

Shareholder Proposal 4:

Andrew W. Duncan, 532 Settlers Landing Road, P.O. Box 548, Hampton, VA 23669 has submitted the following proposal:

"Basis for Motion

"Harvard University has adopted 'guidelines to govern relationships between the Harvard community and the CIA and other U.S. intelligence agencies' which guidelines 'expressly prohibit . . . the use of faculty members or administrators as secret recruiters or intelligence "operatives".'

"Harvard has 'not extended such restrictions to other institutions that recruit on [its] campus'

' . . . a large number of professors have been arguing that such guidelines [Harvard's] deprive faculty members of their academic freedom, as well as their constitutional right to associate with whom they please.' (*Chronicle of Higher Education*, September 5, 1978, p. 9)

"Four other educational institutions have adopted guidelines similar to those of Harvard: Columbia, Florida State University, University of Pennsylvania, and Syracuse University.

"These guidelines

" . . . unfairly discriminate against U.S. intelligence organizations and are consciously aimed at inhibiting the freedom of choice and right to privacy of faculty and staff who may wish to provide individual assistance to the U.S. Government.' (CIA letter of 24 October 1979)

"MOTION

"RESOLVED, That the shareholders recommend that our corporation, its subsidiaries, affiliates, and agents make no contributions to schools which to the knowledge of the President, a Vice President, or the Secretary of our corporation, or its subsidiaries, affiliates and agents, restricts or attempts to restrict contacts between any intelligence agency of the United States and

members of the academic community of such educational institutions, except for employee matching gifts."

The supporting statement by the proponent is:

"This motion does not ask you to do anything FOR your country. It only asks you to vote for withholding contributions from the few schools which are obstructing our nation's defense effort, thus providing more for the numerous schools which are cooperating.

"When you read the company's statement of opposition, think how this would sound to your child or grandchild, who looks up to you for your wisdom, your integrity, your loving concern for his safety.

"The question presented here is a question of conscience. It involves each individual's concept of his duty and loyalty to his country. It should be decided by each individual, not by the corporate conscience.

"Vote your own conscience; VOTE YES."

Your Directors recommend a vote against the above proposal.

Your Directors believe that it would not be appropriate for the Company to withhold contributions from educational institutions which adopt guidelines with respect to faculty relationships with United States intelligence agencies. Whether association with intelligence activities is consistent with the spirit of free inquiry which is the university's basic mission is a legitimate and serious question that the universities themselves should be permitted to examine without fear of economic sanctions. The Directors therefore recommend a vote AGAINST this proposal.

Shareholder Proposal 5:

The Interfaith Center on Corporate Responsibility (ICCR), 475 Riverside Drive, Room 366, New York, NY 10015, coordinated the submission of the following proposal on behalf of 15 organizations (names and addresses are available from the Secretary of the