



Business Roundtable

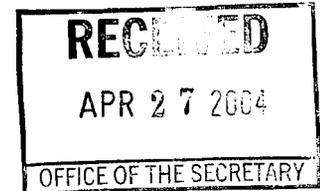
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April 27, 2004



Mr. Jonathan G. Katz
Secretary
U.S. Securities & Exchange Commission
450 Fifth Street N.W.
Washington, DC 20549-0609

Henry A. McKinnell, Jr.
Phizer
Chairman

Franklin D. Raines
Fannie Mae
Co-Chairman

Edward B. Rust, Jr.
State Farm
Co-Chairman

John J. Castellani
President

Patricia Mahan Engoron
Executive Director

Johanna L. Schneider
Executive Director
External Relations

***RE: Proposed Rules Regarding Security Holder Director Nominations
68 Fed. Reg. 60,784 (Release No. 34-48626, October 23, 2002);
File No. S7-19-03***

Dear Mr. Katz:

I am enclosing, for inclusion in the rulemaking record in the above-titled proceeding, copies of recent articles that provide further evidence of the consequences that would result from adoption of the proposed rule. Among other things, these articles demonstrate that numerous large institutional investors and proxy advisory services would use the rule on a wide-scale and indiscriminate basis at great cost to companies and all their shareholders.

Sincerely,

John J. Castellani

Enclosures

List Of Attached Articles

	<u>Tab</u>
Herbert A. Allen, <i>Conflict-Cola</i> , WALL ST. J., Apr. 15, 2004, at A14.	1.
Leonard Anderson & Michael Kahn, <i>Calpers to Withhold Votes at 9 Companies</i> , REUTERS, Apr. 16, 2004.	2.
Louise Armistead, <i>Directors want to explain but don't know who to tell</i> , SUNDAY TIMES (UK), Apr. 25, 2004.	3.
Jim Christie, <i>Calpers Widens Proxy Vote Protest Effort</i> , REUTERS, Apr. 15, 2004.	4.
Kevin Hassett, <i>Pension funds abuse power</i> , USA TODAY, Apr. 26, 2004.	5.
Philip Klein, <i>Reformers' Proxy Votes Polarize Governance Debate</i> , REUTERS, Apr. 18, 2004.	6.
Orin Kramer, <i>Corporate reform's supporters have gone overboard</i> , FINANCIAL TIMES, Apr. 22, 2004, at 13.	7.
Joe Lauria, <i>The California Public Employees Retirement System (Calpers) has ratcheted up its . . .</i> , THE BUSINESS, Apr. 18, 2004.	8.
Scott Leith, <i>Pension fund takes Coke's board to task: Votes denied to 9 directors for re-election</i> , ATLANTA J. CONSTITUTION, Apr. 13, 2004, at D1.	9.
<i>CalPERS to Withhold Votes at Citigroup, Coke</i> , L.A. TIMES, Apr. 13, 2004, at C4.	10.
Aaron Lucchetti & Joann S. Lublin, <i>Calpers Targets Directors Who Neglect Holders</i> , WALL ST. J. ONLINE, Apr. 16, 2004.	11.
Minnesota Public Radio: Marketplace, <i>Commentary: Investors need to stay out of the board room</i> , 2004 WL 56896917, Apr. 20, 2004.	12.
Floyd Norris, <i>Do Institutional Investors Deserve New Authority?</i> , N.Y. TIMES, Apr. 23, 2004.	13.
Eileen Alt Powell, <i>CalPERS takes on Citigroup; The pension fund wants the ex-CEO off the board, but some say it's going too far</i> , PHILADELPHIA INQUIRER, Apr. 20, 2004, at C04.	14.
Andrew Pratt, <i>New Jersey Pension Won't Vote Against Weill, Buffett</i> , BLOOMBERG, Apr. 15, 2004.	15.
<i>Calpers votes against Sprint director</i> , REUTERS, Apr. 12, 2004.	16.

- Chad Terhune & Joann S. Lublin, *Calpers Withholds Votes for Directors At Coke*, *Citigroup*, WALL ST. J., Apr. 13, 2004, at A3. 17.
- Calpers pushes for reforms at WaMu, others; It will withhold votes to re-elect directors such as Buffett, Weill*, SEATTLE TIMES, Apr. 13, 2004, at E1. 18.
- Peter J. Wallison, *The SEC's Proposed Shareholder Voting Rule*, American Enterprise Institute for Public Policy Research: Financial Services Outlook, Apr. 2004. 19.