

11435 Monterrey Drive
Silver Spring, MD 20902
April 6, 1993

Senator Paul S. Sarbanes
U.S. Senate Office Building
Washington, D.C. 20510

Dear Mr. Sarbanes

Rule 17 CFR Section 240.14a-8 (C)(2) requires that a stockholder or his proxy be present at a corporation meeting to present a proposal. In the ordinary course of business, a stockholder mails in his proposal and it is printed in the Notice of Meeting and voted on by the stockholders. However, unless the stockholder is present at the meeting, it will have no effect. In fact, the stockholder will be barred from bringing up the same proposal for two years.

As is apparent, this rule acts to the disadvantage of stockholders and places an unreasonable burden on small stockholders. This rule, in most cases, functions to bar action by stockholders and enhances the already great power of the Board of Directors and senior executives of a corporation to fully control and run a business for their own benefit and to the detriment of the stockholders.

The Rule should be changed to omit the requirement that the proposal be presented in person. Since the proposal and the arguments FOR and AGAINST have been presented to stockholders in the Notice of Meeting, and since 70 to 90% of the stockholders mail in their vote on the issue by proxy, nothing is gained by requiring that the proposal be presented in person at the meeting. In fact, the business at the meeting is conducted by mail and meetings are mere formalities attended by a small percentage of the stockholders.

Corporations hold their meetings in many parts of the United States, and a small shareholder cannot justify the expense and time it would take to attend. The requirement that the maker of the proposal be present at the meeting takes away from the rights of all shareholders to vote on the issue presented in the proposal. Further, many companies hold their meetings on the same day. Of four companies which have set meetings which would take up a proposal I presented, three are meeting on April 28th and the fourth on April 26th. The sites of the meetings range as far away as California. You can see that this is another reason for changing the Rule as to attendance. At least, the Secretary of the company should be required to represent the shareholder and bring his proposal up for a vote at the meeting.

Please use your influence to bring about this needed change by the Securities and Exchange Commission.

Sincerely,

Murray Katz (301) 949-3878