



**First
Affirmative
Financial
Network, LLC**

*Serving Socially and Environmentally
Conscious Investors Nationwide*

March 27, 2007

Chairman Barney Frank/ Representative Spencer Bachus
House Committee on Financial Services
2129 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Frank and Representative Bachus:

I am writing in support of HR 1257, the Shareholder Vote on Executive Compensation Act, in particular the section of the bill proposing an annual shareholder advisory vote on executive compensation. We urge the House Financial Services Committee to vote it out of Committee, without weakening amendments, in preparation for a full House vote.

First Affirmative Financial Network is an investment advisory firm that supports a nation-wide network of financial advisors. With over \$600 million in assets under management, we work with thousands of clients who are concerned about the effects of environmental, social, and governance issues on long term shareholder value. We believe it is part of our fiduciary duty to engage companies on these issues.

We are pleased that the new SEC compensation disclosure requirements are in place. However, as SEC Chairman Cox clearly declared, the SEC's role is to insure that investors have clear and accurate information on compensation. The SEC is not planning to intervene further on executive pay but expects the markets to play that role.

At present, investors have few real tools to address concerns related to executive pay packages. Investors can write a letter of opinion to the Compensation Committee of the Board, or can withhold votes for Directors who serve on the Compensation Committee. Because these avenues are insufficient, additional checks and balances are needed if shareowners wish to register concerns with, opposition to, or even approval of a specific compensation package.

As you may know, this year over 40 institutional and individual investors filed shareholder resolutions with approximately 60 companies requesting that they set up an advisory vote process. While some companies have indicated an interest in working constructively with investors on this issue, many have not. It is our view that it is better to have a common practice followed by all companies.

Sincerely,



George R. Gay, CFP®, AIF®
Chief Executive Officer