Exxon Mobil Corp*. (Mar. 6, 2012) (concurring with the exclusion of a proposal asking the board to prepare a report on "environmental, social and economic challenges associated with the oil sands," which involved ordinary business matters (the economic challenges associated with oil

sands)); and *Sempra Energy* (Jan. 12, 2012, recon. denied Jan. 23, 2012) (concurring with the exclusion of a proposal requesting a report on the company's management of certain "risks posed by Sempra operations in any country that may pose an elevated risk of corrupt practices" where the company argued that the proposal related to decisions regarding the location of company facilities and implicated its efforts to ensure ethical behavior and to oversee compliance with applicable laws, noting that "the underlying subject matter of these risks appears to involve ordinary business matters").

Exclusion of the Proposal would be consistent with Staff precedent granting relief for proposals requesting reports by a company's board of directors, which regularly assesses the financial, reputational and other risks to the company. In *Walgreens Boots Alliance, Inc.* (Nov. 7, 2016, recon. denied Nov. 22, 2016), the Staff concurred with the exclusion of a proposal requesting that the board issue a report "assessing the financial risk, including long-term legal and reputational risk, of continued sales of tobacco products in the company's stores" because the proposal related to the company's ordinary business operations. Similar to the precedents cited above and the proposal in *Walgreens*, the Proposal here focuses on the effective monitoring and managing of "financial and reputational risks related to the student loan crisis." As an aside, the Proponents could easily ascertain that the Company's Audit Committee has responsibility for overseeing compliance issues and that the Nominations and Governance Committee has responsibility for overseeing reputational risks, merely by reading each Committee's publicly available charter. By requesting that the Company disclose how it assesses risk and how it monitors and responds to such risks, the Proposal seeks to introduce shareholder oversight of a routine aspect and core function of the Company's management. Moreover, the Proposal requests that the report address whether the Company has "assigned responsibility for such monitoring to the Board or one or more Board Committees."

The Proposal also seeks to micro-manage the Company by probing too deeply into matters of a complex nature not suitable for a shareholder vote. The underlying subject matter of the risk evaluation and report described in the Proposal directly relates to the Company's day-to-day business operations. The Company is the nation's largest servicer of federal student loans, with a long history of servicing millions of loans in a highly-regulated industry. As part of its normal business operations, the Company regularly tracks its performance in loan servicing to ensure that it is meeting the relevant legal requirements, internal policies and industry best practices. For example, the Company is subject to certain performance standards under loan servicing contracts with the U.S. Department of Education ("DOE"), and it issues periodic performance reports to DOE and is subject to periodic audit and examination by the DOE. Not surprisingly, the Company routinely reviews its business practices, policies and procedures, with a view to evaluating and mitigating potential risks to its business and the loans that it services, including risks associated with loan defaults. The Proposal seeks to micro-manage the Company with respect to how it conduct that process and manages the attendant financial and reputational risks. The decision of how to assess risk and who is responsible for

related functions are matters of a complex nature that clearly are best addressed by management, and as to which shareholders, as a group, are not in a position to make an informed judgment.

The Company is a recognized leader in loan servicing practices designed to help borrowers avoid default, a factor that likely reduces the Company's risk profile relating to loan servicing when compared to its competitors. Among these practices, the Company closely tracks student loan defaults and engages in a wide variety of activities designed to help borrowers avoid them. For example, although the Company does not set loan amounts or terms, all of which are the responsibility of the DOE or Congress, the Company does, consistent with its obligations under loan servicing contracts with the DOE, routinely help federal student loan borrowers identify and enroll in available Income-Driven Repayment (IDR) plans. The Company frequently highlights its intense focus on customer success and default prevention in its filings with the Commission. Specifically, in reference to IDR plans, the Company recently noted the following:

> "We have been a partner in [the DOE]'s campaign to inform federal education loan customers about various income-driven repayment ("IDR") plans, and have played a leadership role in helping customers understand their options so they can make an informed choice. We promote awareness of federal repayment plan options through more than 170 million communications annually, including mail, email, phone calls, videos, and text messages. At the end of 2015, nearly one in five federal borrowers and more than one-third of dollar volume serviced by Navient (excluding Parent PLUS loans that are not eligible for IDR) were enrolled in an IDR plan."[1]

