

GLASS
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June 3, 2011

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

RE: File No. S7-30-10
Reporting of Proxy Votes on Executive Compensation and Other Matters

Dear Ms. Murphy:

On behalf of Glass Lewis & Co., LLC ("Glass Lewis"), I am writing to follow up on our earlier comments (see the Glass Lewis comment letter dated November 18, 2010) regarding the SEC's proposed rule requiring institutional investment managers ("Managers") subject to Section 13(f) of the Securities Exchange Act to disclose how they voted with respect to the say-on-pay, say-when-on-pay and say-on-golden parachute proposals now required by Section 14A of the Securities Exchange Act ("Section 14A Votes").

Glass Lewis is an independent governance services firm that provides services to several hundred institutional investors throughout the world, including proxy voting research, analysis, recommendations, voting and disclosure services. These services provide our clients with detailed analysis and operational support that assist them in making informed proxy voting decisions, engaging issuers and complying with evolving regulatory requirements.

We generally support the reporting rules as proposed by the Securities and Exchange Commission ("Commission") in File No. S7-30-10. However, given that the final rules regarding the reporting of Section 14A Votes and amendments to the Form N-PX – which would apply to votes on all proposals encompassed in N-PX reports, not just Section 14A Votes – have yet to be issued and nearly all of the 2011 meetings encompassed by the proposed rules in the initial report period (ending June 30, 2011) have already been voted by institutional investors, we feel it is important to restate our concerns and to provide some relevant statistics.

As previously stated, the scope of the operational, technical and policy changes that were required to support the Section 14A Votes was significant and the timing of those changes had

resources across all industry participants fully engaged until the beginning of the 2011 proxy season. To properly and electronically support the reporting of Section 14A votes, as well as to implement the proposed amendments to Form N-PX, will require additional months of development work, much of which can't begin until the rules are finalized.

If the Commission does not change the initial compliance date for reporting, as well as the date of the first meetings to be encompassed in the first report, in order to give industry participants the time to change their systems for collecting and reporting data electronically, the collection and reporting of much of the data for the first period may have to be done manually -- which would create a significant burden for industry participants. To provide a sense of the magnitude, complexity and risk associated with compliance in 2011, here are some relevant statistics:

- Since January 2011, Glass Lewis has analyzed more than 4,900 Section 14A Votes (say on pay, say when on pay) across more than 2,400 meetings.
- Among Glass Lewis clients, these votes were issued across more than 150,000 ballots.
- Since January 2011, Glass Lewis clients – which include the majority of the largest mutual funds and mutual fund sub-advisors – have voted on more than 11,000 meetings, comprising 100,000 proposals, across more than 1 million ballots.

As such, we would like to amend our recommendations for the timing of compliance with the proposed rules:

- 1) We recommend the date of the first meetings subject to Section 14A(d) reporting requirements should be no sooner than 6 months following the date of the issuance of final rules for reporting Section 14A Votes.
- 2) We recommend the date of the first meeting subject to the amended Proxy Voting Information (as outlined E. 3. of File No. S7-30-10) should be no sooner than 6 months following the date of the issuance of the final rules governing amendments to the Form N-PX.
- 3) We recommend that investment managers subject to section 13(f) of the Securities Exchange Act should be required to report votes under Section 14A(d) no sooner than August 31, 2012¹, assuming that the rules are finalized prior to the end of the July 1, 2011-June 30, 2012 reporting period.

¹ Given the increase in the complexity and quantity of reports, due to the requirements of Section 14A(d), we also recommend an annual extension of the lag between the end of the reporting period (June 30) and the current reporting deadline for Form N-PX from two months to four months (October 31).



These recommended changes will provide industry participants with sufficient time to implement the necessary operational and technical changes required by the regulations to enable proper, electronic collection and reporting of the data encompassed in Section 14A(d), as well as to make required adjustments to the Form N-PX.

In our original comment letter, we also conveyed concerns regarding the concepts of shared voting authority and joint reporting. Based on what was outlined in the proposed rules, we believe the issues presented by these concepts far outweigh the potential benefits. Before finalizing on rules regarding these concepts, we recommend that further analysis be done on the feasibility of implementation. Glass Lewis would be happy to work jointly with the Commission and other industry participants on completing that analysis.

We appreciate the opportunity to provide further comment on the proposed reporting regulations for Section 14A Votes and Form N-PX amendments and would be happy to provide any additional information to the Commission regarding this matter.

Sincerely,

/s/

Katherine Rabin, Chief Executive Officer

John Wieck, Chief Operating Officer