



VIA ELECTRONIC MAIL: rule-comments@sec.gov

U.S. Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090
Attention: Ms. Elizabeth M. Murphy, Secretary

*Re: File No. S7-10-09
Release No. 34-60089
Facilitating Shareholder Director Nominations*

Dear Ms. Murphy:

Yahoo! is a leading global consumer brand, one of the most trafficked Internet destinations worldwide, and a member of the Fortune 500 with more than \$7 billion in annual revenues in 2008 and approximately 13,000 employees worldwide. As Chairman of the Board of Yahoo!, I appreciate the opportunity to comment on the Commission's proposed rules that would require all public companies to include stockholder nominees for election as directors in their proxy materials.

Yahoo! has a deeply rooted interest in and commitment to good corporate governance and board accountability. The Commission, in its proposing release, stated that its decision to publish the proposed rules was made in response to concerns about the exercise of appropriate oversight of management, focus on stockholder interests, and accountability for decisions regarding a number of issues, including compensation structures and risk management by the boards of directors of public companies. Yahoo! fully supports the Commission's promotion of board accountability and we believe that meaningful communications with stockholders should be a priority for all boards and management teams. We respectfully disagree, however, with the Commission's view that the proposed Rule 14a-11 is a necessary element for effective corporate governance.

In our view, the proposed rules are unnecessary and do not give proper or adequate consideration to the sea change in corporate governance processes at many public corporations. For example, over the last several years, majority voting in uncontested director elections has been adopted by more than 66% of the companies in the S&P 500 and more than 57% of the companies in the Fortune 500, including Yahoo!. The fact that so many companies have implemented majority voting on their own demonstrates the sensitivity of major public companies to corporate governance developments and their responsiveness to the requests of their stockholders. The corporate governance practices of public companies will continue to develop and be responsive to stockholder concerns without the adoption of the proposed rules.





Ms. Elizabeth M. Murphy, Secretary
Securities and Exchange Commission

Page 2

August 17, 2009

We also view the approach taken by proposed Rule 14a-11 as a “one-size-fits-all” mandate that is ill-suited to the wide range of companies in the marketplace. Many companies have taken steps to ensure that all director nominees presented to a stockholder vote possess skills and characteristics that are in the long-term interest of the companies and their stockholders. For example, Yahoo!’s Corporate Governance Guidelines specifically state that nominees for our Board will be evaluated based on their understanding of Yahoo!’s business environment, in addition to their general knowledge, experience, skills, expertise, integrity, diversity, and ability to make independent analytical inquiries. The proposed mandate would circumvent the vital role of nominating and corporate governance committees, including our own, and hinder a board’s ability to create a board with the proper mix of experience, skills, and characteristics necessary to successfully lead a company and serve the interests of its stockholders.

Furthermore, the proposed rules fail to recognize that a nominating stockholder’s interests may not, unlike the duties of a company’s nominating and governance committee, be aligned with the long-term best interests of a company. In addition, the proposed rules fail to require information concerning a nominee that would be material to a stockholder’s informed voting decision. If adopted, the boards of public companies will be forced to devote additional time and resources to the proxy process—which will distract time and resources that could be devoted to oversight of their business and the long term enhancement of stockholder value. It is very possible that a frequent turnover of members of a board (or the possibility of continued multiple nominees each proxy season) will weaken, rather than enhance, the continuity and stability that is essential to building strong working relationships and a thorough understanding of a company and its business.

Thank you again for this opportunity to comment on the proposal.

Sincerely,

A handwritten signature in black ink that reads "Roy Bostock". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Roy Bostock
Chairman





Ms. Elizabeth M. Murphy, Secretary
Securities and Exchange Commission

Page 3

August 17, 2009

cc: Hon. Mary L. Schapiro, Chairman, U.S. Securities and Exchange Commission
Hon. Kathleen L. Casey, Commissioner
Hon. Elisse B. Walter, Commissioner
Hon. Luis A. Aguilar, Commissioner
Hon. Troy A. Paredes, Commissioner
Meredith B. Cross, Director, Division of Corporation Finance
Michael J. Callahan, Executive Vice President, General Counsel and Secretary
Mindy Heppberger, Deputy General Counsel