More recently, the Company's January 2, 2018 press release provides an updated figure: "27% of Navient-serviced borrowers with eligible loans and 48% of dollars serviced by Navient are enrolled in IDR programs."[2]

Moreover, the Company has a proven track record in helping student loan borrowers avoid default. An analysis of the latest Cohort Default Rate—published in September 2016 by the DOE—shows that federal student loan borrowers serviced by the Company are 31 percent less likely to default than those whose loans are serviced by other organizations. In addition, a record 530,000 borrowers paid off their student loans in 2017 and by the end of 2017, 9 out of 10 customers with loans serviced by the Company in active repayment were current on their student loan payments.[3] These considerations further illustrate that although the Company's

[1] See Navient Corporation Form 10-K for the year ending December 31, 2016, https://www.sec.gov/Archives/edgar/data/1593538/000119312516478393/d35213d10k.htm.
[2] See Navient Corporation Press Release, dated January 2, 2018, https://news.navient.com/news-releases/news-release-details/navient-celebrates-customers-path-financial-success.
[3] *Id.*

business entails certain risks, the Company works hard to manage those risks, and has been successful in doing so. For these reasons, the Proposal should be excluded from the Company's 2018 Proxy Materials.

(b) There is no significant social policy issue that excepts the Proposal from the Ordinary Business Operations Exclusion.

There is no significant social policy issue that excepts the Proposal from the Ordinary Business Operations Exclusion. We note that a shareholder proposal that is otherwise properly excludible under Rule 14a-8(i)(7) may not be excluded if it is determined to focus on a significant policy issue. The fact that a proposal may merely touch upon a significant policy issue, however, does not preclude exclusion. Instead, the question is whether the proposal focuses primarily on a matter of broad public policy versus matters related to the company's ordinary business operations. See the 1998 Release and SLB 14E. The latter notes that:

> In those cases in which a proposal's underlying subject matter transcends the day-to-day business matters of the company and raises policy issues so significant that it would be appropriate for a shareholder vote, the proposal generally will not be excludable under Rule 14a-8(i)(7) as long as a sufficient nexus exists between the nature of the proposal and the company. Conversely, in those cases in which a proposal's underlying subject matter involves an ordinary business matter to the company, the proposal generally will be excludable under Rule 14a-8(i)(7). In determining whether the subject matter raises significant policy issues and has a sufficient nexus to the company, as described above, we will apply the same standards that we apply to other types of proposals under Rule 14a-8(i)(7).

In Statement #1, the Supporting Statement states that "the student loan crisis is a growing social problem in the United States," in an apparent attempt to cast the Proposal as transcending day-to-day business. However, our research indicates that the Staff has never denied a no-action request concerning the exclusion of a shareholder proposal related to the servicing of student loans and has never agreed to its characterization as a "crisis" that constitutes a significant social policy issue as that term applies in the context of Rule 14a-8(i)(7). In fact, the Staff has previously concurred with no-action requests contending that neither the expected ability of graduates to repay their student loans, nor a number of other consumer finance issues generally, constitute consistent topics of widespread public debate sufficient to rise to the level of a significant social policy issue. Moreover, in *Navient Corporation* (Feb. 13, 2017) the Staff concurred in the exclusion of a proposal related to "the company's ability to adequately service customers in default and at risk of default, including efforts to encourage the use of Income Drive [sic] Repayment plans, the ability to adapt to shifting legal and regulatory standards for loan servicing, and the ability to adequately service borrowers in the event of economic shock" because it involved ordinary business operations

related to the company's loan servicing abilities, which the issuer argued did not relate to a significant policy issue that transcends day-to-day business operations.

