

Jack Ehnes  
Chief Executive Officer

# CALSTRS

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November 16, 2007

The Honorable Christopher Cox  
Chairman  
Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549

Re: Shareholder Proposals (File Number: S7-16-07) and Shareholder Proposals Relating to the Election of Directors (File Number: S7-17-07)

Dear Mr. Chairman:

This letter is sent on behalf of the California State Teachers' Retirement System (CalSTRS). CalSTRS has had several exchanges with the SEC on the issue of shareholder access to the companies' proxy statements. CalSTRS submitted a fairly lengthy comment letter on file numbers S7-16-07 and S7-17-07 in early October. While CalSTRS was not at the recent meeting of the U. S. Senate Committee on Banking, Housing, and Urban Affairs, we did follow the witness testimony of the presenters quite closely. In reviewing your November 14 comments before this Committee, I must reiterate our firmly held position that this rush to overturn the reasoning of the *AFSCME v. AIG* case is a disservice to the issue and the investors as well. I say overturn because, at this moment, shareholders have the right to file proxy access proposals on management designed, but certainly shareholder funded, corporate ballots.

Your testimony clearly indicates that you are moving so quickly on this important matter in order to have a salutary effect on the markets and clear up the 'uncertainty' that exists regarding the operation of the proxy access rule. This 'uncertainty' that you perceive does not exist. The AIG case removed any confusion over the operation of this rule, and we believe that there is no need for hasty action. Investors do not have the concerns that you have regarding the lack of disclosure of the shareholders who might file these proposals and the letters received by the SEC make that clear. The companies that have received these proposals do not have these concerns either; otherwise, they would surely have included them in challenges to the proposals.

Since you see the wisdom of waiting for the long-term permanent solution until the Commission is restored to its full complement of members, we can see no reason for applying a patch that has a very good chance of being overturned when the interim structure is replaced

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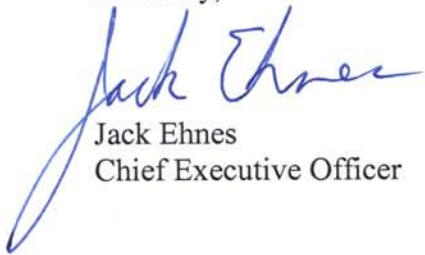
November 16, 2007

Page Two

by the true business order. If upon reflection, when the Commission has done even further study, you allow that the interim fix will likely prove no fix at all, why waste the resources of the market and the agency by enacting this unsatisfactory measure?

We urge you to leave this matter as it is now, and allow the companies and investors to sort this matter out alone, until the Commission is properly constituted and motivated.

Sincerely,

A handwritten signature in blue ink that reads "Jack Ehnes". The signature is written in a cursive style with a large, sweeping initial "J".

Jack Ehnes  
Chief Executive Officer