JOHN CHEVEDDEN
***

January 31, 2021

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

 # 2 Rule 14a-8 Proposal
Anthem, Inc. (ANTM)
Written Consent
John Chevedden

Ladies and Gentlemen:

This is in regard to the December 31, 2020 no-action request.

There is no material difference between the proposal and 500-words.

Sincerely,

John Chevedden

cc: Kathleen S. Kiefer <Kathy.Kiefer@anthem.com>

JOHN CHEVEDDEN
***

January 11, 2021

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

 # 1 Rule 14a-8 Proposal
Anthem, Inc. (ANTM)
Written Consent
John Chevedden

Ladies and Gentlemen:

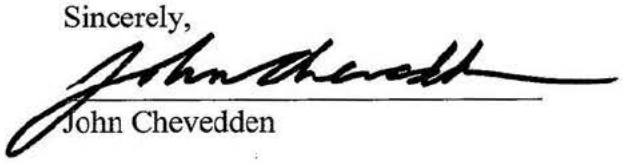
This is in regard to the December 31, 2020 no-action request.

The proposal was not intended to be more than 500-words.

Management makes the incredible claim that when the shareholder submitted a color version of the back and white image (that was included with the original October 12, 2020 submission) that he increased the word count.

How does adding color to an image increase the word count?

Sincerely,



John Chevedden

cc: Kathleen S. Kiefer <Kathy.Kiefer@anthem.com>

Gibson, Dunn & Crutcher LLP

1050 Connecticut Avenue, N.W.
Washington, DC 20036-5306
Tel 202.955.8500
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Elizabeth A. Ising
Direct: +1 202.955.8287
Fax: +1 202.530.9631
Eising@gibsondunn.com

Client: 98407-00001

December 31, 2020

VIA EMAIL

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

Re: *Anthem, Inc.*
Shareholder Proposal of John Chevedden
Securities Exchange Act of 1934—Rule 14a-8

Ladies and Gentlemen:

This letter is to inform you that our client, Anthem, Inc. (the "Company"), intends to omit from its proxy statement and form of proxy for its 2021 Annual Meeting of Shareholders (collectively, the "2021 Proxy Materials") a shareholder proposal and statements in support thereof (the "Proposal") received from John Chevedden (the "Proponent").

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

- filed this letter with the Securities and Exchange Commission (the "Commission") no later than eighty (80) calendar days before the Company intends to file its definitive 2021 Proxy Materials with the Commission; and

- concurrently sent a copy of this correspondence to the Proponent.

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

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

THE PROPOSAL

The Proposal submitted to the Company on October 12, 2020 states:

Proposal 4 - Shareholder Right to Act by Written Consent

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

Taking action by written consent in place of a meeting is a means shareholders can use to raise important matters outside the normal annual meeting cycle like the election of a new director.

It is red letter important to enable shareholder to act by written consent to help make up for our tarnished classified board regime. Under our tarnished classified board regime if a director is arrested for a $10 million fraud or for domestic violence, it could take 3-years for shareholders to vote against the director. A shareholder can own 100 stocks and not own one stock that has such an entrenched 3-year term board structure.

Please see the 2019 Anthem proxy at Proposal 5
https://www.sec.gov/Archives/edgar/data/1156039/000155837019002641/def14a.htm#ProposalNo5

which described our bulletproof classified board regime with its 3-year terms for directors. Contractual obligations with the Blue Cross and Blue Shield Association make the Anthem classified board regime almost bulletproof according to our Anthem directors.

It is like having a shark tank that completely surrounds Anthem's 3-year director terms. Plus our directors have 100% apathy to revise the contractual obligations with the Blue Cross and Blue Shield Association to then allow annual election of each director.

In 2019 Anthem shareholders gave 75%-support to annual election of each director.

> It is important to adopt this proposal because Anthem shareholders have an unnecessarily limited right to call a special shareholder meeting. We gave 49%-support to permitting 10% of shares to call a special meeting in 2020. This 49%-ssuport [sic] can mean that support actually exceeded 50% but management saw the incoming votes were above 50% and made a special effort to keep the vote below 50%. In other words management could have put its hand on the scale and the support was still 49%.
>
> It is also important to adopt written consent to make up for the loss of the right of shareholders to an in-person annual shareholder meeting.
>
> With the near universal use of internet annual shareholder meetings starting in 2020, shareholders no longer have the right to discuss concerns with other shareholders and with their directors at a shareholder meeting which can now be an internet meeting which is an inferior format to a Zoom meeting.
>
> Shareholders are also severely restricted in making their views known at internet shareholder meetings because all critical questions and comments can be screened out at an internet meeting. For instance Goodyear management hit the mute button during a formal shareholder proposal presentation at its 2020 shareholder meeting. Management hit the mute button right in the middle of a well-deserved critical statement that Goodyear management did not want to hear.
>
> Please vote yes:
> **Shareholder Right to Act by Written Consent - Proposal 4**

A copy of the Proposal and related correspondence from the Proponent are attached to this letter as Exhibit A.

BACKGROUND

On October 12, 2020, the Proponent submitted the Proposal to the Company via email. A copy of the original proposal and the Proponent's submission email is attached hereto as Exhibit A. The Company determined that the Proposal contained two procedural deficiencies, lack of proof of ownership of the requisite amount of Company shares and exceeding the 500-word limit applicable to shareholder proposals. Accordingly, on October 20, 2020, eight days after the Company's receipt of the Proposal, the Company sent via email and United Parcel Service a deficiency notice to the Proponent, notifying the

Proponent of the requirements of Rule 14a-8 and how to cure the procedural deficiencies (the "Deficiency Notice," attached hereto as Exhibit B). Specifically, the Deficiency Notice stated:

> Rule 14a-8(d) of the Exchange Act requires that any shareholder proposal, including any accompanying supporting statement, not exceed 500 words. The Proposal, including the supporting statement, exceeds 500 words. In reaching this conclusion, we have counted dollar and percent symbols as words and have counted hyphenated terms as multiple words. To remedy this defect, you must revise the Proposal so that it does not exceed 500 words.

The Deficiency Notice also included a copy of Rule 14a-8 and Staff Legal Bulletin No. 14F. United Parcel Service records confirm that the Deficiency Notice was delivered to the Proponent on October 21, 2020. *See* Exhibit C.

On October 23, 2020, the Proponent responded to the Deficiency Notice by submitting two separate emails to the Company. The first email, received by the Company at 5:40 PM EDT (the "First Response"), stated:

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

See Exhibit D. As reflected on Exhibit D, attached to the First Response was a PDF file titled "23102020_8.pdf." However, contrary to language in the Proponent's email, the attached PDF file did not contain a "rule 14a-8 proposal." Instead, the file "23102020_8.pdf" contained a letter dated October 23, 2020 from Fidelity Investments. *See* Exhibit D.

The second email, received at 6:02 PM EDT on October 23, 2020 (the "Second Response"), stated:

> Dear Ms. Ingle,
> Please see the attached broker letter.

See Exhibit E. As reflected on Exhibit E, the Proponent attached the same PDF file titled "23102020_8.pdf" that was attached to the First Response.

While both the First Response and Second Response provided sufficient proof of ownership of the requisite amount of Company shares, neither the First Response nor the Second Response contained any revisions to the Proposal to bring the Proposal within the 500-word limit. The 14-day deadline to respond to the Deficiency Notice expired on November 3, 2020.

On November 26, 2020 (37 days after receiving the Deficiency Notice), the Proponent submitted a third email to the Company (the "Third Response"), which included a graphic that the Proponent indicated was "to be published just below the top title of the rule 14a-8 proposal." *See* Exhibit F. As with the Proponent's first two responses, the Third Response did not include any revisions to the Proposal to bring the Proposal within the 500-word limit. Instead, the Third Response included an image, which included text, to be added to the original Proposal, thereby increasing the length of the Proposal.

In light of the Proponent's failure to revise the Proposal to bring the Proposal within the 500-word limit, on December 10, 2020 the Company sent the Proponent an email requesting he withdraw the Proposal. *See* Exhibit G. The Company has not received any other correspondence from the Proponent.