There is substantial additional support for the Company's position. In *DeVry Inc.* (Sept. 6, 2013), the Staff concurred with the exclusion of a shareholder proposal for the delivery of an annual report on loan repayment rates for a for-profit educational institution for reasons relating to another regularly recognized example of ordinary business operations—namely, that the proposal concerned product quality. In doing so, the Staff declined to adopt the proponent's theory that the expected ability of graduates to repay their student loans relates to a significant social policy issue. Similarly, in *Fifth Third Bancorp* (Dec. 17, 2012), the Staff concurred with the exclusion of a proposal that the company's board of directors prepare a report discussing the "adequacy of the company's direct deposit advance lending policies in addressing the social and financial impacts" of "[p]redatory lending like payday loans." The staff again concurred in the application of the Ordinary Business Operations Exclusion, on the basis that the proposal related to "products and services offered for sale by the company."

The Company recognizes that, in certain limited circumstances involving consumer financial services, specifically mortgage lending, the Staff has been unable to concur with a request for no-action relief under the Ordinary Business Operations Exclusion. See, e.g., *Wells Fargo*, March 11, 2013, citing "the significant policy issue of widespread deficiencies in the foreclosure and modification processes for real estate loans," and *Bank of America,* March 14, 2011, citing "the public debate concerning widespread deficiencies in the foreclosure and modification processes for real estate loans and the increasing recognition that these issues raise significant policy considerations"). We believe that the position of the Staff with respect to these requests is readily distinguishable. First, the Staff was addressing mortgage lenders whose role in the Great Recession was the subject of intensive public debate and attention at the time, including Congressional hearings regarding the potential need for greater government oversight over illegal acts by mortgage lenders (e.g., "robo-signing"). Student loan servicing, though an essential element of higher education financing, clearly does not rise to the same level of attention and concern in public discourse. Given that nearly 80% of all student loans are owned or guaranteed by the U.S. government, student loans are a fiscal risk to the Federal government, not a financial risk to the Company. Second, the Staff has not previously treated student loan servicing as a "significant policy issue" in its prior reviews of requests for no-action relief or Staff Legal Bulletins, unlike certain other topics, e.g., shareholder approval of executive compensation, discrimination and climate change.

In view of these authorities, the Proposal and the Supporting Statement have averred no specific significant social policy issue that would transcend the Ordinary Business Operations Exclusion so as to make exclusion inappropriate.

(4) Application of the Substantially Implemented Exclusion

Rule 14a-8(i)(10) permits exclusion of a shareholder proposal if the company has already substantially implemented the proposal. The Commission adopted the "substantially implemented" standard in 1983 after determining that the "previous formalistic application" of the rule defeated its purpose, which is to "avoid the possibility of shareholders having to consider matters which already have been favorably acted upon by the management." See 1983 Release and Exchange Act Release No. 34-12598 (July 7, 1976). Accordingly, the actions requested by a proposal need not be "fully effected" provided that they have been "substantially implemented" by the company. See 1983 Release.

Applying this standard, the Staff has consistently permitted the exclusion of a proposal when it has determined that the company's policies, practices and procedures or public disclosures compare favorably with the guidelines of the proposal. See, e.g., *Kewaunee Scientific Corp.* (May 31, 2017); *Wal-Mart Stores, Inc.* (Mar. 16, 2017); *Dominion Resources, Inc.* (Feb. 9, 2016); *Ryder Sys., Inc.* (Feb. 11, 2015); *Wal-Mart Stores, Inc.* (Mar. 27, 2014); *Peabody Energy Corp.* (Feb. 25, 2014); *The Goldman Sachs Group, Inc.* (Feb. 12, 2014); *Hewlett-Packard Co.* (Dec. 18, 2013); *Deere & Co.* (Nov. 13, 2012); *Duke Energy Corp.* (Feb. 21, 2012); *Exelon Corp.* (Feb. 26, 2010); *ConAgra Foods, Inc.* (July 3, 2006); *The Gap, Inc.* (Mar. 16, 2001); *Nordstrom, Inc.* (Feb. 8, 1995); and *Texaco, Inc.* (Mar. 6, 1991, recon. granted Mar. 28, 1991).

