

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of \* 23

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549  
Form 19b-4

File No. \* SR 2024 - \* 60

Amendment No. (req. for Amendments \*)

Filing by New York Stock Exchange LLC

Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial * <input checked="" type="checkbox"/>	Amendment * <input type="checkbox"/>	Withdrawal <input type="checkbox"/>	Section 19(b)(2) * <input type="checkbox"/>	Section 19(b)(3)(A) * <input checked="" type="checkbox"/>	Section 19(b)(3)(B) * <input type="checkbox"/>
--	---	--	--	--	---

Pilot <input type="checkbox"/>	Extension of Time Period for Commission Action * <input type="checkbox"/>	Date Expires * <input type="text"/>	Rule		
			<input type="checkbox"/> 19b-4(f)(1)	<input type="checkbox"/> 19b-4(f)(4)	
			<input type="checkbox"/> 19b-4(f)(2)	<input type="checkbox"/> 19b-4(f)(5)	
			<input type="checkbox"/> 19b-4(f)(3)	<input checked="" type="checkbox"/> 19b-4(f)(6)	

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010  
Section 806(e)(1) \*

Section 806(e)(2) \*

Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934  
Section 3C(b)(2) \*

Exhibit 2 Sent As Paper Document

Exhibit 3 Sent As Paper Document

### Description

Provide a brief description of the action (limit 250 characters, required when Initial is checked \*).

Proposal to amend Rules 3170, 9120, 9522, 9523, and 9524

### Contact Information

Provide the name, telephone number, and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the action.

First Name \* David Last Name \* De Gregorio  
Title \* Associate General Counsel, NYSE Group Inc.  
E-mail \* David.DeGregorio@ice.com  
Telephone \* (212) 656-4166 Fax (212) 656-8101

### Signature

Pursuant to the requirements of the Securities Exchange of 1934, New York Stock Exchange LLC has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

Date 09/17/2024 (Title \*)  
By Patrick Troy Associate General Counsel  
(Name \*)

NOTE: Clicking the signature block at right will initiate digitally signing the form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.

Patrick Troy Digitally signed by Patrick Troy  
Date: 2024.09.17 15:38:44 -04'00'

Required fields are shown with yellow backgrounds and astericks.

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EDFS website.

**Form 19b-4 Information \***

Add Remove View

19b-4 of NYSE Clarification (7-31-24).

The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

**Exhibit 1 - Notice of Proposed Rule Change \***

Add Remove View

Ex. 1 NYSE Clarification .docx

The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

**Exhibit 1A - Notice of Proposed Rule Change, Security-Based Swap Submission, or Advanced Notice by Clearing Agencies \***

Add Remove View

The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

**Exhibit 2- Notices, Written Comments, Transcripts, Other Communications**

Add Remove View

Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

Exhibit Sent As Paper Document

**Exhibit 3 - Form, Report, or Questionnaire**

Add Remove View

Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

Exhibit Sent As Paper Document

**Exhibit 4 - Marked Copies**

Add Remove View

The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

**Exhibit 5 - Proposed Rule Text**

Add Remove View

Ex. 5 of SEC Sub NYSE Clarification (

The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change

**Partial Amendment**

Add Remove View

If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

1. Text of the Proposed Rule Change

- (a) Pursuant to the provisions of Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”)<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> New York Stock Exchange LLC (“NYSE” or the “Exchange”) proposes to amend certain rules to replace “Department of Member Regulation” and “Member Regulation” with “Exchange” and make related changes.

A notice of the proposed rule change for publication in the Federal Register is attached hereto as Exhibit 1, and the text of the proposed rule change is attached as Exhibit 5.

- (b) The Exchange does not believe that the proposed rule change will have any direct effect, or significant indirect effect, on the application of any other Exchange rule in effect at the time of this filing.
- (c) Not applicable.

2. Procedures of the Self-Regulatory Organization

Senior management has approved the proposed rule change pursuant to authority delegated to it by the Board of the Exchange. No further action is required under the Exchange’s governing documents. Therefore, the Exchange’s internal procedures with respect to the proposed rule change are complete.

