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August 17, 2009

Elizabeth Murphy, Secretary
U.S. Securities and Exchange Commission
One Station Place
100 F Street, N.E.
Washington, D.C. 20549-9303

Re: **Release No. 34-60089: File No. S7-10-09;**
Facilitating Shareholder Director Nominations (the "Release")

Dear Ms. Murphy:

Aetna Inc. ("Aetna") welcomes the opportunity to comment on the Securities and Exchange Commission's ("Commission") proposed rules regarding shareholder director nominations.

Aetna is one of the nation's leading diversified health care benefits companies. We are incorporated in the State of Pennsylvania and have over 35,000 employees and approximately 10,200 stockholders. We provide benefits to members in all 50 states and internationally. Our 2008 revenue was $31.6 billion and our market capitalization was $12.21 billion, as of July 31, 2009.

Aetna has a long history of strong corporate governance practices. Our Board is composed primarily of independent directors (12 of 13) and we have adopted many practices deemed to be "best practice," including majority voting, annual election of directors, and appointment of a lead director. RiskMetrics Group has ranked Aetna's governance practices at just below the 90th percentile of companies in the S&P 500.

I. The Commission should adopt the proposed amendments to Rule 14a-8(i)(8) not the federal proxy access right set forth in proposed Rule 14a-11.

We fully appreciate the Commission's desire to take action to amend the proxy rules to provide shareholders with additional access to a company's proxy materials for director nominations. However, we disagree with the "one-size-fits-all" approach to proxy access set forth in the Release. We believe the Commission should adopt only the proposed amendments to Rule 14a-8(i)(8) as the means for shareholders of a particular company to decide the proxy access standard appropriate for their company. We believe proposed Rule 14a-11 unnecessarily infringes on an area of corporate governance that has traditionally been the domain of state law. We also believe that proposed Rule 14a-11 has the potential to promote "short-termism" at the expense of long-term value creation and would encourage the election of "special interest" directors. The principal advantage of amending the existing Rule 14a-8(i)(8) over the adoption of proposed Rule

14a-11 is the flexibility it would provide to shareholders to decide what is best for a particular company, given the company's unique circumstances.

As stated in the Release, allowing shareholders to propose and vote on governance standards has led to significant reforms in recent years, most significantly the adoption of majority voting provisions by many companies. The amendments to Rule 14a-8 would permit a company and its shareholders to tailor an access system to the unique needs of an individual company. This approach is superior to the adoption of proposed Rule 14a-11 as it allows a proxy access standard that reflects the views of a majority of the company's shareholders.

If the Commission decides to adopt proposed Rule 14a-11, the final rule should allow shareholders to adopt an alternative proxy access approach. If a majority of shareholders agree, a company should be able to establish the proxy access approach that suits the company's individual circumstances and avoid the restrictive, "one-size-fits-all" approach currently proposed. This alternative approach would enable a majority of shareholders to continue to have a voice in establishing this important aspect of a company's governance structure while maintaining shareholders' ability to nominate directors.

II. Comments on the Operation of Rule 14a-11

While Aetna urges the Commission to address shareholder director nominations by amendment to Rule 14a-8(i)(8), we offer the following comments on the operation of Rule 14a-11.

a. Eligibility – Ownership Threshold

The Commission should reconsider the eligibility ownership thresholds for submitting shareholder nominations. Specifically, the proposal should be revised to require that shareholders who nominate directors must own a meaningful percentage of company shares. The proposed 1% threshold for large accelerated filers is too low, particularly when an unlimited number of shareholders may aggregate their holdings in order to meet the eligibility requirement.

The Rule 14a-11 nomination process will be inherently costly and require the substantial attention of company management. A company will need to thoroughly review any shareholder nominee to determine whether grounds exist to exclude the candidate through the SEC no-action letter process and to determine whether the candidate meets independence and other internal standards established by the board for service on the board or a particular committee. The company may decide it appropriate to reach out to the nominating shareholder(s) to understand the concerns that resulted in the nomination and may need to respond publicly to assertions made by the nominating shareholder(s) as part of any related election campaign. The company's senior management, nominating committee, and board will need to be fully informed throughout the process. If the company believes it should actively oppose the shareholder nominee, additional significant time and cost inevitably will be incurred.

To strike a better balance between the benefit of providing shareholders with proxy access and the cost and disruption to the company, we recommend that the Commission increase the threshold for large accelerated filers from 1% to 5%, with a 10% threshold for shareholders who aggregate

their holdings. We believe these higher thresholds would still offer shareholders a meaningful opportunity to make nominations while limiting the cost and disruption in circumstances where a shareholder has no substantial interest in the company.

As proposed, Rule 14a-11 does not take into consideration whether nominating shareholders have reduced or eliminated their economic exposure to company securities through hedging or other arrangements. We urge the Commission to require nominating shareholders to count only "net long" economic interests in the shares of the company toward the eligibility requirements. Otherwise, a shareholder with little or no economic interest in the company could too easily abuse the proxy access process.

