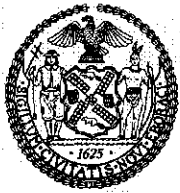


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CORRESPONDENCE UNIT

WILLIAM C. THOMPSON, JR.
COMPTROLLER

November 19, 2007

The Honorable Christopher Cox
Chairman
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: Postponement of Action on Release No. 34-56160 (File Number: S7-16-07)
and Release No. 34-56161 (File Number: S7-17-07)

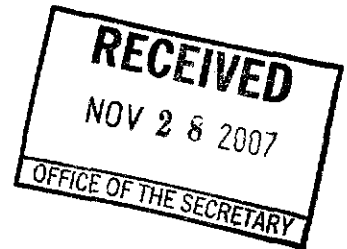
Dear Chairman Cox:

I write on behalf of New York City Comptroller, William C. Thompson, Jr., and the Boards of Trustees of the New York City pension funds (the "funds") to urge that the Commission postpone further action on its proposed rules: (1) Release No. 34-56160 which would enable shareholders to include in company proxy materials their proposals for bylaw amendments regarding the procedures for nominating candidates to the board of directors; and (2) Release No. 34-56161 which seeks to clarify the meaning of the exclusion for shareholders proposals related to the election of directors contained in Rule 14a-8(i)(8), until the Commission is comprised of five commissioners.

The Comptroller of the City of New York is a trustee of four of the City's five pension funds and the investment adviser to all five funds. Collectively, the funds hold approximately \$114 billion in assets, with significant investments in the securities of publicly traded U.S. companies. Consistent with their fiduciary responsibility, the Comptroller and the funds' Boards of Trustees have long advocated the adoption of meaningful corporate governance and corporate social responsibility reforms. We strongly support corporate governance reform that would allow shareholders a meaningful process to nominate director candidates in company proxy materials

However, we are deeply concerned by reports that the Commission, without its full complement of five commissioners, and considering the serious potential for partisanship in its deliberation, in part due to the resignation of one Democratic commissioner, intends to move ahead with the adoption of a final rule on one proposal. We urge you and your

Chairman Cox
November 19, 2007
Page 2



fellow-commissioners to be mindful that in order to ensure non-partisanship, the law provides that no more than three of the Commissioners may belong to the same political party. Given the Commission's current imbalance in political-party affiliation, which has resulted from the resignation of Democratic commissioner Roel Campos, and given the pending resignation of Democratic commissioner Annette Nazareth, the adoption of a final rule on any of the two SEC proposals by this Commission would be an indefensible departure from the spirit of the law.

Furthermore, the Commission's adoption of a final rule, at this time, would be wholly inconsistent with its stated rulemaking process and rule adoption. The Commission has published, "...the Commissioners consider what they have learned from the public exposure of the proposed rule, and seek to agree on the specifics of a final rule. If a final rule is adopted by vote of the full Commission, it becomes part of the official rules that govern the securities industry." Accordingly, we urge you to remain steadfast in adhering to the Commission's long established rulemaking process and rule adoption by a vote of the full Commission.

We ask that further action on the proposed rules be postponed until the Commission is comprised of five commissioners.

Very truly yours,


Kenneth B. Sylvester