The person on the Exchange Staff prepared to respond to questions and comments on the proposed rule change is:

David De Gregorio  
Associate General Counsel  
NYSE Group, Inc.  
(212) 656-4166

3. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

- (a) Purpose

The Exchange proposes to proposes to amend certain rules to replace “Department of Member Regulation” and “Member Regulation” with “Exchange” and make related changes. Specifically, the Exchange would amend Rule 3170 (Tape Recording of Registered Persons by Certain Firms) and the following rules from the Rule 9000 Series (Code of Procedure): Rule 9120 (Definitions); Rule 9522 (Initiation of Eligibility Proceeding; Member Regulation Consideration); Rule 9523 (Acceptance of Member

---

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

Regulation Recommendations and Supervisory Plans by Consent Pursuant to SEA Rule 19h-1); and Rule 9524 (Exchange Board of Directors Consideration).

### Background

Rule 3170 governs the tape recording of registered persons by certain firms and requires certain notifications to be made to the Exchange's Department of Member Regulation.

Rule 9120(j) defines "Department of Member Regulation" to mean the Department of Member Regulation of the Financial Industry Regulatory Authority ("FINRA") for purposes of the Exchange's disciplinary rules set forth in the Rule 8000 and Rule 9000 Series.

The Rule 9520 Series governs eligibility proceedings for persons subject to statutory disqualifications.

Rule 9522 governs the initiation of an eligibility proceeding by the Exchange and the member organization's obligation to file an application to initiate an eligibility proceeding if it has been subject to certain disqualifications. Further, the rule provides that Member Regulation could approve a written request for relief from the eligibility requirements under certain circumstances.

Rule 9523 allows Member Regulation to recommend a supervisory plan to which the disqualified member organization, sponsoring member organization, and/or disqualified person, as the case may be, may consent and by doing so, waive the right to hearing or appeal if the plan is accepted and the right to claim bias or prejudice, or prohibited ex parte communications.

Rule 9524 governs requests for review by the Exchange Board of Directors of a decision to reject a supervisory plan under Rule 9523.

Finally, Rule 0 provides, among other things, that Exchange Rules that refer to Exchange staff or Exchange departments should be understood as also referring to FINRA staff and FINRA departments acting on behalf of the Exchange pursuant to the Regulatory Services Agreement ("RSA") in existence between the Exchange and FINRA, as applicable.

### Proposed Rule Change

The Exchange proposes to replace all references to "Department of Member Regulation" and "Member Regulation" in Rules 3170, 9522, 9523 and 9524 with "Exchange" or "the Exchange." Consistent with Rule 0, references to the Exchange encompass FINRA staff and departments acting on the Exchange's behalf pursuant to the RSA. The proposed change would simplify the Exchange's rules by eliminating specific references that could

change over time, thereby eliminating the need for additional rule changes in the future.<sup>3</sup> The proposed change is also consistent with the rules of other exchanges that have adopted FINRA’s disciplinary rules and have omitted specific references to FINRA departments in their Rule 9520 Series.<sup>4</sup> Moreover, the proposed change would correct the reference in Rule 3170 since the Exchange does not have a Department of Member Regulation. The Exchange would also delete Rule 9120(i) consisting of the word “Reserved,” as well as Rule 9120(j) defining Department of Member Regulation for purposes of the Exchange’s disciplinary rules as unnecessary. The remaining definitions would be renumbered.

In addition, the Exchange proposes to delete references to “Department of Member Regulation” in subsections (a)(1)(B), (a)(3), and (a)(4)(b)(1)(B) of Rule 9523 without inserting a reference to the Exchange where the deletion will clarify that the Exchange is intended. Further, in Rule 9524(b), the Exchange would delete the reference to “CRO” (Chief Regulatory Officer) as redundant. The Exchange would also delete the last sentence of Rule 9524(a) stating that the Exchange Secretary will provide notice of a request to review a decision to reject a supervisory plan under Rule 9523 to the CRO and Department of Member Regulation as redundant.

Finally, the Exchange proposes to clarify a representation in its 2013 filing adopting the FINRA disciplinary rules. In that filing, the Exchange represented that the proposed Rule 9520 Series would govern eligibility proceedings for persons subject to statutory disqualifications that are not FINRA members.<sup>5</sup> At the time, there were several member organizations that were not FINRA members. Today, only a single member organization is also not a FINRA member. In light of this fact, and for the avoidance of doubt, the Exchange represents that the Rule 9520 Series governs eligibility proceedings for all Exchange member organizations.

(b) Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b)(5) of the Act,<sup>6</sup> in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system and, in general, to protect investors and the public interest.

<sup>3</sup> See, e.g., Securities Exchange Act Release No. 98874 (November 7, 2023), 88 FR 78071 (November 14, 2023) (SR-NYSE-2023-39) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend Rules 9521 and 9522 To Correct Obsolete References to a FINRA Department). The current rule filing was made to avoid having Exchange rules contain similar outdated or incorrect references and avoid similar future rule filings.

