



## Dominican Sisters of Hope

August 13, 2009

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

Re: Release Number: 34-60218, File No. S7-12-09

Dear Secretary Murphy:

On behalf of the Dominican Sisters of Hope, I am submitting comments on the proposed rule issued July 1, 2009, Release Number 34-60218, File No. S7-12-09 entitled "Shareholder Approval of Executive Compensation of TARP Recipients."

The Dominican Sisters of Hope supports the measures proposed which are intended to result in improved corporate governance. We support the proposal requiring Troubled Asset Relief Program recipients to provide shareholders with an annual advisory vote on executive pay in their proxy solicitations. We hope the practice is instituted as corporate policy. We suggest that the SEC extend the Advisory Vote requirement to all publicly traded companies. The economic downturn was brought about in part by lack of oversight and insufficient examination of risk by Boards of Directors on the financial services companies. And, yet these men confirmed multi-million dollar compensation packages as the value of company stock declined.

We support full disclosure of executive compensation in proxy statements as well as SEC approval of a change to the New York Stock Exchange rule that prohibits brokers from voting proxies in corporate elections without instructions from their customers.

The Dominican Sisters of Hope have been an active investor since the late 1970s. Although the Sisters' portfolios are relatively small, the religious order has filed shareholder resolutions, participated in conversations with management, voted proxies and attended annual shareholders meetings. Social and environmental concerns have always been important and more recently, we've recognized the impact good corporate governance can have on improving societal and environmental problems.

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We are in broad agreement with the clarifications regarding the annual meeting solicitation, advisory (non-binding) nature of the vote and that smaller companies do not need to provide a compensation and analysis section in their proxy statements. In response to the Commission's request for specific input, we join our colleagues who believe the best way to provide for that vote is in the form of a management sponsored resolution, similar to the approach used to ratify auditors. That said, the specific resolution language doesn't have to be dictated by the SEC.

The Proxy Disclosure and Solicitation Enhancements proposed are also of interest to us. We believe companies should be required to:

- Define the relationship of its overall compensation policy to risk
- Disclose the qualifications of its directors, executive officers and nominees
- Describe the company's leadership structure, and
- Disclose potential conflicts of interest of compensation consultants.

We support expanded attention to board diversity as companies disclose board qualifications, as well as endorse SEC attention to the role of compensation consultants.

Finally, we appreciate the Commission's support of the NYSE proposal to eliminate broker discretionary voting for all elections of directors, whether contested or not. We agree that adding "election of directors" to the list of enumerated items for which a member generally may not give a proxy to vote without instructions from the beneficial owner, is a long overdue change.

We look for further strengthening of the regulatory platform including rules that govern our transactions and the disclosures that strengthen investors' ability to make possible the best investment decisions.

Yours truly,

A handwritten signature in cursive script that reads "Valerie Heinonen, o.s.u." The signature is written in dark ink on a white background.

Valerie Heinonen, o.s.u.  
Consultant, Corporate Social Responsibility

Cc: Commissioner Mary Schapiro  
Commissioner Kathleen L. Casey  
Commissioner Elisse B. Walter  
Commissioner Luis A. Aguilar  
Commissioner Troy A. Paredes