



VIA Email [rule-comments@sec.gov](mailto:rule-comments@sec.gov)

March 31, 2004

Jonathan G. Katz

Secretary

Securities and Exchange Commission

450 Fifth Street, NW

Washington, DC 20549-0609

Re: File No. S7-19-03 – Improve Shareholder Oversight

Dear Secretary Katz:

On behalf of RestoreTheTrust.com, I urge you to enact the SEC's proposed rule to allow shareholders who are unhappy with the performance of a company to nominate their own board candidates if more than 35% of shareholders withheld their votes for an existing director.

[www.RestoreTheTrust.com](http://www.RestoreTheTrust.com) is the first grassroots campaign website dedicated solely to representing individual investors and was launched in July 2002 at the height of the accounting scandals. Thanks in part to 55,000 email letters from RestoreTheTrust.com investors in support of the Sarbanes accounting reform bill, Congress passed and President Bush signed this much needed legislation into law. In January, RestoreTheTrust.com launched a new campaign on behalf of investors to help clean up the mushrooming scandals in the mutual fund industry that are pilfering billions in profits from 95 million investors, half of all U.S. households.

Under current proxy voting rules, dissatisfied shareholders have just two options: sell their stock or start an expensive and nearly impossible proxy fight for control of the company. These unrealistically high hurdles to change poor corporate leadership are contributing to the lack of accountability in boardrooms and on Wall Street. Corporate boards and CEOs often act in their own best interests, not the interests of the investors who own the company and pay their salaries. Your proposed rule would increase corporate responsibility. Without it, shareholders will have no recourse if corporate boards continue to serve their own interests instead of shareholders.

While powerful CEOs and corporate boards are doing all they can to fight reform with highly paid lobbyists who represent only their interests, please keep in mind that the SEC's mandate is to protect investors, not CEOs and corporate board members. I urge you to adopt this proposed reform to improve shareholder oversight, and help restore the trust of America's investors.

Sincerely,

Pamela Gilbert  
Co-Founder

cc: The Honorable William Donaldson

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