<sup>4</sup> See, e.g., Investor Exchange Rule Series 9.520 (Eligibility Proceedings).

<sup>5</sup> See Securities Exchange Act Release Nos. 68678 (January 16, 2013), 78 FR 5213, 5230 (January 24, 2013) (SR-NYSE-2013-02) (Notice) (“Release No. 68678”); 69045 (March 5, 2013), 78 FR 15394, 15399 (March 11, 2013) (SR-NYSE-2013-02) (Order) (“Release No. 69045”).

<sup>6</sup> 15 U.S.C. 78f(b)(5).

The Exchange believes that the proposed changes, taken together, would increase the clarity and transparency of the Exchange's rules and remove impediments to and perfect the mechanism of a free and open market by ensuring that persons subject to the Exchange's jurisdiction, regulators, and the investing public could more easily navigate and understand the Exchange rules. The Exchange further believes that the proposed amendments would not be inconsistent with the public interest and the protection of investors because investors will not be harmed and in fact would benefit from increased transparency and clarity, thereby reducing potential confusion.

4. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule change is not intended to address competitive issues but rather is concerned solely with deleting and, where applicable, replacing, specific references to FINRA departments in its rules and otherwise adding clarity and transparency to the Exchange's rules. Since the proposal does not substantively modify system functionality or processes on the Exchange, the proposed changes will not impose any burden on competition.

5. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

The Exchange has neither solicited nor received written comments on the proposed rule change.

6. Extension of Time Period for Commission Action

Not applicable.

7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2)

The Exchange believes that the proposal qualifies for immediate effectiveness upon filing as a "non-controversial" rule change in accordance with Section 19(b)(3)(A) of the Act<sup>7</sup> and Rule 19b-4(f)(6) thereunder.<sup>8</sup>

The Exchange asserts that the proposed rule change (i) will not significantly affect the protection of investors or the public interest, (ii) will not impose any significant burden on competition, and (iii) by its terms, will not become operative for 30 days after the date of this filing, or such shorter time as the Commission may designate, if consistent with the protection of investors and the public interest. In addition, the Exchange provided the Commission with written notice of its intent to file the proposed rule change, along with a

---

<sup>7</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>8</sup> 17 CFR 240.19b-4(f)(6).

brief description and text of the proposed rule change, at least five business days prior to the date of filing, or such shorter time as the Commission may designate.

The Exchange believes that the proposed rule change would not adversely affect investors or the public interest because it is a non-substantive change that would add clarity to the Exchange's rules by replacing and/or deleting specific references to FINRA departments, thereby alleviating potential investor or market participant confusion. The proposed filing would also simplify the Exchange's rules by eliminating specific references that could change over time, thereby eliminating the need for additional rule changes in the future.<sup>9</sup> The proposed change accordingly does not raise any new or novel material issues. Finally, the Exchange believes that the proposed rule change would not impose a burden on competition because it is not intended to address competitive issues but rather is concerned solely with deleting and, where applicable, replacing, specific references to FINRA departments in its rules and otherwise adding clarity and transparency to the Exchange's rules.

For the foregoing reasons, this rule filing qualifies for immediate effectiveness as a "non-controversial" rule change under paragraph (f)(6) of Rule 19b-4.<sup>10</sup> At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

8. Proposed Rule Change Based on Rules of Another Self-Regulatory Organization or of the Commission

Not applicable.

9. Security-Based Swap Submissions Filed Pursuant to Section 3C of the Exchange Act

Not applicable.

10. Advance Notice Filed Pursuant to Section 806(e) of the Payment, Clearing and Settlement Supervision Act

Not applicable.

11. Exhibits

Exhibit 1 Completed Notice of Proposed Rule Change for publication in the Federal Register.

Exhibit 5 Text of Proposed Rule Change.

---

<sup>9</sup> See note 3, *supra*.

<sup>10</sup> 17 CFR 240.19b-4(f)(6).

