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Ms Elizabeth Murphy
Secretary
US Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090
USA

20 March 2009

RE: Release number 34-59464; File no. SR-NYSE-2006-92

Dear Ms Murphy

We are writing further to the SEC Release number 34-59464 regarding the NYSE's proposal to amend its Rule 452 to eliminate discretionary broker votes in elections of corporate directors.

By way of background, Hermes Fund Managers Limited is owned by the British Telecom Pension Scheme, the UK's largest. Hermes manages the portfolios of over 200 other clients including many major pension schemes. In total, Hermes manages approximately US\$55 billion. Hermes Equity Ownership Services (EOS) also advises non-investment clients on governance and corporate engagement matters in respect of about US\$73 billion of equities for clients based around the world.

We support the recommendation to re-classify the election of directors as a non-routine item and therefore remove broker votes from the calculation. Given that many US issuers have moved and are continuing to move towards majority voting standards for the election of directors, shareholder votes on this agenda item are increasingly important and continuing to count broker votes would only diminish the strides being made toward more effective corporate governance and the louder voice being granted to shareholders. As such, we ask the SEC to ratify the NYSE's recommendation and allow the amendment to take effect as soon as possible.

From 2006, when the NYSE first approved these changes and referred the matter to the SEC for ratification, there has been widespread support for the proposal. We particularly note that as brokers traditionally support management, in addition to the benefits cited by the NYSE's Proxy Working Group (ie. better corporate governance and transparency of the election process), a key benefit to the proposed amendment from our viewpoint is the increased accountability of directors to shareowners. While we look to support management in most cases, efforts by engaged and responsible shareowners to hold individual directors to account have largely been stymied in the past due to both broker votes and the plurality standard. As many issuers have now implemented a director resignation policy or bylaw to move towards a majority standard, the next logical step to give effect to these efforts is for broker votes to be eliminated with respect to director elections. In this way, democratic elections and improved accountability become a reality.

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We are pleased to lend our support to the NYSE with respect to this proposal
Please do not hesitate to contact me should you have further questions for us.

Yours sincerely

A handwritten signature in black ink that reads "Bess Joffe". The signature is written in a cursive, flowing style.

Bess Joffe
Associate Director