

Canadian Coalition for
GOOD GOVERNANCE

THE VOICE OF THE SHAREHOLDER

March 27, 2009

Ms. Elizabeth M. Murphy
Secretary, Securities & Exchange Commission
100 F Street, N.E. Washington, D.C. 20549-1090

Via email: rule-comments@sec.gov

Re: File No. SR-NYSE-2006-92
Notice of Filing of Proposed Rule Change, as modified by Amendment No. 4
Eliminate Broker Discretionary Voting for the Election of Directors

Dear Ms. Murphy:

I am writing this letter on behalf of members of the Canadian Coalition for Good Governance ("CCGG"). The membership of the CCGG consists of over 40 institutional investors that manage, in aggregate, approximately C\$1.3 trillion. The submission represents the collective view of CCGG members.

Approximately 170 Canadian listed securities are listed on a U.S. exchange and most other Canadian issuers have shareholders in the U.S. Many of these shares are held by U.S. backed brokers on behalf of their clients.

The CCGG has undertaken a study of the proxy voting system in Canada with the objective of improving the system. Through our research, we have discovered that the practice of U.S.-based brokers is to return proxy form for unvoted shares in their client accounts ("broker non-votes") effectively voting "FOR" management. According to Canadian-based proxy solicitors, there have been cases where broker non-votes submitted by U.S. brokers has exceeded five percent of the vote. This is significant in our market as Canadian brokerage firms do not submit broker non-votes.

We understand that the Council of Institutional Investors ("CII") has long advocated changes to Rule 452. Like the CII, our members believe that eliminating the ability of brokers to vote uninstructed client shares for the election of directors is an important first step in improving shareholder democracy and enhancing the integrity of the proxy voting system.

The elimination of U.S. broker non-votes would not adversely impact the ability of Canadian issuers to obtain a quorum for the purposes of conducting business at a shareholder meeting.

In Canada, issuers with a quorum in excess of 30% are the exception and the norm is 10% or less. Yet it is typical to see over 60% of shares represented by a proxy at a shareholder meeting of a senior Canadian issuer.

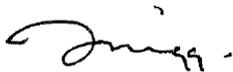
The CCGG applauds the leadership of the NYSE Euro next on this issue. But it is now approaching two years since the exchange submitted an amended proposal to eliminate broker voting in director elections. We are disappointed that this important investor-friendly reform has languished at the Securities and Exchange Commission.

Further, we are troubled by alternative proposals contemplated by groups such as the Shareholder Communications Coalition, which is promoting, among other things, the concept of proportional voting. This solution implies that it is still worth compromising the integrity of proxy voting for no other obvious benefit that to help issuers achieve quorum at shareholder meetings. We are surprised that the members of the Shareholder Communications Coalition would recommend such a compromised solution to the broker non-vote problem.

Our members are very concerned about the integrity of the proxy voting process within and outside Canadian borders. The impact of the U.S. broker non-votes on the integrity of the Canadian voting system, while one of many systematic proxy voting problems identified by the CCGG, is of great concern to our members. Votes cast by shareholders and the integrity of director elections must not be distorted by broker non-votes, particularly since over 100 Canadian issuers have now adopted a majority voting standard for director elections.

We would be happy to discuss our position further or to respond if you have any questions or need additional information.

Sincerely,



Stephen Griggs
Executive Director