SECURITIES AND EXCHANGE COMMISSION  
(Release No. 34- ; File No. SR-NYSE-2024-60)

[Date]

Self-Regulatory Organizations; New York Stock Exchange LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend Rules 3170, 9120, 9522, 9523, and 9524

Pursuant to Section 19(b)(1)<sup>1</sup> of the Securities Exchange Act of 1934 (“Act”)<sup>2</sup> and Rule 19b-4 thereunder,<sup>3</sup> notice is hereby given that on September 17, 2024, New York Stock Exchange LLC (“NYSE” or the “Exchange”) filed with the Securities and Exchange Commission (the “Commission”) the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization’s Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to amend certain rules to replace “Department of Member Regulation” and “Member Regulation” with “Exchange” and make related changes. The proposed rule change is available on the Exchange’s website at [www.nyse.com](http://www.nyse.com), at the principal office of the Exchange, and at the Commission’s Public Reference Room.

II. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the self-regulatory organization included statements concerning the purpose of, and basis for, the proposed rule change and discussed any comments

---

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 15 U.S.C. 78a.

<sup>3</sup> 17 CFR 240.19b-4.



it received on the proposed rule change. The text of those statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant parts of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and the Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange proposes to amend certain rules to replace “Department of Member Regulation” and “Member Regulation” with “Exchange” and make related changes. Specifically, the Exchange would amend Rule 3170 (Tape Recording of Registered Persons by Certain Firms) and the following rules from the Rule 9000 Series (Code of Procedure): Rule 9120 (Definitions); Rule 9522 (Initiation of Eligibility Proceeding; Member Regulation Consideration); Rule 9523 (Acceptance of Member Regulation Recommendations and Supervisory Plans by Consent Pursuant to SEA Rule 19h-1); and Rule 9524 (Exchange Board of Directors Consideration).

Background

Rule 3170 governs the tape recording of registered persons by certain firms and requires certain notifications to be made to the Exchange's Department of Member Regulation.

Rule 9120(j) defines “Department of Member Regulation” to mean the Department of Member Regulation of the Financial Industry Regulatory Authority (“FINRA”) for purposes of the Exchange's disciplinary rules set forth in the Rule 8000 and Rule 9000 Series.

The Rule 9520 Series governs eligibility proceedings for persons subject to statutory disqualifications.

Rule 9522 governs the initiation of an eligibility proceeding by the Exchange and the member organization's obligation to file an application to initiate an eligibility proceeding if it

has been subject to certain disqualifications. Further, the rule provides that Member Regulation could approve a written request for relief from the eligibility requirements under certain circumstances.

Rule 9523 allows Member Regulation to recommend a supervisory plan to which the disqualified member organization, sponsoring member organization, and/or disqualified person, as the case may be, may consent and by doing so, waive the right to hearing or appeal if the plan is accepted and the right to claim bias or prejudice, or prohibited ex parte communications.

Rule 9524 governs requests for review by the Exchange Board of Directors of a decision to reject a supervisory plan under Rule 9523.

Finally, Rule 0 provides, among other things, that Exchange Rules that refer to Exchange staff or Exchange departments should be understood as also referring to FINRA staff and FINRA departments acting on behalf of the Exchange pursuant to the Regulatory Services Agreement (“RSA”) in existence between the Exchange and FINRA, as applicable.

#### Proposed Rule Change

The Exchange proposes to replace all references to “Department of Member Regulation” and “Member Regulation” in Rules 3170, 9522, 9523 and 9524 with “Exchange” or “the Exchange.” Consistent with Rule 0, references to the Exchange encompass FINRA staff and departments acting on the Exchange’s behalf pursuant to the RSA. The proposed change would simplify the Exchange’s rules by eliminating specific references that could change over time, thereby eliminating the need for additional rule changes in the future.<sup>4</sup> The proposed change is

---

<sup>4</sup> See, e.g., Securities Exchange Act Release No. 98874 (November 7, 2023), 88 FR 78071 (November 14, 2023) (SR-NYSE-2023-39) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend Rules 9521 and 9522 To Correct Obsolete References to a FINRA Department). The current rule filing was made to avoid having Exchange rules contain similar outdated or incorrect references and avoid similar future rule filings.

also consistent with the rules of other exchanges that have adopted FINRA's disciplinary rules and have omitted specific references to FINRA departments in their Rule 9520 Series.<sup>5</sup>

Moreover, the proposed change would correct the reference in Rule 3170 since the Exchange does not have a Department of Member Regulation. The Exchange would also delete Rule 9120(i) consisting of the word "Reserved," as well as Rule 9120(j) defining Department of Member Regulation for purposes of the Exchange's disciplinary rules as unnecessary. The remaining definitions would be renumbered.

