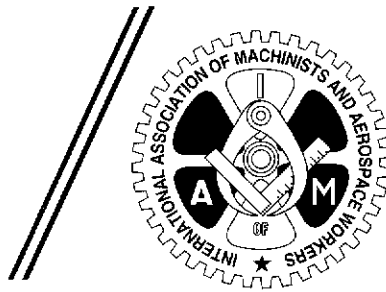


**International  
Association of  
Machinists and  
Aerospace Workers**



9000 Machinists Place  
Upper Marlboro, Maryland 20772-2687

Area Code 301  
967-4500



OFFICE OF THE GENERAL SECRETARY-TREASURER

S71607 497  
S71707 152

GL 2 – Strategic Resources

September 26, 2007

**Re: File Number S7-16-07 and S7-17-07**

**SUBMITTED IN TRIPLICATE**

Nancy M. Morris  
Secretary  
Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549-9303



Dear Secretary Morris:

As the General Secretary-Treasurer of the 750,000-member International Association of Machinists and Aerospace Workers (IAM), AFL-CIO and Trustee of the IAM National Pension Fund, a Taft-Hartley pension fund with over \$8 billion in assets, I welcome this opportunity to offer comments on Securities and Exchange Commission's (SEC) proposed rules S7-16-07 and S7-17-07 regarding shareholder resolutions related to the election of directors. I am also providing comments on the open-ended questions posed by the SEC regarding the filing of non-binding resolutions under Rule 14a-8.

In my opinion, the SEC should reject both proposed rules in their current form and should not make any changes to shareholders' rights to file non-binding resolutions.

Last year, the federal courts made it clear that, under the SEC's current rules, investors have the right to raise through the shareholder resolution process the issue of shareholder-nominated board candidates being included on the company's proxy solicitation.

As a result, this year, the proxy access issue came to a vote at Hewlett-Packard and UnitedHealth. At both companies, these resolutions received extraordinarily high levels of support. These developments constitute an improvement in our corporate governance system. There is no evidence that the return of the proxy access issue to the shareholder resolution system has harmed investors, companies or the markets.

Nonetheless, the first SEC proposal would flatly roll back investor rights in this area. The second proposal would place restrictions on shareholders' exercise of those rights that would effectively make those rights a dead letter. Moreover, the second proposal does further injury to

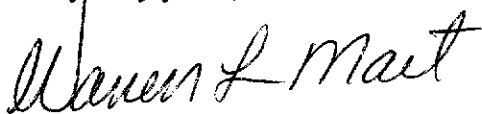
investors by raising the possibility of various dramatic rollbacks of shareholder rights to bring resolutions in general.

With the recent corporate scandals, including backdating of management stock options and unjustified executive pay awards, there clearly remain serious deficiencies in the board oversight of corporate management. By proposing to limit the right of shareholders to hold boards accountable through director elections with its proposed rules, the SEC will erode investor confidence in “fair, orderly, and efficient markets” in direct contradiction to its stated mission.

Finally, with the announced departure of Commissioner Roel Campos and other potential changes at the Commission, the SEC should defer action on these far-reaching proposed rules until a full complement of Commissioners is able to give any proposed changes its full attention.

In our opinion, the SEC should withdraw both of its proposed rules and instead allow shareholders to continue to road test the new opportunities available as a result of the AIG decision. Moreover, we see no need for the SEC to make any changes in Rule 14a-8 and would oppose any changes in the rules regarding non-binding resolutions.

Very truly yours,

A handwritten signature in black ink, appearing to read "Warren L. Mart". The signature is written in a cursive, flowing style.

Warren L. Mart  
GENERAL SECRETARY-TREASURER  
AND TRUSTEE