



**California Public Employees' Retirement System
Investment Office**
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www.calpers.ca.gov

April 6, 2015

Via E-Mail: rule-comments@sec.gov

Brent J. Fields, Secretary
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: File No. 4-681, Proxy Voting Roundtable – Request for Comment

Dear Mr. Fields:

I write on behalf of the California Public Employees' Retirement System ("CalPERS") as a supplement to the Proxy Voting Roundtable hosted by the Securities and Exchange Commission ("SEC" or "Commission") on Thursday, February 19, 2015.

CalPERS is the largest public pension fund in the United States with approximately \$299 billion in global assets.¹ We manage these assets on behalf of more than 1.7 million public employees, retirees, and beneficiaries. We have been a long-time proponent of good corporate governance and believe proxy voting rights not only provide shareowners with the ability to hold accountable the stewards of their capital but also enhance the efficiency of global capital markets.

Each year, we vote our proxies in line with our Investment Beliefs, Global Principles of Accountable Corporate Governance and internal policies. During fiscal year 2013-14, we voted at over 10,000 company meetings in 47 markets, casting votes for over 100,000 individual proposals. Given the number of companies in our portfolio, we need a proxy voting process that efficiently allows us to vote.

We strongly believe that shareowners should have the ability to vote for any combination of director candidates in contested elections. Unfortunately, the current proxy voting process does not provide shareowners with an efficient and cost-effective way to exercise this right. We capture this belief in the following statement from our Global Governance Principles: "To facilitate the shareowner voting process in contested elections - opposing sides engaged in the contest should utilize a proxy card naming all management nominees and all dissident nominees, providing each nominee equal prominence on the proxy card."²

We believe that achieving this ideal requires the Commission to adopt necessary technical fixes to the bona fide nominee rule and adopt a mandatory universal proxy card. Shareowners need a proxy voting system that works without the need of physical presence to vote for the full slate of director candidates. Universal proxy ballots would "level the playing field" and ensure shareowners voting by proxy have the same rights as if they had attended the meeting.

¹ CalPERS investment fund values as of market close on April 1, 2015, <http://www.calpers.ca.gov/index.jsp?bc=/investments/assets/mvs.xml>

² *CalPERS Global Governance Principles*, California Public Employees' Retirement System, Updated March 16, 2015, Section 7.3, page 29. <http://www.calpers-governance.org/>

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We are confident that the Commission can address this issue in the system without creating undue burden on companies. The timing requirements can be easily met given that most corporations have already adopted early notification bylaws requiring shareowners to give notice of their intention to wage a proxy contest months before a meeting. Additionally, the voting process is already separate from the nomination process; it is not plausible investors would elect unqualified candidates to represent their interests.

We believe that the company and shareowner proponent ballot used in the 2012 Canadian Pacific Railway provides an example of a step in the right direction for universal proxy ballots in the U.S. In this election, both the management and shareowner proponent nominees were listed in the same ballot, and shareowners were able to pick and choose nominees from either slate. As a shareowner in this company, we appreciated the opportunity to vote for the mix of candidates that we believed best positioned the company to continue to create long-term value. However, should universal proxy ballots be adopted in the U.S., we support a single ballot that ensures uniform presentation of all nominees.

Being able to support a mix of director candidates for a company board that we believe best represents our interests as a shareowner is a fundamental investor right. To remain an effective fiduciary for our beneficiaries, CalPERS depends on this, and other, fundamental investor rights to promote competent, diverse and independent boards that foster long-term value creation. We welcome the SEC's intention to facilitate the exercise of shareowner rights. We are confident that universal proxy ballots can be successfully used in the U.S. and would improve our system of electing directors by providing an opportunity for all shareowners to choose from among all candidates. Therefore, we strongly encourage the Commission to move forward with adopting universal proxy ballots and making any technical fixes necessary to ensure efficient voting.

If you have any questions, please do not hesitate to contact me at [REDACTED],

Sincerely,



JAMES ANDRUS
Portfolio Manager, Global Governance, Investment Office
California Public Employees' Retirement System (CalPERS)

Attachment: Sample Universal Proxy Ballots – Canadian Pacific Railway, Ltd.

Security Class

Holder Account Number

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White Form of Proxy - Annual Meeting of Shareholders to be held on May 17, 2012

This White Form of Proxy (the "WHITE Proxy") is solicited by and on behalf of Management of Canadian Pacific Railway Limited.

