September 28, 2007

Nancy Morris, Secretary,
U.S. Securities and Exchange Commission
Washington, D.C.

VIA EMAIL

Re: *Comment on File Number S7-16-07, Release No. 34-56160; IC-27913, and File Number S7-17-07*

Dear Ms. Morris:

I am writing to comment on File Number S7-16-07, the release proposing amendments concerning shareholder proposals, and File Number S7-17-07, concerning electing directors.

I am the president and owner of Robert Brooke Zevin Associates, Inc., a registered investment advisor in Boston managing approximately $250 million for individual and institutional clients. I have been in the advisory business for forty years and have been involved in shareowner proposals on behalf of our clients for the past thirty-five years.

The SEC was formed to protect shareholders from unscrupulous brokers, investment advisors and corporate managements, not the other way around. We believe these proposals serve the interests of corporate managers at the expense of shareholder*s*.

The proposals would severely restrict, and in the vast majority of cases eliminate, the ability of shareholders to present resolutions to the annual shareholders meeting. They would also effectively eliminate contested elections of company directors by again restricting and mostly eliminating the ability of the owners of a corporation to nominate candidates to represent their interests on the board of directors.

There is no evidence and no rational reason to believe that a management that is more insulated from the voice and influence of shareholders will deliver better results than one that is not. We urge the SEC to uphold or expand the existing rights of investors to sponsor resolutions for a vote at their stockholder meetings and to put forward candidates for their board of directors.

Below please find our responses to many of the specific sections of the proposed rule changes. Our comments are preceded with a ► and are in **bold face type**.

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We have copied some of the staff comment sections from the proposal, and give you our recommendations underneath them. We also reference the page numbers of the SEC staff proposal 17 CFR PART 240 [Release No. 34-56160; IC-27913; File No. S7-16-07] in the left hand column.

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2. Proposed Amendment to Rule 14a-8(i)(8) Concerning Bylaw Amendments on Procedures for Shareholder Nominations of Directors

- As proposed, a bylaw proposal may be submitted by a shareholder (or group of shareholders) that is eligible to and has filed a Schedule 13G that includes specified public disclosures regarding its background and its interactions with the company, that has continuously held more than 5% of the company's securities for at least one year, and that otherwise satisfies the procedural requirements of Rule 14a-8 (e.g.,

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holding the securities through the date of the annual meeting). Are these disclosure-related requirements for who may submit a proposal, including eligibility to file on Schedule 13G, appropriate? If not, what eligibility requirements and what disclosure regime would be appropriate?

  - **We oppose this proposal and believe a 5% ownership threshold is prohibitively high. We believe the election of directors should be moved toward a democratic process, with multiple candidates for available seats nominated from different constituencies. The proposal above would have exactly the opposite effect.**

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- Proposals to establish a procedure for shareholder nominees would be subject to the existing limit under Rule 14a-8 of 500 words in total for the proposal and supporting statement. Is this existing word limit sufficient for such a proposal? If not, what increased word limit would be appropriate?

  - **We believe 500 words, or about ¾ of one typed page, is insufficient. We recommend increasing the maximum limit to 1500 words.**

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- We propose to amend Regulation 14A to encourage the development of electronic shareholder forums that could be used by companies to better communicate with shareholders and by shareholders to better communicate both with their companies and among themselves. In addition, the electronic shareholder forum concept could offer shareholders a means of advancing referenda that might otherwise be proposed as non-binding shareholder proposals under Rule 14a-8. Is this appropriate and, if so, how can we further encourage the development of electronic shareholder forums?

  - **This proposed amendment is only appropriate if an electronic shareholder forum is set up as a supplement to the existing non-binding shareholder**

proposal process. Replacing all or any part of the existing non-binding shareholder proxy process with an electronic forum is not acceptable.

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- What would be the appropriate use of an electronic shareholder forum with regard to a bylaw proposal, as contemplated in this release? For example, should shareholders be able to use a forum to solicit other shareholders to form a 5% group in order to submit a bylaw proposal?