Additionally, the Staff has permitted exclusion under Rule 14a-8(i)(10) where a company already addressed the underlying concerns and satisfied the essential objectives of the proposal, even if the proposal had not been implemented exactly as proposed by the proponent. For example, in *Wal-Mart Stores, Inc.* (Mar. 30, 2010), the proposal requested that the company adopt six principles for national and international action to stop global warming. The company argued that its Global Sustainability Report, which was available on the company's website, substantially implemented the proposal. Although the Global Sustainability Report set forth only four principles that covered most, but not all, of the issues raised by the proposal, the Staff concluded that the company had substantially implemented the proposal. See also, e.g., *Oshkosh Corp.* (Nov. 4, 2016) (permitting exclusion under Rule 14a-8(i)(10) of a proposal requesting six changes to the company's proxy access bylaw, where the company amended its proxy access bylaw to implement three of six requested changes); *American Tower Corp.* (Mar. 5, 2015) (permitting exclusion under Rule 14a-8(i)(10) of a proposal requesting that the company "undertake such steps . . . to permit written consent" on "any topic . . . consistent with applicable law," where state corporate law allowed, and the company's charter did not disallow, the ability of shareholders to act by written consent, such that the company did not need to undertake any steps to substantially implement the proposal); *MGM Resorts Int'l* (Feb. 28, 2012) (permitting exclusion under Rule 14a-8(i)(10) of a proposal requesting a report on the company's sustainability policies and performance and recommending the use of the

Governance Reporting Initiative Sustainability Guidelines, where the company published an annual sustainability report that did not use the Governance Reporting Initiative Sustainability Guidelines or include all of the topics covered therein); *Alcoa Inc.* (Dec. 18, 2008) (permitting exclusion under Rule 14a-8(i)(10) of a proposal requesting a report that describes how the company's actions to reduce its impact on global climate change may have altered the current and future global climate, where the company published general reports on climate change, sustainability and emissions data on its website); *General Dynamics Corp.* (Feb. 6, 2009) (permitting exclusion under Rule 14a-8(i)(10) of a proposal seeking to provide holders of 10% of the company's outstanding common stock the power to call a special stockholder meeting, where the company's board adopted a bylaw amendment permitting a special stockholder meeting upon written request by a single holder of at least 10%, or holders in the aggregate of at least 25%, of the outstanding shares of the company).

Here, the Company has substantially implemented the Proposal, the essential objective of which is disclosure concerning how the Board "effectively monitor[s] and manage[s] financial and reputational risks" and "whether Navient has assigned responsibility for such monitoring to the Board or one or more Board committees." The Company's public disclosures are very clear on this topic. For example, in its annual proxy statement, including its most recent Proxy Statement, filed as of April 13, 2017 (the "2017 Proxy Statement"), the Company discloses in a section entitled "The Board of Directors' Risk Oversight" that:

> The Board of Directors and its standing committees oversee Navient's overall strategic direction, including setting risk management philosophy, tolerance and parameters, and establishing procedures for assessing the risks of each business line, as well as the risk management practices the management team develops and utilizes. This risk management framework is reviewed periodically in light of the Company's short- and long-term strategies and the major risks and issues facing the Company. Management escalates to the Board of Directors any significant departures from established tolerances and parameters and reviews new and emerging risks.
>
> Navient employs a Risk Appetite Framework which defines the most significant risks impacting our business and provides a process for evaluating and quantifying such risks. Our Enterprise Risk Committee is a management-led committee that monitors approved risk limits and thresholds to ensure our businesses are operating within approved risk parameters. Through ongoing monitoring of risk exposures, management endeavors to identify potential risks and develop appropriate responses and mitigation strategies. Our Risk Appetite Framework segments Navient's risks across nine domains: (1) credit; (2) market; (3) funding and liquidity; (4) compliance; (5) legal; (6) operational; (7) reputational/political; (8) governance; and (9) strategy. Management escalates to the Board of Directors any significant departures from established tolerances and parameters

and reviews new and emerging risks.[4]

