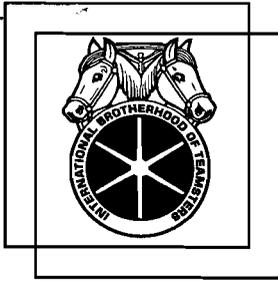


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TEAMSTERS LOCAL 671
HEALTH SERVICES AND INSURANCE PLAN

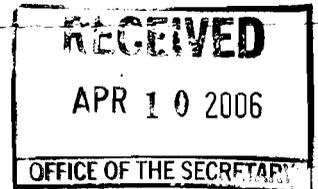
18 Britton Drive • Bloomfield, Connecticut 06002 • Telephone (860) 243-0671 • Fax: (860) 243-9564

March 29, 2006

Nancy M. Morris, Secretary
Securities & Exchange Commission
100 F Street, NE
Washington, DC 20549

TRUSTEES
FOR THE UNION
DAVID A. LUCAS, JR., *Co-Chairman*
ROBERT W. BOWEN
—
TRUSTEES
FOR THE EMPLOYER
NICHOLAS J. REUT, *Co-Chairman*
BERNARD W. KOWALSKI
NICHOLAS J. PICARELLO

By Post & By email: rule-comments@sec.gov



Re: File Number S7-03-06

As a trustee of Teamsters Local 671 Health Services and Insurance Plan, representing 2,156 of participants I strongly support the Securities & Exchange Commission's proposed rule to improve the clarity and transparency of executive compensation. Currently, disclosure requirements do not give investors the necessary data to accurately assess total executive compensation packages. That is why, under the current regime, CEO pay has become excessive and not tied to performance.

I strongly support requiring:

- Companies to disclose a "Grand Total" compensation figure;
- The grant date value of stock awards to be included in the total;
- Pension Benefit accruals be disclosed and reported in the total;
- Disclosure of the actuarial value of all accrued pension benefits;
- The use of plain English in disclosing and describing executive compensation;
- Disclosure of the dollar value of "golden parachutes," including tax gross-ups;
- Compensation Committees (or their equivalents) consist of independent directors

Further, the proposed rule as outlined by the SEC leaves room for improvements.

The full disclosure of executive compensation should be filed under Sarbanes-Oxley requirements, rather than "furnished." This would encourage greater compliance with the rule while encouraging boards to demand their independence from the management they are supposed to oversee.

The SEC rules should require publicly traded corporations to disclose the qualitative and quantitative performance metrics and numerical targets when established. To the extent that

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Comments re: File Number S7-03-06

Teamsters Local 671 Health Services And Insurance Plan

forward-looking disclosure would put the company at a competitive disadvantage, such disclosure should be made retroactively, after the conclusion of the performance period.

The Sec rules should require corporate management to clearly define their respective peer groups, and how the performance of their peers is used in setting performance benchmarks.

The SEC rules should require that an estimate of the value of performance-vesting equity grants be included in the grand total, rather than the value on the vesting date.

The total costs of all perks – including depreciation costs – should be required by the SEC rules to be disclosed. Alternatively, the company should be required to disclose the equivalent market value of all perks.

Further, the proposed rule should eliminate the \$10,000 perk threshold for directors. Barring outright elimination of the threshold, the threshold should be significantly lowered.

The Sec proposed rule should reject an increase in the reporting threshold for director's related party transactions from \$60,000 to \$120,000. The SEC proposed rule should retain the five-year stock performance graph. It is a useful tool for peer group comparison. The expense of maintaining the graph, especially as we move towards electronic disclosure is *de minimus*, while investors find it valuable.

Unfortunately, over the last decade, we have seen too many poorly designed executive compensation packages which reward decisions that are detrimental to the long-term interests of companies, their shareholders and employees. These excessive pay packages take money out of the pockets of shareholders, including the retirement savings of America's working families, including Teamsters beneficiaries of my fund.

For these reasons, I urge the SEC to adopt strong executive pay disclosure rules as soon as possible.

Thank you for your consideration of these comments.

Sincerely,

A handwritten signature in cursive script that reads "David Lucas".

David Lucas
Trustee, Co-Chairman
Teamsters Local 671 Health Services
And Insurance Plan
18 Britton Drive
Bloomfield, CT 06002