



## Ohio Public Employees Retirement System

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December 10, 2004

William H. Donaldson, Chair  
U.S. Securities and Exchange Commission  
450 Fifth Street, NW  
Washington, DC 20549-0609

Re: File No. S7-19-03, Proxy Access Rule

Dear Chairman Donaldson:

The Ohio Public Employees Retirement System (“OPERS”) is a more than \$60 billion fund serving three quarters of a million Ohioans, making the system the 10<sup>th</sup> largest state pension fund in the U.S. We are writing to encourage the Securities and Exchange Commission (“SEC”) to move forward to finalize and adopt a meaningful proxy access rule to give long-term shareholders access to management’s proxy card to nominate independent directors.

OPERS believes that the adoption of a meaningful proxy access rule would be one of the most significant and important investor reforms adopted by the SEC since it adopted Rule 14a-8. As long-term owners, shareholders should be permitted to utilize a proxy access rule, when appropriate, to enhance their ability to hold ineffective directors accountable when they fail to properly monitor and prevent management misconduct. In the absence of such a rule, history is bound to repeat itself as exemplified by the recent corporate scandals that contributed to a \$7 trillion collapse in the capital markets in the U.S.

Since the SEC proposed the pending rule, the possibility of giving shareholders greater ownership rights has already caused an increase in responsiveness to majority votes on nonbinding shareholder proposals. This response is consistent with OPERS belief that these types of contests for board seats would be a rare occurrence since companies would have an incentive to be responsive to shareholder concerns if the SEC adopts a proxy access rule.

We urge you to move forward as soon as possible to finalizing a meaningful proxy access rule. Should you need any additional information, please feel free to contact Cynthia L. Richson, OPERS Corporate Governance Officer, at 614.222.0398.

Sincerely,

Laurie Fiori Hacking  
Executive Director

cc: Commissioner Paul S. Atkins  
Commissioner Roel C. Campos  
Commissioner Cynthia A. Glassman  
Commissioner Harvey J. Goldschmid  
Alan L. Beller, Director, Division of Corporation Finance  
Martin P. Dunn, Deputy Director, Division of Corporation Finance