This disclosure is accompanied by a chart further detailing the Board's multi-layered approach to risk oversight. This chart specifically notes that (a) the Board's Finance & Operations Committee "oversees financial, market and operational risk…" and (b) the Board's Nominations and Governance Committee oversees "the Company's compliance and performance against the Board's approved risk appetite framework relating to political, regulatory, reputational, and governance risks." These areas of risk oversight responsibility clearly cover the risks identified in the Proposals, i.e., "financial and reputational risks…"

In addition, the 2017 Proxy Statement discloses that "[u]nder its charter, the Executive Committee has authority to act on behalf of the Board of Directors when the full Board of Directors is not available, assists the Board of Directors in fulfilling its oversight responsibilities with regard to establishing risk tolerances and parameters for Navient, and oversees the allocation of risk oversight responsibilities among Board committees."[5]

Further, in November 2017, the Nominations and Governance Committee of the Board reviewed proposed changes to its charter and recommended that the Board approve and adopt a revised charter, well in advance of receiving the Proposal. The Board concurred in this recommendation, adopting the revised charter, which is reflected on the Company's website.[6] The revised charter includes, in relevant part, the following:

Authority and Responsibilities.

In carrying out the Purpose set forth above, the [Nominations and Governance] Committee will have the following authority and responsibilities:

Governance

…

(5) Oversee the business and operations of the Company as they impact the reputational or political risks of the Company, including legislative or regulatory changes or relationships.

…

[4] See Navient Corporation 2017 Proxy Statement, p. 25, filed April 13, 2017, https://www.sec.gov/Archives/edgar/data/1593538/000162612917000232/navi-def14a_052517.htm.
[5] *Id*.
[6] See Navient Corporation Nominations and Governance Committee of the Board of Directors Charter, revised November 2017, https://www.navient.com/assets/Navient-NominationsAndGovernanceCommittee.pdf.

Risk Oversight

(16) Periodically review the Company's compliance and performance against the risk measures contained in the Company's Board approved risk appetite framework relating to political and regulatory risk, reputational risk and governance risks as related to compliance with NASDAQ listing standards and applicable rules and regulations relating to Board of Directors and management composition, governance, and independence.[7]

The charter further illustrates that the Company has already substantially implemented the Proposal by assigning substantial responsibility for risk oversight to the Nominations and Governance Committee.

Finally, we note that Item 407(h) of Regulation S-K and Item 7(b) of Schedule 14A requires the disclosure of the extent of the board's role in risk oversight, such as how the board administers its oversight function and how this affects the board's leadership structure. The Company complies with these requirements, which capture the essential information requested by the Proposal, and the Company therefore has already substantially implemented it.

Accordingly, in light of the foregoing authorities, the Proposal should be excluded from the Company's 2018 proxy materials pursuant to Rule 14a-8(i)(10) as substantially implemented.

(5) Board/Committee Involvement in Consideration of the Proposal

Before concluding, I would like to briefly summarize the involvement of the Company's Board in the consideration of the Proposals. As noted in the Staff's recent Staff Legal Bulletin 14I (November 1, 2017), the Staff "expect[s] a company's no-action request to include a discussion that reflects the board's analysis of the particular policy issue raised and its significance." Please note that the charter of the Company's Nominations and Governance Committee, as updated by the Board on November 10, 2017, mandates that the Committee "[r]eview proposals properly submitted by the Company's shareholders to determine, based on factors the Committee determines in its reasonable discretion to be relevant, whether such proposals are suitable for presentation at the Company's annual shareholder meeting or inclusion in the Company's annual proxy statement." Consistent with this requirement, upon receipt of the Proposal the Committee directed management to review the Proposal, with that review to specifically include consideration as to (a) whether the subject matter of the Proposal is appropriate for shareholder voting; (b) whether and how the Company identifies, assesses and manages the risks that are at issue in the Proposal; (c) the significance of the subject matter of

[7] *Id.*

the Proposal to the Company's business, as opposed to its significance to society as a whole; (d) the adequacy of the Company's existing disclosures; and (e) various other factors. Following a review process over more than 30 days, involving the Chief Executive Officer, the Chief Legal Officer, the Company's internal and external legal advisors and other appropriate parties, the Committee reviewed the results of that review, including most recently at a meeting of the Committee held on January 19, 2018. At the conclusion of that meeting, the Committee determined that it is appropriate to seek no-action relief with respect to the Proposals on the bases cited above. The conclusions of the Committee were subsequently communicated to the full Board. This request for no-action relief with respect to the Proposal is the direct result of the foregoing process. Should the Commission desire additional information regarding this process, please contact the undersigned.

