



NEWS RELEASE

CALIFORNIA STATE TREASURER PHIL ANGELIDES

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TREASURER ANGELIDES COMMENTS ON RECOMMENDATIONS RELEASED TODAY BY INTERIM NYSE CHAIRMAN JOHN REED

SACRAMENTO, CA – California State Treasurer Phil Angelides had the following comments today on the release of New York Stock Exchange (NYSE) Interim Chairman John Reed’s report and recommendations related to the NYSE’s corporate governance:

“Restoring the health of the NYSE will require a more potent prescription for reform than the proposal laid out today. While Mr. Reed has taken significant steps in improving the transparency of the NYSE, there is much more work that needs to be done if the NYSE ever is to regain the faith and confidence of investors and pensioners in the integrity of the Exchange.

“Among other things, there must be greater assurances of a truly independent board – not just today but over time – with strong representation of investors and a separation of the chair and CEO positions. There needs to be a more explicit separation of the regulatory and business functions of the Exchange, to assure that regulatory and enforcement actions will be pursued without conflict or reservation.”

“The challenges ahead to restore investor confidence are imposing, given the recent shocks to our financial system – from the revelations of Richard Grasso’s compensation to the burgeoning scandal in the mutual fund industry. In this light, I hope today’s proposal is the beginning and not the end of change at the NYSE.”