BASIS FOR EXCLUSION

We hereby respectfully request that the Staff concur in our view that the Proposal may be properly excluded from the 2021 Proxy Materials pursuant to Rule 14a-8(d) and Rule 14a-8(f)(1) because the Proposal exceeds 500 words and the Proponent failed to correct this deficiency after receiving proper notice by the Company.

ANALYSIS

The Proposal May Be Excluded Under Rule 14a-8(d) And Rule 14a-8(f)(1) Because The Proposal Exceeds 500 Words And The Proponent Failed To Correct This Deficiency After Receiving Proper Notice By The Company.

Rule 14a-8(d) provides that a proposal, including any supporting statement, may not exceed 500 words. The Staff has explained that "[a]ny statements that are, in effect, arguments in support of the proposal constitute part of the supporting statement." Staff Legal Bulletin No. 14 (July 13, 2001). On numerous occasions the Staff has concurred that a company may exclude a shareholder proposal under Rules 14a-8(d) and 14a-8(f)(1) because the proposal exceeds 500 words. Most recently, in *Duke Energy Corp.* (avail. Mar. 6, 2019), the Staff concurred with the exclusion of a proposal that exceeded the 500-word limitation where the proponent failed to reduce the proposal to fewer words within 14 days of receipt of the

company's request. *See also Danaher Corp.* (avail. Jan. 19, 2010); *Pool Corp.* (avail. Feb. 17, 2009); *Procter & Gamble Co.* (avail. July 29, 2008); *Amgen, Inc.* (avail. Jan. 12, 2004) (in each instance concurring with the exclusion of a proposal under Rules 14a-8(d) and 14a-8(f)(1) where the company argued that the proposal contained more than 500 words); *Amoco Corp.* (avail. Jan. 22, 1997) (permitting the exclusion of a proposal under the predecessor to Rules 14a-8(d) and 14a-8(f)(1) where the company argued that the proposal included 503 words and the proponent stated that it included 501 words).

Under Rule 14a-8(f)(1), a company may exclude a shareholder proposal from its proxy materials if a shareholder proponent fails to comply with the eligibility or procedural requirements under Rule 14a-8. To exclude the deficient proposal, a company must notify the proponent of the eligibility or procedural deficiencies within 14 days of their receipt of the proposal and the proponent must have failed to correct such deficiencies within 14 days of receipt of such notice. As stated above, the Company received the Proposal from the Proponent on October 12, 2020, via email, and sent the Deficiency Notice to the Proponent on October 20, 2020, which was within the 14 days of the Company's receipt of the Proposal. *See* Exhibit B and Exhibit C. The Deficiency Notice included:

- a description of the procedural requirements of Rule 14a-8(d);
- a statement explaining that the Proposal did not satisfy the procedural requirements of Rule 14a-8(d), both because the Proponent failed to include proof of ownership of Company shares and because the Proposal exceeded the 500-word limitation;
- an explanation regarding how the Company calculated the word count;
- an explanation as to how the Proponent could cure the procedural deficiencies with the Proponent's submission;
- a statement calling the Proponent's attention to the 14-day deadline for responding to the Deficiency Notice; and
- a copy of Rule 14a-8 and Staff Legal Bulletin No. 14F (Oct. 18, 2011).

The Proponent did not submit a revised Proposal within 14 days of receipt of the Deficiency Notice to reduce the length of the Proposal to within the 500-word limit imposed by Rule 14a-8(d). Instead, on November 26, 2020 (37 days after receiving the Deficiency Notice), the Proponent submitted an additional image, which included text that further lengthened the Proposal to 525 words. These facts are similar to those in *Duke Energy*

where the same Proponent failed to reduce a proposal to fewer than 500 words within 14 days of receipt of the company's timely request and instead submitted an even longer proposal 19 days after receipt of the company's request.

Consistent with *Duke Energy* and the other precedent discussed above, the Proposal may be excluded from the 2021 Proxy Materials because it exceeds the 500-word limitation in Rule 14a-8(d). Specifically, the Proposal, as revised by the Third Response, contains 525 words. In arriving at this calculation:

- We have counted each symbol used in the Proposal (*i.e.*, "$" and "&") as a separate word, consistent with *Intel Corp.* (avail. Mar. 8, 2010) (concurring with the exclusion under Rules 14a-8(d) and 14a-8(f) of a proposal that exceeded the 500-word limitation and noting that, "[i]n reaching this determination, we have counted each percent symbol and dollar sign as a separate word").

- We have treated hyphenated terms (not including words that include a prefix followed by a hyphen) as multiple words. *See Minnesota Mining & Manufacturing Co.* (avail. Feb. 27, 2000) (concurring with the exclusion of a proposal under Rules 14a-8(d) and 14a-8(f)(1) where the proposal contained 504 words, but would have contained 498 words if hyphenated words and words separated by "/" were counted as one word). Accordingly, we have counted "3-years," "3-year," "75%-support," "49%-support" and "49%-ssuport" as multiple words. The fact that these terms are connected by a hyphen does not make them one word.

- We have counted each of "well-deserved" and "in-person" as a single word because in each case the hyphen follows a prefix.

- We have counted each number as a word, consistent with *Danaher Corp.* (avail. Jan. 19, 2010).

- We have not counted the bolded language in the title "**Proposal 4 - Shareholder Right to Act by Written Consent**."

- We have counted the bolded language following "Please vote yes:" at the conclusion of the Proposal "**Shareholder Right to Act by Written Consent - Proposal 4**."[1]

[1] We note that even if we do not count the nine words in the bolded language at the conclusion of the Proposal, the Proposal would still contain 516 words.

- Finally, consistent with Staff Legal Bulletin No. 14 (July 13, 2001), we have counted the website address included in the Proposal as one word.

Consistent with *Duke Energy* and the well-established precedent cited above, the Company believes the Proposal may be excluded from the 2021 Proxy Materials because the Proposal exceeds the 500-word limitation set forth in Rule 14a-8(d) and the Proponent failed to correct this deficiency after receiving proper notice by the Company. In fact, 37 days after receiving the Deficiency Notice, the Proponent submitted an image which included text that further lengthened the Proposal. Accordingly, we request that the Staff concur that the Company may exclude the Proposal under Rule 14a-8(d) and Rule 14a 8(f)(1).

CONCLUSION

Based upon the foregoing analysis, we respectfully request that the Staff concur that it will take no action if the Company excludes the Proposal from its 2021 Proxy Materials pursuant to Rule 14a-8(d) and Rule 14a-8(f)(1).

We would be happy to provide you with any additional information and answer any questions that you may have regarding this subject. Correspondence regarding this letter should be sent to shareholderproposals@gibsondunn.com. If we can be of any further assistance in this matter, please do not hesitate to call me at (202) 955-8287 or Kathleen S. Kiefer, the Company's Vice President, Legal & Corporate Secretary, at (317) 488-6562.

Sincerely,

Elizabeth A. Ising

Enclosures

cc: Kathleen S. Kiefer, Anthem, Inc.
John Chevedden

EXHIBIT A

Kiefer, Kathy

From:	John Chevedden ***
Sent:	Monday, October 12, 2020 2:03 PM
To:	Kiefer, Kathy
Cc:	Ingle, Linda
Subject:	{EXTERNAL} Rule 14a-8 Proposal (ANTM)``
Attachments:	12102020_2.pdf

This email originated outside the company. Do not click links or attachments unless you recognize the sender.

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

Please acknowledge receipt by next day email.
Sincerely,
John Chevedden

JOHN CHEVEDDEN

*** ***

Ms. Kathleen S. Kiefer
Corporate Secretary
Anthem, Inc. (ANTM)
220 Virginia Avenue
Indianapolis, IN 46204
PH: 317-488-6000
PH: 317-488-6562
FX: 317-488-6616

Dear Ms. Kiefer,

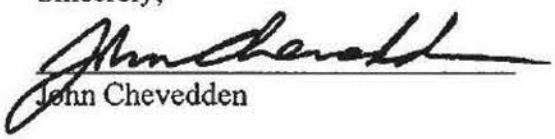
This Rule 14a-8 proposal is respectfully submitted in support of the long-term performance of our company.

