March 27, 2009

American Express Company
Office of the Corporate Secretary
3 WFC, American Express Tower
200 Vesey Street, Mail Drop: 01-50-01
New York, NY 10285

Elizabeth M. Murphy
Secretary
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549
Via e-mail: rule-comments@sec.gov

Proposed Amendment to New York Stock Exchange Rule 452 (Release No. 34-59464; File No. SR-NYSE-2006-92)

Dear Ms. Murphy:

On behalf of American Express Company, I am writing to comment on the proposal by the New York stock Exchange ("NYSE") to amend NYSE Rule 452 to eliminate broker discretionary voting in the election of directors.

We oppose the amendment because we believe that it will have significant consequences for issuers and shareholders that have not been adequately addressed.

A survey by the NYSE Proxy Working Group attached to its 2006 Report and Recommendations to the New York Stock Exchange indicates that many retail voters do not vote because they think their broker will vote on their behalf, which is a correct assumption under the present Rule 452 and the proxy disclosure practices of issuers. These shareholders currently believe that their uninstructed shares are being voted and count. Changing the rule would disenfranchise these voters contrary to their expectations. Even if they do become aware of the rule change, many will continue to act as they always have out of habit or inertia, with the serious consequence that retail participation in director elections in the U.S. will decline significantly.

The major complaint of the critics of Rule 452 when the NYSE Proxy Working Group considered amending Rule 452 in 2005 and 2006 was that the brokers were uncritically voting 100% of their client's uninstructed shares in favor of management. Since that time, many large brokerage firms have stopped this practice and have adopted and publicized the practice of voting their retail uninstructed shares in the same proportion as they actually receive instructions from their retail clients who did return voter instruction forms.

Many consider this type of proportional voting as a "win-win", with smaller companies achieving their quorums and brokers exercising their voting discretion in a statistically sound manner that is an accurate reflection of the views of retail shareholders. The broker discretionary vote exercised in this manner does represent and accurately reflect retail shareholder sentiment. While it is not perfect, we believe this practice generally works to assure representation of smaller shareholders.

While many companies with significant institutional ownership may not be greatly affected by a change in Rule 452, removing the broker vote for the thousands of newer and smaller companies that have high percentages of retail ownership will create significant difficulties for those companies in conducting their shareholder meetings in this environment of low retail voting activity. It will likely increase the costs of uncontested elections as these companies will have to spend more money and effort to reach retail holders to urge them to vote and it will shift disproportionate weight to institutional investors or special interest groups who may have their own agendas.

In my view, the current U.S. proxy voting system is the most efficient and well-functioning system of its kind. We believe that the SEC should take a balanced and comprehensive approach to the proxy voting process and should not change Rule 452 without also examining measures that will preserve the voice of the retail investor. These measures include the type of proportional voting discussed above and client-directed voting.

By way of analogy, the current U.S. proxy voting system is rather like a Calder mobile, with a number of separate parts hanging together in an admirable equilibrium. To alter a single piece, without regard to the other pieces, will likely throw the whole construct off kilter.

Sincerely,

Stephen P. Norman
Secretary