



DIVISION OF  
CORPORATION FINANCE

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

December 20, 2021

Sam Whittington  
Apple Inc.

Re: Apple Inc. (the "Company")  
Incoming letter dated October 18, 2021

Dear Mr. Whittington:

This letter is in response to your correspondence concerning the shareholder proposal (the "Proposal") submitted to the Company by the National Legal and Policy Center for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders.

The Proposal requests that the Company report on the extent to which its products are produced through the direct or indirect use of forced (or slave) labor.

There appears to be some basis for your view that the Company may exclude the Proposal under Rule 14a-8(i)(11). We note that the Proposal is substantially duplicative of a previously submitted proposal that will be included in the Company's 2022 proxy materials. Accordingly, we will not recommend enforcement action to the Commission if the Company omits the Proposal from its proxy materials in reliance on Rule 14a-8(i)(11). In reaching this position, we have not found it necessary to address the alternative bases for omission upon which the Company relies.

Copies of all of the correspondence on which this response is based will be made available on our website at [SEC.gov | 2021-2022 No-Action Responses Issued Under Exchange Act Rule 14a-8](https://www.sec.gov/2021-2022-No-Action-Responses-Issued-Under-Exchange-Act-Rule-14a-8).

Sincerely,

Rule 14a-8 Review Team

cc: Peter Flaherty  
National Legal and Policy Center



October 18, 2021

**VIA ELECTRONIC MAIL**

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

Re: **Apple Inc. Shareholder Proposal Submitted by National Legal and Policy Center**

Ladies and Gentlemen:

This letter is submitted pursuant to Rule 14a-8(j) under the Securities Exchange Act of 1934, as amended. Apple Inc., a California corporation ("**Apple**" or the "**Company**"), has received a shareholder proposal (the "**Proposal**") and related supporting statement (the "**Supporting Statement**") submitted by the National Legal and Policy Center (the "**Proponent**") for inclusion in the Company's proxy statement (the "**Proxy Materials**") for the Company's 2022 Annual Meeting of Shareholders (the "**Annual Meeting**"). A copy of the Proposal and the Supporting Statement, together with other correspondence relating to the Proposal, is attached hereto as [Exhibit A](#). The Company hereby advises the staff of the Division of Corporation Finance (the "**Staff**") that it intends to exclude the Proposal from its Proxy Materials. The Company respectfully requests confirmation that the Staff will not recommend enforcement action to the Securities and Exchange Commission (the "**Commission**") if the Company excludes the Proposal pursuant to Rule 14a-8(f)(1), because the Proponent failed to provide sufficient documentary support to satisfy the proof of ownership requirements of Rule 14a-8(b).

To the extent the Staff is unable to concur in the Company's view that the Proposal is excludable under Rule 14a-8(f)(1), the Company respectfully requests confirmation that the Staff will not recommend enforcement action to the Commission if the Company excludes the Proposal pursuant to Rule 14a-8(i)(10), as the Proposal has been substantially implemented.

To the extent the Staff is unable to concur in the Company's view that (i) the Proposal is excludable under Rule 14a-8(f)(1) or Rule 14a-8(i)(10) and (ii) a proposal submitted to the Company on August 24, 2021 by lead filer Jane M. Saks (the "**Saks Proposal**") is excludable under Rule 14a-8(i)(10) (the Saks Proposal is the subject of a separate no-action request submitted by the Company on October 18, 2021), the Company respectfully requests confirmation that the Staff will not recommend enforcement action to the Commission if the Company excludes the Proposal pursuant to Rule 14a-8(i)(11), as the Proposal substantially duplicates the Saks Proposal, which the Company would in that case include in its Proxy Materials.

By copy of this letter, the Company is advising the Proponent of its intention to exclude the Proposal. In accordance with Rule 14a-8(j)(2) and Staff Legal Bulletin No. 14D, the Company

is submitting by electronic mail (i) this letter, which sets forth its reasons for excluding the Proposal; and (ii) the Proponent’s letter submitting the Proposal.

Pursuant to Rule 14a-8(j), the Company is submitting this letter not less than 80 days before the Company intends to file its Proxy Materials and is sending a copy of this letter concurrently to the Proponent.

**I. The Shareholder Proposal.**

The Proposal, in material part, requests that the Company’s shareholders approve the following:

**“RESOLVED:** Shareholders request that, beginning in 2022, Apple report to shareholders on the extent to which its products are produced through the direct or indirect use of forced (or slave) labor.”

**II. The Proposal May Be Excluded Under Rule 14a-8(f)(1) Because the Proponent Failed to Supply Sufficient Documentary Support to Satisfy the Ownership Requirements of Rule 14a-8(b).**

The Company received the Proposal on September 7, 2021. The Proposal was not accompanied by any proof of ownership of Company securities. The Company reviewed its stock records and determined that the Proponent did not appear as the record owner of any shares of the Company’s common stock. Accordingly, in a letter dated and sent via email on September 16, 2021, within 14 days of the date the Company received the Proposal, the Company notified the Proponent of the Proposal’s procedural deficiencies, as required by Rule 14a-8(f) (the **“Deficiency Letter”**). The Company also sent an additional courtesy copy of the Deficiency Letter to the Proponent via Federal Express on September 16, 2021. A copy of the Deficiency Letter is included in [Exhibit A](#). Email correspondence showing that the Deficiency Letter was sent on September 16, 2021 is also included in [Exhibit A](#).

On September 24, 2021, the Proponent sent the Company a letter from Fidelity Investments dated September 23, 2021 (the **“Ownership Letter”**) regarding ownership of the Company’s shares by the Proponent. The Ownership Letter is on “Fidelity Investments” letterhead. In small print at the bottom of the letter is a reference to “Fidelity Brokerage Services LLC, Members NYSE, SIPC”. A copy of the Ownership Letter is included in [Exhibit A](#). The Company has received no other evidentiary information regarding proof of ownership from the Proponent.

**A. The Proponent Did Not Submit Proof of Ownership from a DTC Participant or an Affiliate of a DTC Participant.**

The Ownership Letter is not sufficient proof of beneficial ownership because neither Fidelity Investments nor Fidelity Brokerage Services LLC is a DTC participant, as required by Rule 14a-8(b) and Staff Legal Bulletin No. 14F (Oct. 18, 2011) (**“SLB 14F”**).

Rule 14a-8(b) specifies that when a shareholder submitting a proposal is not a record holder, it must prove eligibility to submit the proposal through a written statement from the

"record" holder (usually a broker or bank) verifying ownership of the requisite securities. SLB 14F clarified that, unless the shareholder has filed a Schedule 13D, Schedule 13G, Form 3, Form 4 or Form 5 with the SEC, this statement must come from a DTC participant, stating:

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.

SLB 14F notes that shareholders and companies can confirm whether a particular broker or bank is a DTC participant by checking DTC's publicly available participant list at <http://www.dtcc.com/~media/Files/Downloads/client-center/DTC/alpha.ashx>. SLB 14F further provides that 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.

SLB 14F was specifically referenced in the Deficiency Letter and a complete copy of SLB 14F accompanied the Deficiency Letter.

The Deficiency Letter informed the Proponent that it was required to submit sufficient proof of ownership to establish that it had beneficial ownership of the requisite amount of common stock of the Company for the purposes of Rule 14a-8 and described the requirements for such documentation. The Deficiency Letter clearly stated that the ownership verification statement must come from a DTC participant. Specifically, the Deficiency Letter said:

To help shareholders comply with the requirement to prove ownership by providing a written statement from the "record" holder of the shares, the staff of the SEC's Division of Corporation Finance (the "SEC Staff") published Staff Legal Bulletin No. 14F ("SLB 14F"). In SLB 14F, the SEC Staff stated that only brokers or banks that are Depository Trust Company ("DTC") participants will be viewed as "record" holders for the purposes of Rule 14a-8. Thus, shareholders must obtain the required written statement from the DTC participant through which their shares are held.

If you are not certain whether the Proponent's broker or bank is a DTC participant, you may check the DTC's participant list, which is currently available on the Internet at:

<http://www.dtcc.com/~media/Files/Downloads/client-center/DTC/alpha.ashx>

If the Proponent's broker or bank is not on the DTC's participant list, the Proponent will need to obtain proof of ownership from the DTC participant through which the Proponent's securities are held. The Proponent should be able to find out who the DTC

participant is by asking its broker or bank. If the DTC participant knows of the holdings of the Proponent's broker or bank, but does not know the Proponent's holdings, the Proponent may satisfy the proof of ownership requirement by obtaining and submitting two proof of ownership statements verifying that, at the time the Proposal was submitted, which was on September 7, 2021, the required value of securities was continuously held by the Proponent for the applicable period of time as provided in Rule 14a-8(b)(1)(i) – with one statement from the broker or bank confirming the Proponent's ownership, and the other statement from the DTC participant confirming the broker or bank's ownership. Please see the enclosed copy of SLB 14F for further information.

The alphabetical list of DTC participants, as of September 30, 2021 (the "**DTC List**") and attached hereto as [Exhibit C](#), does not include Fidelity Investments or Fidelity Brokerage Services LLC. Therefore, it does not appear that either Fidelity Investments or Fidelity Brokerage Services LLC is a DTC participant.

In Staff Legal Bulletin No. 14G (Oct. 16, 2012) ("**SLB 14G**"), the Staff noted that "a securities intermediary holding shares through its affiliated DTC participant should be in a position to verify its customers' ownership of securities" and that, accordingly, "a proof of ownership letter from an affiliate of a DTC participant satisfies the requirement to provide a proof of ownership letter from a DTC participant." Here, the Proponent failed to provide any evidence that either Fidelity Investments or Fidelity Brokerage Services LLC is an affiliate of a DTC participant.

Therefore, because the Ownership Letter provided by the Proponent was not from a DTC participant nor an affiliate of a DTC participant, the Ownership Letter does not constitute a written statement from the "record" holder of the relevant Apple securities for the purposes of Rule 14a-8 and the Proponent has not met its burden to provide proof of ownership to the Company.

Since issuing SLBs 14F and 14G, the Staff has consistently concurred in the exclusion of proposals accompanied by proof of ownership from a broker that was not a DTC participant or an affiliate of a DTC participant and thus was not a "record" holder of shares as required by Rule 14a-8(b). See, e.g., *Chubb Limited* (avail. Feb. 13, 2018); *Devon Energy Corporation* (avail. Mar. 13, 2015); and *AT&T Inc.* (avail. Dec. 2, 2014).

Because the Proponent failed to provide proof of beneficial ownership of Apple common stock from a DTC participant or an affiliate of a DTC participant within 14 days of receipt of the Deficiency Letter, it did not meet the requirements for establishing ownership of the Company's securities in accordance with Rules 14a-8(b) and 14a-8(f)(1). Accordingly, the Proposal may be excluded from the Proxy Materials.

## **B. The Ownership Letter Does Not Demonstrate Continuous Ownership of Apple Shares.**

The Ownership Letter does not state that the Proponent has continuously owned the Company's shares for a period of at least one year as of the time of submitting the Proposal. It merely states that the Proponent held a certain number of shares as of the date the letter was submitted. The Ownership Letter includes a schedule, similar to a brokerage statement, of "shares coming into the account," but does not state that this history is complete, nor does it state that shares never left the account. Thus, because the Ownership Letter does not contain a statement that the Proponent has continuously held the Company shares for at least one year as of the date the Proposal was submitted to the Company and does not otherwise verify the requisite continuity of ownership of the Company's shares for the requisite period, the Proposal may be excluded from the Proxy Materials.

In Section C.1. of Staff Legal Bulletin No. 14 (Jul. 13, 2001) ("**SLB 14**"), the Staff clarified that broker letters that simply indicate the date on which securities were acquired are insufficient to satisfy the continuous ownership requirements of Rule 14a-8(b):

### **(2) Do a shareholder's monthly, quarterly or other periodic investment statements demonstrate sufficiently continuous ownership of the securities?**

No. A shareholder must submit an affirmative written statement from the record holder of his or her securities that specifically verifies that the shareholder owned the securities *continuously* for a period of one year as of the time of submitting the proposal.

(Emphasis in original.)

In SLB 14F, the Staff reaffirmed this guidance, stating:

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.

SLB 14F includes the following sample language for use in ownership verification letters regarding continuity of ownership:

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].

The Ownership Letter states the Proponent's ownership of Apple shares only as of September 23, 2021, the date of the Ownership Letter. The Ownership Letter does not state that the Proponent has continuously held the requisite number of shares for the requisite time period preceding and including September 7, 2021, the date the Proposal was submitted, as required by Rule 14a-8(b).

