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June 3, 2008

By Hand

Securities and Exchange Commission,
Office of Chief Counsel,
Division of Corporation Finance,
100 F Street, N.E.,
Washington, DC 20549.

Re: **CA, Inc. – Request Under Rule 14a-8 to
Exclude Stockholder Proposal by AFSCME**

Ladies and Gentlemen:

On behalf of CA, Inc., I am responding to the letter from AFSCME, dated May 21, 2008, opposing CA's request to exclude AFSCME's stockholder proposal from CA's proxy statement for its 2008 annual meeting. In my prior letter, dated April 18, 2008, I explained the reasons why CA believes the proposal should be excluded under Rule 14a-8. All of those reasons remain valid, and the AFSCME letter simply posits contrary arguments that do not address the key concerns raised by CA. Two of these concerns are of particular importance and should be underscored.

Including Director Candidates in CA's Proxy Statements

As described in my April letter, the AFSCME proposal would create financial incentives for CA to include future stockholder nominations for director in CA's proxy statements, thereby resulting in more election contests being waged in the Company's own proxy statements. AFSCME simply dismisses this point, without addressing the practical implications of its proposal. CA and its stockholders, however, will have to live with the practical consequences and CA continues to believe they are real.

As the Commission made clear when it amended the language of the director exclusion in Rule 14a-8 last December, the exclusion is not limited solely to

proposals that would result in the inclusion of a director candidate in the current year's proxy, but to all proposals that are likely to have this result in future years. AFSCME argues that the recent amendments to the director exclusion were intended to address only a "narrow category" of proposals, but on the contrary the amendments were intended to make clear that the exclusion applies to all proposals that would result in a contested election, either in the current year or any future year, including proposals to establish procedures having this result. If anything, the amendments made it clear that the exclusion is intended to be broad enough to cover all procedures of this kind.

Restricting Board Authority Under Delaware Law

As stated in the opinion of Richards, Layton & Finger, P.A. ("RLF"), which was attached to my April 18 letter, Delaware law reserves to the board of directors the authority to spend corporate funds on reimbursement of proxy-solicitation expenses. AFSCME does not refute this fundamental point and merely raises tangential points in opposition. As noted in the RLF opinion, the Delaware courts have permitted companies to reimburse proxy solicitation expenses where the contest involved significant policy issues rather than personal disputes or disagreements. AFSCME asserts that there is little reason to worry about depriving the CA board of its authority to approve such reimbursement, however, because it is "beyond dispute" that contests in which at least one dissident candidate is elected would not involve personal disagreements or disputes. A blanket assertion of this type is hardly "beyond dispute".

Moreover, AFSCME ignores the 1993 Pennzoil no-action letter cited in my prior letter (see note 10). In Pennzoil, the Staff permitted a company to exclude a stockholder proposal to adopt a by-law that would have required expense reimbursement, based on an opinion of RLF that adopting such a by-law without board approval was inconsistent with Section 141(a) of the Delaware General Corporation Law ("DGCL"). The basis for excluding that proposal under Delaware law applies equally to the AFSCME proposal and was long ago accepted by the Staff. AFSCME has provided no reasons why that position should now be rejected.

AFSCME and the supporting opinion it provided rely heavily on the assertion that stockholders may adopt by-laws that regulate the board's conduct, and that this in turn permits them to adopt a by-law that mandates reimbursement of proxy-solicitation expenses without the board making any determination as to the appropriateness of using corporate funds for that purpose. For this assertion, AFSCME and its counsel cite a footnote in a decision of the Delaware Chancery Court stating that by-laws "may pervasively and strictly regulate the *process* by which boards act, subject to constraints of equity" (emphasis added).¹ However, this and another case

¹ See page 8 of the opinion of Grant & Eisenhofer P.A. attached to AFSCME's May 21 letter, quoting *Hollinger Intern., Inc. v. Black*, 844 A.2d 1022, 1080 n.136 (Del. Ch. 2004), *aff'd* 872 A.2d 559 (Del. 2005).

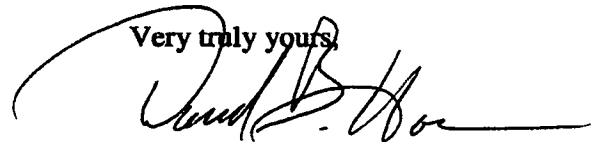
cited by AFSCME and its counsel involved situations where stockholders were regulating the *process* by which the board acted (e.g., abolishing a board-created committee or requiring unanimous board approval of board actions) but not the *discretion* of the board to make a determination. The by-law change that AFSCME proposes would not simply regulate the manner in which the CA board might review and approve or disapprove reimbursement of proxy-solicitation expenses; rather, the by-law would wholly eliminate the board's discretion to consider and determine whether it was in the best interests of the Company and the stockholders to reimburse such expenses in any particular case. The cases cited by AFSCME and its counsel do not contradict the fundamental point made in the RLF opinion and my letter of April 18, namely, that a by-law adopted by stockholders without board approval and without authorization in the certificate of incorporation may not eliminate the board's discretion concerning the use of corporate funds to pay proxy-solicitation expenses.

The AFSCME letter, and its supporting opinion, also place great weight on the fact that Delaware corporations can be compelled under their by-laws to advance legal fees to directors and officers, but this is not relevant to our issue. Advancement of legal fees for directors and officers is expressly authorized by Section 145(e) of the DGCL, while there is no statutory mandate for reimbursement of proxy-solicitation expenses. Thus, the reference to advancement of legal fees provides no support for AFSCME's argument that by-laws may also compel reimbursement of proxy-solicitation expenses without board approval. If anything, it suggests the opposite: absent express statutory authority, a by-law compelling expense reimbursement needs to be authorized by the board or in the certificate of incorporation.

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If you have any questions about CA's request for relief, please do not hesitate to contact me at 212-558-3882.

Very truly yours,



David B. Harms

cc: Kenneth V. Handal
Executive Vice President and Corporate Secretary
CA, Inc.

Charles Jurgonis
Secretary
AFSCME Employees Pension Plan