

BERKSHIRE HATHAWAY INC  
Form DEF 14A  
March 11, 2010

**SCHEDULE 14A INFORMATION**

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

(Amendment No. )

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential for Use of the Commission Only (as permitted by Rule 14a-6[e][2])

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to § 240.14a-12

**BERKSHIRE HATHAWAY INC.**

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement If Other Than The Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required

Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

1) Title of each class of securities to which transaction applies:

Edgar Filing: BERKSHIRE HATHAWAY INC - Form DEF 14A

2) Aggregate number of securities to which transaction applies:

3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11: (Set forth the amount on which the filing fee is calculated and state how it was determined.)

4) Proposed maximum aggregate value of transaction:

5) Total fee paid:

.. Fee paid previously with preliminary materials.

.. Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

1) Amount Previously Paid:

2) Form, Schedule or Registration Statement No.:

3) Filing Party:

4) Date Filed:



**BERKSHIRE HATHAWAY INC.**

**3555 Farnam Street**

**Omaha, Nebraska 68131**

**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS**

May 1, 2010

TO THE SHAREHOLDERS:

Notice is hereby given that the Annual Meeting of the Shareholders of Berkshire Hathaway Inc. will be held at the Qwest Center Omaha, 455 North 10<sup>th</sup> Street, Omaha, Nebraska, on May 1, 2010 at 3:45 p.m. for the following purposes:

1. To elect directors.

2. To consider and act upon any other matters that may properly come before the meeting or any adjournment thereof.

The Board of Directors has fixed the close of business on March 3, 2010 as the record date for determining the shareholders having the right to vote at the meeting or any adjournment thereof. A list of such shareholders will be available for examination by a shareholder for any purpose germane to the meeting during ordinary business hours at the offices of the Corporation at 3555 Farnam Street, Omaha, Nebraska, during the ten days prior to the meeting.

You are requested to date, sign and return the enclosed proxy which is solicited by the Board of Directors of the Corporation and will be voted as indicated in the accompanying proxy statement and proxy. A return envelope is provided which requires no postage if mailed in the United States. If mailed elsewhere, foreign postage must be affixed.

**Prior to the formal annual meeting, just as in recent years, the doors will open at the Qwest Center at 7:00 a.m. and the movie will be shown at 8:30 a.m. At 9:30 a.m., the question and answer period will commence. The question and answer period will last until 3:30 p.m. (with a short break for lunch). After a recess, the formal Annual Meeting of Shareholders will convene at 3:45 p.m.**

By order of the Board of Directors

FORREST N. KRUTTER, *Secretary*

*Omaha, Nebraska*

*March 12, 2010*

**A shareholder may request meeting credentials for admission to the meeting by completing and promptly returning to the Company the meeting credential order form accompanying this notice. Otherwise, meeting credentials may be obtained at the meeting by persons identifying themselves as shareholders as of the record date. For a record owner, possession of a proxy card will be adequate identification. For a beneficial-but-not-of-record owner, a copy of a broker's statement showing shares held for his or her benefit on March 3, 2010 will be adequate identification.**

**BERKSHIRE HATHAWAY INC.**

**3555 Farnam Street**

**Omaha, Nebraska 68131**

**PROXY STATEMENT**

**FOR ANNUAL MEETING OF SHAREHOLDERS**

**May 1, 2010**

This statement is furnished in connection with the solicitation by the Board of Directors of Berkshire Hathaway Inc. (hereinafter "Berkshire" or "Corporation" or "Company") of proxies in the accompanying form for the Annual Meeting of Shareholders to be held on Saturday, May 1, 2010 at 3:45 p.m. and at any adjournment thereof. This proxy statement and the enclosed form of proxy were first sent to shareholders on or about March 12, 2010. If the form of proxy enclosed herewith is executed and returned as requested, it may nevertheless be revoked at any time prior to exercise by filing an instrument revoking it or a duly executed proxy bearing a later date. Solicitation of proxies will be made solely by mail at the Corporation's expense. The Corporation will reimburse brokerage firms, banks, trustees and others for their actual out-of-pocket expenses in forwarding proxy material to the beneficial owners of its common stock.

As of the close of business on March 3, 2010, the record date for the Annual Meeting, the Corporation had outstanding and entitled to vote 1,029,738 shares of Class A Common Stock (hereinafter called "Class A Stock") and 926,013,086 shares of Class B Common Stock (hereinafter called "Class B Stock"). Each share of Class A Stock is entitled to one vote per share and each share of Class B Stock is entitled to one-ten-thousandth (1/10,000) of one vote per share on all matters submitted to a vote of shareholders of the Corporation. The Class A Stock and Class B Stock vote together as a single class. Only shareholders of record at the close of business on March 3, 2010 are entitled to vote at the Annual Meeting or at any adjournment thereof.

The presence at the meeting, in person or by proxy, of the holders of Class A Stock and Class B Stock holding in the aggregate a majority of the voting power of the Corporation's stock entitled to vote shall constitute a quorum for the transaction of business. A plurality of the votes properly cast for the election of directors by the shareholders attending the meeting, in person or by proxy, will elect directors to office. However, pursuant to the Berkshire Hathaway Inc. Corporate Governance Guidelines, if a director nominee in an uncontested election receives a greater number of votes withheld from his or her election than votes for that director's election, the nominee shall promptly offer his or her resignation to the Board. A committee consisting of the Board's independent directors (which will specifically exclude any director who is required to offer his or her own resignation) shall consider all relevant factors and decide on behalf of the Board the action to be taken with respect to such offered resignation and will determine whether to accept the resignation or take other action. The Corporation will publicly disclose the Board's decision with regard to any resignation offered under these circumstances with an explanation of how the decision was reached, including, if applicable, the reasons for rejecting the offered resignation.