Furthermore, the list of transactions in the Ownership Letter is not sufficient to establish continuous ownership for at least a one-year period. As stated very clearly in the excerpt from SLB 14 above, periodic statements are not acceptable or sufficient proof of continuous ownership. This is also true in the case of the Ownership Letter, which only purports to show the history of shares “coming into the account” but provides no representation that this transaction history is complete or that no shares left the account.

Finally, Rule 14a-8(b)(2) does not require a company to “connect the dots” and make inferences about continuous share ownership. Rather, it is the proponent’s responsibility to provide proof of continuous ownership in the form of an affirmative written statement from the record holder of the proponent’s shares. The Staff has made it very easy for proponents to comply with this requirement, as they merely need to fill in the blanks of the sample language cited above from SLB 14F.

Accordingly, the Staff has consistently permitted exclusion of proposals where proponents have failed to furnish evidence of continuous share ownership for the full requisite time period preceding and including the submission date of the proposal. See *Intel Corporation* (avail. Mar. 11, 2016) (permitting exclusion where a broker letter sent in response to a deficiency notice did not clearly show one year of continuous ownership between November 30, 2014 and November 30, 2015, the date that the proposal was submitted); and *The Home Depot, Inc.* (avail. Feb. 5, 2007) (permitting exclusion where a broker letter sent in response to a deficiency notice only covered the one-year period from November 7, 2005 to November 7, 2006 and not from October 19, 2005 to October 19, 2006, which was the date the proposal was submitted).

The Staff has further made clear that broker documentation verifying only that a proponent owned company shares as of a particular date or dates is not sufficient to establish that the proponent has continuously held the requisite number of shares for the requisite time period as required by Rule 14a-8(b). See *Exxon Mobil Corp.* (avail. Mar. 28, 2019) (permitting exclusion where documentation from a broker established ownership only as of certain specific dates).

Thus, for all of the reasons stated above, the Ownership Letter fails to verify the requisite continuity of ownership of Company shares for at least a one-year period. Therefore, the Ownership Letter is insufficient, and the Proposal may properly be excluded from the Company’s Proxy Materials under Rule 14a-8(f)(1).

**III. To the Extent the Staff Is Unable to Concur That the Proposal May Be Excluded Under Rule 14a-8(f)(1), The Proposal May Be Excluded Under Rule 14a-8(i)(10) Because the Proposal Has Been Substantially Implemented by the Company.**

To the extent the Staff is unable to concur in the Company’s view that the Proposal is excludable under Rule 14a-8(f)(1), the Company requests that the Staff concur in its view that the Company may exclude the Proposal from the Proxy Materials pursuant to Rule 14a-8(i)(10). Based on the Company’s existing reports and disclosure, the Company has already substantially implemented the Proposal and, were the Proposal to be voted upon by shareholders at the Annual Meeting and pass, there is nothing further that would need to be included in the report requested by the Proposal.

Apple seeks to uphold the highest standards in the industry across its global supply chain and has teams of experts on the ground working closely with suppliers around the world. Over the past year and a half, despite the restrictions of COVID-19, Apple has conducted over 1,100 audits, including surprise audits, and interviewed more than 57,000 workers to ensure that its strict standards are upheld. Apple found no evidence of forced labor anywhere in its supply chain and will continue its efforts to ensure workers are treated with dignity and respect everywhere the Company works.

Since 2007, Apple has publicly reported on its progress driving its high standards for supplier conduct throughout its global supply chain. As described in greater detail in Section III.B of this letter, the Company's existing public disclosures already report on the extent to which its products are produced through the direct or indirect use of forced (or slave) labor. These disclosures include Apple's Supplier Code of Conduct ("**Supplier Code**")<sup>1</sup>, 2020 Statement on Efforts to Combat Human Trafficking and Slavery in Our Business and Supply Chain ("**2020 Statement**")<sup>2</sup>, People and Environment in Our Supply Chain: 2021 Annual Progress Report ("**2021 Progress Report**")<sup>3</sup>, 2020 Supplier Responsibility Progress Report ("**2020 Progress Report**")<sup>4</sup>, Supplier Responsibility Standards ("**Supplier Standards**")<sup>5</sup> and 2021 Environmental Social and Governance Report ("**2021 ESG Report**")<sup>6</sup>.

**A.** Rule 14a-8(i)(10)

Rule 14a-8(i)(10) provides that a company may exclude a shareholder proposal from its proxy materials if the company has substantially implemented the proposal. In explaining the scope of a predecessor to Rule 14a-8(i)(10), the Commission stated that the exclusion is "designed to avoid the possibility of shareholders having to consider matters which already have been favorably acted upon by the management." See Exchange Act Release No. 12598 (July 7, 1976) (discussing the rationale for adopting the predecessor to Rule 14a-8(i)(10), which provided as a substantive basis for omitting a shareholder proposal that the proposal "has been rendered moot by the actions of the management"). At one time, the Staff interpreted the predecessor rule narrowly, considering a proposal to be excludable under this provision only if it had been "'fully' effected" by the company. See Exchange Act Release No. 19135 at § II.B.5. (Oct. 14, 1982). By 1982, however, the Commission recognized that the Staff's narrow interpretation of the predecessor rule "may not serve the interests of the issuer's security holders at large and may lead to an abuse of the security holder proposal process," in particular by enabling proponents to argue "successfully on numerous occasions that a proposal may not be excluded as moot in cases where the company has taken most but not all of the actions requested by the proposal." *Id.* Accordingly, the Commission proposed in 1982, and adopted in 1983, a revised interpretation of the rule to permit the omission of proposals that had been "substantially implemented." See Exchange Act Release No. 20091, at § II.E.6. (Aug. 16, 1983) (the "**1983 Release**") (indicating that the Staff's "previous formalistic application of" the predecessor rule "defeated its purpose"

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<sup>1</sup> See <https://www.apple.com/supplier-responsibility/pdf/Apple-Supplier-Code-of-Conduct-and-Supplier-Responsibility-Standards.pdf>

<sup>2</sup> See <https://www.apple.com/supplier-responsibility/pdf/Apple-Combat-Human-Trafficking-and-Slavery-in-Supply-Chain-2020.pdf>

<sup>3</sup> See [https://www.apple.com/supplier-responsibility/pdf/Apple\\_SR\\_2021\\_Progress\\_Report.pdf](https://www.apple.com/supplier-responsibility/pdf/Apple_SR_2021_Progress_Report.pdf)

<sup>4</sup> See [https://www.apple.com/supplier-responsibility/pdf/Apple\\_SR\\_2020\\_Progress\\_Report.pdf](https://www.apple.com/supplier-responsibility/pdf/Apple_SR_2020_Progress_Report.pdf)

<sup>5</sup> See <https://www.apple.com/supplier-responsibility/pdf/Apple-Supplier-Code-of-Conduct-and-Supplier-Responsibility-Standards.pdf>

<sup>6</sup> See [https://s2.q4cdn.com/470004039/files/doc\\_downloads/2021/08/2021\\_Apple\\_ESG\\_Report.pdf](https://s2.q4cdn.com/470004039/files/doc_downloads/2021/08/2021_Apple_ESG_Report.pdf)



because the interpretation allowed proponents to obtain a shareholder vote on an existing company policy by changing only a few words of the policy). The Commission later codified this revised interpretation in Exchange Act Release No. 40018 at n.30 (May 21, 1998). Accordingly, the actions requested by a proposal need not be “fully effected” by the company to be excluded; rather, to be excluded, they need only to have been “substantially implemented” by the company. See the 1983 Release.

Applying this standard, the Staff has noted that “a determination that the [c]ompany has substantially implemented the proposal depends upon whether [the company’s] particular policies, practices and procedures compare favorably with the guidelines of the proposal.” *Texaco, Inc.* (avail. Mar. 28, 1991). Thus, when a company has already taken action to address the underlying concerns and essential objectives of a shareholder proposal, even though the company did not take the exact action requested by the proponent, did not implement the proposal in every detail, or exercised discretion in determining how to implement the proposal, the proposal has been “substantially implemented” and may be excluded. See, e.g., *PPG Industries Inc.* (avail. Jan. 16, 2020); *Bank of New York Mellon Corp.* (avail. Feb. 15, 2019); *Exelon Corp.* (avail. Feb. 26, 2010); *Exxon Mobil Corp. (Burt)* (avail. Mar. 23, 2009); *Anheuser-Busch Companies, Inc.* (avail. Jan. 17, 2007); *ConAgra Foods, Inc.* (avail. Jul. 3, 2006); *Talbots Inc.* (avail. Apr. 5, 2002); *Exxon Mobil Corp.* (avail. Jan. 24, 2001); and *The Gap, Inc.* (avail. Mar. 8, 1996).

The Staff has previously taken the position that a shareholder proposal requesting that a company’s board of directors prepare a report pertaining to environmental, social, or governance issues may be excluded when the company has provided information about the initiative in various public disclosures. See *Apple Inc.* (avail. Dec. 17, 2020) (concurring with the exclusion of a proposal requesting that the board of directors report to shareholders on the Company’s management systems and processes for implementing its human rights policy commitments regarding freedom of expression and access to information where the Company already disclosed the requested information in the Company’s Human Rights Policy, Business Conduct Policy, Transparency Report, Legal Process Guidelines, Supplier Code of Conduct, Supplier Responsibility Standards and 2020 Supplier Responsibility Progress Report, and other disclosures that addressed the requested information); *Apple Inc.* (avail. Dec. 17, 2020) (concurring with the exclusion of a proposal requesting that the board of directors prepare a report providing the board’s perspective whether the Company’s governance and management systems should be altered to fully implement the Business Round Table’s Statement of Purpose, where the Company disclosed governance and management systems consistent with the Statement of Purpose through its Company’s core values, Transparency Report, Supplier Code of Conduct, Supplier Responsibility Standards, Human Rights Policy, Business Conduct Policy, and other disclosures that addressed the requested information, and the Company’s Nominating and Corporate Governance Committee determined there was no need for further action to fully implement the Statement of Purpose); *PPG Industries Inc.* (avail. Jan. 16, 2020) (concurring with the exclusion of a proposal requesting that the board of directors prepare a report on the company’s processes for “implementing human rights commitments within company-owned operations and through business relationships,” where the requested information was already disclosed in the company’s global code of ethics, global supplier code of conduct, supplier sustainability policy, and sustainability report, and other disclosures that addressed the requested information); *The Wendy’s Company* (avail. Apr. 10, 2019) (concurring with the exclusion of a proposal requesting that the board of directors prepare a report “on the [c]ompany’s process for identifying and analyzing potential and actual human rights risks of

operations and supply chain," where the company already had a code of conduct for suppliers, a code of business conduct and ethics, and other policies and public disclosures concerning supply chain practices and other human rights issues that achieved the proposal's essential objective); *The Dow Chemical Co.* (avail. Mar. 5, 2008) (concurring with the exclusion of a proposal requesting that the board of directors prepare a report discussing how the company's efforts to ameliorate climate change have affected the global climate, where the company had already made statements about its efforts related to climate change in various corporate documents and disclosures); *Mondelez International, Inc.* (avail. Mar. 7, 2014) (concurring that a proposal urging the board of directors to prepare a report on the company's process for identifying and analyzing potential and actual human rights risks in its operations and supply chain was substantially implemented through relevant information on the company's website); and *The Gap, Inc.* (avail. Mar. 16, 2001) (concurring that a proposal requesting that the board of directors prepare a report on child labor practices of company suppliers was substantially implemented when the company published information on its website with respect to the company's vendor code and monitoring programs).

**B. The Company's Publicly-Disclosed Policies, Procedures and Reports Substantially Implement the Proposal**

Apple is committed to treating everyone with dignity and respect and to protecting the planet we all share. As further described below, Apple provides comprehensive public disclosure across multiple policies and reports that describe the extent to which its products are produced through the direct or indirect use of forced or slave labor. Because Apple's products are produced with materials sourced from and components made by its suppliers, the Proposal's request for a report on the extent to which Apple's products are produced with forced or slave labor is the functional equivalent of a request for a report on the extent to which forced labor is used in Apple's supply chain. This reading of the Proposal is further supported by the Supporting Statement, which makes specific reference to Apple's supply chain. Specifically, the Supporting Statement notes that "[t]he Company says that it has not found evidence of the use of forced labor in its supply chain" and then goes on to attempt to refute that statement with excerpts from certain reports claiming that certain Apple suppliers have been linked to forced labor.

