



DIVISION OF  
CORPORATION FINANCE

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549-3010

January 17, 2008

Jean A. Cooper  
Senior Vice President and Senior Counsel  
Legal Services Division  
City National Corporation  
City National Plaza  
555 South Flower Street, Eighteenth Floor  
Los Angeles, CA 90071

Re: City National Corporation  
Incoming letter dated December 20, 2007

Dear Ms. Cooper:

This is in response to your letter dated December 20, 2007 concerning the shareholder proposal submitted to CNC by Gerald R. Armstrong. Our response is attached to the enclosed photocopy of your correspondence. By doing this, we avoid having to recite or summarize the facts set forth in the correspondence. Copies of all of the correspondence also will be provided to the proponent.

In connection with this matter, your attention is directed to the enclosure, which sets forth a brief discussion of the Division's informal procedures regarding shareholder proposals.

Sincerely,

Jonathan A. Ingram  
Deputy Chief Counsel

Enclosures

cc: Gerald R. Armstrong

\*\*\* FISMA & OMB Memorandum M-07-16 \*\*\*

CFOCC-00029747

January 17, 2008

**Response of the Office of Chief Counsel**  
**Division of Corporation Finance**

Re: City National Corporation  
Incoming letter dated December 20, 2007

The proposal relates to the annual election of directors.

There appears to be some basis for your view that CNC may exclude the proposal under rule 14a-8(e)(2) because CNC received it after the deadline for submitting proposals. We note in particular your representation that CNC did not receive the proposal until after this deadline. Accordingly, we will not recommend enforcement action to the Commission if CNC omits the proposal from its proxy materials in reliance on rule 14a-8(e)(2). In reaching this position, we have not found it necessary to address the alternative basis for omission upon which CNC relies.

Sincerely,

Heather L. Maples  
Special Counsel



RECEIVED

2007 DEC 27 PM 12:10

OFFICE OF CHIEF COUNSEL  
CORPORATION FINANCE

Jean Cooper | Senior Vice President  
and Senior Counsel  
Legal Services Division

December 20, 2007

Securities and Exchange Commission  
Division of Corporation Finance  
101 F Street, N.E.  
Washington, D.C. 20549  
Attention: Office Of Chief Counsel

**Re: 2008 City National Corporation Proxy Statement  
Stockholder Proposal of Gerald Armstrong**

Ladies and Gentlemen:

Pursuant to Rule 14a-8(j) promulgated under the Securities Exchange Act of 1934, as amended (the "Act"), City National Corporation ("CNC" or the "Company") respectfully requests the concurrence of the staff of the Division of Corporation Finance (the "Staff") of the Securities and Exchange Commission (the "Commission") that it will not recommend any enforcement action to the Commission if the shareholder proposal described below is omitted from CNC's proxy statement and form of proxy (the "Proxy Materials") for the Company's Annual Meeting of Shareholders scheduled for April 23, 2008. Gerald Armstrong (the "Proponent") has submitted for inclusion in the 2008 Proxy Materials a proposal and supporting statement requesting that the Board of Directors take the steps necessary to eliminate classification of terms of the Board of Directors and to require that all Directors stand for election annually (the "Proposal"; see **Exhibit A**). The Company proposes to omit the Proposal from its 2008 Proxy Materials for the reasons set forth below.

*Untimely Submission Under Rule 14a-8(e)*

The Proposal was received after the deadline for submission of stockholder proposals contained in the Company's 2007 Proxy Statement. With respect to a proposal submitted for a regularly scheduled annual meeting, Rule 14a-8(e)(2) provides that if the current year's annual meeting is within 30 days of the previous year's annual meeting, the proposal must be received at the company's principal executive offices not less than 120 calendar days before the date of the company's proxy statement released to shareholders in connection with the previous year's annual meeting. Pursuant to Rule 14a-8(e)(1), in its 2007 Proxy Statement, CNC informed stockholders that the deadline for submission of stockholder proposals for inclusion in the Company's Proxy Materials for its 2008 Annual Meeting of Stockholders

