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[redacted]

I take the liberty to adress a few comments on the SEC ‘ proposed proxy access rules

My personal background for the last 16 years has been to be involved in shareholders relations, issuers stock operation and General Meetings organization . I had to treat subjects on stock options, stock dividends, issues for employees , phantom shares, stock splits , ordinary, extraordinary and special general meetings. I was member of trustee boards of life insurance representing 30 billions Euros and I have participated to various working groups with individual shareholders, issuers associations , regulators and EU members of the EU Parliament about harmonization of European laws especially concerning “ Shaereholders specific rights” . As centralizing entity for general meetings I checked and controlled physically for 14 years a total of over 1,100,000 paper voting forms, proxy forms and access cards demands for general meetings . For the last two years that physical control has been replaced by a remoter control of scanned documents .

I have to specify why a French expert with limited French experience may be concerned by that SEC ‘s proposal . In fact if you consider that the total value of the world assets is 100,000 billions US D , 70 % of this world amount are owned , managed or deposited in US entities . Basically most European AGM can only be achieved through cross border participation of US institutionals , custodians and voting agencies . Should the AGM process within the USA be modified , cross borders treatments for outside USA meetings will have to support some impact of .

Please do accept my apologizes for the poor quality of my American mixed with English and my technical approach of the subject .

1. OVERVIEW
   Various questions may arise from that projected measures ; we suggest that the SEC would collect potential answers from other legal systems within the OCDE by having solutions quickly compiled by a panel of experts (lawyers, registrars, voting agencies) or from European regulators . US firms in the stock industry

2. UNIVERSAL PROXY

   A unique form or card offered in both paper or electronic support should be set up in accordance with what is done by some US mutualm funds or pensions funds .

   .Technically mass treatment for paper and AGM organization may be facilitated by using some well known US firms . The burden of the task may be alleviated by using modern tools of communication : mailing and voting by internet before the

AGM, voting or proxy granting by phone, use of zipped voting instruction with the new iso 20 022 norma .

3. PROXY ACCESS

In order to minimize the total cost of the process , documents on nominees supported by the Board and those not supported by the Board should be sent together . The Selection Committee of the Board and/or the Board have accept or refuse these independent candidacies and then to give a written opinion and recommend to all the shareholders to vote yes or no .

4. MEANS

The global cost of a general meeting should be assessed at the level of the SEC to check what figures are actually to be considered .If we consider for example a company of some 300,000 shareholders and that sending materials ,treating the returned documents , making the reconciliation , an processing the day of the AGM cost a total of 3 millions US dollars , that means that the company pays 10 dollars per year per shareholder to inform correctly the real owners of the company .

If that company has a total output figure of some 11 billions US $ and 1 billion US $ result ; that means that the total of charges is equal to 10 billions US $ and that the cost of shareholder democracy is 3/10,000 of all charges.

Good treatment (information) of the shareholders is in fact an investment of the company : satisfied shareholders may reinvest their dividend, buy new shares , constitute a financing resource independently from the banking system and even support the management in case of proxy fights

5. CONFLICT OF LAWS

Federal implementation at the same time in all states would be more simple but would be an earthquake for quite a few lawyers

It seems that other federal laws were implemented only gradually state by state . For example stock dematerialization was decided in Delaware recently though an important fraction of issuers are registered there . That decision occurred close to the Katrina typhoon which had a strong impact on Louisiane paper registers and paper certificates.

6. ALL COMPANIES

We suggest limiting the law to companies listed on a US Stock Market .

7. THRESHOLDS

5 % of the capital of listed cies is a quite common threshold throughout the world for asking the company have any specific proposal sent with the other proposals sent by the board.
Protection of small companies could be stricter with a higher , may be a 10 % , threshold .
In all cases the thresholds crossings have to be the result of consolidation of real ownership of beneficial owners , owning the stock and not the result of multiple non disclosed stock borrowings or stock lending or worse naked short selling .

In France, during the meeting, any shareholder may ask at any time to revoke the whole board ; clearly it is an event that has very rarely happened .