In addition, the Exchange proposes to delete references to "Department of Member Regulation" in subsections (a)(1)(B), (a)(3), and (a)(4)(b)(1)(B) of Rule 9523 without inserting a reference to the Exchange where the deletion will clarify that the Exchange is intended. Further, in Rule 9524(b), the Exchange would delete the reference to "CRO" (Chief Regulatory Officer) as redundant. The Exchange would also delete the last sentence of Rule 9524(a) stating that the Exchange Secretary will provide notice of a request to review a decision to reject a supervisory plan under Rule 9523 to the CRO and Department of Member Regulation as redundant.

Finally, the Exchange proposes to clarify a representation in its 2013 filing adopting the FINRA disciplinary rules. In that filing, the Exchange represented that the proposed Rule 9520 Series would govern eligibility proceedings for persons subject to statutory disqualifications that are not FINRA members.<sup>6</sup> At the time, there were several member organizations that were not FINRA members. Today, only a single member organization is also not a FINRA member. In light of this fact, and for the avoidance of doubt, the Exchange represents that the Rule 9520

---

<sup>5</sup> See, e.g., Investor Exchange Rule Series 9.520 (Eligibility Proceedings).

<sup>6</sup> See Securities Exchange Act Release Nos. 68678 (January 16, 2013), 78 FR 5213, 5230 (January 24, 2013) (SR-NYSE-2013-02) (Notice) ("Release No. 68678"); 69045 (March 5, 2013), 78 FR 15394, 15399 (March 11, 2013) (SR-NYSE-2013-02) (Order) ("Release No. 69045").

Series governs eligibility proceedings for all Exchange member organizations.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b)(5) of the Act,<sup>7</sup> in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system and, in general, to protect investors and the public interest.

The Exchange believes that the proposed changes, taken together, would increase the clarity and transparency of the Exchange's rules and remove impediments to and perfect the mechanism of a free and open market by ensuring that persons subject to the Exchange's jurisdiction, regulators, and the investing public could more easily navigate and understand the Exchange rules. The Exchange further believes that the proposed amendments would not be inconsistent with the public interest and the protection of investors because investors will not be harmed and in fact would benefit from increased transparency and clarity, thereby reducing potential confusion.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule change is not intended to address competitive issues but rather is concerned solely with deleting and, where applicable, replacing, specific references to FINRA departments in its rules and otherwise adding clarity and transparency to the Exchange's rules. Since the proposal

---

<sup>7</sup> 15 U.S.C. 78f(b)(5).

does not substantively modify system functionality or processes on the Exchange, the proposed changes will not impose any burden on competition.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

No written comments were solicited or received with respect to the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The Exchange has filed the proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act<sup>8</sup> and Rule 19b-4(f)(6) thereunder.<sup>9</sup> Because the proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative prior to 30 days from the date on which it was filed, or such shorter time as the Commission may designate, if consistent with the protection of investors and the public interest, the proposed rule change has become effective pursuant to Section 19(b)(3)(A) of the Act and Rule 19b-4(f)(6)(iii) thereunder.<sup>10</sup>

A proposed rule change filed under Rule 19b-4(f)(6)<sup>11</sup> normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b-4(f)(6)(iii),<sup>12</sup> the Commission may designate a shorter time if such action is consistent with the protection of investors and the public interest.

At any time within 60 days of the filing of such proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such

---

<sup>8</sup> 15 U.S.C. 78s(b)(3)(A)(iii).

<sup>9</sup> 17 CFR 240.19b-4(f)(6).

<sup>10</sup> Rule 19b-4(f)(6)(iii) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

<sup>11</sup> 17 CFR 240.19b-4(f)(6).

<sup>12</sup> 17 CFR 240.19b-4(f)(6)(iii).

action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings under Section 19(b)(2)(B)<sup>13</sup> of the Act to determine whether the proposed rule change should be approved or disapproved.

#### IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

##### Electronic Comments:

- Use the Commission's internet comment form (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include file number SR-NYSE-2024-60 on the subject line.

##### Paper Comments:

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549-1090.

All submissions should refer to file number SR-NYSE-2024-60. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's internet website (<https://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications

---

<sup>13</sup> 15 U.S.C. 78s(b)(2)(B).

relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street NE, Washington, DC 20549, on official business days between the hours of 10 a.m. and 3 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR-NYSE-2024-60 and should be submitted on or before [INSERT DATE 21 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>14</sup>

**Sherry R. Haywood,**

*Assistant Secretary.*

---

<sup>14</sup> 17 CFR 200.30-3(a)(12).

Additions underlined.  
Deletions [bracketed].

