

From: Beth A Muldoon **On Behalf Of** Daniel F Hopp
Sent: Monday, August 23, 2010 4:15 PM
To: Schapiro, Mary L.
Cc: Casey, Kathleen; Walter, Elisse; Aguilar, Luis; Paredes, Troy A.
Subject: Proxy Access

Dear Chairman Schapiro:

I am Senior Vice President, Corporate Affairs and General Counsel of Whirlpool Corporation. As indicated in my August 13, 2009 letter to the Securities and Exchange Commission, the proposed "proxy access" rule currently being considered by you and the other Commissioners significantly undermines the long established, widely accepted and successful model of corporate leadership and oversight that has allowed U.S. companies to grow and adapt in a free market environment.

We are concerned that the proposed "proxy access" rule will exacerbate the focus on short-term stock price at the expense of long-term shareholder value. In the event that the Commission proceeds to adopt its proposed "proxy access" rule this Wednesday, I would strongly urge the Commission to construct the associated regulations in a manner that ensures that the U.S. capital markets have room to be flexible, adaptive and competitive. I would urge the Commission to consider at least the following points in an effort to strike the right balance:

1. 5% Threshold. Setting a low ownership threshold would allow special interest groups to aggregate their shares to pursue their own narrow agendas, rather than the creation of long-term shareholder value. At Whirlpool (as is the case with most U.S. public companies), a 5% threshold would assure that a mainstream investor, such as a mutual fund, is part of the shareholder group nominating a director.
2. Two-Year Net Long Holding Requirement. Only shareholders that have a long-term economic interest in a company should be able to nominate directors under a proxy access regime. The Commission has articulated that one of the principles behind proxy access is that shareholders should be able "to meaningfully exercise their rights to vote for and nominate directors of the companies *in which they invest*." It would undermine this principle to allow persons who do not have an economic investment to cheaply borrow shares to usurp the nominations process.

I appreciate your careful consideration of these points, and please contact me at (269) 923-5000 if you have any questions.

Sincerely,

Daniel F. Hopp
Senior Vice President, Corporate Affairs
and General Counsel