From Lipari Partners Inc.
Sent December 5, 2006
To: rule-comments@sec.gov
Subject: File No. SR-NYSE-2006-98

Comments on SR-NYSE 2006-98

In the NYSE Group's January 4, 2006 News Release, CEO John Thain was quoted "Our goal was to create a fair, equitable and transparent system that would reflect the value of the license…" Later in the same News Release The NYSE Group states "The Exchange expects to generate over $60 million in new revenue on an annualized basis from the sale of trading licensees…" We feel that these two statements preclude The NYSE Group from setting a fair one-price-fits-all model.

Our seven employee firm has a combined total of over 100 years of trading experience on the trading floor of The New York Stock Exchange and has paid privately negotiated lease prices ranging from $60,000 per year to $348,000 per year. These prices were in direct relation to the supply of available memberships and prevailing market conditions.

The $42,290 per year price of the early 2006 trading license auction represented the minimum bid which was a 20% discount from the privately negotiated lease prices in effect at the end of 2005. We feel that the fairest pricing for another modified Dutch auction be above and below this years license price of $42,290 with a minimum and maximum appropriately priced.

Price discovery is what we do all day on the floor of the New York Stock Exchange, why abandon this process when it comes to pricing for our trading licenses?

Regards,

Frank Lipari
President

Andrew W. Strobel
Chief Compliance Officer