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PACE INVESTOR RIGHTS PROJECT

Director

BARBARA BLACK
914-422-4236
BBBLACK@LAW.PACE.EDU

78 NORTH BROADWAY
WHITE PLAINS, NY 10603
FAX: 914-422-4391

DIRECTOR

JILL I. GROSS
914-422-4061
JGROSS@LAW.PACE.EDU

Staff Attorney

ALICE OSHINS
914-861-9105
AHOSHINS@AOL.COM

October 2, 2003

Secretary, Securities and Exchange Commission
450 Fifth Street, NW.
Washington, DC 20549-0609

Re: File No. SR-NYSE-2002-36

To Whom It May Concern:

We are writing in response to the Commission's solicitation of comments to the Notice of Filing of Amendment Nos. 2 and 3 to Proposed Rule Change by the New York Stock Exchange, Inc. to Adopt Amendments To Exchange Rules 342 (Offices-Approval, Supervision and Control) and its interpretation, Rule 401("Business Conduct"), Rule 408("Discretionary Power in Customers' Accounts") and Rule 410 ("Records of Orders"). We are commenting on behalf of the Pace Investor Rights Project whose mission includes advocacy for investor justice. We generally support the approval of these amendments because the establishment, maintenance, and testing of internal controls required by these amendments should serve to enhance investor protection.

These amendments focus on procedures that should help ensure fair practice and dealing in member operations. We agree that they are in compliance with Section 6(b)(5) of the Exchange Act because they do in fact promote just and equitable principles of trade and generally protect investors and the public interest. For example, amendments to Rule 342 should provide for additional protection against managers abusing their authority and power. Similarly, amendments to rule 410 are vital to investor protection; accuracy in order information and execution ensures that the investors' intentions are properly recorded and executed.

We applaud the amendments to Rule 401 requiring documentation of the transfer of client funds and change of client information, as well as the required client confirmation of these

transactions. We believe keeping investors informed is an effective means of protecting their interest. For this reason, we make the following comment:

- We agree with the objective of proposed Amendment to 2510(d)(1), requiring discretionary power to expire at the end of the business day. Enforcement of the rule, however, would be improved if firms were required to notify their clients of its requirements. Creating a means of communicating this rule to clients creates an additional safeguard against potential abuse since clients will be aware of the expiration and can check the behavior of member associates.

Thank you for consideration of these comments. Please do not hesitate to contact us if you would like to discuss these issues further.

Sincerely yours,

Barbara Black
Barbara Black, Director

Jill Gross
Jill I. Gross, Director

Jessica Longobardi
Jessica Longobardi, Student Intern