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

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

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

Sincerely,



John Chevedden

October 12, 2020
Date

cc: Linda Ingle <Linda.Ingle@anthem.com>

[ANTM: Rule 14a-8 Proposal, October 12, 2020]
[This line and any line above it – *Not* for publication.]

Proposal 4 – Shareholder Right to Act by Written Consent

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

Taking action by written consent in place of a meeting is a means shareholders can use to raise important matters outside the normal annual meeting cycle like the election of a new director.

It is red letter important to enable shareholder to act by written consent to help make up for our tarnished classified board regime. Under our tarnished classified board regime if a director is arrested for a $10 million fraud or for domestic violence, it could take 3-years for shareholders to vote against the director. A shareholder can own 100 stocks and not own one stock that has such an entrenched 3-year term board structure.

Please see the 2019 Anthem proxy at Proposal 5
https://www.sec.gov/Archives/edgar/data/1156039/000155837019002641/def14a.htm#ProposalNo5

which described our bulletproof classified board regime with its 3-year terms for directors. Contractual obligations with the Blue Cross and Blue Shield Association make the Anthem classified board regime almost bulletproof according to our Anthem directors.

It is like having a shark tank that completely surrounds Anthem's 3-year director terms. Plus our directors have 100% apathy to revise the contractual obligations with the Blue Cross and Blue Shield Association to then allow annual election of each director.

In 2019 Anthem shareholders gave 75%-support to annual election of each director.

It is important to adopt this proposal because Anthem shareholders have an unnecessarily limited right to call a special shareholder meeting. We gave 49%-support to permitting 10% of shares to call a special meeting in 2020. This 49%-ssuport can mean that support actually exceeded 50% but management saw the incoming votes were above 50% and made a special effort to keep the vote below 50%. In other words management could have put its hand on the scale and the support was still 49%.

It is also important to adopt written consent to make up for the loss of the right of shareholders to an in-person annual shareholder meeting.

With the near universal use of internet annual shareholder meetings starting in 2020, shareholders no longer have the right to discuss concerns with other shareholders and with their directors at a shareholder meeting which can now be an internet meeting which is an inferior format to a Zoom meeting.

Shareholders are also severely restricted in making their views known at internet shareholder meetings because all critical questions and comments can be screened out at an internet meeting. For instance Goodyear management hit the mute button during a formal shareholder proposal presentation at its 2020 shareholder meeting. Management hit the mute button right in the middle of a well-deserved critical statement that Goodyear management did not want to hear.

Please vote yes:

Shareholder Right to Act by Written Consent – Proposal 4

[The line above – *Is* for publication. Please assign the correct proposal number in the 2 places.]

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

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

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

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

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

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

The graphic below is intended to be placed at the conclusion of the rule 14a-8 proposal. The graphic would be the same size at the largest graphic (and accompanying bold or highlighted text with the graphic) or any highlighted executive summary that management uses in conjunction with a management proposal or a shareholder proposal in the 2021 proxy.

Proponent is willing to discus the in unison elimination of both shareholder graphics and management graphics in the proxy in regard to specific proposals.

EXHIBIT B

Kiefer, Kathy

From: Ingle, Linda
Sent: Tuesday, October 20, 2020 12:16 PM
To: John Chevedden
Cc: Kiefer, Kathy
Subject: Anthem Correspondence
Attachments: 10.20.20 Letter to John Chevedden with Attachment.pdf

Please see attached correspondence from Kathy Kiefer.

Anthem, Inc.

Linda R. Ingle, *Legal Executive Assistant*
220 Virginia Avenue, Indianapolis, Indiana 46204
O: (317) 488-6213 | M: (317) 452-0853
linda.ingle@anthem.com

Anthem

Kathleen S. Kiefer
Corporate Secretary and Vice President

Office (317) 488-6562
Email kathy.kiefer@anthem.com

Anthem, Inc.
220 Virginia Avenue
Indianapolis, IN 46204

October 20, 2020

VIA OVERNIGHT MAIL AND EMAIL
John Chevedden
***
***

Dear Mr. Chevedden:

I am writing on behalf of Anthem, Inc. (the "Company"), which received on October 12, 2020, your shareholder proposal entitled "Shareholder Right to Act by Written Consent" submitted pursuant to Securities and Exchange Commission ("SEC") Rule 14a-8 for inclusion in the proxy statement for the Company's 2021 Annual Meeting of Shareholders (the "Proposal").

The Proposal contains certain procedural deficiencies, which SEC regulations require us to bring to your attention. Rule 14a-8(b) under the Securities Exchange Act of 1934, as amended, provides that shareholder proponents must submit sufficient proof of their continuous ownership of at least $2,000 in market value, or 1%, of a company's shares entitled to vote on the proposal for at least one year as of the date the shareholder proposal was submitted. The Company's stock records do not indicate that you are the record owner of sufficient shares to satisfy this requirement. In addition, to date we have not received proof that you have satisfied Rule 14a-8's ownership requirements as of the date that the Proposal was submitted to the Company.

To remedy this defect, you must submit sufficient proof of your continuous ownership of the required number or amount of Company shares for the one-year period preceding and including October 12, 2020, the date the Proposal was submitted to the Company. As explained in Rule 14a-8(b) and in SEC staff guidance, sufficient proof must be in the form of:

(1) a written statement from the "record" holder of your shares (usually a broker or a bank) verifying that you continuously held the required number or amount of

Company shares for the one-year period preceding and including October 12, 2020; or

(2) if you have filed with the SEC a Schedule 13D, Schedule 13G, Form 3, Form 4 or Form 5, or amendments to those documents or updated forms, reflecting your ownership of the required number or amount of Company shares as of or before the date on which the one-year eligibility period begins, a copy of the schedule and/or form, and any subsequent amendments reporting a change in the ownership level and a written statement that you continuously held the required number or amount of Company shares for the one-year period.

If you intend to demonstrate ownership by submitting a written statement from the "record" holder of your shares as set forth in (1) above, please note that most large U.S. brokers and banks deposit their customers' securities with, and hold those securities through, the Depository Trust Company ("DTC"), a registered clearing agency that acts as a securities depository (DTC is also known through the account name of Cede & Co.). Under SEC Staff Legal Bulletin No. 14F, only DTC participants are viewed as record holders of securities that are deposited at DTC. You can confirm whether your broker or bank is a DTC participant by asking your broker or bank or by checking DTC's participant list, which is available at http://www.dtcc.com/~/media/Files/Downloads/client-center/DTC/alpha.ashx. In these situations, shareholders need to obtain proof of ownership from the DTC participant through which the securities are held, as follows:

(1) If your broker or bank is a DTC participant, then you need to submit a written statement from your broker or bank verifying that you continuously held the required number or amount of Company shares for the one-year period preceding and including October 12, 2020.

(2) If your broker or bank is not a DTC participant, then you need to submit proof of ownership from the DTC participant through which the shares are held verifying that you continuously held the required number or amount of Company shares for the one-year period preceding and including October 12, 2020. You should be able to find out the identity of the DTC participant by asking your broker or bank. If your broker is an introducing broker, you may also be able to learn the identity and telephone number of the DTC participant through your account statements, because the clearing broker identified on your account statements will generally be a DTC participant. If the DTC participant that holds your shares is not able to confirm your individual holdings but is able to confirm the holdings of your broker or bank, then you need to satisfy the proof of ownership requirements by obtaining and submitting two proof of ownership statements verifying that, for the one-year period preceding and including October 12, 2020, the required number or amount of Company shares were continuously held: (i) one from your broker or bank confirming your ownership, and (ii) the other from the DTC participant confirming the broker or bank's ownership.

Rule 14a-8(d) of the Exchange Act requires that any shareholder proposal, including any accompanying supporting statement, not exceed 500 words. The Proposal, including the supporting statement, exceeds 500 words. In reaching this conclusion, we have counted dollar and percent symbols as words and have counted hyphenated terms as multiple words. To remedy this defect, you must revise the Proposal so that it does not exceed 500 words.

