

SECURITIES AND EXCHANGE COMMISSION  
(Release No. 34-64299; File No. SR-NYSE-2011-14)

April 14, 2011

Self-Regulatory Organizations; New York Stock Exchange LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to alter Listing Fees Applicable to Debt Securities and Structured Products

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that, on April 11, 2011, the 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 and II below, which Items have been prepared by the Exchange. 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 902.08 of the Listed Company Manual (the “Manual”) to alter its listing fees applicable to debt securities and structured products. The text of the proposed rule change is available at the Exchange’s principle office, the Commission’s Public Reference Room, and [www.nyse.com](http://www.nyse.com), and on the Commission’s website at [www.sec.gov](http://www.sec.gov).

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 Exchange 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

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

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

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 Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange proposes to amend Section 902.08 of the Manual to alter its listing fees applicable to debt securities and structured products. This filing does not amend the listing fees applicable to equity securities of operating companies.

The Exchange currently applies the fee schedule set forth in Section 902.08 to all securities (including short-term securities) that list under the debt standard in Section 703.19<sup>3</sup> and trade on NYSE Bonds ("Affected Products"). Under the current Rule, listed companies and their affiliates pay a flat \$15,000 for Affected Products and such Affected Products are not assessed annual fees. Effective July 1, 2011 and thereafter, the Exchange proposes to amend Section 902.08 to (i) reduce the initial listing fee for Affected Products from \$15,000 to \$5,000 and (ii) impose an annual fee of \$5,000 for Affected Products.<sup>4</sup> Issuers who have paid the initial listing fee of \$15,000 prior to July 1, 2011 shall receive a waiver of the annual fees imposed under the amended Rule until January 1, 2014 in order to provide a more equitable allocation of fees among such issuers before and after the fee change.<sup>5</sup>

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<sup>3</sup> The general categories of securities that are currently listed under Section 703.19 are: (1) capital securities; (2) retail debt securities; (3) mandatory convertible securities; and (4) repackaged securities.

<sup>4</sup> For Affected Products listed on or after July 1, 2011, such issuers will pay a pro-rated annual fee for 2011.

<sup>5</sup> The Exchange believes that the proposed fee structure and three year waiver provides a fair allocation of fees and an appropriate transition period for issuers. For example, an issuer that paid the initial listing fee of \$15,000 on January 1, 2011 will not be assessed an annual fee of \$5,000 until January 1, 2014. Thus, as of that date, such issuer will have paid in total \$20,000 for listing the Affected Product on the Exchange (the initial listing

## 2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the provisions of Section 6(b) of the Securities Exchange Act of 1934 (the “Act”),<sup>6</sup> in general, and Section 6(b)(4) of the Act,<sup>7</sup> in particular, in that it is designed to provide for the equitable allocation of reasonable dues, fees and other charges among its members and other persons using its facilities.

Although the initial listing fee would decline, the Exchange anticipates that the proposed addition of annual fees would increase the overall fees it would collect from issuers of Affected Products over time. The Exchange believes that moving from a one-time listing fee to a lower initial listing fee coupled with ongoing annual fees will help to better align the Exchange’s revenues and costs over the span of the listing. The proposed increases in total fees associated with Affected Products would support the increased costs incurred by the Exchange for the rulemaking process, ongoing listing administration processes, issuer services, and consultative services provided to these issuers. In addition, higher fees for Affected Products reflect the greater resources the Exchange would expend to provide additional services in connection with the listing and administration of these securities and would align the cost of Affected Products with those fees charged for other debt securities eligible to trade on the NYSE bond platform, which also have an initial listing fee of \$5,000 and annual fee of \$5,000. Moreover, the waiver of annual fees for issuers that previously paid the higher \$15,000 initial listing fee would more

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fee of \$15,000 plus the \$5,000 annual fee paid on January 1, 2014). An issuer that lists an Affected Product on January 1, 2012 will pay \$10,000 in 2012 (a \$5,000 initial listing fee and a \$5,000 annual fee), a \$5,000 annual fee on January 1, 2013, and a \$5,000 annual fee on January 1, 2014. Thus, as of January 1, 2014, such issuer also will have paid in total \$20,000 for listing the Affected Product on the Exchange.

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

<sup>7</sup> 15 U.S.C. 78f(b)(4).

equitably allocate overall fees among issuers of such securities and provide a fair transition to the new fee structure.

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.

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 foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act<sup>8</sup> and paragraph (f)(2) of Rule 19b-4 thereunder,<sup>9</sup> because it establishes a due, fee, or other charge imposed by the NYSE.

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.

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 (<http://www.sec.gov/rules/sro.shtml>); or

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

<sup>9</sup> 17 CFR 240.19b-4(f)(2).

- Send an e-mail to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number SR-NYSE-2011-14 on the subject line.

Paper Comments:

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

All submissions should refer to File Number SR-NYSE-2011-14. This file number should be included on the subject line if e-mail 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 (<http://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 10:00 a.m. and 3:00 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the

Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-NYSE-2011-14 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>10</sup>

Cathy H. Ahn  
Deputy Secretary

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<sup>10</sup> 17 CFR 200.30-3(a)(12).