Securities and Exchange Commission  
Division of Corporation Finance  
December 20, 2007  
Page Two

was November 20, 2007 (see **Exhibit B**). CNC calculated the deadline in accordance with Rule 14a-8(e). The date of this year's annual meeting, April 23, 2008, is within 30 days of the date of last year's annual meeting, April 25, 2007, so the 120-day standard applies. November 20, 2007 is 120 days before March 19, which is the date CNC released its 2007 Proxy Materials.

The Proponent sent the Proposal to CNC in Los Angeles, California via US Certified Mail on November 13, 2007 from ISMA & OMB Memorandum M-07-1 (USPS Certified Mail Article # 7004 2510 0004 8299 0982). (See **Exhibit C**). However, it was not received by CNC until **November 21, 2007**, one day *after* the November 20, 2007 deadline. In this connection, Michael Sundifu, one of the Company's mail clerks, signed a United States Postal Service Receipt for the Proposal showing the date of delivery as November 21, 2007 (see **Exhibit D**). Moreover, entering Certified Mail Article # 7004 2510 0004 8299 0982 into the United States Postal Service's Internet "Tract and Confirm" website confirms conclusively that the Proposal was not delivered to the Company until November 21, 2007 at 10:19 am, one day after the Company's published deadline (see **Exhibit E**). As such, the Proposal was untimely received, and is subject to exclusion under Rule 14a-8(e)(2).

The Staff has made it very clear that it will strictly enforce the deadline for the submission of proposals without inquiring as to reasons for failure to meet the deadline, even in cases where a proposal is received only one day late. *International Business Machines Corporation* (December 5, 2006) and *Smithfield Foods, Inc.* (June 4, 2007).

Mr. Armstrong is a very experienced stockholder proponent, having filed proposals with many financial institutions and other public companies for more than 30 years. As he points out himself in his Proposal, many of his submissions to other public companies have been successful. However, in this case, he failed to adhere to the submission deadline under Rule 14a-8(e)(2). As Mr. Armstrong undoubtedly knows (see, e.g., *RPM International, Inc.* (October 26, 2007), in which another of Mr. Armstrong's proposals was recently excluded for missing the deadline), this is a deficiency that cannot be remedied under Rule 14a-8(f). As such the Company now respectfully requests the concurrence of the Staff that the Proposal may properly be excluded from the Company's Proxy Materials for its 2008 Annual Meeting under Rules 14a-8(e)(2) and (f).

We note that the Proponent sent a prior letter to the Company dated September 20, 2007 (see **Exhibit F**) asking that the Company's Board of Directors and its Governance Committee consider the issue of electing directors annually rather than for three year terms<sup>1</sup>. He

<sup>1</sup> The Chairman of the Compensation, Nominating & Governance Committee replied to Mr. Armstrong in writing that the Governance Committee would discuss the issue raised by him ("CNC Reply," see **Exhibit G-1**). The CNC Reply was delivered by Federal Express to Mr. Armstrong's residence on November 1, 2007 (see **Exhibit G-2**).

indicated that depending on what the Board determined, he may subsequently present a shareholder proposal at "the proper time." Not only was this earlier letter not a proposal under Rule 14a-8, it also demonstrates that Mr. Armstrong was aware that there was a "proper time" within which to present a formal shareholder proposal, which he later attempted to do.

*Failure to Meet Eligibility Requirements of Rule 14a-8(b) and Provide Evidence of Eligible Share Ownership Under Rule 14a-8(f)(1)*

Mr. Armstrong has also not provided evidence of his eligible share ownership of the Company's stock. As a result, CNC believes that the Proposal may also be omitted under Rule 14a-8(f)(1) because Mr. Armstrong did not provide evidence of his eligibility to submit a proposal within the 14-day deadline provided.

