



The Honorable Luis Aguilar
Commissioner
Securities and Exchange Commission
100 F Street NE
Washington, DC 20549

The Honorable Kathleen Casey
Commissioner
Securities and Exchange Commission
100 F Street NE
Washington, DC 20549

The Honorable Elisse Walter
Commissioner
Securities and Exchange Commission
100 F Street NE
Washington, DC 20549

Re: File No. S7-42-10 - Disclosure of Payments by Resource Extraction Issuers

Dear Commissioners:

I appreciate the opportunity to provide comments on the proposed rules for Disclosure of Payments by Resource Extraction Issuers (File No. S7-42-10) as set forth in Section 1504 of the Dodd-Frank Wall Street Reform and Consumer Protection Act. I am the president and CEO of Harrington Investments, Inc. (HII), a socially responsible investment advisory firm located in Napa CA. Our firm currently manages over \$160 million in assets for individual and institutional clients.

HII appreciates the thoroughness of the preparation and presentation of the Commission's proposed rules for the implementation of Section 1504, or Section 13(q) to the Securities Exchange Act of 1934, as released on December 15, 2010. HII urges the Commission to take the following comments regarding the implementation of Section 13(q) as it finalizes rules to ensure that investors realize the maximum benefit of these critical disclosures.

Regarding question 1 in the commissions proposed rules¹, in recognition of the importance of investment information that is as consistent and comparable as possible and the Congressional mandate that the disclosure mandated by Section 13(q) be as broad

¹ U.S. Securities and Exchange Commission. "Proposed rule: DISCLOSURE OF PAYMENTS BY RESOURCE EXTRACTION ISSUERS." [RELEASE NO. 34-63549; FILE NO. S7-42-10]. December 15, 2010. Page 12. <http://www.sec.gov/rules/proposed/2010/34-63549.pdf>

as possible, HII suggests that the Commission exercise caution in providing exemptions to smaller reporting companies or foreign private issuers. Issuers in both these categories are exposed to significant political and regulatory risks and their exclusion for the Section 13(q) disclosure requirements would undermine the value of this reform to investors.

Regarding question 28 in the Commissions proposed rules², in recognition of the need for standardization and consistency in reporting, HII believes the concept of de minimis as set out in Section 13(q) is distinct from material and that rules to set a de minimis payment threshold should be consistent with that used by the London Stock Exchange (LSE)'s Alternative Investment Market (AIM) of £10,000 (or about \$15,000) for disclosure of any payment "made to any government or regulatory authority" by an oil, gas or mining company registrant³.

Regarding question 88 in the Commissions proposed rules⁴, in recognition of the materiality of the disclosures mandated by Section 13(q) and the clarity of the Congressional intent, (firm name) suggests that the rules require the resource extraction payment disclosure should be filed rather than furnished in the annual report on Form 10-K, Form 20-F, or Form 40-F of relevant issuers. The disclosure required by Section 13(q) is not qualitatively different from the nature and purpose of existing disclosure that has historically been required under Section 13 of the Exchange Act. As such, this disclosure requires the investor assurance provided by Exchange Act Section 18 liability and inclusion among the regular financial statements of relevant issuers.

HII appreciates the opportunity to provide comment on the implementation of this very important proposed rule and we would welcome further discussion of the importance of Section 13(q) to investors at the Commissions' discretion.

Sincerely,



John Harrington
President and CEO
Harrington Investments, Inc.

² Ibid. Page 28.

³ London Stock Exchange Alternative Investment Market. "AIM Note for Mining, Oil and Gas Companies." June 2009. Page 4. <http://www.londonstockexchange.com/companies-and-advisors/aim/publications/rules-regulations/guidance-note.pdf>.

⁴ Ibid. Page 61.