The SEC's rules require that any response to this letter be postmarked or transmitted electronically no later than 14 calendar days from the date you receive this letter. Please address any response to me at 220 Virginia Ave, Indianapolis, Indiana 46204. Alternatively, you may transmit any response by email to me at Kathy.Kiefer@anthem.com.

If you have any questions with respect to the foregoing, please contact me at (317) 488-6562. For your reference, I enclose a copy of Rule 14a-8 and Staff Legal Bulletin No. 14F.

Sincerely,

Kathy S. Kiefer
Vice President, Legal & Corporate Secretary

Enclosures

Rule 14a-8 – Shareholder Proposals

This section addresses when a company must include a shareholder's proposal in its proxy statement and identify the proposal in its form of proxy when the company holds an annual or special meeting of shareholders. In summary, in order to have your shareholder proposal included on a company's proxy card, and included along with any supporting statement in its proxy statement, you must be eligible and follow certain procedures. Under a few specific circumstances, the company is permitted to exclude your proposal, but only after submitting its reasons to the Commission. We structured this section in a question-and-answer format so that it is easier to understand. The references to "you" are to a shareholder seeking to submit the proposal.

(a) *Question 1:* What is a proposal? A shareholder proposal is your recommendation or requirement that the company and/or its board of directors take action, which you intend to present at a meeting of the company's shareholders. Your proposal should state as clearly as possible the course of action that you believe the company should follow. If your proposal is placed on the company's proxy card, the company must also provide in the form of proxy means for shareholders to specify by boxes a choice between approval or disapproval, or abstention. Unless otherwise indicated, the word "proposal" as used in this section refers both to your proposal, and to your corresponding statement in support of your proposal (if any).

(b) *Question 2:* Who is eligible to submit a proposal, and how do I demonstrate to the company that I am eligible?

> (1) In order to be eligible to submit a proposal, you must have continuously held at least $2,000 in market value, or 1%, of the company's securities entitled to be voted on the proposal at the meeting for at least one year by the date you submit the proposal. You must continue to hold those securities through the date of the meeting.
>
> (2) If you are the registered holder of your securities, which means that your name appears in the company's records as a shareholder, the company can verify your eligibility on its own, although you will still have to provide the company with a written statement that you intend to continue to hold the securities through the date of the meeting of shareholders. However, if like many shareholders you are not a registered holder, the company likely does not know that you are a shareholder, or how many shares you own. In this case, at the time you submit your proposal, you must prove your eligibility to the company in one of two ways:
>
> > (i) The first way is to submit to the company a written statement from the "record" holder of your securities (usually a broker or bank) verifying that, at the time you submitted your proposal, you continuously held the securities for at least one year. You must also include your own written statement that you intend to continue to hold the securities through the date of the meeting of shareholders; or
> >
> > (ii) The second way to prove ownership applies only if you have filed a Schedule 13D (§240.13d–101), Schedule 13G (§240.13d–102), Form 3 (§249.103 of this chapter), Form 4 (§249.104 of this chapter) and/or Form 5 (§249.105 of this chapter), or amendments to those documents or updated forms, reflecting your ownership of the shares as of or before the date on which the one-year eligibility period begins. If you have filed one of these documents with the SEC, you may demonstrate your eligibility by submitting to the company:
> >
> > > (A) A copy of the schedule and/or form, and any subsequent amendments reporting a change in your ownership level;

(B) Your written statement that you continuously held the required number of shares for the one-year period as of the date of the statement; and

(C) Your written statement that you intend to continue ownership of the shares through the date of the company's annual or special meeting.

(c) *Question 3:* How many proposals may I submit? Each shareholder may submit no more than one proposal to a company for a particular shareholders' meeting.

(d) *Question 4:* How long can my proposal be? The proposal, including any accompanying supporting statement, may not exceed 500 words.

(e) *Question 5:* What is the deadline for submitting a proposal?

(1) If you are submitting your proposal for the company's annual meeting, you can in most cases find the deadline in last year's proxy statement. However, if the company did not hold an annual meeting last year, or has changed the date of its meeting for this year more than 30 days from last year's meeting, you can usually find the deadline in one of the company's quarterly reports on Form 10–Q (§249.308a of this chapter), or in shareholder reports of investment companies under §270.30d–1 of this chapter of the Investment Company Act of 1940. In order to avoid controversy, shareholders should submit their proposals by means, including electronic means, that permit them to prove the date of delivery.

(2) The deadline is calculated in the following manner if the proposal is submitted for a regularly scheduled annual meeting. The proposal must be received at the company's principal executive offices not less than 120 calendar days before the date of the company's proxy statement released to shareholders in connection with the previous year's annual meeting. However, if the company did not hold an annual meeting the previous year, or if the date of this year's annual meeting has been changed by more than 30 days from the date of the previous year's meeting, then the deadline is a reasonable time before the company begins to print and send its proxy materials.

(3) If you are submitting your proposal for a meeting of shareholders other than a regularly scheduled annual meeting, the deadline is a reasonable time before the company begins to print and send its proxy materials.

(f) *Question 6:* What if I fail to follow one of the eligibility or procedural requirements explained in answers to Questions 1 through 4 of this section?

(1) The company may exclude your proposal, but only after it has notified you of the problem, and you have failed adequately to correct it. Within 14 calendar days of receiving your proposal, the company must notify you in writing of any procedural or eligibility deficiencies, as well as of the time frame for your response. Your response must be postmarked, or transmitted electronically, no later than 14 days from the date you received the company's notification. A company need not provide you such notice of a deficiency if the deficiency cannot be remedied, such as if you fail to submit a proposal by the company's properly determined deadline. If the company intends to exclude the proposal, it will later have to make a submission under §240.14a–8 and provide you with a copy under Question 10 below, §240.14a–8(j).

(2) If you fail in your promise to hold the required number of securities through the date of the meeting of shareholders, then the company will be permitted to exclude all of your proposals from its proxy materials for any meeting held in the following two calendar years.

(g) *Question 7:* Who has the burden of persuading the Commission or its staff that my proposal can be excluded? Except as otherwise noted, the burden is on the company to demonstrate that it is entitled to exclude a proposal.

(h) *Question 8:* Must I appear personally at the shareholders' meeting to present the proposal?

(1) Either you, or your representative who is qualified under state law to present the proposal on your behalf, must attend the meeting to present the proposal. Whether you attend the meeting yourself or send a qualified representative to the meeting in your place, you should make sure that you, or your representative, follow the proper state law procedures for attending the meeting and/or presenting your proposal.

(2) If the company holds its shareholder meeting in whole or in part via electronic media, and the company permits you or your representative to present your proposal via such media, then you may appear through electronic media rather than traveling to the meeting to appear in person.

(3) If you or your qualified representative fail to appear and present the proposal, without good cause, the company will be permitted to exclude all of your proposals from its proxy materials for any meetings held in the following two calendar years.

(i) *Question 9:* If I have complied with the procedural requirements, on what other bases may a company rely to exclude my proposal?

(1) *Improper under state law:* If the proposal is not a proper subject for action by shareholders under the laws of the jurisdiction of the company's organization;

Note to paragraph (i)(1): Depending on the subject matter, some proposals are not considered proper under state law if they would be binding on the company if approved by shareholders. In our experience, most proposals that are cast as recommendations or requests that the board of directors take specified action are proper under state law. Accordingly, we will assume that a proposal drafted as a recommendation or suggestion is proper unless the company demonstrates otherwise.

(2) *Violation of law:* If the proposal would, if implemented, cause the company to violate any state, federal, or foreign law to which it is subject;

Note to paragraph (i)(2): We will not apply this basis for exclusion to permit exclusion of a proposal on grounds that it would violate foreign law if compliance with the foreign law would result in a violation of any state or federal law.

