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August 4, 2009

Ms. Elizabeth M. Murphy
Secretary
Securities & Exchange Commission
450 Fifth Street, NW
Washington, DC 20001

**Re: File #S-7-13-09**

Dear Ms. Murphy:

I want to compliment the Commission for proposing amendments to its proxy rules to enhance compensation and corporate governance disclosures. These proposals cover important areas where the proxy rules should be expanded to give shareholders a better picture of their company's standards for compensation and corporate governance. The following comments reflect my thoughts on how these proposed disclosures might be improved.

As you well know, financial service companies, as well as others, have established trading operations in securities and commodities which have exposed their companies to added risks. What is missing from the current discussion of compensation policy is the fact that trading activity may substantially change the risk profile of the entire company. This major change is not incorporated in the discussion of compensation policies for executive officers. The current compensation discussion which concentrates on the top echelon of the corporation discloses nothing about others who may be paid substantially more than the principal executive officers. These business units may have compensation policies substantially different from those at the senior corporate level and may expose the company to unforeseen risks.

Since most of these risks arise within the trading operations of the company, the Commission might want to consider disclosures relating to how traders are compensated and whether or not their compensation pays out over several years depending upon the future performance of the business unit. The Commission might also ask if the people in the trading operation have contracts or other arrangements different from those established for the principal executive officers and what those contract provisions are. Also, the Commission might consider requiring that the company disclose whether it has a director or directors who specifically understand the risks entailed by having a trading operation.

My second comment relates to the proposed disclosure of the company's leadership structure. To make this requirement meaningful, the proposal should require that the company disclose whether the non-management chairman or the lead independent can effect the agenda for a board meeting and if so, how. If the agenda is left completely to the Chief Executive Officer, that substantially reduces the effectiveness of the non-management chairman or the independent lead director.