Notes to proxy

1. This WHITE Proxy is solicited by Management of Canadian Pacific Railway Limited ("Canadian Pacific" or the "Corporation"). Shareholders are directed to Canadian Pacific's Management Proxy Circular dated March 22, 2012, as may be amended or supplemented (the "Management Proxy Circular") and the Notice of Annual Meeting of Shareholders dated March 22, 2012 (the "Notice") for more detailed information.
2. You have the right to appoint a proxyholder, who need not be a shareholder, to attend and act on your behalf at the Meeting. If you wish to appoint a person or company other than the persons whose names are printed herein, please insert the name of your chosen proxyholder in the space provided (see reverse).
3. This WHITE Proxy must be signed by you, the registered holder, or by your attorney duly authorized by you in writing or, in the case of a corporation, by a duly authorized officer or representative of the corporation; and if executed by an attorney, officer, or other duly appointed representative, the original or a notarial copy of the instrument so empowering such person, or such other documentation in support of such empowerment as shall be acceptable to the Chairman of the Meeting, must accompany this WHITE Proxy. If the Common Shares are registered in the name of more than one owner (for example, joint ownership, trustees, executors, etc.), then all those registered should sign this WHITE Proxy.
4. This WHITE Proxy should be signed in the exact manner as the name appears on the WHITE Proxy.
5. If this WHITE Proxy is not dated, it will be deemed to bear the date on which it is received by or on behalf of the Corporation.
6. The Common Shares represented by this WHITE Proxy will be voted or withheld from voting in accordance with the instructions of the shareholder on any ballot that may be called for and, if the shareholder has specified a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly. This WHITE Proxy confers discretionary authority on the proxyholder to vote as such proxyholder sees fit in respect of each matter set forth herein if no choice is specified and in respect of any amendments or variations to matters identified in the Notice and in respect of other matters that may properly come before the Meeting. If you do not specify a choice with respect to any matter, the proxyholder designated in this WHITE Proxy will vote FOR each of items 1 and 2 and FOR the election of each of the Canadian Pacific Nominees in item 3.
7. Time is of the essence. This WHITE Proxy, to be effective, must be returned and received by a representative of Computershare Investor Services Inc. at the Meeting by no later than the time of voting at the Meeting or, in the case of any adjournment or postponement of the Meeting, no later than the time of voting at such reconvened meeting. Failure to properly complete or deposit a proxy may result in its invalidation.

Proxies submitted must be received no later than the time of voting at the Meeting (or any adjournment or postponement thereof) in order to be used at the Meeting.

If you have any questions or need assistance completing this WHITE Proxy please call:
Georgeson Toll Free: 1-866-374-9187 or
MacKenzie Partners Toll Free: 1-800-322-2885

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VOTE USING THE TELEPHONE OR INTERNET 24 HOURS A DAY 7 DAYS A WEEK!



To Vote Using the Telephone

- Call the number listed BELOW from a touch tone telephone.

1-866-732-VOTE (8683) Toll Free



To Vote Using the Internet

- Go to the following web site:
www.investorvote.com



To Vote by Mail

- Complete, sign and date the reverse hereof.
- Return this Proxy in the envelope provided.

Instead of mailing this WHITE Proxy, you may choose one of the two other voting methods outlined above to vote this proxy.

If you choose to vote by telephone or the Internet, DO NOT mail back this proxy.

Voting by mail may be the only method for securities held in the name of a corporation or securities being voted on behalf of another individual.

Voting by mail or by Internet are the only methods by which a holder may appoint a person as proxyholder other than the management nominees named on the reverse of this proxy.

To vote by telephone or the Internet, you will need to provide your CONTROL NUMBER listed below.

CONTROL NUMBER



This WHITE form of proxy (the "WHITE Proxy") is solicited by and on behalf of Management of Canadian Pacific and will be used at the Annual Meeting of Shareholders to be held on Thursday, May 17, 2012 at 8:00 a.m. (Mountain Daylight time) and any adjournment or postponement thereof (the "Meeting").

Appointment of Proxy

I/We, being holder(s) of Common Shares of Canadian Pacific Railway Limited hereby appoint: Frederic J. Green, or failing him, Kathryn B. McQuade

OR

Print the name of the person or company you are appointing if it is a person or company other than the Management nominees listed herein.

as the proxyholder of the undersigned, to attend and act on behalf of the undersigned at the Meeting, with the power of substitution and with all the powers that the undersigned could exercise with respect to the said Common Shares if personally present and with authority to vote at the said proxyholder's discretion except as otherwise specified herein and to vote and act in said proxyholder's discretion with respect to amendments or variations to matters referred to in the Notice and with respect to other matters that may properly come before the Meeting. In the absence of any instructions in respect of any matter, the proxyholder designated in this WHITE Proxy is hereby instructed to vote FOR each of items 1 and 2 and FOR the election of each of the Canadian Pacific Nominees in item 3. Reference should be made to the Notice and the Management Proxy Circular.