(6) Conclusion

Based on the foregoing, we respectfully request that the Staff confirm that it will not recommend enforcement action to the Commission if the Company excludes the Proposal and the Supporting Statement from its 2018 Proxy Materials in reliance upon Rule 14a-8(i)(7) or Rule 14a-8(i)(10).

We are happy to provide you with any additional information and answer any questions that you may have regarding the matters discussed herein. Please do not hesitate to contact me at 312-977-4400 or drbrown@nixonpeabody.com.

Thank you for your attention to this request.

Sincerely,

David R. Brown

cc: Hon. Seth M. Magaziner, State of Rhode Island and Providence Plantations
Hon. Kelly Rogers, State of Rhode Island and Providence Plantations
Ms. Heather Slavkin Corzo, AFL-CIO
Mr. Brandon Rees, AFL-CIO
Ms. Laura S. Unger, Chair, Nominations and Governance Committee, Navient Corp.
Mr. Mark L. Heleen, Navient Corporation
Mr. Kurt Slawson, Navient Corporation
Mr. Stephen P. Caso, Navient Corporation

EXHIBIT A

PROPOSAL AND SUPPORTING STATEMENT

(see attached)

State of Rhode Island and Providence Plantations
Office of the General Treasurer
State House – Room 102
Providence, Rhode Island 02903

Seth Magaziner
General Treasurer

December 11, 2017

Mr. Mark Heleen
Office of the Corporate Secretary
Navient Corporation
123 Justison St
Wilmington, Delaware 19801

Via FedEx and e-mail: corporatesecretary@navient.com

Dear Mr. Heleen,

As you know, the student loan debt crisis in the United States continues unabated. In Rhode Island, 64% of graduates carry an average of $32,920 of student loan debt. Nationally, the percentage of borrowers not making payments on their federal student loans within three years of leaving college has risen to 11.5 %. Additionally, the share of borrowers defaulting on their student loan – for the second time – is also increasing.

As debt and delinquency levels rise, and as our national economy faces an inevitable rise in interest rates, it is our duty as shareholders to ensure that the companies we invest in are adequately preparing for these trends.

As holders of 6,768 shares of Navient Corporation (the Company) stock, I am writing to inform you that Employees' Retirement System of Rhode Island is submitting the enclosed resolution for inclusion in the company's proxy statement in accordance with Rule 14a-8 of the general rules and regulations of the Securities Exchange Act of 1934. A representative from Employees' Retirement System of Rhode Island will attend the annual meeting to move the resolution as required by SEC rules. Also attached, please find a letter from BNY Mellon, which confirms Rhode Island Employees' Retirement Systems Pooled Trust's ownership of Navient Corporation stock.

We are requesting that the Company prepare and publish a report on the governance measures Navient has implemented to more effectively monitor and manage financial and reputational risks related to the student loan crisis in the United States.

The information we are requesting will help shareholders assess whether Navient is adequately meeting the challenges faced by growing student loan delinquency trends. In our opinion, the Company's lack of transparency presents a reputational risk for investors – which may be reflected in the sharp decline in share price over the past year.

We look forward to continuing the conversation with you on this very important issue. Please contact my Deputy Treasurer for Policy, Kelly Rogers, by phone (401-222-5126) or by email at Kelly.Rogers@treasury.ri.gov, if you would like to discuss this matter further.

