

SECURITIES AND EXCHANGE COMMISSION

17 CFR PARTS 200, 232, 240, 249 and 274

[Release Nos. 33-9086; 34-61161; IC-29069; File No. S7-10-09]

RIN 3235-AK27

FACILITATING SHAREHOLDER DIRECTOR NOMINATIONS

AGENCY: Securities and Exchange Commission.

ACTION: Proposed rule; re-opening of comment period.

SUMMARY: In June 2009, the Securities and Exchange Commission proposed changes to the federal proxy rules in “Facilitating Shareholder Director Nominations,” Release Nos. 33-9046; 34-60089; IC-28765; File No. S7-10-09 (June 10, 2009), 74 FR 29024 (June 18, 2009) (the “Proposal”). The Commission is re-opening the comment period to permit interested persons to comment on additional data and related analyses that have been included in the public comment file.

DATES: January 19, 2010

ADDRESSES: Comments may be submitted by any of the following methods:

Electronic Comments:

- Use the Commission’s Internet comment form (<http://www.sec.gov/rules/proposed.shtml>); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number S7-10-09 on the subject line; or
- Use the Federal eRulemaking Portal (<http://www.regulations.gov>). Follow the instructions for submitting comments.

Paper Comments:

- Send paper comments in triplicate to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090.

All submissions should refer to File Number S7-10-09. This file number should be included on the subject line if e-mail is used. To help us process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (<http://www.sec.gov/rules/proposed.shtml>). These comments also are available for Web site viewing and copying in the Commission's Public Reference Room, 100 F Street, NE, Washington, DC 20549, between the hours of 10:00 am and 3:00 pm. All comments received will be posted without change; we do not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly.

FOR FURTHER INFORMATION CONTACT: Lillian Brown or Tamara Brightwell, Division of Corporation Finance, at (202) 551-3200, U.S. Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-4553.

SUPPLEMENTARY INFORMATION: In June 2009, the Commission proposed changes to the federal proxy rules that would require a company, under certain circumstances, to include in the company's proxy statement disclosure concerning a shareholder's, or group of shareholders', nominees for director and to include on the company proxy card the names of those nominees.¹ In addition, the proposed rules would require companies to include in their proxy materials, under certain circumstances, shareholder proposals that would amend, or that request an amendment to, a company's governing documents regarding nomination procedures or disclosures related to shareholder nominations, provided the shareholder proposal does not

¹ Facilitating Shareholder Director Nominations, Release Nos. 33-9046; 34-60089; IC-28765; File No. S7-10-09 (June 10, 2009) [74 FR 29024].

conflict with the Commission's disclosure rules, including the proposed new rules. The Commission also proposed changes to certain of our other rules and regulations, including the existing exemptions from the proxy rules and the beneficial ownership reporting requirements. The Proposal was published for comment in the Federal Register on June 18, 2009, and the initial comment period closed on August 17, 2009.

In connection with the Proposal, a variety of data and related analyses have been submitted and included in the public comment file,² including data and related analysis by Commission staff. A portion of that data and the related analyses were submitted or added to the public comment file at or after the close of the initial comment period. The Commission is re-opening the comment period to allow interested persons to comment on the additional data and analyses in the public comment file, including the following materials:

- Report on Effects of Proposed SEC Rule 14a-11 on Efficiency, Competitiveness and Capital Formation, in Support of Comments by Business Roundtable, NERA Economic Consulting (submitted on August 17, 2009 by the Business Roundtable);
- Why Did Some Banks Perform Better During the Credit Crisis? A Cross-Country Study of the Impact of Governance and Regulation, Andrea Beltratti and Rene M. Stulz (submitted on September 11, 2009 by the Business Roundtable);
- The Limits of Private Ordering: Restrictions on Shareholders' Ability to Initiate Governance Change and Distortions of the Shareholder Voting Process, The Corporate Library (submitted on November 18, 2009 by the Shareowner Education Network and the Council of Institutional Investors); and

² See Comment File No. S7-10-09, available at <http://www.sec.gov/comments/s7-10-09/s71009.shtml>.

- Supplemental analysis of share ownership and holding period patterns from Form 13F data by the Commission's Division of Risk, Strategy, and Financial Innovation, dated November 24, 2009.

The Commission is re-opening the comment period for the Proposal with regard to the additional data and related analyses for thirty days from the date of publication of this release in the Federal Register.

By the Commission.

Florence E. Harmon
Deputy Secretary

Date: December 14, 2009