Pursuant to Rule 14a-8(b)(1), in order to be eligible to submit a proposal a shareholder must have continuously held at least \$2,000 in market value, or 1%, of the Company's securities entitled to be voted at the annual meeting for at least one year by the date that the shareholder submitted the proposal. In the cover letter submitted with the Proposal, Mr. Armstrong declared himself as (a) "a shareholder for more than one year" and (b) "the owner in excess of \$2,000.00 worth of voting stock, 297 shares" (see **Exhibit A**). Mr. Armstrong did not state that he had held at least \$2,000 of our stock continuously for one year. This is probably because, as our subsequent review of our stock transfer records (as maintained by Continental Stock Transfer & Trust Co, the Company's transfer agent), suggests, Mr. Armstrong was the record holder of only 26 of our shares throughout the one year period. He appears to have acquired the remainder of his 271 shares in either March or September 2007, in each case well into the one year ownership period. The value of the 26 shares that Mr. Armstrong does appear to have held of record for one year is less than \$2,000 as calculated in accordance with the guidance provided by the Division of Corporation Finance in its Staff Legal Bulletin No. 14, Section C (1).

Pursuant to Rule 14a-8(f)(1), within 14 calendar days of receiving Mr. Armstrong's Proposal, by letter dated November 30, 2007, the Company notified Mr. Armstrong that it had not received evidence that he satisfied the ownership requirement, and informed him of what would constitute appropriate documentation under Rule 14a-8(b). (The Company also notified him of his failure to meet the deadline for submissions, although it was not required to do so.) ("Notice of Defect" see **Exhibit H**). The Notice of Defect was delivered to Mr. Armstrong by Federal Express on December 4, 2007 (see **Exhibit I**). The deadline for Mr. Armstrong to reply was December 18, 2007. To date, the Company has not received any response to the Notice of Defect nor any other correspondence from Mr. Armstrong regarding the Proposal. As a result, Mr. Armstrong has failed to provide us with the requisite evidence that he has satisfied the ownership requirement for at least one year. As

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Division of Corporation Finance  
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Page Four

noted above, Mr. Armstrong has over 30 years' experience submitting proposals, probably longer than any other proponent active today, and therefore is surely well aware of the ownership requirements and how to substantiate them, and presumably would have satisfied them if he could.

The Staff regularly concurs with company's decisions to omit proposals when the proponent fails to provide the requisite evidence of ownership. Recent examples in which the Staff concurred in the exclusion of proposals in which, as in our situation, the proponent ignored the company's notice of defect, include: *Occidental Petroleum Corporation* (November 21, 2007) and *Dell Inc.* (April 2, 2007).

For the foregoing reasons, we intend to omit the Proposal from our 2008 Proxy Materials, and we respectfully request your confirmation that the Staff will not recommend enforcement action in connection therewith.

In accordance with Rule 14a-8(j), we are submitting this letter to the Commission no later than 80 calendar days before March 17, 2008, the earliest date the Company expects to file its definitive proxy statement and form of proxy with the Commission. Also in accordance with Rule 14a-8(j), the Proponent is being informed of the Company's intention to omit the Proposal from its 2008 Proxy Materials by sending him a copy of this letter and its exhibits. The Proponent is respectfully requested to copy the undersigned on any response that he may choose to make to the Staff. Seven copies of this letter are enclosed. Please acknowledge receipt by stamping and returning one in the enclosed self-addressed stamped envelope.

As noted above, CNC plans to begin mailing its Proxy Materials on or about March 17, 2008. In order to meet our printing schedule, we would appreciate receiving your response no later than March 3, 2008. If you have any questions, require further information, or wish to discuss this matter, please call me at 213-673-9516.

Very truly yours,

  
**Jean A. Cooper**  
Senior Vice President and Senior Counsel

Enclosures

cc: Gerald Armstrong (w/encl.)  
Michael B. Cahill, Esq. (w/ encl.)