  - **We believe a 5% threshold is prohibitively high for submission of a bylaw proposal. Electronic forums could be used as a supplemental means of communications between shareholders and management regarding bylaw proposals, but they should not replace any or all of the existing shareholder proposal structure.**

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- As proposed, shareholder proponents would be required to disclose discussions with a proxy advisory firm prior to submitting a proposal. Is this disclosure requirement appropriate? Why or why not?
  - **We oppose this proposal and believe it is inappropriate. If shareholders will be required to disclose discussions with a proxy advisory firm,, why wouldn't they also be required to disclose the detail of their discussions with their legal counsel, disclose outside research they have done on the issue, disclose discussions with other shareholders or discussions with other experts on the issue? If these burdens are considered appropriate for a shareholder proponent, it would only be fair that the company would also be required to disclose the substance of its discussions with their legal counsel, their research on the issue, their discussions among management and the board. This proposal places an unreasonable and unfair burden on the shareholder proponent.**

C. Request for Comment on Proposals Generally
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- Under current Rule 14a-8, all shareholder proposals and supporting statements are limited to 500 words in total. Should the word limit be different for shareholder submissions of proposed bylaw amendments to establish procedures for non-binding proposals? If so, should the word limit be increased to 3,000 words in order to permit a more thorough description of the proposed procedural framework and in accordance with the approximate word count in current Rule 14a-8? If not 3,000, should the

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word limit be higher or lower than 3,000 (e.g., 1,000, 2,000, 4,000)?

  - **The word limit for both bylaw amendment proposals as well as non-binding proposals should be increased from 500 to 1500.**

- Would it be appropriate for the Commission to provide that the substance of the procedure for non-binding proposals contained in a bylaw amendment would not be defined or limited by Rule

14a-8, but rather by the applicable provisions of state law and the company's charter and bylaws? For example, the Commission could provide that the framework could be more permissive or more restrictive than the requirements of existing Rule 14a-8 (e.g., the framework could specify different eligibility requirements than provided in current Rule 14a-8, different subject-matter criteria, different time periods for submitting non-binding proposals to the company, or different resubmission thresholds; or it could specify that non-binding proposals would not be eligible for inclusion in the company's proxy materials, or alternatively that all non-binding proposals would be included in the company's proxy materials without restriction, if these approaches were consistent with state law and the company's charter and bylaws).

- **We oppose any changes from the current system that would limit or curtail the submission of either bylaw or nonbinding shareholder proposals. Further, we believe the proxy process and related procedures are appropriately regulated by the SEC as opposed to state law and company charters. We oppose any procedure changes that would remove companies from SEC regulations and procedures and replace them with state law.**

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- Would it be appropriate for the Commission to provide that, if shareholders approve a bylaw procedure for non-binding proposals, interpretation and enforcement of that procedure would be the province of the appropriate state court? Under such an approach, the Commission and its staff would not resolve such questions. Should the Commission or its staff instead become involved in interpreting or enforcing the company's bylaws? Is there any reasonably foreseeable situation where intervention by the Commission or its staff would be critical to the proper functioning of bylaw procedures for non-binding proposals? In addition, we solicit comments with respect to the practicality and feasibility of relying on state courts as the arbiter of disagreements between companies and shareholder proponents over the company's bylaws as they apply to non-binding shareholder resolutions.

  - **We believe the Commission should interpret and enforce bylaw procedures that result from non-binding shareowner proposals, but disallow the moving of interpretation and enforcement of non-binding proposals to state court. It is not practical or reasonable to rely on state courts for this purpose, whether the bylaw amendment is made by directors or a shareholder vote.**

- Should the Commission encourage the proponent of any bylaw procedure governing non-binding proposals to include in the procedure a fair and efficient mechanism for resolving any disagreements between the company and the shareholder as to the bases for inclusion or exclusion of a proposal?

  - **We believe it would be reasonable for the Commission to encourage this.**

- Should the Commission specify that, even after the shareholders approve a bylaw procedure for non-binding shareholder proposals, a shareholder meeting the proposed eligibility requirements could later submit another bylaw procedure that removes or amends the previously-adopted non-binding procedure and that bylaw would not generally be excludable by a company under Rule 14a-8(i)(2) or Rule 14a-8(i)(3)?

- **We believe the Commission should specify the submission procedure above**.

- How might shareholders' overall ability to communicate with management and other shareholders be improved or diminished if shareholders were able to choose different
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procedures for non-binding proposals than those currently in Rule 14a-8? Are there additional or different procedures that the Commission should require, encourage or seek to prevent?

