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UK

Nancy Morris  
Secretary  
US Securities & Exchange Commission

28<sup>th</sup> September 2007

Dear Nancy Morris

**Comments on File Number S7-16007, SEC proposals on shareholder resolutions**

Henderson Global Investors is a leading global fund management company with over \$123.5 billion (as of June 2007) billion of assets under management. We have been managing funds on a Sustainable & Responsible Investment (SRI) basis since 1977, and such products currently total approximately \$2 billion, of which approximately \$575 million resides in global funds which invest in US companies. Outside of SRI, Henderson also has funds which invest in US companies; these total approximately \$5.6 billion.

We are 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 access to the proxy, shareholder proposals and electronic shareholder communications. Specifically as an investor who takes seriously our responsibility to be engaged on such issues, we feel strongly that any efforts by the SEC to modify the existing mechanisms should at the very least do no harm in terms of ensuring shareholders have a voice and that the voice is heard. This is particularly important for the smaller investor. As such, the current proposals are of deep concern to us.

On the issue of access to the proxy for the nomination of directors, we support the right of investors to nominate board members using the proxy process. We would also urge the SEC to have a reasonable level of shares required for the nomination process – the current proposed threshold level of 5% of shares is too high.

With regards to shareholder resolutions, we are concerned the current proposals will eliminate or curtail the shareholder resolution process, and as such should not be adopted. Specifically:

- We do not support the suggestion of the right of a company to 'opt out' of the shareholder resolution process as it is likely the most unresponsive companies would opt-out, and it which would result in an uneven playing field with some companies allowing resolutions and others prohibiting them;
- We oppose the proposal to increase the votes required for resubmitting resolutions as this would make it more difficult for investors to resubmit proposals for a vote, thus further insulating management from shareholder opinion. This makes it harder for investors to seek constructive engagement with companies. Over the years, many resolutions have initially received very modest levels of support, only to garner increased support over time, as shareholder awareness and knowledge of their relevance to the business has increased;

- We believe the electronic petition model should only be considered as a complementary, rather than replacement of the right of investors to file shareholder resolutions.

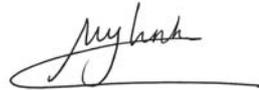
We believe shareholder access to the company board is critical for investors. The proxy process is a vitally important tool in enabling us to communicate with the Board, management and other investors about key issues on a range of key financial, environmental, social and governance (ESG) issues. We are of the view that the current system operating in the USA provides for the investor voice to be heard in an effective manner. As such we do not believe there is any requirement to change this. There is a long history of positive results from shareholder resolutions, demonstrated by companies making specific reforms, changing policies and increasing transparency. Many resolutions are withdrawn because constructive dialogue with the company - as a result of the current proxy process – results in win-win agreements. The rising number of support votes for shareholder resolutions across a range of ESG issues is evidence of the growing importance of such resolutions to the general investing public and professional investors alike.

We urge the SEC to uphold the rights of investors to have access to companies, and to ensure any approaches it adopts going forward do not curtail this.

Yours sincerely



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