Exhibit Index – CNC Letter to SEC dated December 20, 2007

Item	Exhibit Letter
Proposal – Letter from Gerald Armstrong	A
Page 16 of City National Corporation 2007 Proxy Statement regarding deadline for submission of Stockholder Proposals	B
USPS Certified Mail Article # 7004 2510 0004 8299 0982	C
United States Postal Service Receipt signed by Michael Sundifu for Item Number 7004 2510 0004 8299 0982	D
United States Postal Service Track & Confirm Search Results for Item Number 7004 2510 0004 8299 0982	E
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CNC Reply	G-1
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Exhibit Index – CNC Letter to SEC dated December 20, 2007

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Federal Express Tracking for Notice of Defect	I

**A**

November 10, 2007

The Corporate Secretary  
CITY NATIONAL CORPORATION  
City National Center  
400 North Roxbury Drive  
Beverly Hills, California 90210

Greetings

Pursuant to Rule X-14 of the Securities and Exchange Commission, this letter is formal notice to the management of City National Corporation, at the coming annual meeting in 2008, I, Gerald R. Armstrong, a shareholder for more than one year and the owner of in excess of \$2,000.00 worth of voting stock, 297 shares, shares which I intend to own for all of my life, will cause to be introduced from the floor of the meeting, the attached resolution.

I will be pleased to withdraw the resolution if a sufficient amendment is supported by the board of directors and presented accordingly.

I ask that, if management intends to oppose this resolution, my name, address, and telephone number--Gerald R. Armstrong; FISMA & OMB Memorandum M-07-16 \*\*\*

\*\*\* FISMA & OMB Memorandum M-07-16 \*\*\* ; together with the number of shares owned by me as recorded on the stock ledgers of the corporation, be printed in the proxy statement, together with the text of the resolution and the statement of reasons for introduction. I also ask that the substance of the resolution be included in the notice of the annual meeting and on management's form of proxy.

Yours for "Dividends and Democracy,"



Gerald R. Armstrong, shareholder

Certified Mail No. 7004 2510 0004 8299 0982

## RESOLUTION

That the shareholders of CITY NATIONAL CORPORATION request its Board of Directors to take the steps necessary to eliminate classification of terms of the Board of Directors to require that all Directors stand for election annually. The Board declassification shall be completed in a manner that does not affect the unexpired terms of the previously-elected Directors.

## STATEMENT

The proponent believes the election of directors is the strongest way that shareholders influence the directors of any corporation. Currently, our board of directors is divided into three classes with each class serving three-year terms. Because of this structure, shareholders may only vote for one-third of the directors each year. This is not in the best interest of shareholders because it reduces accountability.

U. S. Bancorp, Associated Banc-Corp, Piper-Jaffray Companies, Fifth-Third Bancorp, Pan Pacific Retail Properties, Qwest Communications International, Xcel Energy, Greater Bay Bancorp, North Valley Bancorp, Pacific Continental Corporation, Regions Financial Corporation, CoBiz Financial Inc., Marshall & Illsley Corporation, and Wintrust Financial, Inc. are among the corporations electing directors annually because of the efforts of the proponent.

The performance of our management and our Board of Directors is now being more strongly tested due to economic conditions and the accountability for performance must be given to the shareholders whose capital has been entrusted in the form of share investments.

A study by researchers at Harvard Business School and the University of Pennsylvania's Wharton School titled "Corporate Governance and Equity Prices" (Quarterly Journal of Economics, February, 2003), looked at the relationship between corporate governance practices (including classified boards) and firm performance. The study found a significant positive link between governance practices favoring shareholders (such as annual directors election) and firm value.

While management may argue that directors need and deserve continuity, management should become aware that continuity and tenure may be best assured when their performance as directors is exemplary and is deemed beneficial to the best interests of the corporation and its shareholders.