Sincerely,

Seth M. Magaziner

Whereas there are more than 44 million borrowers with an estimated $1.3 trillion in student loan debt in the United States;

Whereas $137.4 billion in government-held or government-backed student loans is severely delinquent or in default;

Whereas Navient Corporation ("Navient") services and manages more than $300 billion in federal and private student loans for approximately 12 million borrowers;

Whereas the U.S. Department of Education reports that the number of borrowers not making payments on their federal student loans within three years of leaving college has risen to 11.5%;

Whereas more than a million borrowers with Direct Loans at Navient have defaulted on student loans; and

Whereas, increased defaults create additional financial hardships for Navient customers, which may negatively impact the company and shareholders;

Now, therefore be it

RESOLVED, that the shareholders request the Board of Directors (the "Board") issue a report to investors (at reasonable cost, excluding proprietary information, and within a reasonable time) on the governance measures Navient has implemented to more effectively monitor and manage financial and reputational risks related to the student loan crisis in the United States, including whether Navient has assigned responsibility for such monitoring to the Board or one or more Board committees or has revised senior executive compensation metrics or policies.

Supporting Statement

The student loan crisis is a growing social problem in the United States. A representative of the U.S. Department of Education (DOE) recently characterized the student loan system as "a mess" and added that "income driven repayment plans are confusing."[1]

Earlier this year, the Consumer Financial Protection Bureau (CFPB) reported a trend of triple digit increases in complaints related to student loan servicing as compared to similar periods, with complaints increasing in nearly every state.[2]

Previously, the Government Accountability Office found that the DOE lacked a minimum set of standards loan servicers to provide effective customer service; even as the DOE encouraged federal student loan servicers to adopt "high touch loan servicing" for borrowers at high risk of default.[3]

For these reasons, we believe Navient should report on the efforts the company has taken and intends to take to more effectively monitor and manage financial and reputational risks related to the student loan crisis in the United States.

---

[1] https://www.reuters.com/investigates/special-report/usa-studentloans/

[2] https://www.forbes.com/sites/johnwasik/2017/05/26/why-trumps-education-plan-will-make-student-debt-crisis-worse/#679cfb28721c

[3] https://cleaver.house.gov/media-center/press-releases/congressmen-cleaver-and-bishop-call-for-gao-investigation-of-federal

BNY MELLON

Asset Servicing - Americas
135 Santilli Highway, AIM 026-0313
Everett, MA 02149

November 28, 2017

Re: Rhode Island Employees' Retirement Systems Pooled Trust
Account ***

This letter is to confirm that The Bank of New York Mellon currently holds as custodian for the above mentioned client 6,768 shares of common stock in Navient Corp Ticker – NAVI. The above client has held a twelve month average balance of 11,818 shares in Equifax Inc. as of November 26, 2017.

These shares are currently being held in the Bank of New York Mellon's omnibus account at Depository Trust Company account number 901. This letter serves as confirmation that the shares are held by The Bank of New York Mellon on behalf of the above mentioned client.

Sincerely,

James F. Mahoney, Jr.
Vice President

*** FISMA & OMB Memorandum M-07-16

AFL-CIO
AMERICA'S UNIONS

American Federation of Labor and Congress of Industrial Organizations
815 16th St., NW
Washington, DC 20006
202-637-5000
aflcio.org

December 13, 2017

Mr. Mark Heleen, Secretary
Office of the Corporate Secretary
Navient Corporation
123 Justison St., Suite 300
Wilmington, DE 19801

Dear Mr. Heleen:

On behalf of the AFL-CIO Reserve Fund (the "Fund"), I write to give notice that pursuant to the 2017 proxy statement of Navient Corporation (the "Company"), the Fund intends to present the attached proposal (the "Proposal") at the 2018 annual meeting of shareholders (the "Annual Meeting") as a co-filer with the Rhode Island Employees' Retirement Systems Pooled Trust. The Fund requests that the Company include the Proposal in the Company's proxy statement for the Annual Meeting.

The Fund is the beneficial owner of 165 shares of voting common stock (the "Shares") of the Company. The Fund has held at least $2,000 in market value of the Shares for over one year, and the Fund intends to hold at least $2,000 in market value of the Shares through the date of the Annual Meeting. A letter from the Fund's custodian bank documenting the Fund's ownership of the Shares is enclosed.