(3) *Violation of proxy rules:* If the proposal or supporting statement is contrary to any of the Commission's proxy rules, including §240.14a-9, which prohibits materially false or misleading statements in proxy soliciting materials;

(4) *Personal grievance; special interest:* If the proposal relates to the redress of a personal claim or grievance against the company or any other person, or if it is designed to result in a benefit to you, or to further a personal interest, which is not shared by the other shareholders at large;

(5) *Relevance:* If the proposal relates to operations which account for less than 5 percent of the company's total assets at the end of its most recent fiscal year, and for less than 5 percent of its net earnings and gross sales for its most recent fiscal year, and is not otherwise significantly related to the company's business;

(6) *Absence of power/authority:* If the company would lack the power or authority to implement the proposal;

(7) *Management functions:* If the proposal deals with a matter relating to the company's ordinary business operations;

(8) *Director elections:* If the proposal:

(i) Would disqualify a nominee who is standing for election;

(ii) Would remove a director from office before his or her term expired;

(iii) Questions the competence, business judgment, or character of one or more nominees or directors;

(iv) Seeks to include a specific individual in the company's proxy materials for election to the board of directors; or

(v) Otherwise could affect the outcome of the upcoming election of directors.

(9) *Conflicts with company's proposal:* If the proposal directly conflicts with one of the company's own proposals to be submitted to shareholders at the same meeting;

Note to paragraph (i)(9): A company's submission to the Commission under this section should specify the points of conflict with the company's proposal.

(10) *Substantially implemented:* If the company has already substantially implemented the proposal;

Note to paragraph (i)(10): A company may exclude a shareholder proposal that would provide an advisory vote or seek future advisory votes to approve the compensation of executives as disclosed pursuant to Item 402 of Regulation S–K (§229.402 of this chapter) or any successor to Item 402 (a "say-on-pay vote") or that relates to the frequency of say-on-pay votes, provided that in the most recent shareholder vote required by §240.14a–21(b) of this chapter a single year (i.e., one, two, or three years) received approval of a majority of votes cast on the matter and the company has adopted a policy on the frequency of say-on-pay votes that is consistent with the choice of the majority of votes cast in the most recent shareholder vote required by §240.14a–21(b) of this chapter.

(11) *Duplication:* If the proposal substantially duplicates another proposal previously submitted to the company by another proponent that will be included in the company's proxy materials for the same meeting;

(12) *Resubmissions:* If the proposal deals with substantially the same subject matter as another proposal or proposals that has or have been previously included in the company's proxy materials within the preceding 5 calendar years, a company may exclude it from its proxy materials for any meeting held within 3 calendar years of the last time it was included if the proposal received:

(i) Less than 3% of the vote if proposed once within the preceding 5 calendar years;

(ii) Less than 6% of the vote on its last submission to shareholders if proposed twice previously within the preceding 5 calendar years; or

(iii) Less than 10% of the vote on its last submission to shareholders if proposed three times or more previously within the preceding 5 calendar years; and

(13) *Specific amount of dividends:* If the proposal relates to specific amounts of cash or stock dividends.

(j) *Question 10:* What procedures must the company follow if it intends to exclude my proposal?

(1) If the company intends to exclude a proposal from its proxy materials, it must file its reasons with the Commission no later than 80 calendar days before it files its definitive proxy statement and form of proxy with the Commission. The company must simultaneously provide you with a copy of its submission. The Commission staff may permit the company to make its submission later than 80 days before the company files its definitive proxy statement and form of proxy, if the company demonstrates good cause for missing the deadline.

(2) The company must file six paper copies of the following:

(i) The proposal;

(ii) An explanation of why the company believes that it may exclude the proposal, which should, if possible, refer to the most recent applicable authority, such as prior Division letters issued under the rule; and

(iii) A supporting opinion of counsel when such reasons are based on matters of state or foreign law.

(k) *Question 11:* May I submit my own statement to the Commission responding to the company's arguments? Yes, you may submit a response, but it is not required. You should try to submit any response to us, with a copy to the company, as soon as possible after the company makes its submission. This way, the Commission staff will have time to consider fully your submission before it issues its response. You should submit six paper copies of your response.

(l) *Question 12:* If the company includes my shareholder proposal in its proxy materials, what information about me must it include along with the proposal itself?

(1) The company's proxy statement must include your name and address, as well as the number of the company's voting securities that you hold. However, instead of providing that information, the company may instead include a statement that it will provide the information to shareholders promptly upon receiving an oral or written request.

(2) The company is not responsible for the contents of your proposal or supporting statement.

(m) *Question 13:* What can I do if the company includes in its proxy statement reasons why it believes shareholders should not vote in favor of my proposal, and I disagree with some of its statements?

(1) The company may elect to include in its proxy statement reasons why it believes shareholders should vote against your proposal. The company is allowed to make arguments reflecting its own point of view, just as you may express your own point of view in your proposal's supporting statement.

(2) However, if you believe that the company's opposition to your proposal contains materially false or misleading statements that may violate our anti-fraud rule, §240.14a–9, you should promptly send to the Commission staff and the company a letter explaining the reasons for your view, along with a copy of the company's statements opposing your proposal. To the extent possible, your letter should include specific factual information demonstrating the inaccuracy of the company's claims. Time permitting, you may wish to try to work out your differences with the company by yourself before contacting the Commission staff.

(3) We require the company to send you a copy of its statements opposing your proposal before it sends its proxy materials, so that you may bring to our attention any materially false or misleading statements, under the following timeframes:

(i) If our no-action response requires that you make revisions to your proposal or supporting statement as a condition to requiring the company to include it in its proxy materials, then the company must provide you with a copy of its opposition statements no later than 5 calendar days after the company receives a copy of your revised proposal; or

(ii) In all other cases, the company must provide you with a copy of its opposition statements no later than 30 calendar days before its files definitive copies of its proxy statement and form of proxy under §240.14a–6.

U.S. Securities and Exchange Commission

Division of Corporation Finance
Securities and Exchange Commission

Shareholder Proposals

Staff Legal Bulletin No. 14F (CF)

Action: Publication of CF Staff Legal Bulletin

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Summary: This staff legal bulletin provides information for companies and shareholders regarding Rule 14a-8 under the Securities Exchange Act of 1934.

Supplementary Information: The statements in this bulletin represent the views of the Division of Corporation Finance (the "Division"). This bulletin is not a rule, regulation or statement of the Securities and Exchange Commission (the "Commission"). Further, the Commission has neither approved nor disapproved its content.

Contacts: For further information, please contact the Division's Office of Chief Counsel by calling (202) 551-3500 or by submitting a web-based request form at https://tts.sec.gov/cgi-bin/corp_fin_interpretive.

A. The purpose of this bulletin

This bulletin is part of a continuing effort by the Division to provide guidance on important issues arising under Exchange Act Rule 14a-8. Specifically, this bulletin contains information regarding:

- Brokers and banks that constitute "record" holders under Rule 14a-8 (b)(2)(i) for purposes of verifying whether a beneficial owner is eligible to submit a proposal under Rule 14a-8;
- Common errors shareholders can avoid when submitting proof of ownership to companies;
- The submission of revised proposals;
- Procedures for withdrawing no-action requests regarding proposals submitted by multiple proponents; and
- The Division's new process for transmitting Rule 14a-8 no-action responses by email.

You can find additional guidance regarding Rule 14a-8 in the following bulletins that are available on the Commission's website: SLB No. 14, SLB No. 14A, SLB No. 14B, SLB No. 14C, SLB No. 14D and SLB No. 14E.

B. The types of brokers and banks that constitute "record" holders under Rule 14a-8(b)(2)(i) for purposes of verifying whether a beneficial owner is eligible to submit a proposal under Rule 14a-8

1. Eligibility to submit a proposal under Rule 14a-8

To be eligible to submit a shareholder proposal, a shareholder must have continuously held at least $2,000 in market value, or 1%, of the company's securities entitled to be voted on the proposal at the shareholder meeting for at least one year as of the date the shareholder submits the proposal. The shareholder must also continue to hold the required amount of securities through the date of the meeting and must provide the company with a written statement of intent to do so.[1]

The steps that a shareholder must take to verify his or her eligibility to submit a proposal depend on how the shareholder owns the securities. There are two types of security holders in the U.S.: registered owners and beneficial owners.[2] Registered owners have a direct relationship with the issuer because their ownership of shares is listed on the records maintained by the issuer or its transfer agent. If a shareholder is a registered owner, the company can independently confirm that the shareholder's holdings satisfy Rule 14a-8(b)'s eligibility requirement.