A majority of votes properly cast upon any other question shall decide the question. Abstentions will count for purposes of establishing a quorum, but will not count as votes cast for the election of directors or any other question and accordingly will have no effect. Broker non-votes will not count for purposes of establishing a quorum or as votes cast for the election of directors or any other question and accordingly will have no effect. Shareholders who send in proxies but attend the meeting in person may vote directly if they prefer and withdraw their proxies or may allow their proxies to be voted with the similar proxies sent in by other shareholders.

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE SHAREHOLDER MEETING TO BE HELD ON MAY 1, 2010.**

The Proxy Statement for the Annual Meeting of Shareholders to be held on May 1, 2010 and the 2009 Annual Report to the Shareholders are available at [www.berkshirehathaway.com/eproxy](http://www.berkshirehathaway.com/eproxy).



## 1. ELECTION OF DIRECTORS

At the 2010 Annual Meeting of Shareholders, a Board of Directors consisting of twelve members will be elected, each director to hold office until a successor is elected and qualified, or until the director resigns, is removed or becomes disqualified.

The Governance, Compensation and Nominating Committee has established certain attributes that it seeks in identifying candidates for directors. In particular they look for individuals who have very high integrity, business savvy, an owner-oriented attitude and a deep genuine interest in Berkshire. These are the same attributes that Warren Buffett, Berkshire's Chairman and CEO, believes to be essential if one is to be an effective member of the Board of Directors. In considering candidates for director, the Governance, Compensation and Nominating Committee considers the entirety of each candidate's credentials in the context of these attributes. In the judgment of the Governance, Compensation and Nominating Committee as well as that of the Board as a whole, each of the candidates being nominated for director possesses such attributes.

Upon the recommendation of the Governance, Compensation and Nominating Committee and Mr. Buffett, the members of the Board of Directors have nominated for election the twelve current directors of the Corporation. Certain information with respect to nominees for election as directors is contained in the following table:

**WARREN E. BUFFETT**, age 79, has been a director of the Corporation since 1965 and has been its Chairman and Chief Executive Officer since 1970. Mr. Buffett is a controlling person of the Corporation. He is also a director of The Washington Post Company and until February 2006, he was also a director of The Coca-Cola Company.

**HOWARD G. BUFFETT**, age 55, has been a director of the Corporation since 1993. For more than the past five years, Mr. Buffett has been President of Buffett Farms and President of the Howard G. Buffett Foundation, a charitable foundation that directs funding for humanitarian, conservation and education related issues. He is also a director of Lindsay Manufacturing Co. and he was a director of ConAgra Foods until 2006.

**STEPHEN B. BURKE**, age 51, became a director of the Corporation on December 22, 2009. Since 2004 Mr. Burke has been the Chief Operating Officer of Comcast Corporation and from 1998 until January 2010, he was also President of Comcast Cable Communications. Prior to 1998 he was with the Walt Disney Company. He is the Chairman of the Children's Hospital of Philadelphia and has been a director of JPMorgan Chase and Co. since 2003.

**SUSAN L. DECKER**, age 47, has been a director of the Corporation since 2007. Ms. Decker is currently Entrepreneur-in-Residence at Harvard Business School. Ms. Decker had been the President of Yahoo! Inc., a global Internet brand, from June 2007 to April 2009. From December 2006 to June 2007 she served as head of Yahoo! Inc.'s Advertiser and Publisher Group. From June 2000 through June 2007, she served as Yahoo! Inc.'s Chief Financial Officer. Ms. Decker is also a director of Costco Wholesale Corporation and Intel Corporation and she was a director of Pixar until May 2006.

**WILLIAM H. GATES III**, age 54, has been a director of the Corporation since 2005. Mr. Gates currently serves as Co-chair of the Bill & Melinda Gates Foundation. For more than the past five years, Mr. Gates also served as Chairman of the Board of Directors of Microsoft Corporation, a software company. Mr. Gates was the Chief Executive Officer of Microsoft Corporation from its incorporation in 1981 until January 2000. He was also a director of ICOS Corporation until 2005.

**DAVID S. GOTTESMAN**, age 83, has been a director of the Corporation since 2003. For more than the past five years, he has been a principal of First Manhattan Co., an investment advisory firm.

**CHARLOTTE GUYMAN**, age 53, has been a director of the Corporation since 2003. Ms. Guyman was a general manager with Microsoft Corporation until July 1999 and has been retired since that time. She is currently Chairman of the Board of Directors of UW Medicine, an academic medical center.

**DONALD R. KEOUGH**, age 83, has been a director of the Corporation since 2003. For more than the past five years, he has been Chairman of Allen & Company, an investment banking firm. Mr. Keough currently is a director of InterActive Corp. and The Coca-Cola Company.

**CHARLES T. MUNGER**, age 86, has been a director and Vice Chairman of the Corporation's Board of Directors since 1978. Since 1984, he has been Chairman of the Board of Directors and Chief Executive Officer of Wesco Financial Corporation, approximately 80%-owned by the Corporation. He has also served as President of Wesco Financial Corporation since May 2005. Mr. Munger is also Chairman of the Board of Directors of Daily Journal Corporation and a director of Costco Wholesale Corporation.

THOMAS S. MURPHY, age 84, has been a director of the Corporation since 2003. Mr. Murphy has been retired since 1996. He was Chairman of the Board and Chief Executive Officer of Capital Cities/ABC, Inc. from 1966 to 1990 and from February 1994 until his retirement in 1996.

RONALD L. OLSON, age 68, has been a director of the Corporation since 1997. For more than the past five years, he has been a partner in the law firm of Munger, Tolles & Olson LLP. He is also a director of City National Corporation, Edison International, Southern California Edison and The Washington Post Company and he is a trustee of Western Asset Funds.