The Proposal is attached. I represent that the Fund or its agent intends to appear in person or by proxy at the Annual Meeting to present the Proposal. I declare that the Fund has no "material interest" other than that believed to be shared by stockholders of the Company generally. Please direct all questions or correspondence regarding the Proposal to Brandon Rees at 202-637-5152 or brees@aflcio.org.

Sincerely

Heather Slavkin Corzo, Director
Office of Investment

HSC/sdw
opeiu#2, afl-cio

Attachments

Whereas there are more than 44 million borrowers with an estimated $1.3 trillion in student loan debt in the United States;

Whereas $137.4 billion in government-held or government-backed student loans is severely delinquent or in default;

Whereas Navient Corporation ("Navient") services and manages more than $300 billion in federal and private student loans for approximately 12 million borrowers;

Whereas the U.S. Department of Education reports that the number of borrowers not making payments on their federal student loans within three years of leaving college has risen to 11.5%;

Whereas more than a million borrowers with Direct Loans at Navient have defaulted on student loans; and

Whereas, increased defaults create additional financial hardships for Navient customers, which may negatively impact the company and shareholders;

Now, therefore be it

RESOLVED, that the shareholders request the Board of Directors (the "Board") issue a report to investors (at reasonable cost, excluding proprietary information, and within a reasonable time) on the governance measures Navient has implemented to more effectively monitor and manage financial and reputational risks related to the student loan crisis in the United States, including whether Navient has assigned responsibility for such monitoring to the Board or one or more Board committees or has revised senior executive compensation metrics or policies.

Supporting Statement

The student loan crisis is a growing social problem in the United States. A representative of the U.S. Department of Education (DOE) recently characterized the student loan system as "a mess" and added that "income driven repayment plans are confusing."[1]

Earlier this year, the Consumer Financial Protection Bureau (CFPB) reported a trend of triple digit increases in complaints related to student loan servicing as compared to similar periods, with complaints increasing in nearly every state.[2]

Previously, the Government Accountability Office found that the DOE lacked a minimum set of standards loan servicers to provide effective customer service; even as the DOE encouraged federal student loan servicers to adopt "high touch loan servicing" for borrowers at high risk of default.[3]

---

[1] https://www.reuters.com/investigates/special-report/usa-studentloans/

[2] https://www.forbes.com/sites/johnwasik/2017/05/26/why-trumps-education-plan-will-make-student-debt-crisisworse/#679cfb2872ff

[3] https://cleaver.house.gov/media-center/press-releases/congressmen-cleaver-and-bishop-call-for-gao-investigation-offederal

For these reasons, we believe Navient should report on the efforts the company has taken and intends to take to more effectively monitor and manage financial and reputational risks related to the student loan crisis in the United States.

30 N. LaSalle Street
Chicago, IL

AMALGAMATED
Bank of Chicago

60602
Phone: 312-822-3220
Fax: 312-267-8775

312/822-3220

Lawrence M. Kaplan

Vice President

lkaplan@amalgbank.com

December 13, 2017

Mr. Mark Heleen, Secretary
Office of the Corporate Secretary
Navient Corporation
123 Justison St., Suite 300
Wilmington, DE 19801

Dear Mr. Heleen:

AmalgaTrust, a division of Amalgamated Bank of Chicago, is the record holder of 165 shares of common stock (the "Shares") of Navient Corporation beneficially owned by the AFL-CIO Reserve Fund as of December 13, 2017. The AFL-CIO Reserve Fund has continuously held at least $2,000 in market value of the Shares for over one year as of December 13, 2017. The Shares are held by AmalgaTrust at the Depository Trust Company in our participant account No. 2567.

If you have any questions concerning this matter, please do not hesitate to contact me at (312) 822-3220.

Sincerely,

Lawrence M Kaplan

Lawrence M. Kaplan
Vice President

cc: Heather Slavkin Corzo
Director, AFL-CIO Office of Investment