

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of \* 18

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

File No. \* SR 2024 - \* 48

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 checked="" type="checkbox"/>	Section 19(b)(3)(A) * <input type="checkbox"/>	Section 19(b)(3)(B) * <input type="checkbox"/>
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Pilot <input type="checkbox"/>	Extension of Time Period for Commission Action * <input type="checkbox"/>	Date Expires * <input type="text"/>
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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 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 \*).

Proposed Rule Change proposes to amend Section 802.01C of the NYSE Listed Company Manual to modify the implications of a reverse stock split for an issuer that falls below compliance with the price criteria set forth in that rule.

**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 \* John Last Name \* Carey

Title \* Senior Director

E-mail \* John.Carey@ice.com

Telephone \* (212) 656-5640 Fax

**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 09/30/2024

(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: 2024.09.30 09:20:19 -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 \***

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SR-NYSE-2024-48 19b4.docx

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 \***

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SR-NYSE-2024-48 Exhibit 1.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 \***

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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**

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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**

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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**

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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**

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SR-NYSE-2024-48 Exhibit 5.docx

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**

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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 Section 802.01C (“Price Criteria for Capital or Common Stock”) of the NYSE Listed Company Manual to modify the implications of a reverse stock split for an issuer that falls below compliance with the price criteria set forth in that rule.

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 any significant indirect effect, on 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 are:

John Carey  
Senior Director  
NYSE Group, Inc.  
(212) 656-5640

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

- (a) Purpose

Section 802.01C (“Price Criteria for Capital or Common Stock”) of the NYSE Listed Company Manual (the “Manual”) provides that a listed company will be considered to be below compliance standards if the average closing price of a

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

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

security as reported on the consolidated tape is less than \$1.00 over a consecutive 30 trading-day period (the “Price Criteria”). While the term “Price Criteria” is used as a defined term in Section 802.01C, the current rule does not actually provide a definition for the term. Consequently, the Exchange proposes to define the term in the rule using the definition set forth in the immediately preceding sentence.

Once notified that it has fallen below the Price Criteria, the company must bring its share price and average share price back above \$1.00 by six months following receipt of the notification. A company is not eligible to follow the procedures outlined in Sections 802.02 and 802.03 of the Manual with respect to this criteria. The company must, however, notify the Exchange, within 10 business days of receipt of the notification, of its intent to cure this deficiency or be subject to suspension and delisting procedures as set forth in Section 804.00 of the Manual. The company can regain compliance at any time during the six-month cure period if on the last trading day of any calendar month during the cure period the company has a closing share price of at least \$1.00 and an average closing share price of at least \$1.00 over the 30 trading-day period ending on the last trading day of that month. In the event that at the expiration of the six-month cure period, both a \$1.00 closing share price on the last trading day of the cure period and a \$1.00 average closing share price over the 30 trading-day period ending on the last trading day of the cure period are not attained, the Exchange will commence suspension and delisting procedures as set forth in Section 804.00.

Notwithstanding the foregoing, if a company determines that, if necessary, it will cure the price condition by taking an action that will require approval of its shareholders, it must so inform the Exchange in the above referenced notification, must obtain the shareholder approval by no later than its next annual meeting, and must implement the action promptly thereafter. The company will be deemed to have regained compliance with the Price Criteria if the price promptly exceeds \$1.00 per share, and the price remains above the level for at least the following 30 trading days. The action taken by a company to cure its noncompliance with the Price Criteria that is subject to shareholder approval is generally a reverse stock split.

The Exchange proposes to amend Section 802.01C to limit the circumstances under which a listed company may utilize a reverse stock split to regain compliance with the Price Criteria. Specifically, the Exchange proposes that, notwithstanding the general ability of a company to utilize a reverse stock split as a mechanism for regaining compliance with the Price Criteria if a company’s security fails to meet the Price Criteria and (i) the company has effected a reverse stock split over the prior one-year period<sup>3</sup> or (ii) has effected one or more reverse stock splits over the prior two-year period with a cumulative ratio of 200 shares or more to one, then the company shall not be eligible for any compliance period

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<sup>3</sup> For the avoidance of doubt, the proposed rule would apply to a company even if the company was in compliance with the Price Criteria at the time of its prior reverse stock split.

specified in Section 802.01C and the Exchange will immediately commence suspension and delisting procedures with respect to such security in accordance with Section 804.00. Section 804.00 of the Manual provides that these companies can seek review of a delisting determination from the Committee for Review of the Board of Directors of the Exchange. Furthermore, the Exchange proposes that a listed company would not be allowed to effectuate a reverse stock split, for purposes of regaining compliance with the Price Criteria or otherwise, if the effectuation of such reverse stock split results in the company's security falling below the continued listing requirements of Section 802.01A. If a listed company effectuated a reverse stock split notwithstanding this proposed limitation, the Exchange would promptly commence suspension and delisting procedures with respect to such company in accordance with Section 804.00.

