

Mary Yeager
Assistant Secretary



New York Stock Exchange LLC
11 Wall Street
New York, NY 10005

tel: 212.656.2062
fax: 212.656.3939
myeager@nyse.com

February 7, 2007

Via email to rule-comments@sec.gov

Ms. Katherine A. England
Assistant Director
Division of Market Regulation
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: Response to Comment to File Number SR-NYSE-2006-45 – Relating to Mediation

Dear Ms. England:

The New York Stock Exchange LLC (“NYSE” or the “Exchange”) hereby submits its response to a public comment letter received by the Securities and Exchange Commission (“SEC” or the “Commission”) after the publication of File Number SR-NYSE-2006-45 in the Federal Register on December 21, 2006, and the Exchange’s subsequent submission of Amendment No. 1 to the filing on January 10, 2007.¹

The SEC received one comment letter,² objecting to the provision in proposed Rule 638 which prohibits a mediator from acting as an arbitrator in a matter that was unsuccessfully mediated. As this provision is substantively the same as in the current rule, and has not been amended in the proposed rule changes, the Exchange believes that the suggested amendment is beyond the scope of the filing and is not making further amendments to its proposal.

Background

Rule 638 provides for mediation both before and after an arbitration claim has been filed. The proposed amendments remove references relating to an expired mediation pilot program, and codify existing mediation procedures. The procedures being codified include that: (1) the Director of Arbitration sends a list of proposed mediators to any party upon

¹ Exchange Act Release No. 34-54917 (June 22, 2006), 71FR76714 (December 21, 2006) (SR-NYSE-2006-45).

² See Letter from Stephen A. Hochman, Attorney-at-Law, to Nancy Morris, dated January 16, 2007.

Ms. Katherine A. England
February 7, 2007
Page 2

request; (2) the mediator's fees and method of payment are the parties' responsibility; (3) an adjournment fee will be assessed if an arbitration hearing is adjourned for purposes of the parties pursuing mediation; (4) a mediator may not represent a party, nor serve as an arbitrator in any subsequent related arbitration; and, (5) mediation proceedings are confidential.

Please contact Karen Kupersmith at 212-656-4865 if you have any further questions concerning the above.

Very truly yours,

A handwritten signature in black ink, appearing to read "Mary Yeager", with a long horizontal flourish extending to the right.

Mary Yeager
Assistant Secretary