WALTER SCOTT, JR., age 78, has been a director of the Corporation since 1988. For more than the past five years, he has been Chairman of the Board of Directors of Level 3 Communications, Inc., which is engaged in telecommunications and computer outsourcing and is a successor to certain businesses of Peter Kiewit Sons Inc. He is also a director of Peter Kiewit Sons Inc. and Valmont Industries Inc. Mr. Scott was a director of Burlington Resources, Inc. until March 2006 and a director of Commonwealth Telephone Enterprises, Inc. until March 2007.

When the accompanying proxy is properly executed and returned, the shares it represents will be voted in accordance with the directions indicated thereon or, if no direction is indicated, the shares will be voted in favor of the election of the twelve nominees identified above. The Corporation expects each nominee to be able to serve if elected, but if any nominee notifies the Corporation before the annual meeting that he or she is unable to do so, then the proxies will be voted for the remainder of those nominated and, as designated by the directors, may be voted (i) for a substitute nominee or nominees, or (ii) to elect such lesser number to constitute the whole Board as equals the number of nominees who are able to serve.

#### *Directors Independence*

The Governance, Compensation and Nominating Committee ( Governance Committee ) of the Board of Directors has concluded that the following directors are independent in accordance with the director independence standards of the Securities and Exchange Commission pursuant to Item 407(a) of Regulation S-K, and has determined that none of them has a material relationship with the Corporation which would impair his or her independence from management or otherwise compromise his or her ability to act as an independent director: Stephen B. Burke; Susan L. Decker; William H. Gates III; David S. Gottesman; Charlotte Guyman; Donald R. Keough; Thomas S. Murphy and Walter Scott, Jr.

In making its determination with respect to Mr. Scott, the Governance Committee considered his role as a director of and the holder of 9.7% of the voting stock of MidAmerican Energy Holdings Company in which the Corporation owns approximately 89.5% of the voting stock. The Governance Committee also considered the agreement between the Corporation and Mr. Scott that requires Mr. Scott and his related family interests, before selling their MidAmerican shares, to give the Corporation the right of first refusal to purchase their shares (if the Corporation is legally permitted to buy them) or the opportunity to assign its right to purchase to a third party (if it is not legally permitted to buy them). That same agreement also gives Mr. Scott and his related family interests the right to put their shares to the Corporation (if the Corporation is legally permitted to buy them) at fair market value to be determined by independent appraisal if the sellers do not agree with the price offered by the Corporation, and payable in Berkshire shares. The Governance Committee considered these relationships in light of the attributes it believes need to be possessed by independent-minded directors, including personal financial substance and a lack of economic dependence on the Corporation, as well as business wisdom and ownership of Berkshire shares. The Governance Committee concluded that Mr. Scott's relationships, rather than interfering with his ability to be independent from management, are consistent with the business and financial substance that have made and continue to make him an independent director.

In making its determination with respect to Mr. Gates, the Governance Committee considered that Mr. Gates and his wife are trustees of the Bill & Melinda Gates Foundation ( Gates Foundation ) that since 2006 received donations from Warren Buffett of 92,746,900 Class B shares of the Corporation. These shares were received in connection with Mr. Buffett's pledge to donate Class B Stock to the Gates Foundation over the remainder of Mr. Buffett's life. Terms of his pledge are described on Berkshire's website at [www.berkshirehathaway.com](http://www.berkshirehathaway.com) under the heading Letters from Warren E. Buffett Regarding Pledges to Make Gifts of Berkshire Stock. The Governance Committee considered these relationships in light of the attributes it believes need to be possessed by independent-minded directors, including personal financial substance and a lack of economic dependence on the Corporation, as well as business wisdom and ownership of Berkshire shares. The Governance Committee concluded that Mr. Gates' relationship to the Gates Foundation had no impact on his independence and that he continued to qualify as an independent director.



Howard G. Buffett is the son of Warren Buffett. Ronald L. Olson is a partner of the law firm of Munger, Tolles & Olson LLP. Munger, Tolles & Olson LLP rendered legal services to the Corporation and its subsidiaries in 2009 and has been rendering services in 2010. The Corporation and its subsidiaries paid fees of \$4.5 million to Munger, Tolles & Olson LLP during 2009.

***Board of Directors Leadership Structure and Role in Risk Oversight***

Warren E. Buffett is Berkshire's Chief Executive Officer and Chairman of the Board of Directors. He is Berkshire's largest shareholder and owns shares of Berkshire that represent 30% of the voting interest and 24% of the economic interest. As such he may be deemed to be Berkshire's controlling shareholder. It is Mr. Buffett's opinion that a controlling shareholder who is active in the business, as is currently the case and has been the case for Mr. Buffett for over the last 40 years, should hold both roles. This opinion is shared by Berkshire's full Board of Directors. The Board of Directors has not named a lead independent director.

Mr. Buffett and the other members of the Board of Directors extensively discuss succession planning at each meeting of the Board. Upon his death or inability to manage Berkshire, no member of the Buffett family will be involved in managing Berkshire but, as very substantial Berkshire shareholders, will assist the Board of Directors in picking and overseeing the CEO selected to succeed Mr. Buffett. At that time, Mr. Buffett believes it would be prudent to have a member of the Buffett family serve as the non-executive Chairman of the Board. Ultimately, however, that decision will be the responsibility of the then Board of Directors.

The full Board of Directors has responsibility for general oversight of risks. It receives reports from Mr. Buffett and other members of senior management at least twice a year on areas of risk facing the Corporation. Also, at least once a year, the senior management of the Corporation's significant businesses reports to the Board of Directors on risks facing their respective businesses. In addition, as part of its charter, the Audit Committee discusses Berkshire's policies with respect to risk assessment and risk management.