Rules of New York Stock Exchange LLC

\* \* \* \* \*

**Rule 3170. Tape Recording of Registered Persons by Certain Firms**

(c) A member organization that becomes a taping firm for the first time may reduce its staffing levels to fall below the threshold levels within 30 days after receiving notice from the Exchange pursuant to the provisions of paragraph (b)(1) or obtaining actual knowledge that it is a taping firm, provided the member organization promptly notifies the Exchange[’s Department of Member Regulation] in writing of its becoming subject to the Rule. Once the member organization has reduced its staffing levels to fall below the threshold levels, it shall not rehire a person terminated to accomplish the staff reduction for a period of 180 days. On or prior to reducing staffing levels pursuant to this paragraph, a member organization must provide the Exchange[’s Department of Member Regulation] with written notice identifying the terminated person(s).

\* \* \* \* \*

**Rule 9000. CODE OF PROCEDURE**

**Rule 9100. APPLICATION AND PURPOSE**

\* \* \* \* \*

**Rule 9120. Definitions**

\* \* \* \* \*

(i)[Reserved.

(j)“Department of Member Regulation”

The term "Department of Member Regulation" means the Department of Member Regulation of FINRA.

(k)]“Director”

\* \* \* \* \*

([l])“Document”

\* \* \* \* \*



\* \* \* \* \*

([m]k)“Enforcement”

\* \* \* \* \*

([n]l)“Exchange”

\* \* \* \* \*

([o]m)“Extended Hearing”

\* \* \* \* \*

([p]n)“Extended Hearing Panel”

\* \* \* \* \*

([q]o)“Floor-Based Panelist”

\* \* \* \* \*

([r]p)“Hearing Officer”

\* \* \* \* \*

([s]q)“Hearing Panel”

\* \* \* \* \*

([t]r)“Interested Staff”

\* \* \* \* \*

([u]s)“Office of Hearing Officers”

\* \* \* \* \*

([v]t)“Panelist”

\* \* \* \* \*

([w]u)“Party”

\* \* \* \* \*

([x]v)“Regulatory Staff”

\* \* \* \* \*

([y]w)“Respondent”

\* \* \* \* \*

**Rule 9520. Eligibility Proceedings**

\* \* \* \* \*

**Rule 9522. Initiation of Eligibility Proceeding; [Member Regulation]Exchange Consideration**

(a) Initiation by the Exchange

\* \* \* \* \*

(2) Notice Regarding a Member Organization

A notice issued to a disqualified member organization shall state that the disqualified member organization may apply for relief by filing an application or, in the case of a matter set forth in Rule 9522(e)(1), a written request for relief, within ten business days after service of the notice. If the member organization fails to file the application or, where appropriate, the written request for relief, within the 10-day period, the membership of the member organization shall be canceled, unless the [Department of Member Regulation ]Exchange grants an extension for good cause shown.

(3) Notice Regarding a Covered Person

A notice issued regarding a disqualified person to a member organization or applicant for membership under Exchange rules shall state that such member organization or applicant for membership may file an application on behalf of itself and such covered person or, in the case of a matter set forth in Rule 9522(e)(1), a written request for relief, within ten business days after service of the notice. If the member organization fails to file the application or, where appropriate, the written request for relief, within the 10-day period, the registration of the disqualified person shall be revoked, unless the [Department of Member Regulation ]Exchange grants an extension for good cause shown.

\* \* \* \* \*

(e) [Member Regulation]Exchange Consideration

(1) Matters that may be Approved by the [Department of Member Regulation ]Exchange without the Filing of an Application

The [Department of Member Regulation]Exchange, as it deems consistent with the public interest and the protection of investors, is authorized to approve a written request for relief from the eligibility requirements by a disqualified member organization or a sponsoring member organization without the filing of an application by such disqualified member organization or sponsoring member organization if a disqualified member organization or disqualified person is subject to one or more of the following conditions but is not otherwise subject to disqualification:

\* \* \* \* \*

(C) a disqualified member organization or sponsoring member organization is a member of both the Exchange and another self-regulatory organization; and:

- (i) the other self-regulatory organization intends to file a Notice under SEA Rule 19h-1 approving the membership continuance of the disqualified member organization or, in the case of a sponsoring member organization, the proposed association or continued association of the disqualified person; and
- (ii) the [Department of Member Regulation ]Exchange concurs with that determination.

