



As you know, I received quite a surprising call to join the NYSE. I was happily retired, spending my time between the U.S. and a small home on the Ile de Ré in France. I have been doing some teaching and working with foundations and others on K-12 education. I had even been doing some writing. I accepted the proposal to become Interim Chairman because I have great respect for the NYSE and understand its importance at the center of our (and the world's) capital markets and understand the problem we are dealing with.

My priorities are clear. One, we must understand what happened. (It is difficult to consider remedies without understanding the problem). Two, we must reconstitute the Board and our governance processes. The objective being to correct any past issues but, equally important, to put in place a structure and processes that will serve us well in the years ahead. We face any number of challenges, and the management, governance structure and the Board will be crucial to our continued success. Third, we must appoint a permanent Chairman and CEO. While I feel most welcomed in my current job as "interim" this is not good for the NYSE, and we should move with all deliberate speed to name my replacement.

I hope to go to the membership with our proposals for governance at about the time this publication goes to press and to have a vote in mid-November.

In the meantime it is business as usual; we must do our job. It is also business that *is not* usual. We must respond to those who have taken this opportunity to raise issues as to our role and value. This requires solid, thoughtful answers from us. The key challenge is to be outstanding at what we do both on the Exchange floor and as a regulator, and to embrace an evolutionary pathway that responds to new demands while keeping our franchise and central role with the investing public intact.

Challenges such as these are normal. Some of the companies highlighted in these pages are no strangers to change. Neither are we. Enjoy this issue of *nyse magazine*. I will be keeping you informed.

Sincerely,

John S. Reed
Interim Chairman and CEO