As noted in Apple's Supplier Code and 2020 Statement, Apple has zero tolerance for forced labor and looking for the presence of forced labor is part of every assessment Apple conducts in every country where it does business. These protections apply to all workers in Apple's supply chain, regardless of a person's job, and any violation of Apple's policies has immediate consequences, including possible business termination. This principle is echoed in the Company's Supplier Standards and numerous other publicly-disclosed policies. **As a result of these efforts, Apple found no evidence of forced labor in its supply chain in 2020. Using the language requested by the Proposal, Apple found no evidence that its products were produced with forced or slave labor in 2020.**

**See 2020 Statement at pages 6, 7 and 11.** Apple annually reports on the extent to which forced labor is used in its supply chain. The 2020 Statement is Apple's most recent annual statement on its efforts to combat human trafficking and slavery in its business and supply chains. The statement describes Apple's governance structure and internal management system to enforce compliance with its policies to prevent human trafficking and the use of involuntary labor, and to implement supply chain human rights due diligence programs. Most recently, Apple reported in the 2020 Statement, in a section entitled "Evaluating the Risk of Forced Labor," that

"[l]ooking for the presence of forced labor is part of every supplier assessment, and any violations of our policies carry immediate consequences, up to and including our termination of our business relationship with a supplier. These protections apply across our supply chain, regardless of a person's job or location." Apple disclosed that it had reviewed its worldwide manufacturing supply chain for forced labor risks in 2020 and was able to conduct independent, third-party assessments at supplier sites in multiple countries, which verified key documentation, investigated hiring practices and conducted extensive interviews with workers in local languages. **Apple reported that there were no findings of forced or debt-bonded labor in Apple's supply chain in 2020.**

**See 2021 Progress Report at pages 89-90 and 2020 Progress Report at page 104.**

In the 2021 Progress Report, Apple states that forced labor and debt-bonded labor are examples of Core Violations of Apple's Supplier Code of Conduct. The 2021 Progress Report disclosed, "[i]n 2020, 9 Core Violations were found ... related to the labor, human rights and environment sections of our assessment protocol. These included 7 instances of working hours or labor data falsification, 1 wastewater violation, and 1 air emissions violation." Apple found no violations relating to forced or debt-bonded labor in 2020. In the 2020 Progress Report, Apple reported that in 2019 it found 12 Core Violations related to labor and human rights, one of which was a debt-bonded labor violation. Apple found no evidence of any forced labor violations in 2019.

The Company has reported extensively on the specific due diligence practices and procedures it uses to assess the risk that forced or slave labor is being used to produce its products.

**See 2021 Progress Report at pages 89-90.** While there were no findings of forced labor, as an example of how Apple has taken corrective action with respect to a supplier in a different context, the 2021 Progress Report describes how, in 2020, an Apple employee raised concerns about a potential Supplier Code violation at a supplier facility. Apple promptly investigated and found that the supplier had violated the Supplier Code in its administration of a student work-study program. Apple placed the supplier on probation, and the supplier received no new business from Apple until it completed all required corrective actions. Apple then facilitated remedies for the affected individuals.

**See 2021 Progress Report at pages 21.** The 2021 Progress Report also describes how Apple assesses potential new suppliers before they are awarded business, so that compliance issues can be addressed before entering into a business relationship. In one example described in the 2021 Progress Report, this process resulted in nearly \$3.4 million being repaid to 10,570 workers after it was determined that a prospective supplier had been charging fees to foreign contract workers.

**See 2021 Progress Report at pages 18, 33 and 2020 Statement at pages 10-11.** As disclosed in the Company's 2021 Progress Report, Apple's findings regarding the Core Violations that occurred in 2020 were the result of: (i) a total of 1,121 assessments, which included 842 Supplier Code and Supplier Standards compliance assessments conducted across manufacturing sites, smelters and refiners, and (ii) more than 100 unannounced assessments and investigations where the supplier facility was provided no advance notice. Apple also interviewed over 57,000 supply chain workers, and over 34,000 follow-up phone calls were made to verify zero-retaliation against those workers for participating in interviews during its assessments.

Apple's Board of Directors oversees management in the competent and ethical operation of Apple on a day-to-day basis. As part of the Board's oversight of corporate and product strategy, the Board and its committees review and discuss with management Apple's strategies and progress relating to the Company's values, including supplier responsibility and management's program to implement and monitor compliance with the Supplier Code and the Supplier Standards and report on Apple's progress.

**See 2021 Progress Report at pages 9, 19-20 and 100.** The process of identifying suppliers and sub-suppliers that are at significant risk for forced labor violations begins before a new supplier is even able to enter into the Company's supply chain. The Company closely evaluates the labor and human rights risks associated with any prospective supplier before entering into a contract with that supplier. Apple selects suppliers for assessment based on a number of factors, including previous audit performance, manufacturing process risks, and planned spending. In 2020, 8 percent of prospective suppliers evaluated for risks related to the Company's Supplier Code of Conduct, including forced labor risks, were prevented from entering Apple's supply chain. The Company also conducts Facility Readiness Assessments, which are designed to help make sure risks to people are mitigated prior to the beginning of production. In 2020, the Company completed 112 Facility Readiness Assessments. Facility Readiness Assessments are designed to help make sure risks to people and the environment are mitigated prior to the beginning of production, including for new suppliers, as well as new facilities run by existing suppliers. With respect to risks related to sourcing of raw materials deeper in the supply chain, the Apple Risk Readiness Assessment, which Apple developed in 2016 to assess risks in its supply chain across social, environmental, and human rights metrics, was adapted by the Responsible Minerals Initiative in 2020, and integrated into their industry-scale Responsible Minerals Assurance Process.

**See 2020 Progress Report at pages 18-19 and 2021 Progress Report at pages 37 and 39.** Apple has further reported that it identifies suppliers and sub-suppliers that are at significant risk for forced labor violations by mapping the higher-risk migration corridors for foreign contract workers in its supply chain using its own data and information from the International Labor Organization and the U.S. State Department in order to more deeply understand the challenges at the source of labor recruitment. If an Apple supplier uses foreign contract workers, a specialized labor and human rights assessment is conducted in the employees' native language. Apple reported that in 2020, it conducted the most extensive mapping of labor agencies in the industry, mapping 400 of its supplier facilities in 10 countries. As a result, Apple identified more than 470 labor agencies supporting these suppliers. Further, Apple monitored 10 countries of origin and five destination countries for migration risk in order to help identify suppliers at significant risk for forced labor violations. Apple has also partnered with the Responsible Business Alliance ("**RBA**") and the International Organization for Migration to roll out Apple's Responsible Recruitment Due Diligence Toolkit to scale impact across Apple's supply chain and beyond.

**See 2021 ESG Report at pages 38 and 55 and 2020 Statement at page 6.** In addition, Apple supplements its own assessment protocol with the RBA's Validated Assessment Program, a third-party assessment widely used by the industry. Apple-managed assessments covered a cumulative total of 94% of Apple's direct manufacturing spend based on assessments conducted since 2007.

In addition to the Company's own internal monitoring, risk reports come to the Company from civil society organizations, news outlets, people in the supply chain or supply chain communities, local whistleblower mechanisms, and third-party hotlines. They also come through the reporting mechanisms made available directly to all supplier employees, Apple employees, and the general public. These reports can come to the Company in any language and can be anonymous. When the Company receives a report about an Apple supplier through any of these channels, the Company conducts a thorough investigation and may also dispatch on-site independent investigation teams. If a violation is discovered, a corrective action plan is immediately put in place, requiring violations to be remediated within 90 days.

**See 2020 Statement at pages 5 and 7.** In 2020, Apple further expanded its requirements regarding suppliers' material sourcing and labor recruitment practices which are evaluated in the above-described assessments. Specifically, Apple suppliers may not have manufacturing operations in, recruit labor directly or indirectly from, or source materials, products, or services directly or indirectly from regions where Apple and third-parties cannot access and conduct comprehensive, independent evaluations of their suppliers' compliance with the Company's Supplier Code and Supplier Standards.

These comprehensive due diligence practices facilitate the identification of suppliers at risk of forced labor violations. As a result of these efforts, as disclosed in the Company's 2020 Statement, "[i]n 2020, there were no findings of forced or debt-bonded labor in Apple's supply chain." The foregoing public reporting directly addresses the Proposal's request to report on the extent to which Apple's products are produced through the direct or indirect use of forced or slave labor, thereby substantially implementing the Proposal.

C. Staff Precedent Concurring with the Exclusion of Similar Shareholder Proposals Supports the Company's No-Action Request.

Where a company has demonstrated that it has already taken actions to address the underlying concerns and essential objectives of a shareholder proposal, the Staff has concurred that the proposal has been "substantially implemented" and may be excluded. As discussed in Section III.A of this letter, the Staff has permitted differences between a company's actions and a shareholder proposal if the company's actions sufficiently address the proposal's essential objectives, even when the company did not take the exact action requested by the proponent, did not implement the proposal in every detail or exercised discretion in determining how to implement the proposal. See, e.g., *PPG Industries Inc.* (avail. Jan. 16, 2020). This is also the case where a proposal calls for the preparation of a report and where the company's responsive existing disclosures are contained in a number of separate, existing reports and documents. See, e.g., *Apple Inc.* (avail. Dec. 17, 2020).

Here, the underlying concerns and essential objectives of the Proposal are that the Company publicly disclose the extent to which forced labor is used in Apple's supply chain. As detailed above, Apple has publicly released a number of reports and policies that contain extensive disclosures regarding the extent to which force labor is used in its supply chain. These existing reports and policies include Apple's 2021 Progress Report, 2021 ESG Report, 2020 Progress Report, 2020 Statement, Supplier Code, Supplier Standards, and How We Work With Suppliers. As a result of these existing disclosures, Apple has substantially implemented the Proposal's underlying concerns and essential objectives and, were the Proposal to be voted

upon by shareholders at the Annual Meeting and pass, there is nothing further that would need to be included in the report requested by the Proposal.

**IV. To the Extent the Staff Is Unable to Concur That (i) The Proposal May Be Excluded Under Rule 14a-8(f)(1) or Rule 14a-8(i)(10) and (ii) The Saks Proposal May Be Excluded Under Rule 14a-8(i)(10), The Proposal May Be Excluded Under Rule 14a-8(i)(11) Because It Substantially Duplicates the Saks Proposal.**

To the extent the Staff is unable to concur in the Company's view that (i) the Proposal is excludable under Rule 14a-8(f)(1) or Rule 14a-8(i)(10) and (ii) the Saks Proposal is excludable under Rule 14a-8(i)(10), the Company requests that the Staff concur in its view that the Company may exclude the Proposal from the Proxy Materials pursuant to Rule 14a-8(i)(11) because it substantially duplicates the Saks Proposal, which in that case would be included in the Company's Proxy Materials.

**A. Rule 14a-8(i)(11)**

Rule 14a-8(i)(11) permits a company to exclude a proposal if it substantially duplicates a proposal previously submitted by another proponent that will be included in the company's proxy materials. The purpose for this exclusion, according to the Commission, is to "eliminate the possibility of shareholders having to consider two or more substantially identical proposals submitted to an issuer by proponents acting independent of each other." (*Exchange Act Release No. 12,999, 10 SEC Dock. 1006, 1013 (1976)*). It also ensures that a company is not burdened with the need to include several versions of essentially the same proposal in its proxy materials.

Proposals need not be identical to warrant exclusion under Rule 14a-8(i)(11). The standard that the Staff has applied for determining whether a proposal substantially duplicates an earlier-received proposal is whether the proposals present the same "principal thrust" or "principal focus," not whether the proposals are identical and even where there is a difference in the breadth of the proposals (see, e.g., *Pacific Gas & Electric Co.* (avail. Feb. 1, 1993); *Exxon Mobil Corporation* (avail. Mar. 19, 2010); and *Union Pacific Corp.* (avail. Feb. 1, 2012, recon. denied Mar. 30, 2012)). For example, in *Union Pacific Corp.*, the Staff concurred that a proposal calling for disclosure of the company's "political contributions and expenditures" was substantially duplicative of a proposal calling for disclosure of the company's policies regarding "lobbying of legislators and regulators." While contributing to political campaigns is a different activity than lobbying government officials, the two proposals addressed the same broad policy issue – disclosure of corporate political activity.