The proponent regards as unfounded the concern expressed by some that annual election of all directors could leave companies without experienced directors in the event that all incumbents are voted out by shareholders. In the unlikely event that shareholders do vote to replace all directors, such a decision would express dissatisfaction with the incumbent directors and reflect a need for change.

If you agree that shareholders may benefit from greater accountability afforded by annual election of all directors, please vote "FOR" this proposal.

**B**

***Additional Governance Matters:***

*Transactions with Related Persons:* Certain directors, officers and stockholders of the Corporation, and their associates, were depositors, borrowers or customers of the Bank in the ordinary course of business during 2006. Similar transactions are expected to occur in the future. In the opinion of management, all such transactions were effected on substantially the same terms as those prevailing at the time for comparable transactions with other unrelated persons, including, as to any loans, interest rates, fees and collateral, and any loans did not involve more than normal risk of collection or present other unfavorable features.

Ronald L. Olson, a director of the Corporation, is a Partner with the law firm of Munger, Tolles & Olson LLP which provided legal services to the Corporation or the Bank during 2006 and may do so in the future. The fees paid for those services by the Company are an immaterial amount relative to the law firm's and Company's annual revenues.

*Review, Approval or Ratification of Transactions with Related Persons:* The charter of the Audit & Risk Committee requires the committee to review reports and disclosures of insiders and affiliated person transactions ("related person transactions"). Insider and affiliated persons include directors, any executive officer of the Company, as determined by the Board of Directors for purposes of Section 16 of the Section Exchange Act of 1934 (the "1934 Act"), holders of more than 5% of the Corporation's common stock, and any member of the immediate family of the foregoing persons. Pursuant to this requirement, prior to the Company entering into any related person transactions, the Audit & Risk Committee reviews the terms of the transactions to ensure that they are fair and reasonable, on market terms, on an arms-length basis and comply with the Company's Principles of Business Conduct & Ethics and Code of Conduct. The Audit & Risk Committee then reports to the Board on the related person transaction and the transaction must be approved by the disinterested members of the Board prior to the Company entering into the transaction.

*Section 16(a) Beneficial Ownership Reporting Compliance:* Section 16(a) of the 1934 Act requires directors and executive officers of the Corporation and persons who own more than ten percent of the Corporation's common stock ("10% Owners") to file reports of initial ownership of the Corporation's common stock and subsequent changes in ownership with the SEC and the NYSE and to provide us with copies of such reports. Based solely on a review of the copies of such reports and written representations that no other reports were required to be filed during 2006, the Corporation's directors, officers and 10% Owners complied with all Section 16(a) filing requirements in a timely manner in 2006.

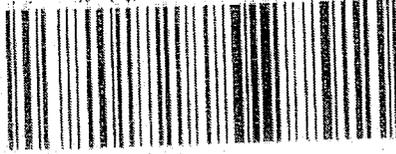
*Stockholder Proposals:* To be considered for inclusion in the Corporation's proxy statement for the 2008 Annual Meeting of Stockholders, a stockholder proposal must be submitted in writing to the Corporation's Secretary on or before November 20, 2007 and must satisfy the other requirements of Rule 14a-8 under the 1934 Act. Subject to applicable requirements, the proxy card for the 2008 Annual Meeting of Stockholders will give the designated proxy holder authority to vote at his or her discretion on any matter which is not brought to the Corporation's attention on or before February 1, 2008.

**C**

GERALD R. ARMSTRONG

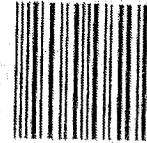
\*\*\* FISMA & OMB Memorandum M-07-16 \*\*\*

REGISTERED MAIL



7004 2510 0004 8299 0982

RETURN RECEIPT REQUESTED



0000

90210

U.S. POSTAGE  
PAID  
DENVER, CO  
80202  
NOV 13, 07  
AMOUNT

\$5.21

00084292-05

The Corporate Secretary  
CITY NATIONAL CORPORATION  
City National Center  
400 North Roxbury Drive  
Beverly Hills, California 90210

**D**



Track/Confirm - Intranet Item Inquiry  
Item Number: 7004 2510 0004 8299 0982

This item was delivered on 11/21/2007 at 10:19

Signature:	 Michael Sundifur
Address:	

Enter Request Type and Item Number:

Quick Search  Extensive Search

Version 1.0

Inquire on multiple items.