- **Shareholders ability to communicate with management and other shareholders could be dramatically diminished if the Commission approves proposed changes increasing threshold levels, allowing electronic dialog in place of the proxy process, and allowing companies to exclude more non-binding proposals than the current procedure permits.**

With respect to subjects and procedures for shareholder votes that are specified by the corporation's governing documents, most state corporation laws provide that a corporation's charter or bylaws can specify the types of binding or non-binding proposals that are permitted to be brought before the shareholders for a vote at an annual or special meeting. Further, most state corporation laws permit a company's board of directors to adopt, amend, or repeal bylaws without a shareholder vote. Because a company's board of directors could adopt a bylaw establishing procedures for the consideration of non-binding proposals at meetings of shareholders, we have not included in the above request for comment any discussion of a board of directors adopting bylaws that would limit the ability of shareholders to raise non-binding proposals for a vote at meetings of shareholders. To the extent a company had in place a bylaw under which non-binding shareholder proposals were not permitted to be raised at meetings of shareholders, a company may be able to look to Rule 14a-8(i)(1) with regard to the exclusion of such proposals. Such ability to exclude the proposals would, of course, be reliant on the bylaw's compliance with applicable state law and the company's governing documents. In light of the board's power to adopt such a bylaw under state law, please consider the following specific requests for comment:

- Should the board of directors be able to adopt a bylaw setting up a separate procedure for non-binding shareholder proposals and be able, under our proxy rules, to follow that procedure in lieu of Rule 14a-8 with regard to non-binding proposals? Should
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such procedures be deemed to comply with Rule 14a-8 if the bylaw is not approved by a shareholder vote, provided that state law authorizes the adoption of such a bylaw without a shareholder vote?

- **We believe that uniform Federal law, and SEC regulations specifically, should govern publicly traded companies and that whether or not company's state laws allow it to disallow non-binding shareholder proposals, SEC regulations and procedures should supersede State law. The board of directors should not be able to adopt bylaws setting separate procedures for non-binding shareholder proposals.**

- Should a bylaw proposed and adopted by a company prior to becoming subject to Exchange Act Section 14(a) be deemed to comply with Rule 14a-8 once the company became subject to Exchange Act Section 14(a)? If so, should such companies be required to provide disclosure regarding the rights of shareholders with respect to the submission of non-binding shareholder

proposals for inclusion in the company's proxy materials as part of the description of its equity securities in its Securities Act and Exchange Act registration statements. If not, should companies instead be required to submit the bylaw to a shareholder vote once the company becomes public and subject to Section 14(a) of the Exchange Act, either at a special meeting or an annual meeting?

- **Publicly traded companies should be treated equally and subject to the same regulations under Rule 14a-8 regardless of the bylaws adopted by the company prior to becoming a public company.**

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- Should the Commission adopt a provision to enable companies to follow an electronic petition model for non-binding shareholder proposals in lieu of Rule 14a-8?

  - **We strongly oppose a provision to enable companies to substitute an electronic petition model for the current non-binding shareholder proposal system.**

- Are there additional changes to Rule 14a-8 that would improve operation of the rule? If so, what changes would be appropriate and why? For example, should the Commission amend the rule to change the existing ownership threshold to submit

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other kinds of shareholder proposals? If so, what should the threshold be? Would a higher ownership threshold, such as $4,000 or $10,000, be appropriate? Should the Commission amend the rule to alter the resubmission thresholds for proposals that deal with substantially the same subject matter as another proposal that previously has been included in the company's proxy materials? If so, what should the resubmission thresholds be – 10%, 15%, 20%? Are there any areas of Rule 14a-8 in which changes or clarifications should be made (e.g., Rule 14a-8(i)(7) and its application with respect to proposals that may involve significant social policy issues)? If so, what changes or clarifications are necessary?

  - **We strongly oppose any changes that would increase the threshold levels for dollar values, percentages of votes, and resubmission thresholds. If changes are made, they should be to allow for greater inclusiveness as opposed to less.**

- Currently, Item 4 in Part I of Form 10-K and Form 10-KSB and Item 4 in Part II of Form 10-Q and 10-QSB require a company to disclose information regarding the submission of matters to a vote of security holders. The required disclosure includes a description of each matter voted upon at the meeting and the number of votes cast for, against, or withheld, as well as the number of abstentions and broker non-votes as to each such matter. In the interest of increased transparency, should additional disclosure be provided with regard to the voting results for non-binding shareholder proposals? For example, should the company be required to disclose votes for non-binding shareholder proposals as a percentage of the total outstanding securities entitled to vote on the proposal? Or as a percentage of the total votes cast? Would shareholders benefit from receiving this type of information?

