



LOCAL UNION NO 569  
INTERNATIONAL  
BROTHERHOOD OF ELECTRICAL  
WORKERS

SAN DIEGO ELECTRICAL PENSION TRUST

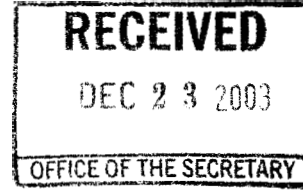
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IBEW #596



SAN DIEGO COUNTY CHAPTER  
NATIONAL  
ELECTRICAL CONTRACTORS  
ASSOCIATION INC

December 17, 2003



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Mr. Jonathan G. Katz, Secretary  
Securities and Exchange Commission  
450 Fifth St, NW  
Washington, DC 20549

RE: File No. S7-19-03

Dear Mr.Katz:

On behalf of the 2000+ members of IBEW Local Union 569, who are participants and beneficiaries of the San Diego Electrical Pension Trust, We wish to submit supporting comments on Securities and Exchange Commission proposal S7-19-03 regarding security holder director nominations.

The corporate scandals at companies like WorldCom, Tyco, HealthSouth and Enron have demonstrated how uncontrolled CEO's, as well as their controlled and self-serving boards of directors can create dire consequences at the expense of the corporations and investors they are "supposedly" their to represent and protect in a fiduciary capacity. As a result We feel it is imperative that the Securities and Exchange Commission adopt these new rules intended to give institutional investors the opportunity to challenge the "cherry picking" of directors by CEO's who will be beholden to them.

The proposed rules obviously give strong consideration to reforming various protocols for selecting corporate directors, especially the ownership and holding period requirements and the number of shareholder nominees that appear to promote more appropriate and qualified nominees at many companies. These rules would also appear to impose barriers that should create difficulties for the largest shareholders to use continue to abuse their clout adversely to the interests of all other shareholders.

In this regard, the triggering requirements are unnecessary given the substantial ownership required for shareholders to place nominees in the proxy. I say this because the two proposed triggers create two significant problems: The proposed 1% ownership requirement to permit shareholders to submit a triggering proposal is very high and the 2-years it would take to complete a proposed trigger is far too long of a period of time during which considerable damage and/or counter-measures could occur at the board level. Because it may be very difficult, at best, for shareholders of a large or very large company to amass sufficient shares to introduce a proposal I suggest that any shareholder who

satisfies the existing 14a-8 requirements should be permitted to make such a proposal. One additional problem, and in the spirit of providing greater protections for obvious reasons, the director threshold should be 20%, not 35%.

For the same reasons as noted above we believe the 5% proposed threshold with respect to ownership requirement for placing nominees in the proxy is way too high. A 2% or 3% threshold would appear to create greater balance to the Securities and Exchange Commission's concerns with interests of the corporations and their shareholders. One last suggestion is that any shareholder group satisfying these requirements be permitted to include no less than two directors in the proxy, no matter how the size of the board.

If the Commission would adopt these rules it would provide long-term investors expecting responsible and prudent management not only reasonable access to the proxy process, but greater accountability to the many board rooms that are stacked in an almost nepotistic manner to prevent improper and ineffective management of the companies in which they have invested their hard earned money. Greater board independence can only lead to better performance at every level.

Please note our strong support for this proposal and do everything in your power to see to it that quality and stringent final rules are adopted by the Commission.

Very truly yours,



Ken Stuart  
Administrative Manager