

General Teamsters, Chauffeurs and Helpers, Local No. 378

Affiliated with the International Brotherhood of Teamsters, and
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December 10, 2003

Mr. Jonathan G. Katz, Secretary
Securities and Exchange Commission
450 Fifth Street NW
Washington, D.C. 20549-0609

DEMAND THIS BUTTON
ON ALL DRIVERS

370

RE: File No. S7-19-03

Dear Mr. Katz:

On behalf of the many Teamster members (and their families) that we represent, I would first like to commend the SEC for proposing historic new rules that could give institutional investors an opportunity to nominate independent board candidates for listed corporations. We think this is extremely important, especially in light of the numerous recently exposed corporate scandals involving widespread conflicts of interest and shocking lack of accountability to shareholders.

Although these proposed rules certainly reflect the Commission's thoughtful and careful approach to the much needed corporate reform, we believe, however, that as written, the rules also contain certain barriers that would realistically make it even very difficult for most of the largest investors to use and virtually impossible to do so in a timely manner. In particular, we believe the triggering requirements are unnecessarily high: The two year process is far too long, especially pertaining to a Board or Company in crisis, and the proposed 1% ownership requirement for shareholders to submit a proposal is far too high.

Additionally, we believe the proposed 5% threshold for a shareholder (or shareholder group) seeking to place nominees in the proxy, is also too high. Please do not misunderstand: We do support a significant ownership requirement for placing nominees in the proxy, but believe the threshold is more appropriate in the 2 1/2 - 3% range.

We thank you for the opportunity to provide input and general support of this historic proposal, and encourage the Commission to adopt final rules that are responsive to our concerns. This will provide long overdue "genuine" accountability.

Sincerely,

Gary R. Johnston
Secretary-Treasurer

GRJ/jj

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