

Gentlepersons:

I have reviewed the press release of the concept of the Proxy rule change(s) and I have a few comments which may interest the Commission:

## 2. Vote Confirmation

I believe that transparency is fundamentally a good thing and vote processors should have transparency to avoid any implications of impropriety. This is a system of checks and balances that only adds to market integrity and investor confidence.

## 3. Proxy Voting and Institutional Lenders

I have done several stock loan agreements and they all have included some variety of a voting trust/assignment of rights. This is a matter that is easily and cheaply addressed on the private side. I am under the impression that lenders who do not address this issue are not concerned with the issue. I would be concerned with regulations making carve-outs for lenders who did not think ahead and want a second bite at the apple.

Lastly, I believe that addressing the issue of voting records for Investment Companies should be absolutely required in the periodic disclosures for entities governed under the Investment Companies Act of 1940, but I am not sure 1940 specific disclosure requirements is properly addressed in proxy rules.

## 4. Proxy Distribution fees.

I believe it would be a good idea to have the fees regulated and not have "market driven determination". Otherwise the Commission may have to address pecuniary interest in subcontractors by the intermediary, in a few years resultant from potential inappropriate pricing.

## 5. Issuers ability to communicate with beneficial holders of securities.

I believe shareholders still maintain a right of privacy, if they so desire. I think that the Commission, or acting at the behest of the Commission, to "discourage" objections might be inappropriate due to privacy issues.

Moreover, I think that all issuers should have a fundamental right to access non-objecting shareholders and eliminate the middleman. Street holders occasionally take a bit too much liberty with exercising rights of underlying shares. FBO holders are the true holders, vested with all rights and benefits, and should not be relegated to holders fro profit only.

## 10. "Empty Voting"

There is a fundamental problem with record dates; someone will always be ex-dividend, as the expression goes. It is a frictional problem that comes with the territory. An arbitrary line must be drawn in order to know who must get the requisite information and allow time for review, response, and tabulation. The requirement of disclosure of decoupling of voting interests is a hollow disclosure because nothing can be done about it. It feel it is unnecessary someone will always be ex-dividend, or ex-voting as the case may be, and even if they disclose they are ex-voting there is nothing that can be done without a substantive overhaul of voting rights Federally and State wide. I think this is legislation for legislation's sake.

Thank you for your time and kind attention. If you have any questions, comments or concerns, please feel free to contact me at your earliest convenience.

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