  - **We support the inclusion of information in the 10-K and 10-Q disclosing the results of voting for non-binding shareholder proposals, including the percentage of total votes cast for and against, the number of votes for and**

against, as well as prior years comparative figures. Shareholders would benefit from this information and it would be very easy for the company to provide.

2. Other Requests for Comment

- As the Commission staff noted in its July 15, 2003 Staff Report entitled "Review of the Proxy Process Regarding the Nomination and Election of Directors," the cost to shareholders of soliciting proxies in opposition to the company's solicitation has been considered to be prohibitive and, as such, has been a key component of arguments in favor of increasing the opportunity for the inclusion of shareholder nominees for director in the company's proxy materials. Significant recent technological advances appear to have the potential to substantially reduce the costs of such a proxy solicitation, including the Commission's recently adopted "E-Proxy" rules[73] and the electronic shareholder forum discussed in this release. Will these technological advances reduce the costs of proxy solicitations for both companies and those that solicit in opposition to a company?

  - **The technological advances themselves will not govern the cost of proxy solicitations. It is the Commission's regulations and procedures that have a far greater impact on the cost and feasibility of proxy solicitations for companies and those in opposition to the company.**

- Should bylaw proposals establishing a shareholder director nomination procedure be subject to a different resubmission standard than other Rule 14a-8 proposals? If so, what standard would be appropriate and why?

  - **We support establishing a shareholder director nomination procedure that has low initial and resubmission thresholds in order to provide for greater inclusiveness, more competitive director elections, and multiple individuals running for the same director positions.**

- As proposed, the federal proxy rules would not establish a threshold for the votes required to adopt a bylaw procedure. This is because the voting thresholds for the adoption of bylaw amendments are established by state law and a company's governing documents. Is this reliance on state law and the company's governing

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documents appropriate? Should the proxy rules establish a different federal standard for the required vote to adopt a bylaw procedure, such as the majority of shares present in person or represented by proxy and entitled to vote on the proposal, or a supermajority vote?

  - **We oppose allowing voting thresholds and the adoption of bylaw amendments to be governed by state law and the company's governing documents and believe, for publicly traded company's, the SEC is the appropriate governing agency.**

- Our proposals assume that the existing exemptions for solicitations are sufficient to include soliciting activities of shareholders that are seeking to form a more than 5% group. Accordingly, the release does not address any such soliciting activities or propose any new rules in this regard. Is our assumption that the existing exemptions are sufficient for the purpose of forming a shareholder group to submit a bylaw proposal correct? If not, what would be the appropriate scope of any new exemption or amendment to an existing exemption?

- **We believe the 5% threshold is prohibitively high and oppose it. We do not have a position on whether the existing exemptions are sufficient for the purpose of forming a 5% group.**

- Is there an alternative to the proposal regarding shareholder director nomination bylaws that would provide a preferable method by which shareholders could establish procedures to place their candidates for director in the company proxy materials? For example, should shareholders be able to propose a bylaw amendment only where there has been a majority withhold vote for a specified director or directors, and the director or directors do not resign? If so, what ownership threshold would be appropriate in those circumstances?

    - **Any alternative that expands the ability of shareholders to nominate their own directors would be preferable to the proposed changes in File S7-16-07. The lower the threshold for shareholders to nominate directors the better.**

- In light of developments that reduce the costs of proxy solicitations by shareholder proponents, such as the adoption of "E-proxy," general advances in communication technology, the proposals concerning electronic shareholder forums, and, in some instances the ability of shareholders to request and receive reimbursement for election contest expenses, is there an alternative to the proposal regarding shareholder director

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nomination bylaws that would enable shareholders to conduct election contests without incurring the expense of a traditional contest and without being placed on the company ballot? For example, should our proxy rules be amended to permit pure electronic solicitation? Should we amend Rule 14a-2(b)(1) to enable shareholders to solicit a greater number of other shareholders than currently is permitted under the rule (the rule limits the number solicited to ten) without being required to furnish a proxy statement?

    - **Proxy rules should not be amended to permit pure electronic solicitation. Any increase in the ability of shareholders to solicit and communicate with each other with fewer regulatory hurdles to overcome would be a positive step.**

Thank you for considering our comments on the proposed rule changes regarding director nominations and non-binding shareholder proxy proposals.

Sincerely,

Robert Brooke Zevin
President