



May 26, 2011

Assemblymember Jared Huffman  
6th Assembly District  
State Capitol, Room 3120  
Sacramento, CA 95814

Dear Assemblymember Jared Huffman,

As Founder and CEO of the Alliance of Chief Executives, headquartered in Walnut Creek, California, we are writing to express our support for the Benefit Corporation Bill AB 361. A Benefit Corporation is a new corporate entity offering entrepreneurs and investors the option to build and invest in businesses that meet higher standards of corporate purpose, accountability, and transparency.

In a traditional corporation, fiduciary duty focuses on increasing shareholder profits. In the case of Benefit Corporations, fiduciary duty is redefined by stating that the creation of public benefit is in the best interests of the Benefit Corporation. This allows corporate officers to define other goals beyond just making a profit and then gives investors the power to require those officers to make decisions that reflect those goals, even when they lower profitability.

Our organization of over 250 CEO members believes Benefit Corporations will bring considerable social and environmental improvements to our State. We believe the Benefit Corporation Bill will also bring significant investment into the economy of the state as well. A "new economy" is blossoming across the country made up of businesses that are finding ways to do well while helping our environment and society at large. States that welcome these new businesses will be poised for growth. Please don't let our state be left behind.

We appreciate your support for this important legislation. Feel free to contact us if there is anything else that we can do to support this effort.

Sincerely,

A handwritten signature in cursive script that reads "Paul".

Paul Witkay  
Founder & CEO

PW/lm

cc: Aaron Leventhal  
CEO, Hero Arts

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