The Staff has consistently permitted a company to exclude a proposal substantially duplicative of an earlier proposal despite differences in action requested. In *Cooper Industries, Ltd.* (avail. Jan. 17, 2006), for example, the Staff determined that a proposal requesting that the company "review its policies related to human rights to assess areas where the company needs to adopt and implement additional policies and report its findings" was substantially duplicative of an earlier submitted proposal requesting that the company "commit itself to the implementation of a code of conduct" based on identified, internationally-recognized human rights standards. In *Apple Inc.* (avail. Dec. 21, 2017), the Staff concurred that a proposal requesting that the Company issue a report on its role in promoting freedom of expression, particularly "policy options" available to the Company to assure that citizens of all countries have unfettered access to the Internet, was substantially duplicative of a proposal requesting that the

Company assess, enhance, and issue a report on its human rights policies and practices. In its request for no-action relief, the Company argued that, “while the two proposals call for different actions, they share a single common concern—access to the internet in China”. In *Exxon Mobil Corporation* (avail. Mar. 13, 2020), the Staff concurred with the exclusion of a proposal requesting that the board evaluate and report on how the company’s lobbying activities align with the goal of limiting average global warming to well below 2 degrees Celsius as substantially duplicative of an earlier proposal requesting that the company report on lobbying, including policies and procedures, payments made and the oversight process for such payments. In responding to the company’s request for no action, the Staff noted that the “two proposals share a concern for seeking additional transparency from the Company about its lobbying activities and how these activities align with the Company’s expressed policy positions” despite the proposal requesting different disclosures. See also *Chevron Corp.* (avail. Mar. 28, 2019) (concurring that a proposal that seeks annual disclosure of greenhouse gas targets was substantially duplicative of a proposal requesting the preparation of a report on how the company can reduce its carbon footprint in alignment with greenhouse gas reductions necessary to achieve the Paris Climate Agreements goals); *Chevron Corp.* (avail. Mar. 23, 2009, recon. denied April 6, 2009) (concurring that a proposal requesting that an independent committee prepare a report on the environmental damage that would result from the company’s expanding oil sands operations in the Canadian boreal forest was substantially duplicative of a proposal to adopt goals for reducing total greenhouse gas emissions from the company’s products and operations); *Wells Fargo & Co.* (avail. Feb. 8, 2011) (concurring that a proposal seeking a review and report on internal controls related to loan modifications, foreclosures and securitizations was substantially duplicative of a proposal requesting a report on the company’s residential mortgage loss mitigation policies and outcomes).

## **B. The Proposals**

The Company received the Proposal on September 7, 2021. A copy of the correspondence regarding the Proposal is attached hereto as [Exhibit A](#). Two weeks earlier, on August 24, 2021, the Company received the Saks Proposal. A copy of the initial submission of the Saks Proposal by lead filer Jane M. Saks is attached hereto as [Exhibit B](#). The Saks Proposal requests the following:

**“Resolved:** that shareholders of Apple, Inc. (“Apple”) ask the Board of Directors to oversee the preparation of a report, at reasonable cost and omitting confidential and proprietary information, on the extent to which Apple’s policies and procedures effectively protect workers in its supply chain from forced labor, including the extent to which Apple has identified suppliers and sub-suppliers that are at significant risk for forced labor violations, the number of suppliers against which Apple has taken corrective action due to such violations, and the availability and use of grievance mechanisms to compensate affected workers. The report should be posted to Apple’s website.”

## **C. The Proposal Substantially Duplicates the Saks Proposal**

As discussed in Section II above, the Company is requesting the Staff’s concurrence that the Proposal is excludable under Rule 14a-8(f)(1) and, if the Staff is unable to concur, under Rule 14a-8(i)(10). The Company has also submitted a separate no-action request to the Commission on the basis that the Saks Proposal is excludable from the Company’s Proxy Materials under Rule 14a-8(i)(10). If the Staff is unable to concur that the Company may exclude the Proposal and the

Saks Proposal on the foregoing grounds, then the Company intends to include the Saks Proposal in its Proxy Materials. As discussed below, the principal thrust and focus of both the Proposal and the Saks Proposal are the same, and the Proposal therefore should be excluded under Rule 14a-8(i)(11).

Although the proposals are phrased slightly differently, the principal thrust and focus of the Proposal and the Saks Proposal are the same: both request that the Company produce a report regarding the extent to which forced labor is used in the Company’s supply chain. This is clear from a line-by-line comparison of the proposals:

	<b>The Proposal</b>	<b>The Saks Proposal</b>
<b>Action requested</b>	“Apple report to shareholders...”	“the preparation of a report...”
<b>The subject matter of the report</b>	“on the extent to which its products are produced through the direct or indirect use of forced (or slave) labor.”	“on the extent to which Apple’s policies and procedures effectively protect workers in its supply chain from forced labor, including the extent to which Apple has identified suppliers and sub-suppliers that are at significant risk for forces labor violations, the number of suppliers against which Apple has taken corrective action due to such violations, and the availability and use of grievance mechanisms to compensate affected workers.”

The overlap of the proposals is further demonstrated by the similar focus and concerns addressed in the supporting statement of each proposal, including that the use of forced labor would be a violation of the Company’s values.

The fact that the “Resolved” clause of the Saks Proposal focuses on the extent to which Apple protects workers in its supply chain from forced labor while the “Resolved” clause of the Proposal focuses on the extent to which Apple’s products are produced through the use of forced labor is a distinction without a difference, as Apple’s products are produced with materials sourced from and components made by workers in its supply chain. Moreover, the Supporting Statement of the Proposal makes clear that the Proposal is concerned with the use of forced labor in the Company’s supply chain, not at the Company itself.

In addition, the fact that the Saks Proposal requests certain topics to be addressed in the report that are not specifically requested in the Proposal does not alter the conclusion that the proposals are substantially duplicative. As discussed above, the Staff has consistently permitted



a company to exclude a proposal substantially duplicative of an earlier proposal despite differences in action requested (*see, e.g., Cooper Industries Ltd.* (avail. Jan. 17, 2006)).

Here, notwithstanding the differences between the proposals in terms and specific actions requested, they have the same principal thrust and focus: both request that the Company produce a report regarding the extent to which forced labor is used in the Company's supply chain. Thus, although not identical, the Proposal and the Saks Proposal are substantially duplicative.

For the reasons described above, the inclusion of both proposals in the Proxy Materials would cause shareholders to have to consider two substantially identical proposals, contrary to the stated purpose of Rule 14a-8(i)(11). Therefore, the Company respectfully requests that the Staff concur that the Proposal is substantially duplicative of the Saks Proposal and, as a result, may be excluded from the Company's Proxy Materials pursuant to Rule 14a-8(i)(11).

\* \* \* \*

## **V. Conclusion.**

If the Staff is unable to concur with the Company's position that the Proposal may be excluded pursuant to Rule 14a-8(f)(1) or Rule 14a-8(i)(10) and that the Saks Proposal may be excluded pursuant to Rule 14a-8(i)(10) or, alternatively, with the Company's position that the Proposal may be excluded pursuant to Rule 14a-8(i)(11), we would appreciate an opportunity to confer with the Staff concerning this matter prior to the determination of the Staff's final position. In addition, the Company requests that the Proponent copy the undersigned on any response they may choose to make to the Staff, pursuant to Rule 14a-8(k).

Please contact the undersigned at (408) 966-1010 or by email at [sam\\_whittington@apple.com](mailto:sam_whittington@apple.com) to discuss any questions you may have regarding this matter.

Sincerely,



Sam Whittington  
Assistant Secretary

Enclosures

cc: National Legal and Policy Center  
Jenna Cooper, Latham & Watkins LLP

## **Exhibit A**

**Copy of the Proposal and Supporting Statement and Related Correspondence**

## **Copy of the Proposal and Supporting Statement**

## Report on Forced Labor

Resolved: Shareholders request that, beginning in 2022, Apple report to shareholders on the extent to which its products are produced through the direct or indirect use of forced (or slave) labor.

Supporting Statement:

Apple CEO Tim Cook told a Congressional Committee in July 2020, “Forced labor is abhorrent. We would not tolerate it in Apple.”

The Company says that it has not found evidence of the use of forced labor in its supply chain. Yet reports to the contrary keep coming. According to a May 10, 2020 report in *The Information*:

*The Information* and human rights groups have found seven companies supplying device components, coatings and assembly services to Apple that are linked to alleged forced labor involving Uyghurs and other oppressed minorities in China. At least five of those companies received thousands of Uyghur and other minority workers at specific factory sites or subsidiaries that did work for Apple, the investigation found.

According to a March 1, 2020 report by the Australian Strategic Policy Institute, Apple suppliers including O-Film, a maker of iPhone cameras, take part in labor transfers of Uyghurs, strongly suggestive of involuntary labor. From the report:

According to a now deleted (O-Film) press release, Cook praised the company for its ‘humane approach towards employees’ during his (2017) visit to O-Film, asserting that workers seemed ‘able to gain growth at the company, and live happily.’

According to the *Washington Post* of November 22, 2020:

Apple lobbyists are trying to weaken a bill (The Uyghur Forced Labor Prevention Act) aimed at preventing forced labor in China, according to two congressional staffers familiar with the matter, highlighting the clash between its business imperatives and its official stance on human rights.

## Copy of Related Correspondence

**From:** Peter Flaherty <[ptflaherty2002@yahoo.com](mailto:ptflaherty2002@yahoo.com)>

**Subject:** Shareholder proposal

**Date:** September 7, 2021 at 13:12:53 PDT

**To:** "[shareholderproposal@apple.com](mailto:shareholderproposal@apple.com)" <[shareholderproposal@apple.com](mailto:shareholderproposal@apple.com)>

Ms. Adams, please find attached a cover letter and proposal for consideration at the 2022 annual meeting. If you could acknowledge receipt, I would be grateful.

Peter Flaherty  
Chairman, National Legal and Policy Center  
107 Park Washington Court  
Falls Church, VA 22046  
voice: 703-237-1970  
fax: 703-237-2090

# National Legal and Policy Center

*"promoting ethics in public life"*



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*Ken Boehm 1949-2018*

## Board of Directors

*Peter Flaherty, Chairman*

*Kurt Christensen, Vice-Chairman*

*Michael Falcone*

*Richard F. LaMountain*

*David Wilkinson*

**Since 1991**

September 7, 2021

Ms. Katherine Adams  
General Counsel & Secretary  
Apple Inc.  
One Apple Park Way  
MS: 169-5GC  
Cupertino, CA 95014

VIA FEDEX AND EMAIL (SHAREHOLDERPROPOSAL@APPLE.COM)

Dear Ms. Adams:

I hereby submit the enclosed shareholder proposal ("Proposal") for inclusion in the Apple Inc. ("Company") proxy statement to be circulated to Company shareholders in conjunction with the next annual meeting of shareholders. The Proposal is submitted under Rule 14(a)-8 (Proposals of Security Holders) of the U.S. Securities and Exchange Commission's proxy regulations.

National Legal and Policy Center (NLPC) is the beneficial owner of 1,120 shares of the Company's common stock, which shares have been held continuously for more than a year prior to this date of submission. NLPC intends to hold the shares through the date of the Company's next annual meeting of shareholders. A proof of ownership letter is forthcoming and will be delivered to the Company.

The Proposal is submitted in order to promote shareholder value by requesting a report on the Company's use of forced labor. I will present the Proposal for consideration at the annual meeting of shareholders.

If you have any questions or wish to discuss the Proposal, please contact me at the number below. Copies of correspondence or a request for a "no-action" letter should be forwarded to me at the address below.

Sincerely,

A handwritten signature in blue ink, appearing to read "Peter Flaherty".

Peter Flaherty  
Chairman

Enclosure: Report on Forced Labor Shareholder Resolution

## Report on Forced Labor

Resolved: Shareholders request that, beginning in 2022, Apple report to shareholders on the extent to which its products are produced through the direct or indirect use of forced (or slave) labor.

Supporting Statement:

Apple CEO Tim Cook told a Congressional Committee in July 2020, “Forced labor is abhorrent. We would not tolerate it in Apple.”

The Company says that it has not found evidence of the use of forced labor in its supply chain. Yet reports to the contrary keep coming. According to a May 10, 2020 report in *The Information*:

*The Information* and human rights groups have found seven companies supplying device components, coatings and assembly services to Apple that are linked to alleged forced labor involving Uyghurs and other oppressed minorities in China. At least five of those companies received thousands of Uyghur and other minority workers at specific factory sites or subsidiaries that did work for Apple, the investigation found.

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According to a now deleted (O-Film) press release, Cook praised the company for its ‘humane approach towards employees’ during his (2017) visit to O-Film, asserting that workers seemed ‘able to gain growth at the company, and live happily.’