Go to the Product Tracking System Home Page.

**E**

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[FAQs](#)

## Track & Confirm

### Search Results

Label/Receipt Number: 7004 2510 0004 8299 0982

Detailed Results:

- Delivered, November 21, 2007, 10:19 am, BEVERLY HILLS, CA 90210
- Acceptance, November 13, 2007, 11:50 am,\*\*\* FISMA & OMB Memorandum M-07-16 \*\*\*

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**F**

September 20, 2007

Governance Committee of the  
Board of Directors  
CITY NATIONAL CORPORATION  
400 North Roxbury Drive  
Beverly Hills, California 90210

Greetings

As a shareholder, I am requesting the attention of the Board of Directors and its Governance Committee to an issue of governance I deem to be important.

Specifically, I believe that all directors should be elected annually rather than being elected for three-year terms.

I have taken this position in other corporations where I am a shareholder and have presented a resolution in their proxy statement to be voted upon by all shareholders in the annual meeting. Sometimes, it has been voluntarily adopted by the board of directors and other times it is presented at the meeting and voted upon favorably by shareholders. U. S. Bancorp, Associated Banc-Corp, Piper Jaffray Companies, Fifth-Third Bancorp, Pan Pacific Retail Properties, Qwest Communications International, Xcel Energy, Greater Bay Bancorp, North Valley Bancorp, Pacific Continental Corporation, Regions Financial Corporation, CoBiz Financial Inc., Marshall & Ilsley Corporation, and Wintrust Financial, Inc. are among the corporations which now elect all directors annually because of my efforts.

During 2007, my proposals for this at KeyCorp passed with 63% of the vote and at UCBH Holdings, Inc., it had a remarkable 89% of the vote! There is strong support of the proposal from institutional owners and organizations like Institutional Shareholder Services.

I believe the election of directors is the strongest way that shareholders can influence the directors of any corporation. Currently, our board is divided into three classes with each class serving staggered three-year terms. Because of this structure, shareholders may only vote for one-third of the directors each year. This is not in the best interests of shareholders because it reduces accountability and is an unnecessary take-over defense.

A study by researchers at Harvard Business School and the University of Pennsylvania's Wharton School titled "Corporate Governance and Equity Prices" (Quarterly Journal of Economics, February, 2003), reviewed the relationship between corporate governance practices (including classified boards) and firm performance. The study found a significant positive link between governance practices favoring shareholders (such as annual directors elections) and firm value. This is also documented in many other sources which studied the issue.

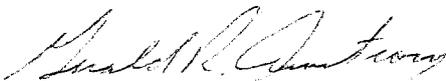
Page Two

I regard as unfounded the concern expressed by some that annual elections for all directors could leave companies without experienced directors in the event that all incumbents are voted out by shareholders. In the unlikely event that shareholders do vote to replace all directors, such a decision would express dissatisfaction with the incumbent directors and reflect the need for change.

Please let me know your decision on this so that, if necessary, I may present the shareholder proposal at the proper time.

Thank you for your consideration.

Yours for "Dividends and Democracy,"

A handwritten signature in cursive script, appearing to read "Gerald R. Armstrong".

Gerald R. Armstrong, \$hareholder

G-1

**CITY NATIONAL BANK**

The way up.®



Richard Bloch | Director

October 30, 2007

VIA FEDERAL EXPRESS

Mr. Gerald Armstrong

\*\*\* FISMA & OMB Memorandum M-07-16 \*\*\*

Dear Mr. Armstrong:

I am writing regarding your letter to the Governance Committee of the Board of Directors of City National Corporation requesting that we consider electing directors annually rather than for three year terms.