The vast majority of investors in shares issued by U.S. companies, however, are beneficial owners, which means that they hold their securities in book-entry form through a securities intermediary, such as a broker or a bank. Beneficial owners are sometimes referred to as "street name" holders. Rule 14a-8(b)(2)(i) provides that a beneficial owner can provide proof of ownership to support his or her eligibility to submit a proposal by submitting a written statement "from the 'record' holder of [the] securities (usually a broker or bank)," verifying that, at the time the proposal was submitted, the shareholder held the required amount of securities continuously for at least one year.[3]

2. The role of the Depository Trust Company

Most large U.S. brokers and banks deposit their customers' securities with, and hold those securities through, the Depository Trust Company ("DTC"), a registered clearing agency acting as a securities depository. Such brokers and banks are often referred to as "participants" in DTC.[4] The names of these DTC participants, however, do not appear as the registered owners of the securities deposited with DTC on the list of shareholders maintained by the company or, more typically, by its transfer agent. Rather, DTC's nominee, Cede & Co., appears on the shareholder list as the sole registered owner of securities deposited with DTC by the DTC participants. A company can request from DTC a "securities position listing" as of a specified date, which identifies the DTC participants having a position in the company's securities and the number of securities held by each DTC participant on that date.[5]

3. Brokers and banks that constitute "record" holders under Rule 14a-8(b)(2)(i) for purposes of verifying whether a beneficial owner is eligible to submit a proposal under Rule 14a-8

In *The Hain Celestial Group, Inc.* (Oct. 1, 2008), we took the position that an introducing broker could be considered a "record" holder for purposes of

Rule 14a-8(b)(2)(i). An introducing broker is a broker that engages in sales and other activities involving customer contact, such as opening customer accounts and accepting customer orders, but is not permitted to maintain custody of customer funds and securities.[6] Instead, an introducing broker engages another broker, known as a "clearing broker," to hold custody of client funds and securities, to clear and execute customer trades, and to handle other functions such as issuing confirmations of customer trades and customer account statements. Clearing brokers generally are DTC participants; introducing brokers generally are not. As introducing brokers generally are not DTC participants, and therefore typically do not appear on DTC's securities position listing, *Hain Celestial* has required companies to accept proof of ownership letters from brokers in cases where, unlike the positions of registered owners and brokers and banks that are DTC participants, the company is unable to verify the positions against its own or its transfer agent's records or against DTC's securities position listing.

In light of questions we have received following two recent court cases relating to proof of ownership under Rule 14a-8[7] and in light of the Commission's discussion of registered and beneficial owners in the Proxy Mechanics Concept Release, we have reconsidered our views as to what types of brokers and banks should be considered "record" holders under Rule 14a-8(b)(2)(i). Because of the transparency of DTC participants' positions in a company's securities, we will take the view going forward that, for Rule 14a-8(b)(2)(i) purposes, only DTC participants should be viewed as "record" holders of securities that are deposited at DTC. As a result, we will no longer follow *Hain Celestial*.

We believe that taking this approach as to who constitutes a "record" holder for purposes of Rule 14a-8(b)(2)(i) will provide greater certainty to beneficial owners and companies. We also note that this approach is consistent with Exchange Act Rule 12g5-1 and a 1988 staff no-action letter addressing that rule,[8] under which brokers and banks that are DTC participants are considered to be the record holders of securities on deposit with DTC when calculating the number of record holders for purposes of Sections 12(g) and 15(d) of the Exchange Act.

Companies have occasionally expressed the view that, because DTC's nominee, Cede & Co., appears on the shareholder list as the sole registered owner of securities deposited with DTC by the DTC participants, only DTC or Cede & Co. should be viewed as the "record" holder of the securities held on deposit at DTC for purposes of Rule 14a-8(b)(2)(i). We have never interpreted the rule to require a shareholder to obtain a proof of ownership letter from DTC or Cede & Co., and nothing in this guidance should be construed as changing that view.

How can a shareholder determine whether his or her broker or bank is a DTC participant?

Shareholders and companies can confirm whether a particular broker or bank is a DTC participant by checking DTC's participant list, which is currently available on the Internet at http://www.dtcc.com/~/media/Files/Downloads/client-center/DTC/alpha.ashx.

What if a shareholder's broker or bank is not on DTC's participant list?

The shareholder will need to obtain proof of ownership from the DTC participant through which the securities are held. The shareholder should be able to find out who this DTC participant is by asking the shareholder's broker or bank.[9]

If the DTC participant knows the shareholder's broker or bank's holdings, but does not know the shareholder's holdings, a shareholder could satisfy Rule 14a-8(b)(2)(i) by obtaining and submitting two proof of ownership statements verifying that, at the time the proposal was submitted, the required amount of securities were continuously held for at least one year – one from the shareholder's broker or bank confirming the shareholder's ownership, and the other from the DTC participant confirming the broker or bank's ownership.

How will the staff process no-action requests that argue for exclusion on the basis that the shareholder's proof of ownership is not from a DTC participant?

The staff will grant no-action relief to a company on the basis that the shareholder's proof of ownership is not from a DTC participant only if the company's notice of defect describes the required proof of ownership in a manner that is consistent with the guidance contained in this bulletin. Under Rule 14a-8(f)(1), the shareholder will have an opportunity to obtain the requisite proof of ownership after receiving the notice of defect.

C. Common errors shareholders can avoid when submitting proof of ownership to companies

In this section, we describe two common errors shareholders make when submitting proof of ownership for purposes of Rule 14a-8(b)(2), and we provide guidance on how to avoid these errors.

First, Rule 14a-8(b) requires a shareholder to provide proof of ownership that he or she has "continuously held at least $2,000 in market value, or 1%, of the company's securities entitled to be voted on the proposal at the meeting for at least one year by the date you submit the proposal" (emphasis added).[10] We note that many proof of ownership letters do not satisfy this requirement because they do not verify the shareholder's beneficial ownership for the entire one-year period preceding and including the date the proposal is submitted. In some cases, the letter speaks as of a date *before* the date the proposal is submitted, thereby leaving a gap between the date of the verification and the date the proposal is submitted. In other cases, the letter speaks as of a date *after* the date the proposal was submitted but covers a period of only one year, thus failing to verify the shareholder's beneficial ownership over the required full one-year period preceding the date of the proposal's submission.

Second, many letters fail to confirm continuous ownership of the securities. This can occur when a broker or bank submits a letter that confirms the shareholder's beneficial ownership only as of a specified date but omits any reference to continuous ownership for a one-year period.

We recognize that the requirements of Rule 14a-8(b) are highly prescriptive and can cause inconvenience for shareholders when submitting proposals.

Although our administration of Rule 14a-8(b) is constrained by the terms of the rule, we believe that shareholders can avoid the two errors highlighted above by arranging to have their broker or bank provide the required verification of ownership as of the date they plan to submit the proposal using the following format:

> "As of [date the proposal is submitted], [name of shareholder] held, and has held continuously for at least one year, [number of securities] shares of [company name] [class of securities]."[11]

As discussed above, a shareholder may also need to provide a separate written statement from the DTC participant through which the shareholder's securities are held if the shareholder's broker or bank is not a DTC participant.

D. The submission of revised proposals

On occasion, a shareholder will revise a proposal after submitting it to a company. This section addresses questions we have received regarding revisions to a proposal or supporting statement.

1. A shareholder submits a timely proposal. The shareholder then submits a revised proposal before the company's deadline for receiving proposals. Must the company accept the revisions?

Yes. In this situation, we believe the revised proposal serves as a replacement of the initial proposal. By submitting a revised proposal, the shareholder has effectively withdrawn the initial proposal. Therefore, the shareholder is not in violation of the one-proposal limitation in Rule 14a-8 (c).[12] If the company intends to submit a no-action request, it must do so with respect to the revised proposal.

