

John S. Reed
Chairman and CEO

New York Stock Exchange, Inc.
11 Wall Street
New York, NY 10005



September 29, 2003

Ms. Roberta Karmel
Brooklyn Law School
250 Joralemon Street
Brooklyn, NY 11201

Dear Roberta:

On Sunday, September 21st, I accepted the position of Interim Chairman and CEO of the New York Stock Exchange. I was honored to be asked. I said "yes" because I have great respect for the institution and because I fully understand its importance at the center of the global capital markets and – psychologically – as a symbol of the private sector.

Our priorities are clear:

- To re-establish trust and confidence in the NYSE and its governing practices;
- To ensure that we continue to serve our many constituencies well.

To do this, we will:

- Embrace and make appropriately transparent new governance procedures (a lot of work has already been done on this);
- Install a permanent senior management.

I hope that we will move forward quickly – but those changes must be done well. In the meantime, it is important that you know what we are doing – so this is just the first of what I am sure will be a few letters.

The NYSE is a great organization and its people are doing a great job under difficult circumstances. I appreciate your support and will welcome any comments.

Sincerely,

A handwritten signature in black ink, appearing to read "John S. Reed". The signature is written in a cursive, flowing style.