

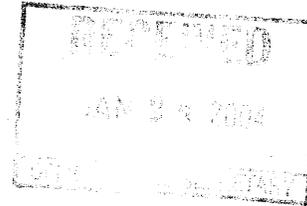
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**Paul R. Carter**

**9656 E. Highway 72 • Bentonville, AR 72712**

January 12, 2004

Mr. Johathan G. Katz, Secretary  
U.S. Securities and Exchange Commission  
450 Fifth Street, NW  
Washington, DC 20549-0609



Dear Mr. Katz:

REFERENCE: File No. S7-19-03

I appreciate this opportunity to provide my comments on the Securities and Exchange Commission ("SEC") proposal to require companies to include shareholder nominees for director in company proxy materials under certain circumstances. I am a past corporate director for Wal-Mart Stores, Inc. and present director of Cintas Corporation. Both companies are listed on the NASDAQ OR New York Stock Exchange.

Our corporate boards and management must hold themselves to the highest standards of corporate living. Complicating the director election process by requiring companies to include shareholder nominees in their proxy materials is not good corporate business. The Nominating Committee, which must be composed solely of independent directors under the NYSE listing standards, would be diminished by presenting shareholders to place nominees in Company Proxy material. Who best knows the skills needed on the Board better than the Nominating Committee of the Board.

In conclusion, the proposed rules could turn director elections into proxy contests, substantially disrupting corporate affairs, causing significant costs to the company and all of its shareholders, and dissuading from board service well-qualified individuals who do not want to routinely stand for election in a contested situation.

I believe the SEC should allow the corporate governance reforms adopted by Congress, the SEC and the securities markets to be fully implemented before proceeding with additional regulation. With the increased independence of boards of directors, the strengthened role and independence of nominating committees, and the enhancement of shareholder-director communications, I believe the issues that led to calls for shareholder access will be addressed in a proper and timely fashion. If the inclusion of shareholder nominees in company proxy materials is ultimately required, I agree with the SEC's goal of limiting it to a small number of companies that have not been responsive to their shareholders.

Your consideration of my concerns about the proposed rules is very much appreciated.

Sincerely,



Paul R. Carter