Given the Commission's expressed desire to limit the right to use proposed Rule 14a-11 to "holders of a significant, long-term interest," we believe the proposed one-year holding period is too short. Based on a review of our shareholder activity in the recent past, approximately 25% of our shareholders hold their shares for less than two years. A minimum two-year holding period would better ensure that the nominating shareholder(s) are long-term shareholders who have the long-term interests of the company in mind. For similar reasons, the Commission should impose a holding requirement beyond the date of the election and through the term of any shareholder nominee who joins the board, to further demonstrate the nominating shareholder's long-term commitment to the Company.

b. Eligibility – Repeat Shareholder Nominees

The final rule should provide that a nominating shareholder whose nominees fail to receive at least 35% of the votes cast in an election cannot put forth another shareholder nominee, or be part of another nominating shareholder group, for the following three annual shareholder meetings. Also, any shareholder nominee who fails to receive 35% of the votes cast at the meeting should be excluded from being put forth by any nominating shareholder(s) for the following three annual shareholder meetings. Access by these nominating shareholders, and their nominees, to the company's ballot should be limited by the expressed views of all shareholders. Without such a limitation, the company and its shareholders could be subject to a proxy battle year after year over a candidate who may have achieved only a minimum level of support.

c. Eligibility – Number of Shareholder Nominee Directors

As proposed, Rule 14a-11 would require a company to include in its proxy statement a number of shareholder nominees representing 25 percent of the company's board of directors, or one nominee, whichever is greater. Because adding new shareholder nominees to a board will be costly and disruptive as discussed above, we urge the Commission to lower the maximum number of shareholder nominees to 10% of the company's board of directors, or one nominee, whichever is greater. In addition, each nominating shareholder or group should be limited to one director nominee in any year.

Also, the Commission should count toward the calculation of the maximum number of shareholder nominations available for election any candidate initially nominated or elected pursuant to proposed Rule 14a-11, even where the nominee is endorsed by the company and

included on the company's own candidate slate. A company's board should not be discouraged from including a shareholder nominee on its candidate slate if the board or nominating committee determines that a shareholder nominated director meets the board's own qualifications and criteria for nomination. This rule should apply for three years following the director's initial election to the board as a proxy access director. After the three year period, such director would cease to have the status of a proxy access director.

In addition, in a situation where there are multiple nominating shareholders, we believe that instead of the "first-in" approach under the proposed Rule, the largest shareholder (determined as of the last day of the deadline for receipt of shareholder nominations) should receive priority to nominate, rather than the first shareholder. This approach ensures that the shareholder with the greatest economic interest in the company would have the right to have its nominee included in the company's proxy materials.

d. Timing of Shareholder Nominations

We believe that the time period for nominations should be revised in order to provide companies with adequate time to manage the shareholder nominee process and avoid turning the proxy season into a 12-month activity for both nominating shareholders and companies. Under the "first-in" standard, nominating shareholders would be forced to enter into a race to the company's mail room. Instead, the process should encourage nominating shareholders to first discuss their concerns with management and to submit the most qualified nominees after careful consideration without fear that they will lose the race to the mail room. In addition, most advance notice bylaw deadlines are generally later than the deadlines set forth in proposed Rule 14a-8. Therefore, we suggest that the Commission consider limiting the proxy access nomination process to a 45-day period, commencing four months after the company's annual shareholder meeting. This would provide sufficient time for both nominating shareholder(s) and the company, and would minimize the issues associated with the "first-in" approach.

e. Independence of Shareholder Nominee Directors

In addition to requiring that a shareholder nominee be independent from the company, as defined under the objective standards of the applicable listing exchange, the final rule should require the nominee to meet any subjective requirements of the applicable listing exchange, as well as any other published standards that the board has adopted for its directors generally. Further, the shareholder nominee should be required to complete the same questionnaire as the company's other directors. Otherwise, after the election, the board may determine that the shareholder nominee director fails to meet the board's independence standards (e.g., based on a review of the facts and circumstances of any business dealings and relationships). Having non-independent directors on the board would reduce the number of directors available to serve on key committees, and may result in boards having to increase their size to allow for new independent members. The Board also may have adopted other legitimate director qualifications (e.g., mandatory retirement age or limits on serving on other public company boards) or be subject to certain regulatory requirements. These requirements should be met by all director candidates whether proposed by management or a shareholder.

A shareholder nominee should not be affiliated with the nominating shareholder(s). As noted by the Commission in the Release, directors should represent all shareholders and should not represent (or appear to represent) any one shareholder or group of shareholders. Allowing a shareholder nominee to be affiliated with the nominating shareholder(s) significantly increases the risk of creating a "special interest" or "single issue" director.

While we strongly urge the Commission to adopt more expansive independence requirements for shareholder nominees, as outlined above, at a minimum, the Commission should require additional disclosure in Schedule 14N of any relationships between the nominating shareholder(s) and their nominees, including family and employment relationships, ownership interests, commercial relationships and any other arrangements or agreements. In addition, nominating shareholder(s) should be required to disclose: (i) any direct or indirect interests of the nominating shareholder(s) and their nominee in any competitors of the company, and (ii) the name(s) of any other public company board to which the nominating shareholder has nominated a director pursuant to Rule 14a-11. All shareholders should have the benefit of this information in order to make an informed voting decision.

f. Universal Proxy Card

As proposed, Rule 14a-11 would require the use of a universal proxy card which contains the names of both the company's nominees and the shareholder(s) nominees. We believe this approach could lead to shareholder confusion. Shareholders relying on past practice may execute a blank proxy card without checking the boxes for any nominees. Also, some shareholders may check all the boxes, including the boxes for both the company nominees and the shareholder nominees. To address the confusion that could result from the use of a universal proxy card, we recommend requiring a clear delineation in the proxy statement and proxy card of the company nominees and the shareholder(s) nominees. In addition, shareholders should be permitted to check a box to vote for the company's nominees as a group, if they so desire.

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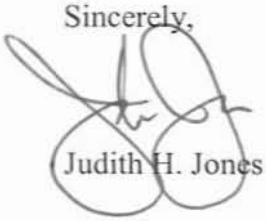
We appreciate this opportunity to comment on the Release. If you have any questions concerning these comments, or would like to discuss these comments further, please feel free to contact the undersigned at the address noted above.

Sincerely,



Judith H. Jones