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CHAIRMAN'S  
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Thursday, 21 May 2009

Mary L Schapiro  
US Securities & Exchange Commission  
100 F Street NE  
Washington DC

Dear Chairperson Schapiro

Whilst researching the SEC website on a matter relating to a '40 Act Company - of which I am the Chair, I stumbled across your address to the Council of Institutional Investors. May I firstly congratulate you on your new position at the SEC which, based on your opening days, would appear to mark the start of an exciting and refreshing period of innovation for Corporate America.

Your speech correctly referred to the role of independent directors but which, today, has been somewhat overtaken by the announcement of the SEC's consultation period with regard to board nominations. Given my experience of some 35 years involvement with '40 Act Companies - of which I am presently either a director or chair of 3 such NYSE listed companies and have been involved in several proxy solicitation fights - put up by unhappy institutional stockholders, I would strongly support the practice of stockholders also nominating independent directors ab initio for '40 Act companies. From my experience following proxy fights, it is too apparent that many boards are far too cozy with management meaning that the best intentions for stockholders are too frequently overlooked.

Yours very sincerely

Julian Reid