***Board of Directors Meetings***

Board of Directors actions were taken in 2009 at the Annual Meeting of Directors that followed the 2009 Annual Meeting of Shareholders and at three special meetings. Each director attended all meetings of the Board and of the Committees of the Board on which he or she served except that William H. Gates III and Donald R. Keough were not present at one special meeting of the Board of Directors. Directors are encouraged but not required to attend annual meetings of the Corporation's shareholders. All directors of the Corporation at the date of the 2009 Annual Meeting of Shareholders attended that meeting.

***Board of Directors Committees***

The Board of Directors has established an Audit Committee in accordance with Section 3(a)(58)A of the Securities Exchange Act of 1934. The Audit Committee consists of Charlotte Guyman, Donald R. Keough and Thomas S. Murphy. The Board of Directors has determined that Mr. Murphy is an audit committee financial expert as that term is used in Item 401(h) of Regulation S-K promulgated under the Securities Exchange Act. All current members of the Audit Committee meet the criteria for independence set forth in Rule 10A-3 under the Securities Exchange Act and in Section 303A of the New York Stock Exchange Listed Company Manual. The Audit Committee assists the Board with oversight of a) the integrity of the Corporation's financial statements, b) the Corporation's compliance with legal and regulatory requirements and c) the qualifications and independence of the Corporation's independent public accountants and the Corporation's internal audit function. The Audit Committee meets periodically with the Corporation's independent public accountants, Director of Internal Auditing and members of management and reviews the Corporation's accounting policies and internal controls. The Audit Committee also selects the firm of independent public accountants to be retained by the Corporation to perform the audit. The Audit Committee held seven formal meetings during 2009. The Board of Directors adopted an Audit Committee Charter on April 29, 2000 and subsequently amended and restated the Charter on February 17, 2004. The amended Audit Committee Charter is available on Berkshire's website at [www.berkshirehathaway.com](http://www.berkshirehathaway.com).

The Board of Directors has established a Governance, Compensation and Nominating Committee and adopted a charter to define and outline the responsibilities of its members. A copy of the Governance, Compensation and Nominating Committee Charter is available on Berkshire's website at [www.berkshirehathaway.com](http://www.berkshirehathaway.com). The Governance, Compensation and Nominating Committee consists of Susan L. Decker, David S. Gottesman and Walter Scott, Jr., all of whom are independent directors in accordance with the New York Stock Exchange director independence standards.

The role of the Governance, Compensation and Nominating Committee is to assist the Board of Directors by a) recommending governance guidelines applicable to Berkshire; b) identifying, evaluating and recommending the nomination of Board members; c) setting the compensation of Berkshire's Chief Executive Officer and performing other compensation oversight; d) reviewing related persons transactions and e) assisting the Board with other related tasks, as assigned from time to time. The Governance, Compensation and Nominating Committee met twice during 2009.

#### *Director Nominations*

Berkshire does not have a policy regarding the consideration of diversity in identifying nominees for director. In identifying director nominees, the Governance, Compensation and Nominating Committee does not seek diversity, however defined. Instead, as previously discussed, the Governance, Compensation and Nominating Committee looks for individuals who have very high integrity, business savvy, an owner-oriented attitude and a deep genuine interest in the Company. With respect to the selection of director nominees at the 2010 Annual Meeting of Shareholders, the Governance, Compensation and Nominating Committee recommends the Board nominate each of the twelve directors currently serving on the Board.

Berkshire's Governance, Compensation and Nominating Committee has a policy under which it will consider recommendations presented by shareholders. A shareholder wishing to submit such a recommendation should send a letter to the Secretary of the Corporation at 3555 Farnam Street, Omaha, NE 68131. The mailing envelope must contain a clear notation that the enclosed letter is a Director Nominee Recommendation. The Secretary must receive the recommendation by December 20, 2010, for it to be considered by the Committee for the 2011 Annual Meeting of Shareholders. The letter must identify the author as a shareholder and provide a brief summary of the candidate's qualifications. At a minimum, candidates recommended for nomination to the Board of Directors must meet the director independence standards of the New York Stock Exchange. The Committee's policy provides that candidates recommended by shareholders will be evaluated using the same criteria as are applied to all other candidates.

#### *Director Compensation*

Directors of the Corporation or its subsidiaries who are employees or spouses of employees do not receive fees for attendance at directors meetings. A director who is not an employee or a spouse of an employee receives a fee of \$900 for each meeting attended in person and \$300 for participating in any meeting conducted by telephone. A director who serves as a member of the Audit Committee receives a fee of \$1,000 quarterly. Directors are reimbursed for their out-of-pocket expenses incurred in attending meetings of directors or shareholders. The Company does not provide directors and officers liability insurance to its directors.

The following table provides compensation information for the year ended December 31, 2009 for each non-management member of the Corporation's Board of Directors.

	Fees Earned or Paid in Cash	Total
Howard G. Buffett	\$ 3,000	\$ 3,000
Stephen B. Burke		
Susan L. Decker	3,000	3,000
William H. Gates III	2,700	2,700
David S. Gottesman	3,000	3,000
Charlotte Guyman	7,000	7,000
Donald R. Keough	6,700	6,700
Thomas S. Murphy	7,000	7,000
Ronald L. Olson	3,000	3,000
Walter Scott, Jr.	3,000	3,000

***Governance, Compensation and Nominating Committee Interlocks and Insider Participation***

The Compensation Committee of our Board of Directors currently consists of Walter Scott, Jr., David S. Gottesman and Susan L. Decker. None of these individuals has at any time been an officer or employee of the Company. During 2009, none of our executive officers served as a member of the board of directors or compensation committee of any entity for which a member of our Board of Directors or Governance, Compensation and Nominating Committee served as an executive officer.

