



November 9, 2015

Via E-Mail (policy@issgovernance.com)

Mr. Gary Retelny
Institutional Shareholder Services, Inc.
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250 Greenwich Street
New York, NY 10007

Ms. Carol Bowie
Institutional Shareholder Services, Inc.
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Rockville, MD 20850

Ms. Georgina Marshall
Institutional Shareholder Services, Inc.
702 King Farm Boulevard
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Rockville, MD 20850

Re: Comments on ISS Proposed 2016 Policy Updates

Dear Mr. Retelny, Ms. Bowie and Ms. Marshall:

Meridian Compensation Partners, LLC (Meridian) is pleased to provide the following comments to Institutional Shareholder Services, Inc. (ISS) on its proposed Policy Updates for 2016.

Meridian is one of the largest independent executive compensation consulting firms in North America. We provide trusted counsel to Boards and Management at hundreds of large public and private companies, and consult on executive compensation design issues, corporate governance matters and related issues. Our consultants have substantial experience in developing pay solutions that are responsive to shareholders, reflect good governance practices and align with company performance.

We support ISS's emphasis on performance-based pay and the need for executive compensation to align with company performance. We strongly support ISS's approach to examine regularly its proxy voting policies, to survey the views of institutional shareholders, companies, and advisors on significant compensation and governance matters and to solicit comments regarding proposed changes to its policies.

Effective for the 2016 proxy season, ISS has proposed revisions to its U.S. proxy voting policies related to director overboarding. The more stringent proxy voting policies on overboarding would be subject to a one-year grace period.

Our comments on this proposed policy update follow.

Director Overboarding

Current policy. Under its current policy, ISS will recommend to vote AGAINST or WITHHOLD from any individual director who (1) sits on more than six public company boards, or (2) serves as CEO of a public company and sits on the boards of more than two public companies other than the company in which he or she serves as CEO (“outside boards”). In the case of such CEOs, ISS will only issue negative vote recommendations against the director with respect to his or her service on outside boards.

Proposed policy. As shown in the chart below, ISS is proposing to adopt a more stringent policy on overboarding for (1) directors who serve as a CEO of a public company and (2) directors that do not serve as a CEO of a public company. In the latter case, ISS is considering two potential standards for an acceptable number of directorships, whereby a director who is not an active CEO may serve on no more than either four or five directorships in total.

Number of Directorships	Current Policy	Proposed Policy
Directors who are Active CEOs	No more than 2 outside directorships	No more than 1 outside directorship
Directors who are not Active CEOs	No more than 6 directorships	No more than 4 or 5 directorships

Under the proposed policy, ISS would still issue negative vote recommendations against a director who is an active CEO with respect to his or her service on outside boards if he or she serves on more than one outside board. ISS would not consider majority-owned company subsidiaries to be outside boards.

Meridian Comment. Meridian believes that ISS’s current overboarding standards **should be maintained** for both directors who are and are not active CEOs. We recognize that the time dedicated to service as a director on a public company board has increased over the last decade. Nevertheless, we believe that the current standard of limiting active CEOs to no more than two outside directorships and of limiting directors who are not active CEOs to no more than six directorships is more than adequate to guard against overboarding. There is no evidence to suggest that a CEO who holds two outside directorships is unable to effectively discharge his duties as CEO and/or director or that a director who is not a CEO and who holds six directorships is unable to effectively discharge his duties for each directorship.

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As we previously stated, we strongly support ISS’s approach to examine regularly its proxy voting policies and to revise those policies to be responsive to the views of institutional shareholders and issuers.

We are available to discuss our comments with ISS officials at their convenience.

Sincerely,

Meridian Compensation Partners, LLC

Donald G. Kalfen
Partner