At our next Governance Committee meeting in December, we will include a discussion of classified and declassified boards on the agenda. Following that meeting and discussion, we will provide you with feedback.

We appreciate your attention to a matter of governance that you believe will serve the interest of the Company and its stockholders. Our Board is committed to maintaining the highest standards of corporate governance, and we regularly review our governance practices.

Very truly yours,

**Richard Bloch**

Chairman, Compensation,  
Nominating & Governance Committee

cc: Russell Goldsmith  
Michael Cahill

**G-2**

-----Original Message-----

From: TrackingUpdates@fedex.com [mailto:TrackingUpdates@fedex.com]  
Sent: Friday, December 14, 2007 10:00 AM  
To: undisclosed-recipients  
Subject: Online FedEx Tracking - 799743762048

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This tracking update has been requested by:

Name: Barbara Johnson  
E-mail: rbloch@clbpartners.com  
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Tracking number               799743762048  
  
Reference                      CNB Governance Armstrong  
Ship date                      Oct 31, 2007  
Delivered to                  Residence  
Destination                  \*\*\* FISMA & OMB Memorandum M-07-16 \*\*\*  
Delivery date                 Nov 1, 2007 8:41 AM  
Signed for by                 Signature release on file  
Service type                  Standard Envelope

Tracking results as of Dec 14, 2007 11:59 AM CST

Date/Time                      Location/Activity  
Nov 1, 2007

\*\*\* FISMA & OMB Memorandum M-07-16 \*\*\*

	4:12 AM	MEMPHIS, TN/Departed FedEx location
	1:12 AM	MEMPHIS, TN/Arrived at FedEx location
Oct 31, 2007	7:38 PM	CARLSBAD, CA/Left origin
	4:17 PM	CARLSBAD, CA/Picked up
	1:39 PM	/Package data transmitted to FedEx

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**H**

**CITY NATIONAL BANK**

The way up.®



Jean A. Cooper | Senior Vice President  
and Senior Counsel  
Legal Services Division

November 30, 2007

VIA FEDERAL EXPRESS

Mr. Gerald Armstrong

\*\*\* FISMA & OMB Memorandum M-07-16 \*\*\*

Re: *Shareholder Proposal Relating to Declassification of Board of Directors*

Dear Mr. Armstrong:

City National Corporation (the "Company") hereby acknowledges the shareholder proposal contained in your letter dated November 10, 2007, which was received on November 21, 2007. You request the proposal relating to the Company declassifying the Board of Directors (the "Proposal") be included in the Company's 2008 proxy materials.

Requirements regarding stockholder proposals are set forth in Rule 14a-8 of the rules of the United States and Exchange Commission (the "SEC"). (A copy of Rule 14a-8 is enclosed.) As stated in the Company's 2007 Proxy Statement (page 16), the deadline for receiving shareholder proposals for the Company's 2008 Annual Meeting was November 20, 2007. We noted above that the Company did not receive the Proposal until November 21, 2007. As such, your submission was not timely and may be excluded under Rule 14a-8(e). You sent the Proposal to the Company via US Certified Mail on November 13, 2007 from  
\*\*\* FISMA & OMB Memorandum M-07-16 \*\*\* (USPS Certified Mail Article # 7004 2510 0004 8299 0982). Entering Certified Mail Article # 7004 2510 0004 8299 0982 into the United States Postal Service's Internet "Tract and Confirm" website confirms that the Proposal was not delivered to the Company until November 21, 2007, at 10:19 am, one day after the Company's published deadline. Therefore, we request that you withdraw the Proposal within 14 days of your receipt of this letter. If you do not withdraw the Proposal, we will file a No-Action Letter with the SEC to have the proposal excluded from the Company's 2008 proxy materials.