According to the *Washington Post* of November 22, 2020:

Apple lobbyists are trying to weaken a bill (The Uyghur Forced Labor Prevention Act) aimed at preventing forced labor in China, according to two congressional staffers familiar with the matter, highlighting the clash between its business imperatives and its official stance on human rights.



**From:** Marren, Katie (NY)  
**Sent:** Thursday, September 16, 2021 10:46 AM  
**To:** ptflaherty2002@yahoo.com  
**Cc:** Cooper, Jenna (NY)  
**Subject:** Apple Shareholder Proposal  
**Attachments:** Apple - Letter (NLPC - Sept. 16, 2021).PDF

Mr. Flaherty,

Please find attached a letter on behalf of Apple Inc. in reference to a shareholder proposal submitted by the National Legal and Policy Center on September 7, 2021. A hard copy of this letter has also been sent to you via Fed Ex.

Regards,

**Katherine Macrae Marren**

**LATHAM & WATKINS LLP**  
1271 Avenue of the Americas  
New York, NY 10020  
Direct Dial: +1.212.906.2980  
Email: [katie.marren@lw.com](mailto:katie.marren@lw.com)  
<https://www.lw.com>

Jenna Cooper  
Direct Dial: 212.906.1324  
Jenna.Cooper@lw.com

1271 Avenue of the Americas  
New York, New York 10020-1401  
Tel: +1.212.906.1200 Fax: +1.212.751.4864  
www.lw.com

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September 16, 2021

**BY FEDEX AND ELECTRONIC MAIL**

National Legal and Policy Center  
Attn: Peter Flaherty  
107 Park Washington Court  
Falls Church, VA 22046  
ptflaherty2002@yahoo.com

Re: Shareholder Proposal to Apple Inc.

Dear Mr. Flaherty,

On September 7, 2021, Apple Inc. (the “Company”) received correspondence from you on behalf of the National Legal and Policy Center (the “Proponent”) purportedly submitting a shareholder proposal and an accompanying supporting statement (the “Proposal”) for inclusion in the Company’s proxy statement for its 2022 annual meeting of shareholders. This notice is to inform you that the correspondence fails to meet the requirements of Rule 14a-8 of the Securities Exchange Act of 1934, as amended (“Rule 14a-8”), including providing proof of the Proponent’s continuous ownership of the required share value of the Company’s securities for an applicable period as provided in Rule 14a-8(b)(1)(i) and providing a written statement that the Proponent is able to meet with the Company in person or via teleconference no less than 10 calendar days, nor more than 30 calendar days, after submission of the Proposal, including providing business days and specific times within the regular business hours of the Company’s principal executive offices that the Proponent is available to discuss the Proposal with the Company.

Specifically, the Company has not received proper verification of the Proponent’s share ownership. In addition, the Proponent has not provided a written statement that it is able to meet with the Company in person or via teleconference no less than 10 calendar days, nor more than 30 calendar days, after submission of the Proposal, including providing business days and specific times within the regular business hours of the Company’s principal executive offices that the Proponent is available to discuss the Proposal with the Company. As a result, the Proponent has not demonstrated that it is eligible to submit the Proposal under Rule 14a-8. In order for the Proposal to be properly submitted, the Proponent must remedy these procedural deficiencies no later than 14 calendar days from the date you receive this notice.

## I. PROOF OF SHARE OWNERSHIP.

Rule 14a-8(b)(1)(i) provides that, in order to be eligible to submit a proposal to the Company, the Proponent must have continuously held as of the submission date:

- at least \$2,000 in market value of the Company's securities entitled to vote on the Proposal for at least three years; or
- at least \$15,000 in market value of the Company's securities entitled to vote on the Proposal for at least two years; or
- at least \$25,000 in market value of the Company's securities entitled to vote on the Proposal for at least one year.

In addition, Rules 14a-8(b)(1)(i) and (b)(3) also provide that, for annual or special meetings to be held prior to January 1, 2023, the Proponent can satisfy the proof of ownership requirement by demonstrating that the Proponent continuously held at least \$2,000 of the Company's securities entitled to vote on the Proposal for at least one year as of January 4, 2021, so long as the Proponent continuously held at least \$2,000 of such securities from January 4, 2021 through the date the Proposal was submitted to the Company, which was September 7, 2021.

In your correspondence with the Company, you stated that the Proponent has continuously held for more than a year prior to September 7, 2021, 1,120 shares of the Company's common stock. However, the Proponent does not appear on the Company's books and records as a stockholder of the Company and the Proponent has not provided other evidence of its ownership.

In order to establish the Proponent's eligibility to submit the Proposal under Rule 14a-8, the Proponent is required to provide the Company with documentation regarding the Proponent's ownership of Company securities, or the Proponent must direct its broker or bank to send such documentation to the Company. Rule 14a-8(b) provides that the Proponent may demonstrate its eligibility to the Company in two ways. The Proponent may either submit:

- a written statement from the "record" holder of the Proponent's securities (usually a broker or bank) verifying that, at the time the Proponent submitted the Proposal, which was on September 7, 2021, the Proponent continuously held the required share value for an applicable period of time as determined in accordance with Rule 14a-8(b)(1)(i); or
- a copy of a Schedule 13D, Schedule 13G, Form 3, Form 4, Form 5, or amendments to those documents or updated forms, reflecting the Proponent's ownership of the required share value as of or before the date on which the applicable eligibility period under Rule 14a-8(b)(1)(i) began.

To help shareholders comply with the requirement to prove ownership by providing a written statement from the “record” holder of the shares, the staff of the SEC’s Division of Corporation Finance (the “SEC Staff”) published Staff Legal Bulletin No. 14F (“SLB 14F”). In SLB 14F, the SEC Staff stated that only brokers or banks that are Depository Trust Company (“DTC”) participants will be viewed as “record” holders for the purposes of Rule 14a-8. Thus, shareholders must obtain the required written statement from the DTC participant through which their shares are held.

If you are not certain whether the Proponent’s broker or bank is a DTC participant, you may check the DTC’s participant list, which is currently available on the Internet at:

<http://www.dtcc.com/~media/Files/Downloads/client-center/DTC/alpha.ashx>

If the Proponent’s broker or bank is not on the DTC’s participant list, the Proponent will need to obtain proof of ownership from the DTC participant through which the Proponent’s securities are held. The Proponent should be able to find out who the DTC participant is by asking its broker or bank. If the DTC participant knows of the holdings of the Proponent’s broker or bank, but does not know the Proponent’s holdings, the Proponent may satisfy the proof of ownership requirement by obtaining and submitting two proof of ownership statements verifying that, at the time the Proposal was submitted, which was on September 7, 2021, the required value of securities was continuously held by the Proponent for the applicable period of time as provided in Rule 14a-8(b)(1)(i) – with one statement from the broker or bank confirming the Proponent’s ownership, and the other statement from the DTC participant confirming the broker or bank’s ownership. Please see the enclosed copy of SLB 14F for further information.

Please note that the documentation must establish the Proponent’s ownership of the required share value for at least the minimum period required by Rule 14a-8(b)(1)(i) by the date the Proponent submitted the Proposal, which was September 7, 2021.

## **II. STATEMENT OF AVAILABILITY.**

In order to establish the Proponent’s eligibility to submit the Proposal under Rule 14a-8, the Proponent is also required to provide a written statement that the Proponent is able to meet with the Company in person or via teleconference no less than 10 calendar days, nor more than 30 calendar days, after submission of the Proposal (see Rule 14a-8(b)(1)(iii)). The statement must include the Proponent’s contact information and provide business days and specific times within the regular business hours of the Company’s principal executive offices that the Proponent is available to discuss the proposal with the Company. The Proponent has not provided such a statement to the Company and therefore has failed to meet the requirements of Rule 14a-8(b)(1)(iii).

\* \* \*

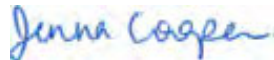
In order for the Proposal to be properly submitted, the Proponent must respond to this letter with the proper verification of its ownership of the Company’s securities and a statement of

**LATHAM & WATKINS** LLP

its availability to discuss the Proposal with the Company, each as described above. The response must be postmarked or transmitted no later than 14 calendar days from the date you receive this notice. For your information, we have attached a copy of Rule 14a-8 regarding shareholder proposals.

Please note that the Company has made no inquiry as to whether or not the Proposal, if properly submitted, may be excluded pursuant to Rule 14a-8(i) or for any other reason. The Company will make such a determination once the Proposal has been properly submitted.

Sincerely,



Jenna B. Cooper  
of LATHAM & WATKINS LLP

Enclosures

cc: Sam Whittington, Apple Inc.  
Brian Miller, Latham & Watkins LLP

## §240.14a-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) To be eligible to submit a proposal, you must satisfy the following requirements:

(i) You must have continuously held:

(A) At least \$2,000 in market value of the company's securities entitled to vote on the proposal for at least three years; or

(B) At least \$15,000 in market value of the company's securities entitled to vote on the proposal for at least two years; or

(C) At least \$25,000 in market value of the company's securities entitled to vote on the proposal for at least one year; or

(D) The amounts specified in paragraph (b)(3) of this section. This paragraph (b)(1)(i)(D) will expire on the same date that §240.14a-8(b)(3) expires; and

(ii) You must provide the company with a written statement that you intend to continue to hold the requisite amount of securities, determined in accordance with paragraph (b)(1)(i)(A) through (C) of this section, through the date of the shareholders' meeting for which the proposal is submitted; and

(iii) You must provide the company with a written statement that you are able to meet with the company in person or via teleconference no less than 10 calendar days, nor more than 30 calendar days, after submission of the shareholder proposal. You must include your contact information as well as business days and specific times that you are available to discuss the proposal with the company. You must identify times that are within the regular business hours of the company's principal executive offices. If these hours are not disclosed in the company's proxy statement for the prior year's annual meeting, you must identify times that are between 9 a.m. and 5:30 p.m. in the time zone of the company's principal executive offices. If you elect to co-file a proposal, all co-filers must either:

(A) Agree to the same dates and times of availability, or

(B) Identify a single lead filer who will provide dates and times of the lead filer's availability to engage on behalf of all co-filers; and

(iv) If you use a representative to submit a shareholder proposal on your behalf, you must provide the company with written documentation that:

(A) Identifies the company to which the proposal is directed;

(B) Identifies the annual or special meeting for which the proposal is submitted;

(C) Identifies you as the proponent and identifies the person acting on your behalf as your representative;

(D) Includes your statement authorizing the designated representative to submit the proposal and otherwise act on your behalf;

(E) Identifies the specific topic of the proposal to be submitted;

(F) Includes your statement supporting the proposal; and

(G) Is signed and dated by you.

(v) The requirements of paragraph (b)(1)(iv) of this section shall not apply to shareholders that are entities so long as the representative's authority to act on the shareholder's behalf is apparent and self-evident such that a reasonable person would understand that the agent has authority to submit the proposal and otherwise act on the shareholder's behalf.

(vi) For purposes of paragraph (b)(1)(i) of this section, you may not aggregate your holdings with those of another shareholder or group of shareholders to meet the requisite amount of securities necessary to be eligible to submit a proposal.

(2) One of the following methods must be used to demonstrate your eligibility to submit a proposal:

(i) 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 requisite amount of securities, determined in accordance with paragraph (b)(1)(i)(A) through (C) of this section, through the date of the meeting of shareholders.

(ii) 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:

(A) 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 at least \$2,000, \$15,000, or \$25,000 in market value of the company's securities entitled to vote on the proposal for at least three years, two years, or one year, respectively. You must also include your own written statement that you intend to continue to hold the requisite amount of securities, determined in accordance with paragraph (b)(1)(i)(A) through (C) of this section, through the date of the shareholders' meeting for which the proposal is submitted; or

(B) The second way to prove ownership applies only if you were required to file, and 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, demonstrating that you meet at least one of the share ownership requirements under paragraph (b)(1)(i)(A) through (C) of this section. If you have filed one or more of these documents with the SEC, you may demonstrate your eligibility to submit a proposal by submitting to the company:

(1) A copy of the schedule(s) and/or form(s), and any subsequent amendments reporting a change in your ownership level;

(2) Your written statement that you continuously held at least \$2,000, \$15,000, or \$25,000 in market value of the company's securities entitled to vote on the proposal for at least three years, two years, or one year, respectively; and

(3) Your written statement that you intend to continue to hold the requisite amount of securities, determined in accordance with paragraph (b)(1)(i)(A) through (C) of this section, through the date of the company's annual or special meeting.