We recognize that in Question and Answer E.2 of SLB No. 14, we indicated that if a shareholder makes revisions to a proposal before the company submits its no-action request, the company can choose whether to accept the revisions. However, this guidance has led some companies to believe that, in cases where shareholders attempt to make changes to an initial proposal, the company is free to ignore such revisions even if the revised proposal is submitted before the company's deadline for receiving shareholder proposals. We are revising our guidance on this issue to make clear that a company may not ignore a revised proposal in this situation.[13]

2. A shareholder submits a timely proposal. After the deadline for receiving proposals, the shareholder submits a revised proposal. Must the company accept the revisions?

No. If a shareholder submits revisions to a proposal after the deadline for receiving proposals under Rule 14a-8(e), the company is not required to accept the revisions. However, if the company does not accept the revisions, it must treat the revised proposal as a second proposal and submit a notice stating its intention to exclude the revised proposal, as required by Rule 14a-8(j). The company's notice may cite Rule 14a-8(e) as the reason for excluding the revised proposal. If the company does not accept the revisions and intends to exclude the initial proposal, it would also need to submit its reasons for excluding the initial proposal.

3. If a shareholder submits a revised proposal, as of which date must the shareholder prove his or her share ownership?

A shareholder must prove ownership as of the date the original proposal is submitted. When the Commission has discussed revisions to proposals,[14] it has not suggested that a revision triggers a requirement to provide proof of ownership a second time. As outlined in Rule 14a-8(b), proving ownership includes providing a written statement that the shareholder intends to continue to hold the securities through the date of the shareholder meeting. Rule 14a-8(f)(2) provides that if the shareholder "fails in [his or her] promise to hold the required number of securities through the date of the meeting of shareholders, then the company will be permitted to exclude all of [the same shareholder's] proposals from its proxy materials for any meeting held in the following two calendar years." With these provisions in mind, we do not interpret Rule 14a-8 as requiring additional proof of ownership when a shareholder submits a revised proposal.[15]

E. Procedures for withdrawing no-action requests for proposals submitted by multiple proponents

We have previously addressed the requirements for withdrawing a Rule 14a-8 no-action request in SLB Nos. 14 and 14C. SLB No. 14 notes that a company should include with a withdrawal letter documentation demonstrating that a shareholder has withdrawn the proposal. In cases where a proposal submitted by multiple shareholders is withdrawn, SLB No. 14C states that, if each shareholder has designated a lead individual to act on its behalf and the company is able to demonstrate that the individual is authorized to act on behalf of all of the proponents, the company need only provide a letter from that lead individual indicating that the lead individual is withdrawing the proposal on behalf of all of the proponents.

Because there is no relief granted by the staff in cases where a no-action request is withdrawn following the withdrawal of the related proposal, we recognize that the threshold for withdrawing a no-action request need not be overly burdensome. Going forward, we will process a withdrawal request if the company provides a letter from the lead filer that includes a representation that the lead filer is authorized to withdraw the proposal on behalf of each proponent identified in the company's no-action request.[16]

F. Use of email to transmit our Rule 14a-8 no-action responses to companies and proponents

To date, the Division has transmitted copies of our Rule 14a-8 no-action responses, including copies of the correspondence we have received in connection with such requests, by U.S. mail to companies and proponents. We also post our response and the related correspondence to the Commission's website shortly after issuance of our response.

In order to accelerate delivery of staff responses to companies and proponents, and to reduce our copying and postage costs, going forward, we intend to transmit our Rule 14a-8 no-action responses by email to companies and proponents. We therefore encourage both companies and proponents to include email contact information in any correspondence to each other and to us. We will use U.S. mail to transmit our no-action response to any company or proponent for which we do not have email contact information.

Given the availability of our responses and the related correspondence on the Commission's website and the requirement under Rule 14a-8 for companies and proponents to copy each other on correspondence submitted to the Commission, we believe it is unnecessary to transmit copies of the related correspondence along with our no-action response. Therefore, we intend to transmit only our staff response and not the correspondence we receive from the parties. We will continue to post to the Commission's website copies of this correspondence at the same time that we post our staff no-action response.

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[1] *See* Rule 14a-8(b).

[2] For an explanation of the types of share ownership in the U.S., see Concept Release on U.S. Proxy System, Release No. 34-62495 (July 14, 2010) [75 FR 42982] ("Proxy Mechanics Concept Release"), at Section II.A. The term "beneficial owner" does not have a uniform meaning under the federal securities laws. It has a different meaning in this bulletin as compared to "beneficial owner" and "beneficial ownership" in Sections 13 and 16 of the Exchange Act. Our use of the term in this bulletin is not intended to suggest that registered owners are not beneficial owners for purposes of those Exchange Act provisions. *See* Proposed Amendments to Rule 14a-8 under the Securities Exchange Act of 1934 Relating to Proposals by Security Holders, Release No. 34-12598 (July 7, 1976) [41 FR 29982], at n.2 ("The term 'beneficial owner' when used in the context of the proxy rules, and in light of the purposes of those rules, may be interpreted to have a broader meaning than it would for certain other purpose[s] under the federal securities laws, such as reporting pursuant to the Williams Act.").

[3] If a shareholder has filed a Schedule 13D, Schedule 13G, Form 3, Form 4 or Form 5 reflecting ownership of the required amount of shares, the shareholder may instead prove ownership by submitting a copy of such filings and providing the additional information that is described in Rule 14a-8(b)(2)(ii).

[4] DTC holds the deposited securities in "fungible bulk," meaning that there are no specifically identifiable shares directly owned by the DTC participants. Rather, each DTC participant holds a pro rata interest or position in the aggregate number of shares of a particular issuer held at DTC. Correspondingly, each customer of a DTC participant – such as an individual investor – owns a pro rata interest in the shares in which the DTC participant has a pro rata interest. *See* Proxy Mechanics Concept Release, at Section II.B.2.a.

[5] *See* Exchange Act Rule 17Ad-8.

[6] *See* Net Capital Rule, Release No. 34-31511 (Nov. 24, 1992) [57 FR 56973] ("Net Capital Rule Release"), at Section II.C.

[7] *See KBR Inc. v. Chevedden*, Civil Action No. H-11-0196, 2011 U.S. Dist. LEXIS 36431, 2011 WL 1463611 (S.D. Tex. Apr. 4, 2011); *Apache Corp. v. Chevedden,* 696 F. Supp. 2d 723 (S.D. Tex. 2010). In both cases, the court concluded that a securities intermediary was not a record holder for purposes of Rule 14a-8(b) because it did not appear on a list of the

company's non-objecting beneficial owners or on any DTC securities position listing, nor was the intermediary a DTC participant.

[8] *Techne Corp.* (Sept. 20, 1988).

[9] In addition, if the shareholder's broker is an introducing broker, the shareholder's account statements should include the clearing broker's identity and telephone number. *See* Net Capital Rule Release, at Section II.C.(iii). The clearing broker will generally be a DTC participant.

[10] For purposes of Rule 14a-8(b), the submission date of a proposal will generally precede the company's receipt date of the proposal, absent the use of electronic or other means of same-day delivery.

[11] This format is acceptable for purposes of Rule 14a-8(b), but it is not mandatory or exclusive.

[12] As such, it is not appropriate for a company to send a notice of defect for multiple proposals under Rule 14a-8(c) upon receiving a revised proposal.

[13] This position will apply to all proposals submitted after an initial proposal but before the company's deadline for receiving proposals, regardless of whether they are explicitly labeled as "revisions" to an initial proposal, unless the shareholder affirmatively indicates an intent to submit a second, *additional* proposal for inclusion in the company's proxy materials. In that case, the company must send the shareholder a notice of defect pursuant to Rule 14a-8(f)(1) if it intends to exclude either proposal from its proxy materials in reliance on Rule 14a-8(c). In light of this guidance, with respect to proposals or revisions received before a company's deadline for submission, we will no longer follow *Layne Christensen Co.* (Mar. 21, 2011) and other prior staff no-action letters in which we took the view that a proposal would violate the Rule 14a-8(c) one-proposal limitation if such proposal is submitted to a company after the company has either submitted a Rule 14a-8 no-action request to exclude an earlier proposal submitted by the same proponent or notified the proponent that the earlier proposal was excludable under the rule.

