



January 9, 2016

Brent J. Fields
Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

Re: Comments on SEC Release No. 34-79164 – Universal Proxy (File No. S7-24-16)

Dear Mr. Fields:

The Colorado Public Employees' Retirement Association ("Colorado PERA") appreciates the opportunity to provide written comments regarding the proposed amendments to the federal proxy rules published by the U.S. Securities and Exchange Commission (SEC) on October 26, 2016 in SEC Release No. 34-79164 (Universal Proxy).

By way of background, Colorado PERA is the 21st largest public pension plan in the United States with approximately \$44 billion in assets and a duty to protect the retirement security of over 500,000 plan participants and beneficiaries.

Colorado PERA has long believed that the right of shareholders to elect directors to represent them is a fundamental right of share ownership. That right is especially critical when there is a proxy contest. Under current rules, in a contested election for board seats, shareholders who do not attend the shareholder meeting to vote in person, generally, must vote using proxy cards that do not list all board nominees. This creates a disparity between voting by proxy and voting in person. The Universal Proxy Requirements should be adopted as proposed because it would replicate in-person attendance at a shareholder's meeting more effectively than the current proxy system.

Colorado PERA fully supports and endorses the comments submitted by Ken Bertsch, the Executive Director of the Council of Institutional Investors, on December 28, 2016. For further emphasis, we are providing the following summary of our comments to the proposed amendments to the federal proxy rules:

Bona Fide Nominees and the Short Slate Rule

We support the proposed amendment to Rule 14a-4(d)(1) to change the requirement that a nominee consent to being named in "the" (specific) proxy statement to require that the nominee consent to being named in "a" (any) proxy statement for the next meeting at which directors are to be elected. This will facilitate the implementation of universal proxy cards by removing the requirement that director nominees provide specific consent to being named in the proxy card of an opposing party. If the Bona Fide Nominee Rule is amended as proposed and the Universal Proxy Requirement is adopted, the short slate rule can be eliminated. However, if the Universal Proxy Requirement is not adopted, the short slate rule should be made optional in order to allow a dissident to select the registrant nominees to round out its own short slate of nominees. We would not support a hybrid system in which the use of universal proxies in contested elections is mandatory for one party but optional for the other.

In a solicitation without a competing slate situation, dissidents should be permitted to include the names of some or all of the registrant's nominees on its proxy card even when the dissident is not nominating its own candidates. This would also allow shareholders to vote on both the nominees of the registrant as well as any proposals included by the dissident on the same proxy card.

Use of Universal Proxies

We support a mandatory use of universal proxies because it will allow shareholders to vote for the combination of director nominees of our choice. We agree that the Universal Proxy Requirement should apply to all companies including smaller reporting companies and/or emerging growth companies. However, the SEC should not mandate the use of a single universal proxy card as this may result in unnecessary disputes between registrants and dissidents.

To address the SEC's concern about possible confusion among shareholders, we would support requiring a statement by both parties that inclusion of the other party's nominees on the proxy card "is not an endorsement by the company of the shareholder proponent's view or nominees."

We support the requirement that a dissident provide notice of its intent to solicit 60 days in advance of a shareholder meeting. The proposed 60-day notice is appropriate in length and should not be tied to some other triggering event for filing the notice. Registrants that have a concern with the 60-day notice can impose a longer advance notice requirement in their bylaws.


We also support the proposed rule formatting requirements. Parties should be granted limited flexibility to modify the format of the card and should be required to list nominees alphabetically by last name. Proxy cards should specify clearly the maximum number of board candidates for which a shareholder may vote.

Additional Rule Revisions

We support the proposed amendment to require the form of proxy for a director election governed by a majority voting standard to include a means for shareholders to vote "against" each nominee and a means for shareholders to "abstain" from voting in lieu of providing a means to "withhold" voting option for contested elections subject to proposed Rule 14a-19. Amending this rule will help alleviate shareholder confusion with respect to the effects of whether a vote is cast or withheld under the various voting standards.

The universal proxy cards for all contested elections would guarantee that shareholders are able to choose from among all board nominees, regardless of whether they voted in person or by proxy. We appreciate the opportunity to comment and we would like to compliment the SEC staff for the time and effort put forth in drafting the proposed rule.

Sincerely,



Gregory W. Smith
Executive Director