StanCorp
Financial Group℠

September 15, 2009

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

RE: File No. S7-13-09, Release No. 33-9052
Board's Role in the Risk Management Process

Dear Secretary Murphy:

This letter is submitted on behalf of StanCorp Financial Group, a leading provider of financial services for over 100 years. We appreciate the opportunity to comment on this important proposal.

While we agree in concept with the Commission's position that expanded disclosure of the board's role relative to the company's risk management process may benefit investors, the current proposal does not appear to provide specific enough guidance to ensure that the disclosure objectives will be accomplished.

We believe that it is important to maintain a clear separation between the duties of the board relative to oversight of risk and the duties of executives to manage risk. The board has a duty to oversee management's risk program and to design executive compensation packages consistent with what it considers acceptable risk. The question posed by the Commission "…how does the board implement and manage its risk management function…?" suggests a management, rather than oversight role for the board of directors. We urge the Commission to tailor its disclosure proposal to preserve and strengthen the board's oversight role, and not blur the line between oversight and functional risk management performed by management.

Similarly, the Commission has proposed to broaden proxy compensation disclosures to include employees below the executive level in certain circumstances. We believe expanding the role of the compensation committee to include direct involvement in non-executive pay may divert board focus and resources away from oversight of systemic risk and design of the executive compensation program to fit within the accepted risk profile.

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The proposal to disclose risks related to compensation practices for non-executive employees that “may have a material effect” further has the potential to create broad, laundry-list disclosures that are unhelpful to investors. The nature of risk, and its relationship to the design of compensation plans, is complex and dynamic. Some level of risk is inherent in all types of cash and stock incentive compensation programs. Under the proposal as currently written, it will be difficult for companies to distinguish which compensation practices may ultimately prove to be “material” in a variety of business and economic scenarios. This may lead to speculative, boilerplate disclosures that do not accomplish the twin objectives of helping the investor understand the company’s compensation practices and enhanced disclosure of risk profile.

We urge the Commission to consider tailoring disclosure to the board’s role as an overseer of risk, and to enhance disclosure of executive compensation programs rather than expanding proxy disclosure into new categories of employees.

Thank you for the opportunity to comment on this proposal.

Sincerely,

Justin Delaney
Vice President, Assistant General Counsel