(2) Matters that may be Approved by the [Department of Member Regulation ]Exchange after the Filing of an Application

The [Department of Member Regulation]Exchange, as it deems consistent with the public interest and the protection of investors, is authorized to approve an application filed by a disqualified member organization or sponsoring member organization if the disqualified member organization or disqualified person is subject to one or more of the following conditions but is not otherwise subject to disqualification (other than a matter set forth in paragraph (e)(1)):

(A) The disqualified person is already a participant in, a member of, or a person associated with a member of, a self-regulatory organization (other than the Exchange), and the terms and conditions of the proposed admission to the Exchange are the same in all material respects as those imposed or not disapproved in connection with such covered person's prior admission or continuance pursuant to an order of the SEC under SEA Rule 19h-1 or other substantially equivalent written communication;

(B) The [Department of Member Regulation ]Exchange finds, after reasonable inquiry, that except for the identity of the employer concerned, the terms and conditions of the proposed admission or continuance are the same in all material respects as those imposed or not disapproved in connection with a prior admission or continuance of the disqualified person pursuant to an order of the SEC under SEA Rule 19h-1 or other substantially equivalent written communication, and that there is no intervening conduct or other circumstance that would cause the employment to be inconsistent with the public interest or the protection of investors;

\* \* \* \* \*

(3) Rights of Disqualified Member Organization, Sponsoring Member Organization, Disqualified Person, and [Department of Member Regulation]the Exchange

- (A) In the event the [Department of Member Regulation ]Exchange does not approve a written request for relief from the eligibility requirements pursuant to paragraph (e)(1), the disqualified member organization or sponsoring member organization may file an application, and such member organization shall have the right to proceed under Rule 9523 or 9524, as applicable. The [Department of Member Regulation ]Exchange may require a disqualified member organization or sponsoring member organization to file an application with CRED, notwithstanding the provisions of paragraph (e)(1).
- (B) In the event the [Department of Member Regulation ]Exchange does not approve an application pursuant to paragraph (e)(2), the disqualified member organization or sponsoring member organization shall have the right to proceed under Rule 9523 or 9524, as applicable.

**Rule 9523. Acceptance of [Member Regulation ]Recommendations and Supervisory Plans by Consent Pursuant to SEA Rule 19h-1**

(a) With respect to all disqualifications, except those arising solely from findings or orders specified in Section 15(b)(4)(D), (E) or (H) of the Exchange Act or arising under Section 3(a)(39)(E) of the Exchange Act, after an application is filed, the [Department of Member Regulation ]Exchange may recommend the membership or continued membership of a disqualified member organization or sponsoring member organization or the association or continuing association of a disqualified person pursuant to a supervisory plan where the disqualified member organization, sponsoring member organization, and/or disqualified person, as the case may be, consent to the recommendation and the imposition of the supervisory plan. The disqualified member organization, sponsoring member organization, and/or disqualified person, as the case may be, shall execute a letter consenting to the imposition of the supervisory plan.

(1) If a disqualified member organization, sponsoring member organization, and/or disqualified person submitted an executed letter consenting to a supervisory plan, by the submission of such letter, the disqualified member organization, sponsoring member organization and/or disqualified person waive:

- (A) the right to a hearing before a Hearing Panel and any right of appeal to the Exchange Board of Directors, the SEC, and the courts, or otherwise challenge the validity of the supervisory plan, if the supervisory plan is accepted.
- (B) any right of the disqualified member organization, sponsoring member organization, and/or disqualified person to claim bias or prejudice by the [Department of Member Regulation]Exchange, the CRO, the Exchange Board of Directors, or any member of the

Exchange Board of Directors, in connection with such person's or body's participation in discussions regarding the terms and conditions of the [Department of Member Regulation's ]recommendation or the supervisory plan, or other consideration of the recommendation or supervisory plan, including acceptance or rejection of such recommendation or supervisory plan; and

(C) any right of the disqualified member organization, sponsoring member organization, and/or disqualified person to claim that a person violated the ex parte prohibitions of Rule 9143 or the separation of functions prohibitions of Rule 9144, in connection with such person's or body's participation in discussions regarding the terms and conditions of the recommendation or supervisory plan, or other consideration of the recommendation or supervisory plan, including acceptance or rejection of such recommendation or supervisory plan.

(2) If a recommendation or supervisory plan is rejected, the disqualified member organization, sponsoring member organization, and/or disqualified person shall be bound by the waivers made under paragraph (a)(1) for conduct by persons or bodies occurring during the period beginning on the date the supervisory plan was submitted and ending upon the rejection of the supervisory plan and shall have the right to proceed under this rule and Rule 9524, as applicable.

