

Via Electronic Delivery

Wednesday, October 20, 2010

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

Re: Concept Release on the US Proxy System (S7-14-10)

Dear Ms. Murphy:

We write to provide comment on the Commission's concept release on the U.S. proxy system (the 'Concept Release'). As Chief Executive of Newground Social Investment in Seattle, Washington, our company has a keen interest in the efficiency, reliability and integrity of the shareholder voting and communications processes.

Newground votes numerous proxies on behalf of its clients, and therefore appreciates that the Commission has taken up these important issues and has solicited feedback from those who participate in the shareholder voting process.

Below are comments which include feedback on questions raised by the Commission. They are focused on the aspects of the Concept Release that most directly affect Newground and its clients:

- A.** We believe that there is a need for Commission action to ensure the accuracy of proxy voting, and to enhance transparency and accountability in the process.

There are often a number of intermediaries involved in the process, and as a result the data is subject to errors due to software and electronic data transfer issues.

Therefore, efforts to ensure consistency throughout the process is critical. Along the way however, the Commission should avoid concentrating data under the control of those with a direct interest in the outcome.

- B.** We are concerned that under the Concept Release, corporate issuers will have too much information about an owner's votes and identity. This could undermine shareholder confidence in the system.
- C.** We support the Commission's efforts to improve and streamline the voting and communication process. We urge the Commission to ensure that any reforms give shareholders access to the information they need in order to communicate freely with other shareholders.

Item C is continued on next page...

We are concerned that the Concept Release may result in shareholders having less opportunity to communicate with one another on matters of common interest. Any reforms should, instead, enhance the opportunity for communication.

- D. To facilitate the timely recall of shares on loan, we support the proposal that requires issuers to provide notice of matters to be voted on at the meeting, ten days before the record date.
- E. We believe that concerns raised by corporate issuers about the influence of proxy advisory firms are overstated.

In this regard, we urge the Commission to differentiate between the influence of shareholders who actually are the owners of corporate stock – and the vendors who assist them in proxy voting.

We feel that existing market mechanisms provide sufficient incentives for proxy advisors to base their recommendations on accurate information and to draw well-supported conclusions.

Transparency around possible conflicts-of-interest (including as they relate to items that subsequently appear in an issuer's proxy) is certainly something we support – particularly when there is the possibility that advisory services are offering consulting services to corporate issuers.

In closing, we want to emphasize that we broadly support the perspective of the Council of Institutional Investors in its comment letter to the SEC on the Concept Release.

Should you have any questions regarding our opinions on these matters, the Commission is welcome to contact us.

Sincerely,

A handwritten signature in blue ink that reads "Bruce Herbert". The signature is fluid and cursive, with a long horizontal stroke at the end.

Bruce T. Herbert | AIF
Chief Executive | ACCREDITED INVESTMENT FIDUCIARY