***Meetings of Non-Management and Independent Directors***

A meeting of non-management directors was held following the annual meeting of the full Board of Directors on May 4, 2009. Mr. Ronald L. Olson presided as ad hoc chair of the meeting. In addition, following that meeting, a meeting of directors determined to be independent was held. Mr. Walter Scott, Jr. presided as ad hoc chair of that meeting. A shareholder or other interested party wishing to contact the non-management directors or independent directors, as applicable, should send a letter to the Secretary of the Corporation at 3555 Farnam Street, Omaha, NE 68131. The mailing envelope must contain a clear notation that the enclosed letter is to be forwarded to the Corporation's non-management directors or independent directors, as applicable.

***Communications with the Board of Directors***

Shareholders and other interested parties who wish to communicate with the Board of Directors or a particular director may send a letter to the Secretary of the Corporation at 3555 Farnam Street, Omaha, NE 68131. The mailing envelope must contain a clear notation indicating that the enclosed letter is a Board Communication or Director Communication. All such letters must clearly state whether the intended recipients are all members of the Board or just certain specified individual directors. The Secretary will make copies of all such letters and circulate them to the appropriate director or directors.

***Corporate Governance Guidelines***

The Board of Directors has adopted Corporate Governance Guidelines to promote effective governance of the Corporation. The Corporate Governance Guidelines are available on Berkshire's website at [www.berkshirehathaway.com](http://www.berkshirehathaway.com).

***Code of Business Conduct and Ethics***

The Corporation has adopted a Code of Business Conduct and Ethics for all Berkshire directors, officers and employees as well as directors, officers and employees of each of its subsidiaries. The Code of Business Conduct and Ethics is available on Berkshire's website at [www.berkshirehathaway.com](http://www.berkshirehathaway.com).

***Related Persons Transactions***

The Charter of the Governance, Compensation and Nominating Committee ( Committee ) includes procedures for the review, approval and ratification of any Related Persons Transaction ( Transaction ) as defined in the regulations of the Securities and Exchange Commission. The procedures require that all requests for review of proposed Transactions or ratification of Transactions be referred to the Chairman of the Committee or directly to the Committee. The full Committee reviews any Transaction which the Chairman concludes is material to the Company or which the Chairman is unable to review. Only Transactions which the Committee or its Chairman finds to be in the best interests of Berkshire and its stockholders are approved or ratified. The Chairman reports all Transactions which he reviews to the Committee annually for ratification. Berkshire is not aware of any Transaction entered into since January 1, 2009, or currently proposed, in which a Related Person had, or will have, a direct or indirect material interest.

***Compensation Discussion and Analysis***

Berkshire's program regarding compensation of its executive officers is different from most public company programs. Mr. Buffett's and Mr. Munger's compensation is reviewed annually by the Governance, Compensation and Nominating Committee ( Committee ) of the Corporation's Board of Directors. Due to Mr. Buffett's and Mr. Munger's desire that their compensation remain unchanged, the Committee has not proposed an increase in Mr. Buffett's or Mr. Munger's compensation since the Committee was created in 2004. Prior to that time Mr. Buffett recommended to the Board of Directors the amount of his compensation and Mr. Munger's. Mr. Buffett's and Mr. Munger's annual compensation has each been \$100,000 for more than 25 years and Mr. Buffett has advised the Committee that he would not expect or desire such compensation to increase in the future.



The Committee has established a policy that: (i) neither the profitability of Berkshire nor the market value of its stock are to be considered in the compensation of any executive officer; and (ii) all compensation paid to executive officers of Berkshire be deductible under Internal Revenue Code Section 162(m). Under the Committee's compensation policy, Berkshire does not grant stock options to executive officers. The Committee has delegated to Mr. Buffett the responsibility for setting the compensation of Mr. Hamburg, Berkshire's Senior Vice President/Chief Financial Officer.

Both Mr. Buffett and Mr. Munger will on occasion utilize Berkshire personnel and/or have Berkshire pay for minor items such as postage or phone calls that are personal. Mr. Buffett and Mr. Munger reimburse Berkshire for these costs by making an annual payment to Berkshire in an amount that is equal to or greater than the costs that Berkshire has incurred on their behalf. During 2009, Mr. Buffett reimbursed Berkshire \$50,000 and Mr. Munger reimbursed Berkshire \$5,500. In addition, during 2009, Berkshire provided personal and home security services for Mr. Buffett. The cost for these services was \$344,490. Mr. Buffett and Mr. Munger do not use Company cars or belong to clubs to which the Company pays dues. It should also be noted that neither Mr. Buffett nor Mr. Munger utilizes corporate-owned aircraft for personal use. Each of them is personally a fractional NetJets owner, paying standard rates, and they use Berkshire-owned aircraft for business purposes only.

Factors considered by Mr. Buffett in setting Mr. Hamburg's salary are typically subjective, such as his perception of Mr. Hamburg's performance and any changes in functional responsibility. Mr. Buffett also sets the compensation for each of the CEOs of Berkshire's significant operating businesses. He utilizes many different incentive arrangements, with their terms dependent on such elements as the economic potential or capital intensity of the business. The incentives can be large and are always tied to the operating results for which a CEO has authority. These incentives are never related to measures over which the CEO has no control.

The following table discloses the compensation received for the three years ended December 31, 2009 by the Corporation's Chief Executive Officer and its other executive officers.

