



Pension Investment  
Association of Canada

Association canadienne des  
gestionnaires de caisses de retraite

October 11, 2007

Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549-1090  
United States

**Attention: Nancy M. Morris**  
**Secretary**

Dear Ms. Morris:

**Re: Shareholder Proposals (File Number S7-16-07) and Shareholder Proposals Relating to the Election of Directors (File Number S7-17-07)**

This submission is made by the Pension Investment Association of Canada (“PIAC”) in reply to the request for comments published by the Securities and Exchange Commission (the “SEC”) on July 27, 2007 regarding the proposed amendments to the rules under the Securities Exchange Act of 1934 (the “1934 Act”) concerning shareholder proposals and electronic shareholder communications, as well as to the disclosure requirements of Schedule 14A and Schedule 13G (the “Proposed Amendments”) and the interpretive and proposing release to clarify the meaning of the exclusion for shareholder proposals related to the election of directors that is contained in Rule 14a-8(i)(8) under the 1934 Act (the “Release”).

PIAC has been the national voice for Canadian pension funds since 1977. Senior investment professionals employed by PIAC's member funds are responsible for the oversight and management of over \$890 billion in assets on behalf of millions of Canadians. PIAC's mission is to promote sound investment practices and good governance for the benefit of pension plan sponsors and beneficiaries. PIAC members are international investors with significant holdings in companies listed and/or domiciled in the U.S. and therefore subject to SEC rules.

PIAC believes that shareholders should have access to a company's proxy materials for purposes of director nominations in order to improve board accountability. We are therefore opposed to the Release as it confirms the SEC's position that shareholder proposals that could result in an election contest may be excluded under Rule 14a-8(i)(8) of the 1934 Act. Although the Proposed Amendments propose to grant shareholders proxy access, the disclosure and procedural requirements imposed on shareholders by the Proposed Amendments are excessively onerous and would likely prevent a significant number of shareholders from proceeding with a director nomination. We therefore do not support the Proposed Amendments as currently drafted and encourage the SEC to reconsider its position and provide shareholders with meaningful access to the proxy at U.S. companies.

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We are also of the view that, subject to fulfilling certain conditions, shareholders should have the right to submit non-binding proposals for inclusion in a company's proxy materials. The SEC has inquired in the Proposed Amendments as to whether companies should have the ability to propose and adopt bylaws that would establish the procedures that the company will follow for including non-binding proposals in the proxy materials. We believe that affording companies the ability to propose and adopt such bylaws would adversely affect constructive communication between shareholders on the one hand and the board and management on the other hand. Non-binding resolutions encourage dialogue with shareholders and contribute to improving overall governance.

We appreciate the opportunity to respond to your request for comments and hope that you find our feedback relevant. Feel free to contact us if we can be of further assistance.

Respectfully submitted on behalf of the Members of the Pension Investment Association of Canada.

Yours sincerely,

Terri Troy  
Chair