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James E. Buck  
Senior Vice President  
and Secretary

**NYSE**

New York  
Stock Exchange, Inc.

October 30, 1989

Richard G. Ketchum, Esq.  
Director  
Division of Market Regulation  
Securities and Exchange Commission  
450 Fifth Street, N.W.  
Washington, D.C. 20549

Re: SR-NYSE-89-16

Dear Mr. Ketchum:

This letter is in response to a question concerning File No. SR-NYSE-89-16 which proposed amendments to the Exchange's voting rights listing standards to, primarily, establish Rule 19c-4 under the Securities Exchange Act of 1934 as the foundation of the Exchange's voting rights standard. The question concerned the reason for apparently deleting certain existing minimum voting rights for preferred stock. The specific text consisted of the last three paragraphs on page 19 and the four paragraphs on page 20 of Exhibit A to the filing.

Be advised that we will not, at this time, delete from the New York Stock Exchange Listed Company Manual the text of these paragraphs which addresses voting rights of preferred stock with respect to the "Increase in Authorized Amount or Creation of a Pari Passu Issue, Creation of a Senior Issue or Alteration of Existing Provisions."

However, we are continuing to consider what role, if any, the Exchange ought to have with respect to such rights. The issue is important since Rule 19c-4 would allow such voting rights, such voting rights are generally felt to be an appropriate subject for state regulation and there is no certainty that such voting rights will be equally administered by the other SROs in this post-Rule 19c-4 corporate governance environment.

I hope this information responds to the issue. If you have further questions, please do not hesitate to contact me.

Sincerely,