#### SUMMARY COMPENSATION TABLE

Name and Principal Position	Year	Annual Compensation		All Other Compensation	Total Compensation
		Salary	Bonus		
Warren E. Buffett Chief Executive Officer/ Chairman of the Board	2009	\$ 100,000		\$ 75,000 <sup>(2)</sup>	\$ 175,000
	2008	100,000		75,000 <sup>(2)</sup>	175,000
	2007	100,000		75,000 <sup>(2)</sup>	175,000
Marc D. Hamburg Senior Vice President/CFO	2009	862,500		12,250 <sup>(3)</sup>	874,750
	2008	775,000		11,500 <sup>(3)</sup>	786,500
	2007	712,500		11,250 <sup>(3)</sup>	723,750
Charles T. Munger <sup>(1)</sup> Vice Chairman of the Board	2009	100,000			100,000
	2008	100,000			100,000
	2007	100,000			100,000

<sup>(1)</sup> Mr. Munger is compensated by a Berkshire subsidiary.

<sup>(2)</sup> Represents the value of director's fees received by Mr. Buffett from serving on the Board of Directors of The Washington Post Company in which Berkshire has a significant ownership interest.

<sup>(3)</sup> Represents contributions to a subsidiary's defined contribution plan in which Mr. Hamburg participates.

#### **Governance, Compensation and Nominating Committee Report**

We have reviewed and discussed with management the Compensation Discussion and Analysis to be included in the Company's 2010 Shareholder Meeting Schedule 14A Proxy Statement, filed Pursuant to Section 14(a) of the Securities Exchange Act of 1934 (the "Proxy"). Based on the review and discussion referred to above, we recommend that the Compensation Discussion and Analysis referred to above be included in the Company's Proxy. Submitted by the members of the Governance, Compensation and Nominating Committee of the Board of Directors.

Walter Scott, Jr., Chairman  
Susan L. Decker  
David S. Gottesman



*Security Ownership of Certain Beneficial Owners and Management*

Warren E. Buffett, whose address is 3555 Farnam Street, Omaha, NE 68131, is a nominee for director and the only person known to the Corporation to be the beneficial owner of more than 5% of both the Corporation's Class A Stock and its Class B Stock. The Bill & Melinda Gates Foundation Trust, whose address is 2365 Carillon Point, Kirkland, WA 98033, of which William H. Gates III is a trustee, is the beneficial owner of more than 5% of the Corporation's Class B Stock. Beneficial ownership of the Corporation's Class A and Class B Stock on February 28, 2010 by Mr. Buffett, the Bill & Melinda Gates Foundation Trust and by other executive officers and directors of the Corporation who own shares is shown in the following table:

Name	Title of Class of Stock	Shares Beneficially Owned <sup>(1)</sup>	Percentage of Outstanding Stock of Respective Class <sup>(1)</sup>	Percentage of Aggregate Voting Power of Class A and Class B <sup>(1)</sup>	Percentage of Aggregate Economic Interest of Class A and Class B <sup>(1)</sup>
Warren E. Buffett	Class A	350,000	33.3	31.3 <sup>(2)</sup>	24.3
	Class B	75,013,134	8.4		
Howard G. Buffett	Class A	1,406 <sup>(3)</sup>	0.1	0.1	0.1
	Class B	841,050 <sup>(3)</sup>	0.1		
Stephen B. Burke	Class A	5	*	*	*
	Class B		*		
Susan L. Decker	Class A		*	*	*
	Class B	6,250	*		
William H. Gates III	Class A	4,350 <sup>(4)</sup>	0.4	1.1	3.4
	Class B	77,313,900 <sup>(4)</sup>	8.6		
David S. Gottesman	Class A	19,044 <sup>(5)</sup>	1.8	1.7	1.3
	Class B	2,604,439 <sup>(5)</sup>	0.3		
Charlotte Guyman	Class A	100	*	*	*
	Class B	600	*		
Donald R. Keough	Class A	70 <sup>(6)</sup>	*	*	*
	Class B		*		
Charles T. Munger	Class A	13,057	1.2	1.1	0.8
	Class B		*		
Thomas S. Murphy	Class A	1,310 <sup>(7)</sup>	0.1	0.1	0.1
	Class B	11,600 <sup>(7)</sup>	*		
Ronald L. Olson	Class A	284 <sup>(8)</sup>	*	*	*
	Class B	15,000	*		
Walter Scott, Jr.	Class A	100 <sup>(9)</sup>	*	*	*
	Class B		*		
Directors and executive officers as a group	Class A	389,726	37.0	35.5	30.0
	Class B	155,805,973	17.4		

\* less than 0.1%.

<sup>(1)</sup> Beneficial owners exercise both sole voting and sole investment power unless otherwise stated. Each share of Class A Stock is convertible into 1,500 shares of Class B Stock at the option of the shareholder. As a result, pursuant to Rule 13d-3(d)(1) of the Securities Exchange Act of 1934, a shareholder is deemed to have beneficial ownership of the shares of Class B Stock which such shareholder may acquire upon conversion of the Class A Stock. In order to avoid overstatement, the amount of Class B Stock beneficially owned does not take into account such shares of Class B Stock which may be acquired upon conversion (an amount which is equal to 1,500 times the number of shares of Class A Stock held by a shareholder). The percentage of outstanding Class B Stock is based on the total number of shares of Class B Stock outstanding as of March 3, 2010 and does not take into account shares of Class B Stock which may be issued upon conversion of Class A Stock.