(3) If the disqualified member organization, sponsoring member organization, and/or disqualified person execute the letter consenting to the supervisory plan, it shall be submitted to the CRO [by the Department of Member Regulation ]with a proposed Notice under SEA Rule 19h-1, where required. The CRO may accept or reject the recommendation [of the Department of Member Regulation ]and the supervisory plan.

(4) If the recommendation and supervisory plan is accepted by the CRO, it shall be deemed final and, where required, the proposed Notice under SEA Rule 19h-1 will be filed by the Exchange. If the recommendation and supervisory plan are rejected by the CRO, the Exchange may take any other appropriate action with respect to the disqualified member organization, sponsoring member organization, and/or disqualified person. If the recommendation and supervisory plan are rejected, the disqualified member organization, sponsoring member organization, and/or disqualified person shall not be prejudiced by the execution of the letter consenting to the supervisory plan under this paragraph (a) and the letter may not be introduced into evidence in any proceeding.

(b) With respect to disqualifications arising solely from findings or orders specified in Section 15(b)(4)(D), (E) or (H) of the Exchange Act or arising under Section 3(a)(39)(E) of the Exchange Act, after an application is filed, in approving an application under Rule 9522(e)(2)(F), the [Department of Member Regulation ]Exchange is authorized to accept the membership or continued membership of a disqualified member organization or sponsoring member organization or the association or continuing association of a disqualified person pursuant to a supervisory plan where the disqualified member organization, sponsoring member organization, and/or disqualified persons, as the case may be, consent to the imposition of the supervisory plan. The disqualified member organization, sponsoring member organization, and/or disqualified person, as the case may be, shall execute a letter consenting to the imposition of the

supervisory plan. The [Department of Member Regulation]Exchange shall prepare a proposed Notice under SEA Rule 19h-1, where required, and the Exchange shall file such Notice.

(1) If a disqualified member organization, sponsoring member organization, and/or disqualified person submitted an executed letter consenting to a supervisory plan, by the submission of such letter, the disqualified member organization, sponsoring member organization and/or disqualified person waive:

(A) the right of appeal to the Exchange Board of Directors, the SEC, and the courts, or otherwise challenge the validity of the supervisory plan, if the supervisory plan is accepted;

(B) any right of the disqualified member organization, sponsoring member organization, and/or disqualified person to claim bias or prejudice by the [Department of Member Regulation ]Exchange or the CRO in connection with such person's or body's participation in discussions regarding the terms and conditions of the [Department of Member Regulation's ]recommended supervisory plan, or other consideration of the supervisory plan, including acceptance or rejection of such recommendation or supervisory plan; and

(C) any right of the disqualified member organization, sponsoring member organization, and/or disqualified person to claim that a person violated the ex parte prohibitions of Rule 9143 or the separation of functions prohibitions of Rule 9144, in connection with such person's or body's participation in discussions regarding the terms and conditions of the supervisory plan, or other consideration of the supervisory plan, including acceptance or rejection of such supervisory plan.

(2) If the supervisory plan is rejected, the disqualified member organization, sponsoring member organization, and/or disqualified person shall be bound by the waivers made under paragraph (b)(1) for conduct by persons or bodies occurring during the period beginning on the date the supervisory plan was submitted and ending upon the rejection of the supervisory plan and shall have the right to proceed under Rule 9524.

#### **Rule 9524. Exchange Board of Directors Consideration**

##### **(a) Request for Review**

A disqualified member organization, sponsoring member organization, or applicant may request that the Exchange Board of Directors review a decision to reject a supervisory plan under Rule 9523. A request for review shall be made by filing with the Secretary of the Exchange a written request therefor, which states the basis and reasons for such review, within 25 days after notice of the decision is served.[ The Secretary of the Exchange shall give notice of any such request for review to the CRO and the Department of Member Regulation.]

##### **(b) Review by Exchange Board of Directors**

Any review by the Exchange Board of Directors shall be based on oral arguments and written briefs and shall be limited to consideration of the record before [the Department of Member Regulation and ]the Exchange[CRO]. Upon review, the Exchange Board of Directors, by the affirmative vote of a majority of the Exchange Board of Directors then in office, may sustain, modify, or reverse any such decision. Unless the Exchange Board of Directors otherwise specifically directs, the decision of the Exchange Board of Directors after review shall be final and conclusive subject to the provisions for review of the Securities Exchange Act of 1934.

\* \* \* \* \*