8. HOLDING PERIOD

Should the US Market participants decide a holding period , we think that two years is better than one . The question is how will the intermediary guaranty that the necessary shares have been owned or will be owned for the necessary period . It implies a sound stock accounting system based on double entry (debit credit simultaneously), daily reconciliation of positions ,

9. CHANGE CONTROL

Nominating Groups should disclose why they are proposing a nominee ; if their target is actually to change the control of the company , they have to disclose it . If they change their mind they have to say it ; if they lie to the company it should be treated as a serious offence and treated in consideration of torts and damages suffered by other stakeholders : company, other shareholders, state , employees .

10. INDEPENDENCE OF SHAREHOLDERS

Philosophically shareholders of the same company have decided to be shareholders of that company ;either at the beginning of the company or by buying the stock later .The whole body of shareholders are supposed to have a common interest for the development and success of the company . Basically that community of interest is designated in latin by the concept of "Affectio Societatis" . Any nominating shareholder or group of shareholders should participate to that common interest .

11. INDEPENDENT NOMINEES

The nominees have not to be independent from the nominating shareholders ; but any dependence should be disclosed to the Board that should also mention it in a total transparency in the notice of the meeting to all shareholders .

12. CAP ON NUMBER OF SEATS

See § 9 , should 10 groups of shareholders collect each 5 % of the capital (i.e. 50 % of the whole capital) and contact in time the company , each group should be entitled to candidate as many nominees as there are members of the board to be re-elected or new candidates patronized by the Company .Clearly all accounting measures have to be taken in order to prevent any overvoting or multiple voting : the stocks can be voted once only and used only once for a proposal of a nominee .

Technically mass treatment for paper and AGM organization may be facilitated by using some well known US firms . The burden of the task may be alleviated by using modern tools of communication : mailing and voting by internet before the AGM, voting or proxy granting by phone, use of zipped voting instruction with the new iso 20 022 norma .

13. FIRST COME FIRST SERVED

Nominating groups have indeed to act with diligence and if there is a deadline for sending the notices , the Board should stipulate the limit for receiving questions, proposals and so on . If various candidates are proposed by various groups we suggest that they should be officially accepted with a chronological registration before the deadline . If all nominees candidacies have been received in due time they will be in the unique mailed notice and be voted one by one respecting the chronological day and hour of reception .

If all the candidates presented by the Board are elected and no other seat is available , the proposals for the other nominees will not be presented to the general meetings.

If a nominee for any reason see his candidacy unvalidated before the voting , the proposal shall not be voted .

14. DISCLOSURE

Democratic transparency makes it necessary to have the maximum of disclosures : since the Sarbane Oxley Law, it is intended that pension funds should vote , explain what they have voted and for that, they should received a statement from the issuer or his agent testifying what has been voted and for how many shares . So once more should be disclosed all the lent and borrowed positions and the shares for which an empty voting occurred . Should there be a succession of various intermediaries , the last one in relation with the investor supporting the economic risk should be informed who voted his shares and for what .Companies can certify what has been voted by a shareholder only if the latter has informed the former of his existence .

Should any potential conflict of interest exit concerning one or all the members of the nominating group , the Board should be informed . If the Board or others

shareholders had any fear of any potential conflict of interest , the board should be entitled to obtain the complete disclosure of the various intermediaries involved .

15. NOTICE DEADLINE

Though most issuers do need some flexibility in term of calendars , it is possible for the Board to set up an AGM calendar well in advance including a deadline for sending any other proposal

1		2		3		4		5
BOARD MEETING SETTING UP THE PROPOSALS		DEADLINE FOR SUBMITTING NEW PROPOSALS		PROXY MAILING SENDING		LIMIT FOR RETURNING VOTING INSTRUCTIONS		**AGM**

16. SLATE OF DIRECTORS

If , by slate, is intended a blocked list of candidates issued by the Board, we think that it should be permitted either in the by-laws or state law under the condition that should any shareholder at the beginning of the meeting ask for an election candidate by candidate , he would be satisfied (refer pls to UK and Irish law were it is possible to vote by “show of hands” except if is asked a vote counting the shares .

Very sincerely

Bruno de La Villarmois