

charles SCHWAB

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March 27, 2009

Via e-mail: rule-comments@sec.gov

Ms. Elizabeth M. Murphy
Secretary
Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549

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

Dear Ms. Murphy:

This comment letter responds to the New York Stock Exchange (“NYSE”) proposal to amend NYSE Rule 452 to eliminate broker discretionary voting in uncontested director elections. The Charles Schwab Corporation is a publicly traded company and provides retail brokerage services to individual investors through its broker-dealer subsidiary, Charles Schwab & Co., Inc. (“Schwab”).

Schwab adopted a proportional voting policy with respect to its clients’ unvoted shares on routine matters, which we believe is a proxy for the underlying retail vote. It is important that retail investors are represented in the proxy voting system: they have a direct economic interest in companies whose shares they own, and those interests should not be given lesser importance than larger shareholders (who may have a greater economic incentive to vote) or institutional shareholders (who have a fiduciary duty to their investors to vote). It is essential to the securities markets to have a system that is transparent and perceived to be fair to all investors. We believe that proportional voting helps achieve that objective.

In addition, discretionary broker voting helps achieve a quorum in annual meetings with uncontested elections for directors, thereby reducing costs to issuers. Issuers frequently do not achieve a quorum until ten days before the annual meeting, when discretionary broker votes are recorded. Although it may be possible to achieve a quorum relying on institutional votes, many institutions vote shortly before the meeting. In light of this uncertainty, we believe that most issuers would have to hire third-party proxy solicitors and conduct additional mailings simply to achieve a quorum in otherwise

routine meetings.

In light of these factors, we believe that proportional voting is a better first step in achieving fairness, transparency and balance in the proxy voting system than eliminating discretionary voting for uncontested director elections altogether. We appreciate the opportunity to provide input on this proposal and would be happy to discuss these comments in further detail.

Sincerely,

A handwritten signature in black ink, reading "R. Scott McMillen". The signature is written in a cursive style with a large, stylized "R" and "M".

R. Scott McMillen
Vice President and Associate General Counsel
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