(3) If you continuously held at least \$2,000 of a company's securities entitled to vote on the proposal for at least one year as of January 4, 2021, and you have continuously maintained a minimum investment of at least \$2,000 of such securities from January 4, 2021 through the date the proposal is submitted to the company, you will be eligible to submit a proposal to such company for an annual or special meeting to be held prior to January 1, 2023. If you rely on this provision, you must provide the company with your written statement that you intend to continue to hold at least \$2,000 of such securities through the date of the shareholders' meeting for which the proposal is submitted. You must also follow the procedures set forth in paragraph (b)(2) of this section to demonstrate that:

(i) You continuously held at least \$2,000 of the company's securities entitled to vote on the proposal for at least one year as of January 4, 2021; and

(ii) You have continuously maintained a minimum investment of at least \$2,000 of such securities from January 4, 2021 through the date the proposal is submitted to the company.

(iii) This paragraph (b)(3) will expire on January 1, 2023.

(c) *Question 3:* How many proposals may I submit? Each person may submit no more than one proposal, directly or indirectly, to a company for a particular shareholders' meeting. A person may not rely on the securities holdings of another person for the purpose of meeting the eligibility requirements and submitting multiple proposals 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 addresses substantially the same subject matter as a proposal, or proposals, previously included in the company's proxy materials within the preceding five calendar years if the most recent vote occurred within the preceding three calendar years and the most recent vote was:

- (i) Less than 5 percent of the votes cast if previously voted on once;
- (ii) Less than 15 percent of the votes cast if previously voted on twice; or
- (iii) Less than 25 percent of the votes cast if previously voted on three or more times.

(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.

[63 FR 29119, May 28, 1998; 63 FR 50622, 50623, Sept. 22, 1998, as amended at 72 FR 4168, Jan. 29, 2007; 72 FR 70456, Dec. 11, 2007; 73 FR 977, Jan. 4, 2008; 76 FR 6045, Feb. 2, 2011; 75 FR 56782, Sept. 16, 2010; 85 FR 70294, Nov. 4, 2020]

EFFECTIVE DATE NOTE: At 85 FR 70294, Nov. 4, 2020, §240.14a-8 was amended by adding paragraph (b)(3), effective Jan. 4, 2021 through Jan. 1, 2023.



## 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

**Date:** October 18, 2011

**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](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.<sup>1</sup>

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.<sup>2</sup> 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.<sup>3</sup>

## **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.<sup>4</sup> 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.<sup>5</sup>

## **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.<sup>6</sup> 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<sup>7</sup> 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,<sup>8</sup> 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/downloads/membership/directories/dtc/alpha.pdf>.

*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.<sup>9</sup>

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).<sup>10</sup> 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]."<sup>11</sup>

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).<sup>12</sup> 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.<sup>13</sup>

**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,<sup>14</sup> 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.<sup>15</sup>

**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.<sup>16</sup>

#### **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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<sup>1</sup> See Rule 14a-8(b).

<sup>2</sup> 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.").

<sup>3</sup> 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).

<sup>4</sup> 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.

<sup>5</sup> See Exchange Act Rule 17Ad-8.

<sup>6</sup> See Net Capital Rule, Release No. 34-31511 (Nov. 24, 1992) [57 FR 56973] (“Net Capital Rule Release”), at Section II.C.

<sup>7</sup> 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.

<sup>8</sup> *Techne Corp.* (Sept. 20, 1988).

<sup>9</sup> 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.

<sup>10</sup> 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.

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

<sup>12</sup> 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.

<sup>13</sup> 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.

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

<sup>15</sup> 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.

<sup>16</sup> 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.

<http://www.sec.gov/interps/legal/cfslb14f.htm>

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[Home](#) | [Previous Page](#)

Modified: 10/18/2011

**From:** Peter Flaherty <ptflaherty2002@yahoo.com>  
**Sent:** Friday, September 24, 2021 6:37 AM  
**To:** shareholderproposal@apple.com  
**Cc:** Cooper, Jenna (NY) <Jenna.Cooper@lw.com>  
**Subject:** National Legal and Policy Center proposal

Dear Ms. Adams, please find attached my letter dated today regarding our shareholder proposal. I would be grateful if you would acknowledge receiving it.

Peter Flaherty  
Chairman, National Legal and Policy Center  
107 Park Washington Court  
Falls Church, VA 22046  
voice: 703-237-1970  
fax: 703-237-2090

# National Legal and Policy Center

*"promoting ethics in public life"*



## Co-Founder

*Ken Boehm 1949-2018*

## Board of Directors

*Peter Flaherty, Chairman*

*Kurt Christensen, Vice-Chairman*

*Michael Falcone*

*Richard F. LaMountain*

*David Wilkinson*

**Since 1991**

September 24, 2021

Ms. Katherine Adams  
General Counsel & Secretary  
Apple Inc.  
One Apple Park Way  
MS: 169-5GC  
Cupertino, CA 95014

VIA FEDEX AND EMAIL (SHAREHOLDERPROPOSAL@APPLE.COM)

Dear Ms. Adams:

This letter responds to the September 16, 2021 letter of Jenna B. Cooper of Latham & Watkins, LLC who alleged that the submission of our shareholder proposal submitted on September 7, 2021 was deficient in two ways.

**1) Proof of Share Ownership-** I have enclosed a letter from our broker Fidelity verifying our ownership of Apple stock.

**2) Statement of Availability-** I am able to meet with the Company in person or via teleconference no less than 10 calendar days, nor more than 30 calendar days, after submission of the proposal. I can be reached at the number below or at [pflaherty@nlpc.org](mailto:pflaherty@nlpc.org). I am available Monday through Friday from 9am to 5pm, Eastern Time.

Sincerely,

A handwritten signature in blue ink, appearing to read "Peter Flaherty".

Peter Flaherty  
Chairman

Enclosure: Fidelity letter

cc: Jenna B. Cooper

September 23, 2021

Corporate Secretary  
Apple Inc.

RE: Shareholder Resolution of National Legal and Policy Center

To Whom It May Concern:

This letter is in response to a request from Mr. Peter Flaherty, Chairman of the National Legal and Policy Center.

Please be advised that Fidelity Investments holds 1,120,000 shares of Apple Inc. beneficially for the National Legal and Policy Center. I have listed below the history of the shares coming into the account:

Date	Transaction Type	Number of Shares
4/18/2011	Buy	4.000
6/9/2014	Stock Split	24.000
9/5/2018	Received	25.000
2/27/2019	Received	100.000
4/26/2019	Received	26.000
3/25/2020	Received	100.000
8/31/2020	Stock Split	837.000
1/26/2021	Received	4.000

I hope you find this information helpful. If you have any questions regarding this issue, please contact a Fidelity representative at 800-544-6666 for assistance.

Sincerely,


Patrick Solomons  
Personal Investing Operations

Our File: W947170-23SEP21

**Exhibit B**

**Copy of the Initial Submission of the SumOfUs Proposal by Jane M. Saks**



On Tue, Aug 24, 2021 at 2:07 PM Jane M Hussein Saks [REDACTED] wrote:

Dear Corporate Secretary,

Please find attached a shareholder proposal submitted pursuant to Rule 14a-8, cover letter and proof of ownership. Please confirm receipt of this communication. Should you have any questions or wish to discuss the concerns raised in the proposal, please do not hesitate to contact Vicky Wyatt at [vicky@sumofus.org](mailto:vicky@sumofus.org) or +1 415 960 7920.

Best regards,  
Jane M. Saks

&-

Jane M. Saks  
President & Artistic Director, Project & [REDACTED]  
Co-Founder/Co-Artistic Director  
Monuments to Movements  
M2M: In the House of Radical  
Feminist Practices

**Do not be daunted by the  
enormity of the world's grief.  
Do justly, now. Love mercy,  
now. Walk humbly, now. You  
are not obligated to complete  
the work, but neither are you  
free to abandon it.**

-- The Talmud

**"Art urges voyages - and it is  
easier to stay at home."**

-- Gwendolyn Brooks

**"Artists are here to disturb  
the peace."**

--- James Baldwin

**"...there are only hints and  
guesses, hints followed by  
guesses..." -- *Four***

***Quartets*, by TS Eliot**

**From:** Jane M Hussein Saks [REDACTED] PII  
**Subject:** Re: Shareholder proposal for 2022 annual general meeting of shareholders  
**Date:** August 24, 2021 at 12:09:58 PDT  
**To:** [shareholderproposal@apple.com](mailto:shareholderproposal@apple.com)

My apologies, please find the shareholder proposal attached here.

Best  
Jane M. Saks

& -

Jane M. Saks  
President & Artistic Director, Project &  
[REDACTED] PII  
Co-Founder/Co-Artistic Director  
Monuments to Movements  
M2M: In the House of Radical  
Feminist Practices

-

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-- The Talmud**

**"Art urges voyages - and it is  
easier to stay at home."  
-- Gwendolyn Brooks**

**"Artists are here to disturb  
the peace."  
--- James Baldwin**

**"....there are only hints and  
guesses, hints followed by  
guesses..." -- *Four  
Quartets*, by TS Eliot**

**Jane M. Saks**

PII

**August 23, 2021**

**Via email**

Apple Inc.  
One Apple Park Way, MS 169-5GC  
Cupertino, CA 95014

Attn: Katherine Adams, Corporate Secretary

Re: Shareholder proposal for 2022 Annual Shareholder Meeting

Dear Ms Adams,

I am submitting the attached proposal (the “Proposal”) pursuant to the Securities and Exchange Commission’s Rule 14a-8 to be included in the proxy statement of Apple Inc (the “Company”) for its 2022 annual meeting of shareholders. I am co-filing the Proposal with lead filer Jane Saks. In her submission letter, Jane Saks will provide dates and times of ability to meet. I designate the lead filer to meet initially with the Company but may join the meeting subject to my availability.

I have continuously beneficially owned, for at least one year as of the date hereof, at least \$25,000 of the Company’s common stock. Verification of this ownership will be sent under separate cover. I intend to continue to hold such shares through the date of the Company’s 2022 annual meeting of shareholders.

Please send future correspondence and communications regarding this proposal to my representative Vicky Wyatt, at [vicky@sumofus.org](mailto:vicky@sumofus.org) or +1 415 960 7920.

Sincerely,  
Jane M. Saks



RESOLVED that shareholders of Apple, Inc. (“Apple”) ask the Board of Directors to oversee the preparation of a report, at reasonable cost and omitting confidential and proprietary information, on the extent to which Apple’s policies and procedures effectively protect workers in its supply chain from forced labor, including the extent to which Apple has identified suppliers and sub-suppliers that are at significant risk for forced labor violations, the number of suppliers against which Apple has taken corrective action due to such violations, and the availability and use of grievance mechanisms to compensate affected workers. The report should be posted to Apple’s website.

### SUPPORTING STATEMENT

Apple relies on over 200 suppliers<sup>1</sup> globally for product components. These suppliers and sub-suppliers may be at significant risk for forced labor if they have facilities in areas with a high risk of forced labor, or source inputs from such areas.

Apple’s Code of Conduct (2005) lists forced labor as a ‘core violation’ of its policy, with suppliers required to ‘ensure that all work is voluntary’ and prohibited from “traffic[ing] persons or us[ing] any form of slave, forced, bonded, indentured, or prison labor.’ The Code also states suppliers must undertake due diligence and allow Apple access to their facilities to evaluate suppliers and sub-suppliers’ compliance.<sup>2</sup>

Apple’s Human Rights Policy (2020) states its desire ‘to be a force for good in the lives of people in our supply chain’, and asserts that Apple works ‘hand in hand with our suppliers to ensure that every workplace provides a safe and respectful environment for everyone’.<sup>3</sup>

It has been reported that at least nine<sup>4</sup> companies in Apple’s supply chain participate in the government of China’s forced labor program. Reports suggest that Apple severed ties with Ofilm Group over allegations that it’s involved in that program.

