Ursuline Sisters of Tildonk
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Christopher Cox, Chair
Securities and Exchange Commission
100 F Street, NE
Washington, D.C. 20549

Dear Commissioner Cox:

On behalf of the Ursuline Sisters of Tildonk-U.S. Province, I am writing to oppose the suggestion that the right of shareholders to sponsor advisory shareholder resolutions either be eliminated or further restricted. We urge the SEC to drop this concept before it gets to the proposal stage.

Since the 1970s, the Ursuline Sisters have been active shareholder advocates through letters and dialogue with companies, sponsorship of shareholder resolutions and by voting proxies. As a small institutional investor, the Ursuline Sisters own shares of some two hundred large, mid and small cap companies. We strive to invest responsibly AND to hold management accountable for decisions that impact our portfolio and local and international communities.

One idea discussed was that advisory resolutions would be disallowed or further restricted but binding resolutions, such as by-law amendments, would be permitted. More than 95% of the shareowner resolutions filed in the last 35 years have been "advisory." They have had a profound and identifiable impact on business thinking and decision making in corporate boardrooms. Often, managements and Boards of Directors have acted voluntarily. Legislation has NOT been needed.

Also under discussion is the level of shares necessary to own in order to file resolutions. At present an investor must have owned $2,000 worth of shares for a year. An increase to keep up with inflation to $5,000 or $10,000 may be acceptable, but if the minimum number of shares to file rises to $100,000 or $250,000 you have essentially destroyed the right of small investors to be involved in sponsoring resolutions. Given that the Ursulines are small investors, you will have eliminated our capacity to exercise our rights as shareholders in the corporations we, at least in theory, own.

The voting threshold for resubmitting resolutions presently at 3% for the first year, 6% for the second and 10% for the third should be maintained. If the SEC reverts to a past proposal to establish thresholds at 10%, 20% or 30% for resubmissions, new issues, which typically take time to gain support, will be difficult to raise. Additionally, it often takes two or three years for managements and Boards to realize the business impact of the issues that we raise e.g. impact of HIV/AIDS on business or transparency on corporate political contributions.

A growing number of investors e.g. TIAA-CREF, CalPERS, New York City and State pension funds, religious investors, foundations and socially concerned mutual funds and investment managers engage companies in private dialogue and file shareholder resolutions on hundreds of governance reforms and social and environmental issues. The business case is sound. While, currently, risk and liability are disallowed, management often listens.

The Ursuline Sisters believe it is our fiduciary duty as an investor to raise questions when a company's governance or social record is jeopardizes shareholder value. Clearly, sponsorship of an advisory resolution is one way to address an issue.

The 14a- system of advisory resolutions that the SEC has established is too important to the U.S. system of corporate governance to allow corporations to be exempt from these sorts of mechanisms. In fact, good communication and engaged dialogue with investors often make resolutions unnecessary as numerous companies can testify. Unfortunately, too often management ignores repeated letters or calls but is prompted to act when they receive a resolution.

We strongly oppose any move to take away shareholder rights to file precatory resolutions.

Yours truly,

Valerie Heinonen

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