

# Bricklayers & Trowel Trades International Pension Fund

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September 25, 2007

Ms. Nancy Morris, Secretary  
U.S. Securities and Exchange Commission  
100 F Street NE  
Washington, DC 20549-1090  
Email: [rule-comments@sec.gov](mailto:rule-comments@sec.gov)

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

Dear Secretary Morris:

On behalf of the over 100,000 participants in the Bricklayers and Trowel Trades International Pension Fund, I write to express our strong opposition to the above-referenced rule proposals concerning the election of directors. We are also offering comments in support of the continued application of Rule 14a-8 as it applies to the submission of non-binding shareholder resolutions.

Last year, the US Court of Appeals for the Second Circuit confirmed that, under the current rule framework, shareholders have the right to use the shareholder resolution process to pursue access to the proxy for nomination of directors. The above-referenced rule proposals would both effectively foreclose that right, and in so doing would greatly contribute to dangerous complacency and sclerosis on corporate boards.

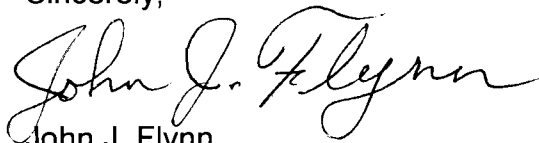
In the 2006-07 proxy season, shareholders sought proxy access via resolutions at Hewlett-Packard and UnitedHealth. In both instances, the resolutions received extraordinarily high levels of support. There is absolutely no evidence that the return of the proxy access issue to the shareholder resolution system has harmed investors, companies or capital markets. To the contrary – such proposals lead to increased responsiveness on the part of directors and management, and ensure that shareholders have the ability to hold unresponsive boards accountable for their failures.

In our opinion, the SEC should withdraw both proposed rules and leave the status quo in place. In time, the Commission, shareholders, and the markets will have better sense of how well the system is operating in the wake of the Second Circuit's decision – for the time being, there is no reason whatsoever to disturb a system that works. Along the same lines, we see no need for the SEC to make any changes to Rule 14a-8, and we

would strenuously oppose any changes in the rules regarding non-binding resolutions. The notion that non-binding shareholder resolutions should be replaced with online "chats" is extremely disturbing to the institutional investor community, which derives its already limited ability to affect policy in the corporations that it owns primarily from the resolution process. Rule 14a-8 has long ensured that investors, and especially institutional investors, enjoy the ability to seek meaningful support for reforms from other shareholders. With the Enron and WorldCom scandals still fresh in our minds, we cannot allow the non-binding resolution process to be undermined.

In short, our position is that the Commission should take no action that would disturb the current rules governing these matters, as the status quo best vindicates the interests of shareholders and the capital markets.

Sincerely,

A handwritten signature in black ink that reads "John J. Flynn". The signature is written in a cursive, flowing style with a large initial "J".

John J. Flynn  
Co-Chair

Bricklayers & Trowel Trades International Pension Fund