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Secretary Jonathan Katz
S7-19-03
Securities and Exchange Commission
450 5th Street, Northwest
Washington, DC 20549

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DEC 08 2003
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Dear Secretary Katz:

This newly proposed shareholder access rule is not necessarily what it appears to be. It changes the way directors are selected by having particular shareholders nominate directors, rather than by an independent committee. Granted, some sort of corporate governance reform is needed and this new regulation, if enacted, will still have certain limitations: (a) It doesn't apply to the entire board of directors, (b) the shareholders still have to meet certain criteria.

The reason a number of shareholders and businesses are opposing this proposed rule is that it jeopardizes the independence and strength of the board of directors; this in turn threatens the value of shareholders' investments across the nation. If this proposed regulation is enacted telling corporations how they have to choose their own boards of directors, then it will open a door for allowing special interest shareholders to politicize the directors' elections. This would then lead to divisive boards focusing on personal agendas rather than the company's best interests.

It has been argued that there is still the set of criteria the shareholders have to meet before they can start nominating their own director choices. What is ignored is that the shareholders most likely to meet the criteria are exactly the special interest groups that will have their own personal agendas to push on the boards. Both politicizing the directors' elections and dividing the focus of the board would be counterproductive to the company's profit making ability.

This is why I oppose the so-called "shareholder access" rule. I've diversified in various investments in the stock market for the last forty years. These investments are very important to my future income (i.e. retirement). I don't want the value of my investments to become jeopardized by making it possible to elect somebody to the board of directors who is not qualified or who does not have the company's best interests in mind.

Sincerely,

Michael Beckner
11-20-2003