<sup>(2)</sup> Mr. Buffett has entered into a voting agreement with Berkshire providing that, should the combined voting power of Berkshire shares as to which Mr. Buffett has or shares voting and investment power exceed 49.9% of Berkshire's total voting power, he will vote those shares in excess of that percentage

## Edgar Filing: BERKSHIRE HATHAWAY INC - Form DEF 14A

*proportionately with votes of the other Berkshire shareholders.*

- (3) Includes 1,396 Class A shares and 838,600 Class B shares held by a private foundation and for which Mr. Buffett possesses voting and investment power but with respect to which Mr. Buffett disclaims any beneficial interest.*
- (4) Includes 4,050 shares held by a single-member limited liability company of which Mr. Gates is the sole member and 77,313,900 Class B shares owned by the Bill & Melinda Gates Foundation Trust of which Mr. Gates and his wife are co-trustees but with respect to which Mr. and Mrs. Gates disclaim any beneficial interest.*
- (5) Includes 12,739 Class A shares and 2,604,439 Class B shares as to which Mr. Gottesman or his wife has shared voting power and 10,897 Class A shares and 2,565,589 Class B shares as to which Mr. Gottesman or his wife has shared investment power. Mr. Gottesman has a pecuniary interest in 10,022 Class A shares included herein.*
- (6) Does not include 8 Class A shares owned by Mr. Keough's wife.*
- (7) Includes 173 Class A shares and 10,500 Class B shares owned by the estate of Suzanne Murphy.*
- (8) Includes 154 Class A shares held by three trusts for which Mr. Olson is sole trustee but with respect to which Mr. Olson disclaims any beneficial interest.*
- (9) Does not include 10 Class A shares owned by Mr. Scott's wife.*



*Independent Public Accountants*

Deloitte & Touche LLP ( Deloitte ) served as the Corporation's principal independent public accountants for 2009. Representatives from that firm will be present at the Annual Meeting of Shareholders, will be given the opportunity to make a statement if they so desire and will be available to respond to any appropriate questions. The Corporation has not selected independent public accountants for the current year, since its normal practice is for the Audit Committee of the Board of Directors to make such selection later in the year.

The following table shows the fees paid or accrued for audit services and fees paid for audit-related, tax and all other services rendered by Deloitte for each of the last two years (in millions):

	2009	2008
Audit Fees <sup>(a)</sup>	\$ 24.0	\$ 29.6
Audit-Related Fees <sup>(b)</sup>	1.5	1.6
Tax Fees <sup>(c)</sup>	1.2	1.5
All Other Fees		
	\$ 26.7	\$ 32.7

(a) *Audit fees include fees for the audit of the Corporation's consolidated financial statements and interim reviews of the Corporation's quarterly financial statements, audit services provided in connection with required statutory audits of many of the Corporation's insurance subsidiaries and certain of its non-insurance subsidiaries and comfort letters, consents and other services related to SEC matters.*

(b) *Audit-related fees primarily include fees for certain audits of subsidiaries not required for purposes of Deloitte's audit of the Corporation's consolidated financial statements or for any other statutory or regulatory requirements, audits of certain subsidiary employee benefit plans and consultations on various accounting and reporting matters.*

(c) *Tax fees include fees for services relating to tax compliance, tax planning and tax advice. These services include assistance regarding federal, state and international tax compliance, tax return preparation and tax audits.*

The Audit Committee has considered whether the non-audit services provided to the Company by Deloitte impaired the independence of Deloitte and concluded that they did not.

The services performed by Deloitte were pre-approved in accordance with the pre-approval policy adopted by the Audit Committee on May 5, 2003. The policy provides guidelines for the audit, audit related, tax and other non-audit services that may be provided by Deloitte to the Company. The policy (a) identifies the guiding principles that must be considered by the audit Committee in approving services to ensure that Deloitte's independence is not impaired; (b) describes the audit, audit-related and tax services that may be provided and the non-audit services that are prohibited; and (c) sets forth pre-approval requirements for all permitted services. Under the policy, requests to provide services that require specific approval by the Audit Committee will be submitted to the Audit Committee by both the Company's independent auditor and its Chief Financial Officer. All requests for services to be provided by the independent auditor that do not require specific approval by the Audit Committee will be submitted to the Company's Chief Financial Officer and must include a detailed description of the services to be rendered. The Chief Financial Officer will determine whether such services are included within the list of services that have received the general pre-approval of the Audit Committee. The Audit Committee will be informed on a timely basis of any such services rendered by the independent auditor.

*Section 16(a) Beneficial Ownership Reporting Compliance*

Section 16(a) of the Securities Exchange Act of 1934 requires the Corporation's officers and directors, and persons who own more than ten percent of a registered class of the Corporation's equity securities, to file reports of ownership and changes in ownership with the Securities and Exchange Commission and the New York Stock Exchange. Officers, directors and greater than ten-percent shareholders are required by SEC regulation to furnish the Corporation with copies of all Section 16(a) forms they file.

Based solely on its review of the copies of such forms received by it, and written representations from certain reporting persons that no Section 16(a) forms were required for those persons, the Corporation believes that during 2009 all filing requirements applicable to its officers,

directors and greater than ten-percent shareholders were complied with.

*Report of the Audit Committee*

February 23, 2010

To the Board of Directors of Berkshire Hathaway Inc.

We have reviewed and discussed the consolidated financial statements of the Corporation and its subsidiaries to be set forth in the Corporation's 2009 Annual Report to Shareholders and at Item 8 of the Corporation's Annual Report on Form 10-K for the year ended December 31, 2009 with management of the Corporation and Deloitte & Touche LLP, independent public accountants for the Corporation.

We have discussed with Deloitte & Touche LLP the matters required to be discussed by Statement on Auditing Standards No. 61 as amended (AICPA Professional Standards, Vol. 1, AU Section 380 - Communication with Audit Committees), as adopted by the Public Company Accounting Oversight Board (PCAOB) in Rule 3200T.

