

## NYSE

The New York Stock Exchange traces its origins to a founding agreement in 1792. The NYSE registered as a national securities exchange with the U.S. Securities and Exchange Commission on October 1, 1934. The Governing Committee was the primary governing body until 1938, at which time The Exchange hired its first paid president and created a thirty-three member Board of Governors. The Board included Exchange members, non-member partners from both New York and out-of-town firms, as well as public representatives.

On December 17, 2003, the Securities and Exchange Commission approved the amended and restated NYSE Constitution. The amendments had also been approved by the NYSE members on November 18, 2003. The changes to the Constitution created a new governance architecture, increasing transparency, the independence of its Board and strengthening the integrity of the NYSE self-regulatory function.

The dual board architecture creates a Board of Directors (“BoD”) comprised of independent directors and a Board of Executives (“BoE”), comprised of approximately 20 constituent representatives: public pension funds, institutional investors, listed companies, individual investors, broker-dealers, the Trading Floor and lessor members. The BoE will engage with NYSE senior management and the BoD in an ongoing review of NYSE performance, membership issues, listed company issues, and public issues relating to overall market structure. The Exchange believes that its new architecture empowers the BoD with the independence to address issues objectively and the constituent input to address them intelligently.

Another key component in the new governance architecture relates to the NYSE’s role as self-regulator. The Chief Regulatory Officer reports directly to the independent BoD committee, Regulatory Oversight & Regulatory Budget Committee. This functional separation of NYSE Regulation from the Exchange business will ensure independence while retaining sufficient proximity to the marketplace to assure the market sensitivity that the Exchange believes is

fundamental to effective regulation of the capital markets.

The trading floor is where all NYSE transactions occur. It is a 36,000 square foot facility designed specifically to ensure the accuracy and speed of the NYSE market. Here, market professionals, supported by advanced technology, represent the orders of buyers and sellers to determine prices according to the laws of supply and demand.

But the trading floor is more than just a physical space. It is a world unto itself, made up of its people, its unique lingo and its world-renowned technology. Meet the people who work on the trading floor. See how they interact. Learn their language. And witness the technology that makes the trading floor work.

The colored jackets help identify people on the trading floor. For members, such jackets are optional. Member firms may outfit their members and assistants in one color of jacket to distinguish themselves from other firms and to help create unity within the firm. Among NYSE employees on the floor, dark blue jackets represent reporters who record trades, light blue jackets represent messengers, and green jackets represent managers.

## ↔ 2.2 VOCABULARY NOTES AND COMMENTARIES

**exchange** біржа

*The Exchange, the Big Board, The NYSE* Нью-йоркська фондова біржа

*exchange distribution* біржове розміщення

*exchange gain/loss* дохід від курсової різниці / збитки від курсової різниці

**member firm** фірма-член біржі

**Securities & Exchange Commission (SEC)** Комісія з цінних паперів і бірж

**listed company** компанія, що котирується; компанія, зареєстрована на біржі

**listing** лістинг; котирування; реєстрація нових випусків (цінних паперів) на біржі

**trade** угода

*trading crowd* дилери, які цікавляться певними цінними паперами

*trading floor* операційний зал біржі

*trading pattern* довгострокова тенденція руху цін

*trading posts* торговий пост