[14] *See, e.g.*, Adoption of Amendments Relating to Proposals by Security Holders, Release No. 34-12999 (Nov. 22, 1976) [41 FR 52994].

[15] Because the relevant date for proving ownership under Rule 14a-8(b) is the date the proposal is submitted, a proponent who does not adequately prove ownership in connection with a proposal is not permitted to submit another proposal for the same meeting on a later date.

[16] Nothing in this staff position has any effect on the status of any shareholder proposal that is not withdrawn by the proponent or its authorized representative.

EXHIBIT C

From: UPS Quantum View <pkginfo@ups.com>
Sent: Wednesday, October 21, 2020 12:42 PM
To: Ingle, Linda <Linda.Ingle@anthem.com>
Subject: {EXTERNAL} UPS Delivery Notification, Tracking Number ***

This email originated outside the company. Do not click links or attachments unless you recognize the sender.

Hello, your package has been delivered.
Delivery Date: Wednesday, 10/21/2020
Delivery Time: 09:39 AM
Left At: FRONT DOOR

UPS My Choice for home

Set Delivery Instructions | Manage Preferences | View Delivery Planner

ANTHEM/BLUE CROSS BLUE SHIELD

Tracking Number:	***
Ship To:	JOHN CHEVEDDEN *** US
Number of Packages:	1
UPS Service:	UPS Next Day Air®
Package Weight:	0.0 LBS
Reference Number:	5502112100
Reference Number:	G2001

Download the UPS mobile app

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EXHIBIT D

Kiefer, Kathy

From:	John Chevedden ***
Sent:	Friday, October 23, 2020 5:40 PM
To:	Ingle, Linda
Cc:	Kiefer, Kathy
Subject:	{EXTERNAL} Rule 14a-8 Proposal (ANTM)``
Attachments:	23102020_8.pdf

This email originated outside the company. Do not click links or attachments unless you recognize the sender.

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

Please acknowledge proposal receipt by next day email.
Sincerely,
John Chevedden

Personal Investing

P.O. Box 770001
Cincinnati, OH 45277-0045

Fidelity INVESTMENTS

October 23, 2020

JOHN R CHEVEDDEN
***

Dear Mr. Chevedden:

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

Please accept this letter as confirmation that as of market close on October 22, 2020, Mr. Chevedden has continuously owned no fewer than the share quantities of the securities shown in the table below, since July 1, 2019.

Security Name	CUSIP	Trading Symbol	Share Quantity
AES Corp Com	00130H105	AES	200.000
Global Payments Inc	37940X102	GPN	25.000
Lockheed Martin.	539830109	LMT	10.000
Paccar	693718108	PCAR	100.000
Anthem Inc	036752103	ANTM	25.000

These securities are registered in the name of National Financial Services LLC, a DTC participant (DTC number: 0226) and Fidelity Investments subsidiary. Please note that this information is unaudited and not intended to replace your monthly statements or official tax documents.

I hope you find this information helpful. If you have any questions regarding this issue or general inquiries regarding your account, please contact the Fidelity Private Client Group at 800-544-5704 for assistance.

Sincerely,

Matthew Vasquez
Operations Specialist

Our File: W725415-19OCT20

Fidelity Brokerage Services LLC, Members NYSE, SIPC.

EXHIBIT E

Kiefer, Kathy

From:	John Chevedden ***
Sent:	Friday, October 23, 2020 6:02 PM
To:	Ingle, Linda
Cc:	Kiefer, Kathy
Subject:	{EXTERNAL} Rule 14a-8 Proposal (ANTM) blb
Attachments:	23102020_8.pdf

This email originated outside the company. Do not click links or attachments unless you recognize the sender.

Dear Ms. Ingle,
Please see the attached broker letter.
Please confirm receipt.
Sincerely,
John Chevedden

Personal Investing

P.O. Box 770001
Cincinnati, OH 45277-0045

October 23, 2020

JOHN R CHEVEDDEN
***
***

Dear Mr. Chevedden:

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

Please accept this letter as confirmation that as of market close on October 22, 2020, Mr. Chevedden has continuously owned no fewer than the share quantities of the securities shown in the table below, since July 1, 2019.

Security Name	CUSIP	Trading Symbol	Share Quantity
AES Corp Com	00130H105	AES	200.000
Global Payments Inc	37940X102	GPN	25.000
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Anthem Inc	036752103	ANTM	25.000

These securities are registered in the name of National Financial Services LLC, a DTC participant (DTC number: 0226) and Fidelity Investments subsidiary. Please note that this information is unaudited and not intended to replace your monthly statements or official tax documents.

I hope you find this information helpful. If you have any questions regarding this issue or general inquiries regarding your account, please contact the Fidelity Private Client Group at 800-544-5704 for assistance.

Sincerely,

Matthew Vasquez
Operations Specialist

Our File: W725415-19OCT20

Fidelity Brokerage Services LLC, Members NYSE, SIPC.

EXHIBIT F

Kiefer, Kathy

From:	John Chevedden ***
Sent:	Thursday, November 26, 2020 11:29 AM
To:	Kiefer, Kathy
Cc:	Ingle, Linda
Subject:	{EXTERNAL} Rule 14a-8 Center Justified Proposal Graphic (ANTM)

This email originated outside the company. Do not click links or attachments unless you recognize the sender.

Dear Ms. Kiefer,
This is a center justified graphic (for proxy publication) included with the rule 14a-8 proposal.
The graphic is to be published just below the top title of the rule 14a-8 proposal.
Sincerely,
John Chevedden

The graphic below is intended to be published with the rule 14a-8 proposal.
The graphic is to be the same size as the largest management graphic (and accompanying bold or highlighted management text with a graphic) or any highlighted management executive summary used in conjunction with a management proposal or a rule 14a-8 shareholder proposal in the 2021 proxy.

The proponent is willing to discuss the in unison elimination of both shareholder graphic and management graphic in the proxy in regard to specific proposals.

[16] Companies should not minimize or otherwise diminish the appearance of a shareholder's graphic. For example, if the company includes its own graphics in its proxy statement, it should give similar prominence to a shareholder's graphics. If a company's proxy statement appears in black and white, however, the shareholder proposal and accompanying graphics may also appear in black and white.

EXHIBIT G

From: Kiefer, Kathy
Sent: Thursday, December 10, 2020 5:23 PM
To: ***
Subject: Request to Withdraw Shareholder Proposal

Dear Mr. Chevedden,

I am writing in regard to your shareholder proposal entitled "Shareholder Right to Act by Written Consent" submitted to Anthem, Inc. on October 12, 2020.

Anthem's deficiency notice was emailed to you on October 20 (and delivered via UPS on October 21) addressing two separate deficiencies with your submission—(1) lack of proof of ownership and (2) submission of a proposal exceeding 500 words. As per SEC Rule 14a-8(f), any response to a deficiency notice must be postmarked or transmitted electronically no later than 14 days from the date you received the company's notice in order to be considered timely. Although we timely received the broker letter that you sent on October 23, we never received a revised proposal, as requested in the deficiency notice and required by SEC Rule 14a-8(d).

In light of the fact that you did not submit a revised shareholder proposal that conforms with the requirements of Rule 14a-8(d), we respectfully request that you withdraw your proposal.

If you do not withdraw your proposal by 5:00 pm EST on Tuesday, December 15, please be advised that we plan to file a no-action request to exclude your proposal based on this procedural deficiency.

Please transmit any response by email to me at Kathy.Kiefer@anthem.com.

Thanks,
Kathy

Anthem, Inc.

Kathy S. Kiefer, *Vice President, Legal & Corporate Secretary*
220 Virginia Ave, Indianapolis, Indiana 46204
O: (317) 488-6562 | M: (317) 416-8309
kathy.kiefer@anthem.com