As described above, many companies seek to cure their noncompliance with the Price Criteria or seek to increase their stock price for other reasons by effectuating a reverse stock split. However, the Exchange has observed that some companies, typically those in financial distress or experiencing a prolonged operational downturn, engage in a pattern of repeated reverse stock splits. The Exchange believes that such behavior is often indicative of deep financial or operational distress within such companies rendering them inappropriate for trading on the Exchange for investor protection reasons. In these situations, the Exchange has observed that the challenges facing such companies, generally, are not temporary and may be so severe that the company is not likely to maintain or regain compliance on a sustained basis.

The Exchange believes that the restrictions set forth in this proposal on the excessive use of reverse splits as a means of maintaining or regaining compliance with the Price Criteria will protect investors by resulting in the delisting of companies whose history of recurring inability to maintain price compliance is indicative of their financial instability and unsuitability for continued listing.

(b) Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,<sup>4</sup> in general, and furthers the objectives of Section 6(b)(5) of the Act,<sup>5</sup> in particular, because 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 regulating, clearing, settling, processing information with respect to, and 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 the proposal protects investors and the public interest by enhancing the Exchange's listing requirements and

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<sup>4</sup> 15 U.S.C. 78f(b).

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

limiting the ability of listed companies with a history of having a low stock price to use reverse stock splits as a means to remain qualified for listing. In that regard, the Exchange has observed that the challenges facing such companies generally are not temporary and may be so severe that the company is not likely to remain compliant with the Price Criteria after curing non-compliance by means of a reverse stock split. Moreover, the price concerns with these companies can be a leading indicator of other listing compliance concerns, and these companies often become subject to delisting for other reasons within a short period of time.

The Exchange believes that it is consistent with the protection of investors and the public interest to delist any company that takes a deliberate action that causes it to fall below an Exchange listing standard, including as in the current proposal, the effectuation of a reverse split that causes a company to fall below a quantitative continued listing standard.

The Exchange believes that the adoption of the term “Price Criteria” as a defined term provides helpful clarification of the rule without making any substantive change to the rule text.

The Exchange believes the proposed rule change furthers the objectives of Section 6(b)(7) of the Act<sup>6</sup> in that the Exchange continues to provide a fair procedure for companies subject to these enhanced listing requirements. Section 804.00 of the Manual provides that these companies can seek review of a delisting determination from the Committee for Review of the Board of Directors of the Exchange. As a result, the Exchange believes that the proposed rule appropriately balances the need for appropriate listing standards with the statutory requirement to protect investors and the public interest.

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

The Exchange believes that the proposal will not impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of Section 6(b)(8) of the Act.<sup>7</sup> While the Exchange does not believe there will be any impact on competition from the proposed change, any impact on competition that does arise will be necessary to better protect investors, in furtherance of a central purpose of the Act.

The Exchange believes that the proposal will not impose a burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act because the proposed rule change is designed to protect investors and facilitate a fair and orderly market, which are both important purposes of the Act. To the extent that there is any impact on intermarket competition, it is incidental to these objectives.

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<sup>6</sup> 15 U.S.C. 78f(b)(7).

<sup>7</sup> 15 U.S.C. 78f(b)(8).

The Exchange does not believe that the proposed rule change imposes a burden on intra-market competition because the provisions apply to all market participants and issuers on the Exchange equally.

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)

Not applicable.

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

The proposal to immediately suspend and delist any company that has effected one or more reverse stock splits over the prior two-year period with a cumulative ratio of 200 shares or more to one is based on a comparable provision in Nasdaq Listing Rule 5810(c)(3)(A)(iv), with the exception that the Nasdaq provision is triggered by reverse stock splits with a cumulative ratio of 250 or more shares to one rather than 200 or more shares to one as is the case with the Exchange's proposal.<sup>8</sup> The other aspects of the Exchange's proposal are not based on the current rules of any other self-regulatory organization.

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

Not applicable.

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

Not applicable.

11. Exhibits

Exhibit 1 – Form of Notice of Proposed Rule Change for Publication in the Federal Register

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<sup>8</sup> Securities Exchange Act Release No. 87982 (January 15, 2020), 85 FR 3736 (January 22, 2020) (SR-Nasdaq-2020-001).

