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Associated Musicians of Greater New York

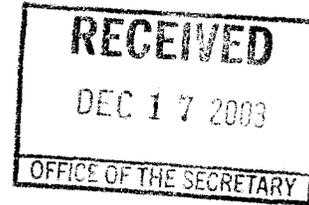
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December 8, 2003

Mr. Jonathan G. Katz, Secretary
Securities and Exchange Commission
450 Fifth Street, NW
Washington, DC 20549



Re: File No. S7-19-03

Dear Mr. Katz:

As a trustee of the American Federation of Musicians and Employers' Pension Fund, I welcome this opportunity to offer my personal supporting comments on Securities and Exchange Commission proposal S7-19-03 regarding security holder director nominations.

I commend the Commission for proposing historic new rules that could, for the first time, give institutional shareholders the ability to challenge CEOs power to handpick their own directors. The proposed rules reflect the Commission's thoughtful and careful approach to this very significant corporate reform. In particular, I welcome those safeguards--including significant ownership and holding period requirements, and limitations on the number of shareholder nominees--that ensure that the rules do not facilitate corporate raids or result in potentially frivolous nominees at numerous companies. As proposed, however, the rules also contain certain barriers that would make them difficult for even the largest investors to use, and impossible to do so in a timely manner.

I believe the triggering requirements are unnecessary given the substantial ownership required for shareholders to place nominees in the proxy. Moreover, the two proposed triggers create serious additional problems. First, the proposed triggers entail a two-year process, an untenable delay at a company or board in crisis. Second, the proposed 1% ownership requirement for shareholders to submit a triggering proposal is far too high. A shareholder seeking to introduce such a proposal at the average S&P 500 company would need to hold shares worth over \$180 million; any shareholder that meets the existing 14a-8 requirements should be able to sponsor such a proposal. Third, the proposed 35% director withhold threshold is also too high given historical experience, and should be lowered to 20%.



MUSICIANS:
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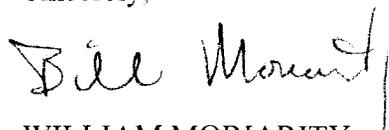
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In addition, while I support a significant ownership requirement for placing nominees in the proxy, I believe the proposed 5% threshold is too high. This threshold would require a shareholder or shareholder group seeking to place nominees in the proxy of the average S&P 500 company to own shares worth roughly \$900 million. I encourage the Commission to lower the threshold to 3%, a level that would more fairly balance the Commission's concerns with the interests of corporations and their shareholders. Finally, I believe that any shareholder group meeting these requirements should be allowed to include a minimum of two directors in the proxy, regardless of the size of a company's board.

By adopting final rules that truly give responsible long-term investors timely and effective access to the proxy the Commission can introduce genuine accountability to a boardroom culture that for too long has been characterized by cozy relationships and a resulting unwillingness to challenge management. This is certain to yield significant benefits--in terms of board of director independence, performance and accountability--that extend well beyond the few companies at which the new rules are actually used.

I thank you for this opportunity to offer our strong support for this historic proposal, and encourage the Commission to adopt final rules that are responsive to the above concerns.

Sincerely,

A handwritten signature in cursive script that reads "Bill Moriarity". The signature is written in dark ink and is positioned above the printed name.

WILLIAM MORIARITY
President