Additionally, we have not received evidence of your eligible share ownership of the Company stock. We draw your attention to Rule 14a-8(b)(1). This rule provides that in order to be eligible to submit a proposal, a shareholder must have continuously held at least \$2,000 in market value, or 1%, of the Company's securities entitled to be voted at the annual

November 30, 2007

Page Two

meeting for at least one year by the date that the shareholder submitted the proposal. In the event the shareholder is not a registered holder, Rule 14a-8(b)(2) provides that proof of eligibility should be submitted at the time the proposal is submitted. Neither the Company nor its transfer agent was able to confirm that you satisfy the eligibility requirements based on the information that was furnished to the Company.

Under Rule 14a-8(b)(2) a shareholder may satisfy this share ownership requirement by either submitting to the Company (i) a written statement from the "record" holder of the shareholder's securities (usually a broker or bank) verifying that, at the time of submission, the shareholder continuously held the securities at least one year, or (ii) if the shareholder has filed a Schedule 13D, Schedule 13G, Form 3, Form 4 and/or Form 5, or amendments to those documents, or updated forms, reflecting the shareholder's ownership of the shares as of or before the date on which the one-year period begins, a copy of the schedule or form, and any subsequent amendments, and a written statement that the shareholder continuously held the required number of shares for the one-year period as of the date of the statement.

If you wish to pursue your Proposal, we request that you furnish the Company with proper evidence of your share ownership eligibility within 14 days of your receipt of this letter.

Please be assured that I will forward your correspondence to appropriate Company personnel for further consideration of your concerns.

If you would like to discuss the SEC rules regarding stockholder proposals or anything else relating to the Proposal, please contact me at (213) 673-9516. Thank you for your interest in City National Corporation.

Very truly yours,



**Jean A. Cooper**

Senior Vice President and Senior Counsel

cc: Michael B. Cahill

Enclosures – Rule 14a-8

\*\*\* FISMA & OMB Memorandum M-07-16 \*\*\*

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**From:** TrackingUpdates@fedex.com [mailto:TrackingUpdates@fedex.com]  
**Sent:** Tuesday, December 04, 2007 12:24 PM  
**To:** Sharif, Sawsan  
**Subject:** FedEx Shipment 791445521068 Delivered

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This tracking update has been requested by:

Company Name: City National Bank  
Name: Sawsan Sharif  
E-mail: sawsan.sharif@cnb.com

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Our records indicate that the following shipment has been delivered:

Door Tag number: DT101494387563  
Reference: #095  
Ship (P/U) date: Nov 30, 2007  
Delivery date: Dec 4, 2007 1:18 PM  
Sign for by: M.KING  
Delivered to: Receptionist/Front Desk  
Service type: FedEx Priority Overnight  
Packaging type: FedEx Envelope  
Number of pieces: 1  
Weight: 0.50 lb.  
Special handling/Services: For Saturday Delivery  
Adult Signature Required

Tracking number: 791445521068

Shipper Information  
Sawsan Sharif  
City National Bank  
555 S. Flower Street;18th Floor  
Los Angeles  
CA  
US  
90071

Recipient Information  
Gerald Armstrong

\*\*\* FISMA & OMB Memorandum M-07-16 \*\*\*

Please do not respond to this message. This email was sent from an unattended mailbox. This report was generated at approximately 2:24 PM CST on 12/04/2007.

To learn more about FedEx Express, please visit our website at [fedex.com](http://fedex.com).

All weights are estimated.

To track the latest status of your shipment, click on the tracking number above, or visit us at [fedex.com](http://fedex.com).

This tracking update has been sent to you by FedEx on the behalf of the Requestor noted above. FedEx does not validate the authenticity of the requestor and does not validate, guarantee or warrant the authenticity of the request, the requestor's message, or the accuracy of this tracking update. For tracking results and [fedex.com](http://fedex.com)'s terms of use, go to [fedex.com](http://fedex.com).

Thank you for your business.