Exhibit 5 – Text of the Proposed Rule Change



SECURITIES AND EXCHANGE COMMISSION  
(Release No. 34- ; File No. SR-NYSE-2024-48)

[Date]

Self-Regulatory Organizations; New York Stock Exchange LLC; Notice of Filing of Proposed Rule Change proposes to amend Section 802.01C (“Price Criteria for Capital or Common Stock”) of the NYSE Listed Company Manual to modify the implications of a reverse stock split for an issuer that falls below compliance with the price criteria set forth in that rule.

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 30, 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 Section 802.01C (“Price Criteria for Capital or Common Stock”) of the NYSE Listed Company Manual to modify the implications of a reverse stock split for an issuer that falls below compliance with the price criteria set forth in that rule.

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.

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<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.

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 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

Section 802.01C ("Price Criteria for Capital or Common Stock") of the NYSE Listed Company Manual (the "Manual") provides that a listed company will be considered to be below compliance standards if the average closing price of a security as reported on the consolidated tape is less than \$1.00 over a consecutive 30 trading-day period (the "Price Criteria"). While the term "Price Criteria" is used as a defined term in Section 802.01C, the current rule does not actually provide a definition for the term. Consequently, the Exchange proposes to define the term in the rule using the definition set forth in the immediately preceding sentence.

Once notified that it has fallen below the Price Criteria, the company must bring its share price and average share price back above \$1.00 by six months following receipt of the notification. A company is not eligible to follow the procedures outlined in Sections 802.02 and 802.03 of the Manual with respect to this criteria. The company must, however, notify the Exchange, within 10 business days of receipt of the notification, of its intent to cure this deficiency or be subject to suspension and delisting procedures as set forth in Section 804.00 of the Manual. The company can regain compliance at any time during the six-month cure period if

on the last trading day of any calendar month during the cure period the company has a closing share price of at least \$1.00 and an average closing share price of at least \$1.00 over the 30 trading-day period ending on the last trading day of that month. In the event that at the expiration of the six-month cure period, both a \$1.00 closing share price on the last trading day of the cure period and a \$1.00 average closing share price over the 30 trading-day period ending on the last trading day of the cure period are not attained, the Exchange will commence suspension and delisting procedures as set forth in Section 804.00.

Notwithstanding the foregoing, if a company determines that, if necessary, it will cure the price condition by taking an action that will require approval of its shareholders, it must so inform the Exchange in the above referenced notification, must obtain the shareholder approval by no later than its next annual meeting, and must implement the action promptly thereafter. The company will be deemed to have regained compliance with the Price Criteria if the price promptly exceeds \$1.00 per share, and the price remains above the level for at least the following 30 trading days. The action taken by a company to cure its noncompliance with the Price Criteria that is subject to shareholder approval is generally a reverse stock split.

The Exchange proposes to amend Section 802.01C to limit the circumstances under which a listed company may utilize a reverse stock split to regain compliance with the Price Criteria. Specifically, the Exchange proposes that, notwithstanding the general ability of a company to utilize a reverse stock split as a mechanism for regaining compliance with the Price Criteria if a company's security fails to meet the Price Criteria and (i) the company has effected a reverse stock split over the prior one-year period<sup>4</sup> or (ii) has effected one or more reverse stock

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<sup>4</sup> For the avoidance of doubt, the proposed rule would apply to a company even if the company was in compliance with the Price Criteria at the time of its prior reverse stock split.

splits over the prior two-year period with a cumulative ratio of 200 shares or more to one, then the company shall not be eligible for any compliance period specified in Section 802.01C and the Exchange will immediately commence suspension and delisting procedures with respect to such security in accordance with Section 804.00. Section 804.00 of the Manual provides that these companies can seek review of a delisting determination from the Committee for Review of the Board of Directors of the Exchange. Furthermore, the Exchange proposes that a listed company would not be allowed to effectuate a reverse stock split, for purposes of regaining compliance with the Price Criteria or otherwise, if the effectuation of such reverse stock split results in the company's security falling below the continued listing requirements of Section 802.01A. If a listed company effectuated a reverse stock split notwithstanding this proposed limitation, the Exchange would promptly commence suspension and delisting procedures with respect to such company in accordance with Section 804.00.

As described above, many companies seek to cure their noncompliance with the Price Criteria or seek to increase their stock price for other reasons by effectuating a reverse stock split. However, the Exchange has observed that some companies, typically those in financial distress or experiencing a prolonged operational downturn, engage in a pattern of repeated reverse stock splits. The Exchange believes that such behavior is often indicative of deep financial or operational distress within such companies rendering them inappropriate for trading on the Exchange for investor protection reasons. In these situations, the Exchange has observed that the challenges facing such companies, generally, are not temporary and may be so severe that the company is not likely to maintain or regain compliance on a sustained basis.