We have received the written disclosures and the letter from Deloitte & Touche LLP required by the applicable PCAOB requirements for independent accountant communications with audit committees with respect to auditor independence and have discussed with Deloitte & Touche LLP its independence from the Corporation.

Based on the review and discussions with management of the Corporation and Deloitte & Touche LLP referred to above, we recommended to the Board of Directors that the Corporation publish the consolidated financial statements of the Corporation and subsidiaries for the year ended December 31, 2009 in the Corporation's Annual Report on Form 10-K for the year ended December 31, 2009 and in the Corporation's 2009 Annual Report to Shareholders.

It is not the duty of the Audit Committee to plan or conduct audits or to determine that the Corporation's financial statements are complete and accurate and in accordance with generally accepted accounting principles; that is the responsibility of management and the Corporation's independent public accountants. In giving its recommendation to the Board of Directors, the Audit Committee has relied on (i) management's representation that such financial statements have been prepared with integrity and objectivity and in conformity with generally accepted accounting principles and (ii) the reports of the Corporation's independent public accountants with respect to such financial statements.

Submitted by the members of the Audit Committee of the Board of Directors.

Thomas S. Murphy, Chairman

Charlotte Guyman

Donald R. Keough

**2. OTHER MATTERS**

As of the date of this statement your management knows of no business to be presented to the meeting that is not referred to in the accompanying notice other than the approval of the minutes of the last Annual Meeting of Shareholders, which action will not be construed as approval or disapproval of any of the matters referred to in such minutes. As to other business that may properly come before the meeting, it is intended that proxies properly executed and returned will be voted in respect thereof at the discretion of the person voting the proxies in accordance with his or her best judgment, including upon any shareholder proposal about which the Corporation did not receive timely notice.

*Annual Report*

The Annual Report to the Shareholders for 2009 accompanies this proxy statement, but is not deemed a part of the proxy soliciting material.

**A copy of the 2009 Form 10-K report as required to be filed with the Securities and Exchange Commission, excluding exhibits, will be mailed to shareholders without charge upon written request to: Forrest N. Krutter, Secretary, Berkshire Hathaway Inc., 3555 Farnam Street, Omaha, NE 68131. Such request must set forth a good-faith representation that the requesting party was either a holder of record or a beneficial owner of Class A or Class B Stock of the Corporation on March 3, 2010. Exhibits to the Form 10-K will be mailed upon similar request and payment of specified fees. The 2009 Form 10-K is also available through the Securities and Exchange Commission's World Wide Web site (www.sec.gov).**

*Proposals of Shareholders*

Any shareholder proposal intended to be considered for inclusion in the proxy statement for presentation at the 2011 Annual Meeting must be received by the Corporation by November 13, 2010. The proposal must be in accordance with the provisions of Rule 14a-8 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934. It is suggested the proposal be submitted by certified mail return receipt requested. Shareholders who intend to present a proposal at the 2011 Annual Meeting without including such proposal in the Corporation's proxy statement must provide the Corporation notice of such proposal no later than January 28, 2011. The Corporation reserves the right to reject, rule out of order or take other appropriate action with respect to any proposal that does not comply with these and other applicable requirements.

By order of the Board of Directors

*Omaha, Nebraska*

FORREST N. KRUTTER, *Secretary*

*March 12, 2010*

**BERKSHIRE HATHAWAY INC.**

**Annual Meeting of Shareholders to be held on May 1, 2010**

**This Proxy is Solicited on Behalf of the Board of Directors**

**P**

**R**

The undersigned hereby appoints Marc D. Hamburg and Walter Scott, Jr., or either of them, as proxies, with power of substitution to each proxy and substitute, to vote the Class A Common Stock (CLA) and Class B Common Stock (CLB) of the undersigned at the 2010 Annual Meeting of Shareholders of Berkshire Hathaway Inc. and at any adjournment thereof, as indicated on the reverse hereof on the proposal for

**O**

Election of Directors and as said proxies may determine in the exercise of their best judgment on any other matters which may properly come before the meeting.

**X**

**Y**

**IF PROPERLY EXECUTED AND RETURNED, THIS PROXY WILL BE VOTED AS SPECIFIED OR, IF NOT SPECIFIED, WILL BE VOTED FOR ELECTING ALL NOMINEES.**

**PLEASE SIGN ON REVERSE SIDE AND MAIL PROMPTLY**

**IN THE ENCLOSED ENVELOPE**

SEE REVERSE

SEE REVERSE

SIDE

SIDE

**X**

Please mark

votes as in

this example.

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE SHAREHOLDER MEETING TO BE HELD ON MAY 1, 2010.**

The following material is available at [www.berkshirehathaway.com/eproxy](http://www.berkshirehathaway.com/eproxy).  
Proxy Statement

Annual Report

The Board Recommends a Vote For Item 1.

1. Election of Directors

**MARK HERE**

..

Edgar Filing: BERKSHIRE HATHAWAY INC - Form DEF 14A

**Nominees:** Warren E. Buffett, Charles T. Munger,  
Howard G. Buffett, Stephen B. Burke, Susan L.  
Decker, William H. Gates III, David S. Gottesman,  
Charlotte Guyman, Donald R. Keough, Thomas S.  
Murphy, Ronald L. Olson and Walter Scott, Jr.

**FOR ADDRESS**

**CHANGE AND**

**NOTE AT LEFT**

.. **FOR** .. **WITHHELD**  
**ALL** **FROM ALL**  
**NOMINEES** **NOMINEES**

**Please sign exactly as your name appears. If acting as attorney, executor, trustee or in representative capacity, sign name and title.**

Signature: \_\_\_\_\_ Date \_\_\_\_\_

Signature: \_\_\_\_\_ Date \_\_\_\_\_

..

For, except vote withheld from the above nominee(s).