



We are delighted to welcome John Thain to the New York Stock Exchange. He brings with him integrity, intelligence, and extensive knowledge of the financial markets, which will serve the Exchange well in John's new role as our CEO.

John joins a newly reconstituted board of directors under our new governance structure, which the Securities & Exchange Commission approved last month and is outlined on pages 38-42. Input from a broad range of constituents shaped the changes. The dialogue was constructive and healthy, essential in developing such significant initiatives.

Our board is now fully independent of the NYSE's owners, customers and the market professionals we regulate. This new independent board, along with a commitment to corporate transparency and an independent and vigilant regulatory program, will help make the NYSE more accountable to our stakeholders — listed companies, members, member firms and especially the 85 million individuals who invest through our market.

The Board also appointed Richard Ketchum to the newly created role of Chief Regulatory Officer, reporting to the Board Regulatory Oversight & Regulatory Budget Committee, whose members are Chairman Marshall Carter, Dr. Shirley Jackson and Dennis Weatherstone. In Rick we have found the outstanding leader for the NYSE Regulation function. In addition to his integrity, intelligence, managerial experience and unparalleled understanding of securities markets, we welcome his commitment to a regulatory environment that assures confidence in those markets by all participants.

The board will also appoint a Chairman to succeed me. I am hoping we will make progress on this front in the next few weeks.

These changes allow the Exchange's own governance standards to meet, and indeed surpass, the standards to which our listed companies — many featured in this issue — must adhere. The NYSE must also be deeply engaged with listed companies, buy- and sell-side firms, member owners, investors and all other constituents through substantive, focused interaction. Our new Board of Executives, introduced on page 40, will host and foster discussion on market structure, operations and performance issues that involve all market participants. This vital advisory role will help drive our appropriate evolution.

While our governance has changed, our promise to our customers has not. Listed companies and their shareholders can be certain that the NYSE will provide the highest quality market; broker dealers know they will find unparalleled liquidity and the ability to trade with speed, certainty and the lowest overall execution costs; and investors can be confident they will get the best price.

The Exchange is moving forward as a stronger, more open and more responsive market. We are grateful for your continued support throughout this process.

Sincerely,

John S. Reed  
Interim Chairman