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To: Nancy Morris, Secretary, U.S. Securities and Exchange Commission
From: Rev. Bruce Southworth, Senior Minister
Date: August 23, 2007
Re: Comment on File Number S7-16-07

As Senior Minister of The Community Church of New York, I am writing to comment on File Number S7-16-07, the Release proposing amendments to the Rules under the Securities and Exchange Act of 1934 concerning shareholder proposals and electronic shareholder communications. [This Release addresses access to the proxy for the nomination of directors, as well as shareholder proposals. It is on the latter topic that I wish to provide comments.] Specifically, as an investor who takes seriously our responsibility to be engaged and informed, we at Community Church feel strongly that the SEC's suggested proposals to eliminate or curtail the shareholder resolution process should not be adopted.

The Community Church of New York, founded in 1825, is a Unitarian Universalist congregation in mid-town Manhattan with investment assets now totaling approximately \$15 million. For more than 20 years, we have been involved in the co-sponsorship of shareowner proposal, and we conscientiously vote our proxies. We consider the proxy process to be a vitally important tool in communicating with the Board, management and other investors on key issues such as climate change, workforce diversity, executive compensation, human rights in overseas factories and governance reforms.

There is a long history of positive results from shareholder resolutions, demonstrated by companies making specific reforms, changing policies and increasing transparency. Annually, approximately one-quarter to one-third of resolutions are withdrawn because constructive dialogue with companies results in win-win agreements. The rising support votes for shareholder resolutions across a range of environmental, social and governance topics is evidence of the mounting importance of shareholder resolutions to the general investing public.

The SEC asks for comments on the right of a company to "opt-out" of the shareholder resolution process, either by obtaining approval from shareholders through a proxy vote, or, if sanctioned under State law, by having a Board vote authorizing it to opt-out. Either option would have significant negative consequences. The most unresponsive companies would be most likely to opt-out because resolutions are an important mechanism to strengthen corporate accountability. Additionally, enabling companies to opt-out would result in an

uneven playing field with some companies allowing resolutions and others prohibiting them.

The Release asks, "Should the Commission adopt a provision to enable companies to follow an electronic petition model for non-binding shareholder proposals in lieu of 14a-8?" We strongly oppose this proposed change. The current resolution process ensures that management and the Board focus a reasonable amount of attention to the issue at hand as they must determine their response to the shareholder proposal. In addition, each and every investor receives the proxy and has the opportunity to consider the issue. To substitute a chat room or other form of electronic petition for the current proxy process erodes significantly a valuable fiduciary responsibility. Chat rooms and electronic forums are welcome approaches for enhancing communication with investors, but not at the expense of a shareholder's right to file resolutions.

In its Release, the Commission also asks for comments on increasing the votes required for resubmitting shareholder resolutions to 10% after the first year, 15% after year two, and 20% thereafter, compared to current thresholds of 3%, 6% and 10%, respectively. Raising the thresholds as proposed would make it much more difficult for investors to resubmit proposals for a vote, thus further insulating management from shareholder opinion. Over the last 40 years, many proxy topics initially received very modest levels of support, only to garner increased support over time as shareowner awareness and knowledge increased. Adding more restrictive thresholds on resubmitting resolutions simply makes it harder for investors seeking constructive engagement with companies. Hence, we oppose changes in the resubmission thresholds.

We at The Community Church of New York urge the SEC to uphold the right of investors to sponsor resolutions for a vote at stockholder meetings. The proposals described above are contrary to constructive investor-management relations.

Sincerely,

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The Community Church of New York Unitarian Universalist

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