



STEVEN J. JOHNSTON, FCAS, MAAA, CFA
Chief Financial Officer
Secretary and Treasurer

CINCINNATI FINANCIAL CORPORATION

THE CINCINNATI INSURANCE COMPANY • THE CINCINNATI INDEMNITY COMPANY • THE CINCINNATI CASUALTY COMPANY
THE CINCINNATI SPECIALTY UNDERWRITERS INSURANCE COMPANY • THE CINCINNATI LIFE INSURANCE COMPANY
CFC INVESTMENT COMPANY • CINFIN CAPITAL MANAGEMENT COMPANY • CSU PRODUCER RESOURCES, INC.

P.O. BOX 145496
CINCINNATI, OHIO 45250-5496
513-603-5688
steve_johnston@cinfin.com

March 25, 2009

Ms. Elizabeth M. Murphy
Secretary
U.S. Securities and Exchange Commission
100 F. Street, NE
Washington, D.C. 20549

SUBJECT: Proposed Rule Change to NYSE Rule 452, File No. SR-NYSE-2006-92

Dear Ms. Murphy:

On behalf of Cincinnati Financial Corporation, I am writing to comment on the proposal by the New York Stock Exchange to eliminate broker discretionary voting in the election of directors by amending NYSE Rule 452.

Broker discretionary voting is just one issue of many in the integrated and overly complicated proxy voting and communications system. We ask that the SEC not take action on any changes to Rule 452 without also analyzing needed reforms in the other components of this outdated system. We also ask that the Commission extend the comment period beyond March 27, 2009, to give interested parties an opportunity to comment, and give itself sufficient time to address these issues in a more comprehensive manner.

The NYSE Proxy Working Group and other entities have identified a number of important issues in the current proxy system that need to be addressed. These issues include:

- Antiquated SEC rules that prevent issuers from knowing who their shareholders are and engaging in direct communications with them;
- A costly and inefficient proxy processing system that is controlled by broker-dealer firms, forcing issuers to deal with a single service provider not of their choosing and pay fees established by others;
- Share lending practices and the use of financial derivatives that may be used to manipulate proxy voting;



- Over-voting and under-voting problems that are threatening the integrity of the shareholder voting process; and
- Unregulated and unsupervised proxy advisory services which have significant influence over the institutional investor vote.

At a time when retail investors are losing faith in the capital markets, we appeal to the Commission to look for opportunities to restore investor trust by reforming the proxy system. Artificial barriers between public companies and their retail investors should be eliminated and replaced with a system that encourages investor dialogue and communication. Unless the proxy system is modernized, singular regulatory actions by the Commission—such as the proposed change to Rule 452—run the risk of further disenfranchising large numbers of individual shareholders.

For these reasons, Cincinnati Financial Corporation urges the SEC to undertake a comprehensive review of the proxy processing system and refrain from adopting piecemeal changes to a system that involves so many integrated elements.

Sincerely,

A handwritten signature in blue ink that reads "Steven J. Johnston". The signature is written in a cursive style with a long horizontal flourish at the end.

Steven J. Johnston