December 26, 2019

Securities and Exchange Commission
100 F Street NE
Washington, DC 20549-1090

Re: File No. S7-22-19: Rule on Proxy Advisors

Dear Ms. Countryman:

I applaud the U.S. Securities and Exchange Commission for the decisive action in curtailing the impact that proxy advisory firms have on the proxy process. By ensuring that investment firms that contract with proxy advisory firms receive advice that is intended more to maximize financial returns as opposed to pushing political or social causes, you are protecting the financial futures for all citizens in the United States.

I manage a team of mental health professionals at a health center in the state of Rhode Island. We work to help those with psychiatric illnesses and addictions by providing them treatment and assistance.

In my experience, when you serve people in need, trust is essential to your mission and that means transparency is key. The same principle should be true for the investment portfolios of pensioners.

It is unacceptable that firms are allowed to push particular causes unrelated to producing positive returns for investors, knowingly diminishing these investments and ultimately shortchanging future retirees. Yet that happens every day under the current system.

The Stanford Investor Survey, "Deconstructing Proxy Statements — What Matters to Investors," found that a proxy portfolio manager is involved with a mere 20% of voting decisions, while large institutional investors with assets over $100 billion involved themselves in only 10% of voting. When fund managers are allowed to contract out the management of their investment funds, it's the investor that is being shortchanged.

Proxy advisors' proclivity for recommendations based on ESG investing creates an echo chamber of bad investing as only two firms dominate the industry—and they both rely on questionable practices that reinforce poor decisions.

Unsurprising, the consequences, at least partially attributable to proxy advice and ESG investing, are devastating. With close to $2.5 billion in unfunded obligations, including at least a billion dollars in the city of Providence alone, the Advisory Council for Locally Administered Pension Plans found that most plans rely on "investment return and payroll growth assumptions that may not be realistic." Meaning that the citizens of Rhode Island are being forced to meet the difference in increased taxes and pension contributions.

Shareholders voting in lockstep with error ridden or profoundly biased recommendations will always underperform and amount to severe negligence and possible fraud. Funds managers should be compelled to review shareholder proposals and consider how they affect the returns of taxpayers like myself, who are planning futures around their 401k funds.

Sincerely,

Lindsay Votto