VOTING RECOMMENDATIONS ARE INDICATED BY HIGHLIGHTED TEXT OVER THE BOXES.

- | | | |
|--|--------------------------|--------------------------|
| | For | Withhold |
| 1. Appointment of Auditors as named in the Management Proxy Circular | <input type="checkbox"/> | <input type="checkbox"/> |
| | For | Against |
| 2. Advisory vote accepting the Corporation's approach to executive compensation as described in the Management Proxy Circular | <input type="checkbox"/> | <input type="checkbox"/> |

3. Election of Directors: You may vote "For" up to sixteen (16) nominees for election as director in total. If you vote "For" more than sixteen (16) nominees for election as director, none of your votes for any nominees will be counted

| CANADIAN PACIFIC NOMINEES | For | Withhold | | For | Withhold | | For | Withhold |
|--------------------------------|--------------------------|--------------------------|-----------------------|--------------------------|--------------------------|-----------------------------|--------------------------|--------------------------|
| 01. John E. Cleghorn | <input type="checkbox"/> | <input type="checkbox"/> | 02. Tim W. Faithfull | <input type="checkbox"/> | <input type="checkbox"/> | 03. Richard L. George | <input type="checkbox"/> | <input type="checkbox"/> |
| 04. Frederic J. Green | <input type="checkbox"/> | <input type="checkbox"/> | 05. Edmond L. Harris | <input type="checkbox"/> | <input type="checkbox"/> | 06. Krystyna T. Hoeg | <input type="checkbox"/> | <input type="checkbox"/> |
| 07. Tony L. Ingram | <input type="checkbox"/> | <input type="checkbox"/> | 08. Richard C. Kelly | <input type="checkbox"/> | <input type="checkbox"/> | 09. The Hon. John P. Manley | <input type="checkbox"/> | <input type="checkbox"/> |
| 10. Linda J. Morgan | <input type="checkbox"/> | <input type="checkbox"/> | 11. Madeleine Paquin | <input type="checkbox"/> | <input type="checkbox"/> | 12. Michael E.J. Phelps | <input type="checkbox"/> | <input type="checkbox"/> |
| 13. Roger Phillips | <input type="checkbox"/> | <input type="checkbox"/> | 14. David W. Raisbeck | <input type="checkbox"/> | <input type="checkbox"/> | 15. Hartley T. Richardson | <input type="checkbox"/> | <input type="checkbox"/> |
| 16. William A. Ackman | <input type="checkbox"/> | <input type="checkbox"/> | | | | | | |
| OTHER PERSHING SQUARE NOMINEES | For | Withhold | | For | Withhold | | For | Withhold |
| 17. Gary F. Colter | <input type="checkbox"/> | <input type="checkbox"/> | 18. Paul G. Haggis | <input type="checkbox"/> | <input type="checkbox"/> | 19. Paul C. Hilal | <input type="checkbox"/> | <input type="checkbox"/> |
| 20. Rebecca MacDonald | <input type="checkbox"/> | <input type="checkbox"/> | 21. Anthony R. Melman | <input type="checkbox"/> | <input type="checkbox"/> | 22. Stephen C. Tobias | <input type="checkbox"/> | <input type="checkbox"/> |

The undersigned confirms that it is the express wish of the undersigned that the documents relating hereto, including the Management Proxy Circular and this form of proxy, have been and shall be drawn up in English only. Le (la) soussigné(e) confirme sa volonté expresse que les documents se rapportant aux présentes, y compris la circulaire ainsi que le présent formulaire de procuration, soient rédigés en anglais seulement.

Authorized Signature(s) - This section must be completed for your instructions to be executed.

I/We authorize you to act in accordance with my/our instructions set out above. I/We hereby revoke any proxy previously given with respect to the Meeting. If no voting instructions are indicated above, this Proxy will be voted as recommended by Management.

Signature(s)

Date

MM / DD / YY

Interim Financial Statements

Mark this box if you would like to receive interim financial statements and accompanying Management's Discussion and Analysis by mail.

Annual Report

Mark this box if you would NOT like to receive the Annual Report and accompanying Management's Discussion and Analysis by mail. By marking the box, you agree that this instruction shall continue in force from year to year (unless revoked). You may revoke or change this instruction at any time by notifying our transfer agent at 1-877-4CP-RAIL or by mail at 100 University Avenue, 9th Floor, Toronto, Ontario M5J 2Y1.

If you are not mailing back your proxy, you may register online to receive the above financial report(s) by mail at www.computershare.com/maillinglist.



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