



CENTER FOR CAPITAL MARKETS
C O M P E T I T I V E N E S S

TOM QUAADMAN
VICE PRESIDENT

1615 H STREET, NW
WASHINGTON, DC 20062-2000
(202) 463-5540
tquaadman@uschamber.com

March 15, 2013

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

Re: Notice of Filing of Proposed Rule Change Amending NYSE Rules 451 and 465, and the Related Provisions of Section 402.10 of the NYSE Listed Company Manual, which Provide a Schedule for the Reimbursement of Expenses by Issuers to NYSE Member Organizations for the Processing of Proxy Materials and Other Issuer Communications Provided to Investors Holding Securities in Street Name and to Establish a Five-Year Fee for the Development of an Enhanced Brokers Internet Platform; Release No. 34-68936; File No. SR-NYSE-2013-07

Dear Ms. Murphy:

The U.S. Chamber of Commerce is the world's largest business federation, representing more than 3 million businesses and organizations of every size, sector, and region. The Chamber created the Center for Capital Markets Competitiveness ("CCMC") to promote a modern and effective regulatory structure for capital markets to fully function in a 21st century economy. The CCMC welcomes this opportunity to comment on the proposal by the New York Stock Exchange ("NYSE") relating to changes to NYSE Rules 451 and 465, and Section 402.10 of the NYSE Listed Company Manual, which will improve the proxy voting system by enfranchising retail shareholders.

The CCMC has been supportive of efforts and proposals to enfranchise retail shareholders and have communicated these positions many times to the Securities and Exchange Commission ("SEC") most recently in our November 1, 2012 letter to then Chairman Mary Schapiro. Our comments in this letter are solely focused on our strong support for the proposal to adopt a program to encourage wider adoption of enhanced broker internet platforms ("EBIPs"). The establishment of the EBIP

Ms. Elizabeth M. Murphy

March 15, 2013

Page 2

program is an important first step in enfranchising retail shareholders and we would encourage the SEC to take additional steps in this area.

The CCMC strongly supports the decision of the NYSE and its Proxy Fee Advisory Committee's ("PFAC") to endorse a program to encourage the adoption of enhanced broker internet platforms ("EBIP") to reduce the costs of the distribution of proxy materials, and to facilitate proxy voting by retail shareholders. We appreciate the work of the PFAC and the independent process to make these recommendations.

The considerable time and effort required to review proxy materials and vote proxies is a significant contributing factor to low voting rates among retail investors. To realize greater voting participation among retail shareholders, a solution must be put into place to make the voting process more efficient for these shareholders. The widespread adoption of enhanced broker internet platforms would significantly reduce the time and effort to vote proxies by providing retail shareholders with an efficient tool to view proxy materials, execute voter instruction forms, and (if the Commission's prohibition of the feature is lifted) to manage client directed voting ("CDV") advance voting instructions. The combination of these tools will significantly improve the proxy voting experience for retail shareholders, which will result in greater representation of retail shareholders in the proxy voting process, and, ultimately, a more representative corporate governance process.

Additionally, the CCMC believes, as we stated in our November 1, 2012 letter to Chairman Mary Schapiro, as well in other communications, that the SEC should take other steps to increase retail shareholder participation and redress imbalances in the corporate governance process, namely to examine possible interpretive guidance to enable client directed voting for retail shareholders, encourage greater use of web-based communications and technology and streamline proxy disclosures.

Retail shareholders often refer to the difficulty of sorting through mountains of immaterial disclosures among their reasons for not voting. This is to be expected, as the quantity of information required to be disclosed has been increasing in recent years, and has expanded dramatically with the passage and implementation of the Dodd-Frank Act. While continuing to add information requirements, the SEC has not eliminated any disclosure, though the SEC Staff has acknowledged that some disclosures may be unnecessary. In order to reverse this trend, all disclosures required

Ms. Elizabeth M. Murphy
March 15, 2013
Page 3

to be made by issuers should be examined periodically to ensure they are providing investors with "decision useful information" written in concise plain English.

Additionally, individual investors should receive the same level of attention as institutional investors from the SEC and other regulators. Specifically, SEC Staff review of new and existing disclosure requirements should be evaluated from the perspective of how individual investors would use the information.

While we think action on those issues should also occur and in fact are long overdue, the CCMC believes that the EBIP program is a useful first step in enfranchising retail shareholders. For these reasons, we commend the NYSE and the PFAC for its decision and urge the SEC to approve this proposed NYSE rulemaking.

Thank you for your attention to these important issues. We would be happy to discuss these issues further with the appropriate staff.

Sincerely,

A handwritten signature in black ink, appearing to read 'TK' followed by a long horizontal flourish.

Tom Quaadman