The Exchange believes that the restrictions set forth in this proposal on the excessive use of reverse splits as a means of maintaining or regaining compliance with the Price Criteria will

protect investors by resulting in the delisting of companies whose history of recurring inability to maintain price compliance is indicative of their financial instability and unsuitability for continued listing.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,<sup>5</sup> in general, and furthers the objectives of Section 6(b)(5) of the Act,<sup>6</sup> in particular, because 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 regulating, clearing, settling, processing information with respect to, and 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 the proposal protects investors and the public interest by enhancing the Exchange's listing requirements and limiting the ability of listed companies with a history of having a low stock price to use reverse stock splits as a means to remain qualified for listing. In that regard, the Exchange has observed that the challenges facing such companies generally are not temporary and may be so severe that the company is not likely to remain compliant with the Price Criteria after curing non-compliance by means of a reverse stock split. Moreover, the price concerns with these companies can be a leading indicator of other listing compliance concerns, and these companies often become subject to delisting for other reasons within a short period of time.

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

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

The Exchange believes that it is consistent with the protection of investors and the public interest to delist any company that takes a deliberate action that causes it to fall below an Exchange listing standard, including as in the current proposal, the effectuation of a reverse split that causes a company to fall below a quantitative continued listing standard.

The Exchange believes that the adoption of the term “Price Criteria” as a defined term provides helpful clarification of the rule without making any substantive change to the rule text.

The Exchange believes the proposed rule change furthers the objectives of Section 6(b)(7) of the Act<sup>7</sup> in that the Exchange continues to provide a fair procedure for companies subject to these enhanced listing requirements. Section 804.00 of the Manual provides that these companies can seek review of a delisting determination from the Committee for Review of the Board of Directors of the Exchange. As a result, the Exchange believes that the proposed rule appropriately balances the need for appropriate listing standards with the statutory requirement to protect investors and the public interest.

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

The Exchange believes that the proposal will not impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of Section 6(b)(8) of the Act.<sup>8</sup> While the Exchange does not believe there will be any impact on competition from the proposed change, any impact on competition that does arise will be necessary to better protect investors, in furtherance of a central purpose of the Act.

The Exchange believes that the proposal will not impose a burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act because

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

<sup>8</sup> 15 U.S.C. 78f(b)(8).

the proposed rule change is designed to protect investors and facilitate a fair and orderly market, which are both important purposes of the Act. To the extent that there is any impact on intermarket competition, it is incidental to these objectives.

The Exchange does not believe that the proposed rule change imposes a burden on intra-market competition because the provisions apply to all market participants and issuers on the Exchange equally.

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

Within 45 days of the date of publication of this notice in the Federal Register or within such longer period up to 90 days (i) as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

- (A) by order approve or disapprove the proposed rule change, or
- (B) institute proceedings to determine whether the proposed rule change should be 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-2024-48 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-2024-48. 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 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-2024-48 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>9</sup>

**Sherry R. Haywood,**

*Assistant Secretary.*

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<sup>9</sup> 17 CFR 200.30-3(a)(12).

EXHIBIT 5

Added text underlined;  
Deleted text in [brackets].

NYSE Listed Company Manual

\* \* \* \* \*

802.01C Price Criteria for Capital or Common Stock

A company will be considered to be below compliance standards if the average closing price of a security as reported on the consolidated tape is less than \$1.00 over a consecutive 30 trading-day period (the "Price Criteria").

\* \* \* \* \*

Notwithstanding the foregoing, if the subject security is not the primary trading common stock of the company (e.g., a tracking stock or a preferred class) or is a stock listed under the Affiliated Company standard where the parent remains in "control" as that term is used in that standard, the Exchange may determine whether to apply the Price Criteria to such security after evaluating the financial status of the company and/or the parent/affiliated company, as the case may be.

Reverse Stock Splits

Notwithstanding the foregoing, if a company's security fails to meet the Price Criteria and the company (i) has effected a reverse stock split over the prior one-year period or (ii) has effected one or more reverse stock splits over the prior two-year period with a cumulative ratio of 200 shares or more to one, then the company shall not be eligible for any compliance period specified in this Section 802.01C and the Exchange will immediately commence suspension and delisting procedures with respect to such security in accordance with Section 804.00.

Furthermore, a listed company may not effectuate a reverse stock split if the effectuation of such reverse stock split results in the company's security falling below the continued listing requirements of Section 802.01A.

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