Following evidence since 2017 of millions of Uyghurs and other Turkic Muslims being forced into internment camps and related labour programs<sup>5</sup>, the Parliaments of the UK and Canada and the US State Department recognized this as a genocide.<sup>6</sup>

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<sup>1</sup> <https://www.investopedia.com/articles/investing/090315/10-major-companies-tied-apple-supply-chain.asp>

<sup>2</sup> <https://www.apple.com/supplier-responsibility/pdf/Apple-Supplier-Code-of-Conduct-and-Supplier-Responsibility-Standards.pdf> p9&16

<sup>3</sup> [https://s2.q4cdn.com/470004039/files/doc\\_downloads/gov\\_docs/Apple-Human-Rights-Policy.pdf](https://s2.q4cdn.com/470004039/files/doc_downloads/gov_docs/Apple-Human-Rights-Policy.pdf) p2

<sup>4</sup> <https://appleinsider.com/articles/21/05/10/seven-apple-suppliers-linked-to-chinese-forced-labor-programs>; <https://www.bloomberg.com/news/articles/2021-03-17/shares-of-china-s-ofilm-drop-after-firm-loses-foreign-customer>; <https://www.theverge.com/2020/12/29/22204920/lens-technology-uyghur-forced-labor-xinjiang-amazon-apple-tesla>

<sup>5</sup> <https://edition.cnn.com/interactive/2020/02/asia/xinjiang-china-karakax-document-intl-hnk/>

<sup>6</sup> <https://www.cnn.com/2021/04/22/world/uk-china-uyghur-genocide-motion-gbr-intl/index.html>

US Congress is actively working to pass legislation to create a 'rebuttable presumption' that goods from the Uyghur region are made with forced labor and will be prohibited from entering the US unless 'clear and convincing' evidence can be shown to the contrary.<sup>7</sup>

The proposed report is intended to mitigate this regulatory risk, given Apple's dependence on suppliers operating under a government accused of genocide.

We urge shareholders to vote for this Proposal.

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<sup>7</sup> <https://mcgovern.house.gov/news/documentsingle.aspx?DocumentID=398673>

Katherine Adams, Corporate Secretary Apple Inc.  
One Apple Park Way, MS 169-5GC  
Cupertino, CA 95014

August 24, 2021

RE: Verification of Deposit – Standard

## Important Notice

This is in response to the Verification of Deposit (VOD) request for the Merrill Lynch account of Jane M. Saks. Details appear below.

Account Type	CMA
Account Number	XXX PII
Value as of Date (Close of Business (COB))	08/23/2021
Total Portfolio Value*	\$25,000

If checked, the portfolio value provided represents an average balance.

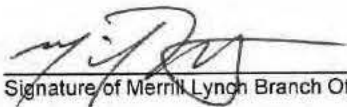
\*This total is as of COB on the listed date. However, the balance provided is monthly/quarterly as Merrill Lynch does not maintain daily balance records. It includes Money Fund shares/balances, marginable/non-marginable securities, and outstanding loans. If an average balance is requested, it is calculated based upon the monthly/quarterly balance.

### Comments

Concerning a shareholder proposal (the "Proposal") submitted to Apple Inc (the "Company") by Jane M. Saks.

As of August 23, 2021, Jane M. Saks beneficially owned, and had beneficially owned continuously for at least one year, shares of Apple Corporation common stock worth at least \$25,000 (the "Shares").

Merrill Lynch is a DTC participant.



Signature of Merrill Lynch Branch Office Management Team (OMT)

Michael Northcott  
Printed Name

8-24-21  
Date

714-431-4072  
Phone Number



Please be advised our cash management account program permits account holders to access the assets in the account by Visa card and checks, which are drawn and processed against a Merrill Lynch account maintained for the customer at Bank of America, N.A. However, the account holder does not maintain a depository balance at that bank. The information provided above may change daily due to activity in the account and/or changes in market value of assets held in the account. This information is provided as a courtesy and Merrill Lynch is not liable or responsible for any decisions made, in whole or in part, on reliance upon this information.

This information is furnished to you in strict confidence in response to your request and is solely for your use for the purposes described in the Verification of Deposit request. If you have any questions, please contact the person whose signature appears above at the phone number provided. This information is provided as a courtesy and Merrill Lynch is not liable or responsible for any decisions made, in whole or part, on reliance upon this information.

L-03-19

Merrill Lynch makes available products and services offered by Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S") and other subsidiaries of Bank of America Corporation ("BofA Corp."). Merrill Edge is available through MLPF&S, and consists of the Merrill Edge Advisory Center (investment guidance) and self-directed online investing. MLPF&S is a registered broker-dealer, Member SIPC and a wholly owned subsidiary of BofA Corp.

Banking products are provided by Bank of America, N.A., and affiliated banks, Members FDIC and wholly owned subsidiaries of BofA Corp.

**Investment products:**

<b>Are Not FDIC Insured</b>	<b>Are Not Bank Guaranteed</b>	<b>May Lose Value</b>
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MLPF&S is a registered broker-dealer, registered investment adviser and Member SIPC.

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**Exhibit C**

**List of DTC Participants (As of September 30, 2021)**



## DTC Participant Report (Alphabetical Sort)

Participant Account Name	No
ABN AMRO CLEARING CHICAGO LLC	0695
ABN AMRO SECURITIES (USA) LLC	0349
ABN AMRO SECURITIES (USA) LLC/A/C#2	7571
ABN AMRO SECURITIES (USA) LLC/REPO	7590
ABN AMRO SECURITIES (USA) LLC/ABN AMRO BANK NV REPO	7591
ALPINE SECURITIES CORPORATION	8072
AMALGAMATED BANK	2352
AMALGAMATED BANK OF CHICAGO	2567
AMERICAN ENTERPRISE INVESTMENT SERVICES INC.	0756
AMERICAN ENTERPRISE INVESTMENT SERVICES INC./CONDUIT	7260
AMHERST PIERPONT SECURITIES LLC	0413
APEX CLEARING CORPORATION	0158
APEX CLEARING CORPORATION/APEX CLEARING MATCHBOOK	4439
APEX CLEARING CORPORATION/APEX CLEARING STOCK LOAN	8308
ARCHIPELAGO SECURITIES, L.L.C.	0436
ARCOLA SECURITIES, INC.	0166
ASCENSUS TRUST COMPANY	2563
ASSOCIATED BANK, N.A.	2257
ASSOCIATED BANK, N.A./ASSOCIATED TRUST COMPANY/IPA	1620
AXOS CLEARING LLC	0052
AXOS CLEARING LLC/CORRESPONDENT FLIP FACILITATION ACCOUNT	1186
AXOS CLEARING LLC/E*TRADE SAVINGS BANK	5981
AXOS CLEARING LLC/STOCK LOAN	7576
B. RILEY SECURITIES, INC.	9186
BANK OF AMERICA, NATIONAL ASSOCIATION	2236
BANK OF AMERICA, NA/GWIM TRUST OPERATIONS	0955
BANK OF AMERICA NA/FBO TEMASEK	1367
BANK OF AMERICA/LASALLE BANK NA/IPA, DTC #1581	1581
BANK OF AMERICA NA/CLIENT ASSETS	2251
BANK OF CHINA, NEW YORK BRANCH	2555
BANK OF CHINA NEW YORK BRANCH/CLIENT CUSTODY	2656
BANK OF MONTREAL, CHICAGO BRANCH	2309
BANK OF MONTREAL, CHICAGO BRANCH/CM	3272
BANKERS' BANK	2557
BARCLAYS BANK PLC NEW YORK BRANCH	7263
BARCLAYS BANK PLC NEW YORK BRANCH/BARCLAYS BANK PLC-LNBR	8455
BARCLAYS CAPITAL INC.	5101
BARCLAYS CAPITAL INC./LE	0229
BARCLAYS CAPITAL INC./BARCLAYS BANK PLC, LONDON BRANCH	7254
BARCLAYS CAPITAL INC./BARCLAYS CAPITAL INC. FIXED INCOME	7256
BBVA SECURITIES INC.	2786
BBVA USA	2483
BBVA USA/IPA	1563
BBVA USA/INVESTMENTS	7582
BETA CAPITAL SECURITIES LLC	4077
BETHESDA SECURITIES, LLC	8860
BGC FINANCIAL, L.P.	0537
BGC FINANCIAL L.P./BGC BROKERS L.P.	5271
BMO CAPITAL MARKETS CORP.	0045
BMO CAPITAL MARKETS CORP./PALOMA	5221
BMOCM/BONDS	5257

BMO HARRIS BANK NA	2697
BMO HARRIS BANK NA/TRUST	0992
BMO HARRIS BANK NA/M&I BANK IPA	1530
BMO HARRIS BANK NA/IPA	1582
BMO HARRIS BANK NA/DEALER	2559
BNP PARIBAS SECURITIES CORP.	0630
BNP PARIBAS SECURITIES CORP./PRIME BROKERAGE	2154
BNP PARIBAS SECURITIES CORP./PRIME STOCK LENDING	2885
BNP PARIBAS SECURITIES CORP./PRIME ARBITRAGE SLAB	8238
BNP PARIBAS, NEW YORK BRANCH	1569
BNP PARIBAS, NEW YORK BRANCH/BNP PARIBAS LONDON ALM	1014
BNP PARIBAS, NEW YORK BRANCH/MERLION/CLIENT ASSETS	1405
BNP PARIBAS, NEW YORK BRANCH/IPA	1601
BNP PARIBAS, NEW YORK BRANCH/BNP PARIBAS PRIME BROKERAGE CUSTODIAN	2147
BNP PARIBAS, NEW YORK BRANCH/BNPP SA	2322
BNP PARIBAS, NEW YORK BRANCH/CUSTODY/CLIENT ASSETS	2787
BNP PARIBAS, NEW YORK BRANCH/BNP PARIBAS PRIME BROKERAGE INTERNATIONAL	2884
BNP PARIBAS NEW YORK BRANCH /BNP PARIBAS SA (METLIFE)	4252
BNP PARIBAS, NEW YORK BRANCH/MARKETAXESS/CLIENT ASSETS	4302
BNP PARIBAS NY BRANCH LONDON BONDS	5153
BNP PARIBAS NY BRANCH/PARIS BONDS	7382
BNP PARIBAS NEW YORK BRANCH/USAL	8183
BNP PARIBAS NEW YORK BRANCH/BNP PARIBAS PROPRIETARY ASSETS	8462
BNY MELLON CAPITAL MARKETS, LLC	2523
BOFA SECURITIES, INC.	0161
BOFA SECURITIES, INC. / FIXED INCOME	0773
BOFA SECURITIES, INC. /SECURITIES LENDING	5143
BOFA SECURITIES, INC. /FOREIGN SECURITIES LENDING	5176
BOFA SECURITIES, INC. /SAFEKEEPING	5198
BOFA SECURITIES, INC. /STOCK LOAN HEDGE ACCOUNT	7560
BOKF, NATIONAL ASSOCIATION	3975
BROWN BROTHERS HARRIMAN & CO.	0010
BROWN BROTHERS HARRIMAN & CO./ETF	0109
BROWN BROTHERS HARRIMAN & CO. /SECURITIES LENDING SPO ACCOUNT II	4048
SECURITIES LENDING SPO ACCOUNT/BBH	5288
BUCKLER SECURITIES LLC	3961
CAJA DE VALORES S.A.	5610
CALDWELL TRUST COMPANY	2687
CANTOR FITZGERALD & CO.	0696
CANTOR FITZGERALD & CO. / CANTOR CLEARING SERVICES	0197
CANTOR FITZGERALD/STOCK LOAN	5253
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STATE STREET BANK AND TRUST COMPANY/DB RESIDUAL PROCESSING ACCOUNT	2546
SSB&T/SEC FIN AS PRINCIPAL	2625
SSB&T CO/CLIENT CUSTODY SERVICES	2678
SSB - BLACKROCK INSTITUTIONAL TRUST	2767
STATE STREET BANK & TRUST/STATE STREET TOTALET F	2950
STATE STREET BANK & TRUST COMPANY/LENDING PASS-THROUGH	7268
STATE STREET BANK & TRUST COMPANY/EC, GMBH	8147
STATE STREET BANK AND TRUST COMPANY, N.A.	2386
STATE STREET GLOBAL MARKETS, LLC	0189
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STIFEL, NICOLAUS & COMPANY, INC./STIFEL SECURITIES LENDING	8385
STONEX FINANCIAL INC.	0750
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SUMITOMO MITSUI TRUST BANK (U.S.A.) LIMITED	2779
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TD AMERITRADE CLEARING, INC.	0188
TD AMERITRADE CLEARING, INC./SECURITIES LENDING	5298
TD PRIME SERVICES LLC	0284
TD PRIME SERVICES LLC/SUB	2796
TD PRIME SERVICES LLC/STOCK LOAN	7578
TD SECURITIES (USA) LLC	2568
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BNYMELLON/RE ETF - UIT DTC/NSCC 0963	0963
BNYMELLON/RE DE SHAW US BROAD MC ALP E PORT LLC	1414
BNYMELLON/RE DE SHAW US L CAP C ALP EX PORT LLC	1416
BNYMELLON/RE NAB MELBOURNE	1419
BNYMELLON/RE DE SHAW BMCAE SPECIAL FUND LP	1420
BNYMELLON/ELLINGTON EMPIRE FUND LLC	1421
THE BANK OF NEW YORK MELLON/IPA	1541
BNYMELLON/RE ROYAL BANK OF CANADA	1603
BNYMELLON/RE CITADEL GLOBAL FIXED INCOME MASTER FUND	1724
BNYMELLON/RE ELLINGTON QUANT MACRO MSTR FD LTD	1951
BNYMELLON/RE CACEIS BANK, NETHERLANDS	1959
BNYMELLON/RE ELLINGTON SYSTEMATIC CR MSTR FD LTD	1961
BNYMELLON/RE BGC BROKERS LP	2002
THE BANK OF NEW YORK MELLON/FMSBONDS, INC.	2023
BNYMELLON/RE BNYMSANV RE FIRM	2026
THE BANK OF NEW YORK MELLON/HBK MASTER FUND LP	2046
BNYMELLON/RE DBTCA-DB AG LDN PB - CLIENT ACCOUNT	2057
BNYMELLON/RE DBTCA/DB AG LDN PB-DEUTSCHE BANK NY	2059
BNYMELLON/RE BNP PARIBAS TRI-PARTY ACCOUNT	2070
BNYMELLON/RE BNYMSANVAMS RE FIRM LAB	2074
BNYMELLON/RE DB AG LON PB POLGON GL OP M/FD	2090
BNYMELLON/RE RABOBANK INTERNATIONAL UNEF	2091
BNYMELLON/RE SUNTRUST BANK	2093
BNYMELLON/RE SUNTRUST BANK PORTFOLIO	2100
BNYMELLON/RE BARCLAYS CAPITAL SECURITIES LTD.	2103
BNYMELLON/RE ALLSTATE MARK TO MARKETS	2106
THE BANK OF NEW YORK MELLON/COMMERCIAL LOANS	2107
BNYMELLON/RE ICBC STANDARD BANK PLC	2109
BNYMELLON/RE NOMURA PB NOMINEES LTD	2131
THE BANK OF NEW YORK MELLON/IVORS	2136
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THE BANK OF NEW YORK MELLON/CDC MORTGAGE CAPITAL INC.	2176
THE BANK OF NEW YORK MELLON/BARCLAYS BANK PLC	2196
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THE BANK OF NEW YORK MELLON/EF SECURITIES LLC	2220
THE BANK OF NEW YORK MELLON/NATIXIS FINANCIAL PRODUCTS INC	2224
THE BANK OF NEW YORK MELLON/E-TRADE BANK	2225
BNYMELLON/RE NATIXIS FIXED INCOME	2243
BNYMELLON/RE NATIXIS	2244
BNY MELLON/NOMURA INT'L PLC REPO	2281
BNYMELLON/RE ING BANK NV LONDON BRANCH	2307
BNYMELLON/RE BOA NA	2308
BNYMELLON/RE BARCLAYS BANK PLC - PLEDGE ACCOUNT	2324

BNYMELLON/RE CHARLES STANLEY AND COMPANY, LIMITED	2336
BNYMELLON/RE ITC - DEALERS CLEARANCE SPECIAL	2339
THE BANK OF NEW YORK MELLON/ELLINGTON MORTGAGE FUND SC, LTD.	2342
BNYMELLON/RE HSBC BANK PLC PARIS BRANCH	2359
THE BANK OF NEW YORK MELLON/CRESCENT II FUND L.P.	2362
BNYMELLON/RE HSBC BANK PLC EQD USBR	2363
BNYMELLON/RE BARCLAYS CAP SEC LTD PB SEG 1	2366
BNYMELLON/RE BARCLAYS CAP SEC LTD PB SEG 2	2367
BNYMELLON/RE FIRM TRADE INS	2381
THE BANK OF NEW YORK MELLON/ELLINGTON MORTGAGE OPPORTUNITIES MASTER	2417
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BNYMELLON/RE BOA SECURITIES LTD. (BASL)	2494
BNYMELLON/RE NOMURA CL SETT NOM LTD	2499
THE BANK OF NEW YORK MELLON/ANNALY MORTGAGE	2502
BNYMELLON/RE DEPOSITARY RECEIPT SERVICES/MERRILL LYNCH REDEM.	2504
BNYMELLON/RE THE PRUDENTIAL INVESTMENT	2510
BNYMELLON/RE DAVY SECURITIES LIMITED	2553
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BNYMELLON/RE FIRM INVESTMENT PORTFOLIO	2595
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BNYMELLON/RE TRADITION LONDON CLEARING LTD.	2601
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BNYMELLON/RE AIG	2630
BNYMELLON/RE GOV & CO BANK OF ENGLAND	2634
BNYMELLON/RE BARCLAYS CAPITAL INC.	2641
BNYMELLON/RE GLOBAL PRIME PARTNERS	2648
THE BANK OF NEW YORK MELLON/ITC-DEALERS CLEARANCE GENERAL	2681
BNYMELLON/RE DE SHAW & CO.	2709
BNYMELLON/RE ICAP LONDON	2711
BNYMELLON/RE NATIONAL BANK OF AUSTRALIA	2714
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BNYMELLON/RE NOMURA CNS NOM RE: TFS DER	2718
BNYMELLON/RE BARCLAYS BK PLC-BARC LUX SARL A/C 1	2720
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BNYMELLON/RE MILLENNIUM FIXED INCOME LTD	2785
BNYMELLON/RE BBPLC PB CAYMEN CLIENT	2802
BNYMELLON/RE BBPLC PB CANADIAN CLIENTS	2825
THE BANK OF NEW YORK MELLON/DEUTSCHE BANK AG	2828
BNYMELLON/RE HSBC BANK PLC	2830
BNYMELLON/DE SHAW US L CAP C ALP EX PORT LLC	2833
BNYMELLON/RE SMBC NIKKO SECURITIES AMERICA INC	2838
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BNYMELLON/EMR CAYMAN HOLDINGS LTD	2886
THE BANK OF NEW YORK MELLON/CHIMERA RMBS LLC (F/K/A CIM HOLDING)	2893
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THE BANK OF NEW YORK MELLON/BAKER2	2903
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BNYMELLON/RE ANZ MELBOURNE	2908
BNYMELLON/RE BARCLAYS BANK IRELAND TREASURY ACCT	2909
BNYMELLON/RE ELLINGTON SPECIAL RELATIVE VALUE FUND LLC	2912
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THE BANK OF NEW YORK MELLON/NATIXIS SECURITIES AMERICAS LLC	2920
BNYMELLON/RE BARCLAYS BANK IRELAND	2922
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BNYMELLON/RE BARCLAYS BANK PLC	2931
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BNYMELLON/RE BARCLAY BANK IRELAND PLC F	2947
BNYMELLON/RE MIZUHO SECURITIES EUROPE GMBH	2948
BNYMELLON/ELLINGTON FINANCIAL REIT QLH LLC	2972
BNYMELLON/DE SHAW US BR MRK CO AL EXPORT LLC	2974
BNYMELLON/KBC BANK N.V.	2980
BNYMELLON/PUBLIC EMPLOYEES RETIREMENT SYSTEM OF OHIO	2981
BNYMELLON/RE RBC I&TS	2985
THE BANK OF NEW YORK MELLON/WFC HOLDINGS CORPORATION	3516
BNYMELLON/RE NORDEA DK/SEC FINANCE SE	3593
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BNYMELLON/RE RBC CAPITAL MARKETS (EUROPE) GMBH	3967
BNYMELLON/RE HH ELLINGTON MASTER FUND II LTD	3968
BNYMELLON/RE FIRM SAM NA	3970
BNYMELLON/RE BARCLAYS BANK DELAWARE	3972
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BNYMELLON/RE LME CLEAR	4085
BNYMELLON/RE ELLINGTON MRTG RECOVERY MASTER F LP	4086
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BNYMELLON/RE ARBEJDSMARKEDETS TILLAEGSPENSION	4088
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BNYMELLON/RE ANZ BANKING GROUP LIMITED	6501
BNYMELLON/RE HSBC BANK HONG KONG	7387
BNYMELLON/WFB.NA WELLS FARGO BANK NA PI	8043
BNYMELLON/WF & CO WELLS FARGO & COMPANY	8077
BNYMELLON/RE FIRM BORROW PLUS	8107
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THE BANK OF NEW YORK MELLON/EARN CMO LLC	8116
THE BANK OF NEW YORK MELLON/EARN MORTGAGE LLC	8117
THE BANK OF NEW YORK MELLON/NOMURA FIN. PRODUCTS & SERVICES INC.	8123
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BNYMELLON/RE BNYMSANVLB RE FIRM	8134
BNYMELLON/RE BBPLC F LRCM REPO	8139
BNY MELLON/WEALTH MANAGEMENT	8275
BNYMELLON/RE BNYMLB RE FIRM	8311
BNYMELLON/RE CACEIS BANK	8313
BNYMELLON/RE CBD BAADER AG	8314
BNYMELLON/RE CBD STEUBING AG	8317
BNYMELLON/RE WINTERFLOOD SECURITIES LTD	8318
BNYMELLON/RE CACEIS BANK LUXEMBOURG	8320
BNYMELLON/RE GFI SECURITIES LTD	8321
BNYMELLON/RE UIT NSCC CNS CLEARANCE	8355
BNYMELLON/ELLINGTON MGMT. GRP OMNIBUS FOR EFM ADVISED ACCTS	8412
BNYMELLON/RE FFT RE FIRM	8417
BNYMELLON/RE NA-BANK CUSTODY	8420
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BNYMELLON/RE CBD ICF BANK AG	8471
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BNYMELLON/RE RBCEL FIXED INCOME	8475
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THE BANK OF NOVA SCOTIA, NEW YORK AGENCY/RATES DESK	2531
THE CENTRAL DEPOSITORY (PTE) LIMITED	5700
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HUNTINGTON NATIONAL BANK/FBO OHIO POLICE AND PENSION FUND	2219
THE NASDAQ STOCK MARKET LLC	0734
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THE NORTHERN TRUST COMPANY	2669
NORTHERN TRUST COMPANY/IPA	1560
NORTHERN TRUST COMPANY/UNITED NATIONS JOINT STAFF PENSION FUND	2602
NORTHERN TRUST COMPANY - SAFEKEEPING	2684
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TRADEBOT SYSTEMS, INC.	0083
TRADELINK SECURITIES LLC	4230
TRADESTATION SECURITIES, INC.	0271
TRADESTATION SECURITIES, INC./TRADESTATION SECURITIES, INC.	8035
TRADEUP SECURITIES, INC.	0287
TRADEUP SECURITIES, INC./STOCK LOAN CONDUIT	2862
TRADITION SECURITIES AND DERIVATIVES LLC	0370
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TULLETT PREBON FINANCIAL SERVICES LLC	0624
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U.S. BANK N.A.	2803
U.S. BANK N.A./CP	1510
U.S. BANK N.A./SAFEKEEPING WEST	2234
U.S. BANK N.A./ETF	2580
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UBS AG STAMFORD BRANCH/AS CUSTODIAN FOR UBS AG LONDON BRANCH	2507
UBS FINANCIAL SERVICES INC.	0221
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UBS SECURITIES LLC	0642
UBS SECURITIES LLC/CMO	0652
UBS SECURITIES LLC/SECURITIES LENDING	5284
UMB BANK, NATIONAL ASSOCIATION	2450
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VELOCITY CAPITAL LLC/PROPRIETARY ACCOUNT	4424
VELOCITY CLEARING, LLC	0294

VELOCITY CLEARING, LLC/STOCK LOAN	7359
VELOX CLEARING LLC	3856
VELOX CLEARING LLC/SECURITIES LENDING	1605
VIRTU AMERICAS LLC	0295
VIRTU AMERICAS LLC/VIRTU FINANCIAL BD LLC	0063
VIRTU AMERICAS LLC/VIRTU ITG LLC	0099
VISION FINANCIAL MARKETS LLC	0595
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WACHTEL & CO., INC.	0709
WEDBUSH SECURITIES INC.	0103
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WELLS FARGO CLEARING SERVICES LLC	0141
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WELLS FARGO SECURITIES, LLC/SECURITIES FINANCE	2480
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WESBANCO BANK, INC.	2271
WILLIAM BLAIR & COMPANY, L.L.C.	0771
WILSON-DAVIS & CO., INC.	0283
WOLVERINE EXECUTION SERVICES, LLC	7350
ZIONS BANCORPORATION, NATIONAL ASSOCIATION	2104
ZIONS BANCORPORATION, NATIONAL ASSOCIATION/CT ISSUE & PAY A/C/IPA	1586
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ZIV INVESTMENT CO.	8082