Jaime L. Klima
General Counsel
New York Stock Exchange
11 Wall Street
New York, NY 10005
T: 212.656.2006
jaime.klima@nyse.com

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Vanessa A. Countryman
Secretary
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549-1090

Re: File Number S7-2026-17: Registered Offering Reform
File Number S7-2026-18: Public Company Reporting Framework
File Number CLL-16: IPO Modernization

Dear Ms. Countryman:

The NYSE Institute (the "Institute") is pleased to express its support for the above-referenced proposals and request for comment put forth by the Securities and Exchange Commission (the "Commission"). The Institute's mission is to advocate for the more than 2,400 public companies listed on NYSE exchanges and promote the long-term strength of U.S. capital markets. In this regard, the Institute has been encouraged by the Commission's focus on first principles[1] as it assesses the current regulatory landscape and considers modifications for the benefit of both investors and public companies, current and prospective.

Individually, the Commission's proposals related to Registered Offering Reform[2] and the Public Company Reporting Framework[3] as well as its solicitation of feedback on pathways for IPO Modernization[4] are each a commendable attempt to modernize securities regulation considering the realities of today's markets. Collectively, they represent the most meaningful commitment to securities offering reform in more than two decades. In recent speeches, Chairman Atkins has challenged

[1] See Paul S. Atkins, Chairman, "Remarks at the Stanford Rock Center for Corporate Governance," May 26, 2026, available at https://www.sec.gov/newsroom/speeches-statements/atkins-052626-remarks-stanford-rock-center-corporate-governance.
[2] See "Registered Offering Reform," Release No. 33-11418 (May 19, 2026), 91 FR 31022 (May 26, 2026) (the "Registered Offering Reform Release") at pg. 11, available at https://www.sec.gov/files/rules/proposed/2026/33-11418.pdf.
[3] See "Enhancement of Emerging Growth Company Accommodations and Simplification of Filer Status for Reporting Companies," Release No. 33-11419 (May 21, 2026), 91 FR 30086 (May 21, 2026) (the "Reporting Framework Release") at pg. 36, available at https://www.sec.gov/files/rules/proposed/2026/33-11419.pdf.
[4] See, supra, Footnote 1.

commenters to be "bold and creative," Commissioner Peirce suggested that "[d]one correctly, these regulatory efforts will benefit not only issuers, but also investors,"[5] and Commissioner Uyeda noted that "no single regulatory fix" would resolve all the challenges for small companies considering going public."[6] Representing the interests of leading companies listed on the world's most iconic stock exchange, the Institute agrees that there are great opportunities to modernize the manner in which companies access the public markets, which could translate to broader economic benefit to the investment community, including retail shareholders.[7] We therefore advocate in favor of each of the Commission's initiatives discussed herein.

1. Registered Offering Reform (File Number S7-2026-17)

The number of companies listed on U.S. securities exchanges has decreased dramatically over the past thirty years,[8] with burdensome regulatory requirements — including statutory hurdles to accessing capital — frequently cited as reasons to stay (or go) private. Reducing these impediments will be instrumental to making public markets a more appealing option, especially for growth-stage companies.

The Institute is pleased that the proposed registered offering reforms are predicated on being exchange-listed, thereby incentivizing more companies to access the public markets. Modifying Form S-3 eligibility requirements for issuers with a class of equity securities listed on a national securities exchange by eliminating both (i) the existing 12-month seasoning requirement and (ii) the minimum float or offering limitations will allow up to 60% more issuers to conduct offerings utilizing an ordinary shelf registration statement.[9] Similarly, the proposed new category of "Seasoned Eligible Listed Issuers" will more than double the number of issuers permitted to file an automatically effective registration statement.[10] The Institute believes both reforms will enable public companies to raise capital more quickly and efficiently while remaining focused on investor protection by ensuring the enhancements are available only to publicly reporting companies current in their disclosure filing obligations with the Commission.

Earlier this year, the Commission commenced a comprehensive review of Regulation S-K, requesting feedback on ways that rules could be modernized to eliminate inconsequential or duplicative disclosures while continuing to ensure that investors receive relevant material information.[11] In its

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[5] See Hester M. Peirce, Commissioner, "Seeking Public Comment on Seeking Public Capital: Remarks Before the Small Business Capital Formation Advisory Committee, July 21, 2026, available at https://www.sec.gov/newsroom/speeches-statements/peirce-remarks-small-business-capital-formation-advisory-committee-072126.

[6] See Mark T. Uyeda, Commissioner, "Remarks to the Small Business Capital Formation Advisory Committee," April 28, 2026, available at https://www.sec.gov/newsroom/speeches-statements/uyeda-remarks-sbcfac-072126.

[7] See, supra, Footnote 1 ("[P]ublic markets also provide meaningful investment opportunities for millions of Americans. More than a corporate milestone, every IPO is an invitation for workers and savers to share in the prosperity of the next generation of American enterprise. When more companies become public, especially earlier in their life cycle, all investors — not just a select few with access to the private markets — can participate in and benefit from the growth in their value.")

[8] See, supra, Footnote 1, noting a 40% decrease in public companies since the mid-1990's.

[9] See the Registered Offering Reform Release at pg. 11.

[10] See Id. at pg. 213-214.

[11] See Paul S. Atkins, Chairman, "Statement on Reforming Regulation S-K," January 13, 2026, available at https://www.sec.gov/newsroom/speeches-statements/atkins-statement-reforming-regulation-s-k-011326.

submission responding to the request for comment, the Institute highlighted the costs associated with certain filing requirements and urged reforms that permit incorporation by reference of disclosures previously made.[12] The Institute appreciates that the Registered Offering Reform Release integrates this feedback by proposing to expand the class of issuers allowed to incorporate by reference in Form S-1 filings, streamlining disclosure practices to avoid unwarranted redundancy.

While broadly supportive of the Commission's Registered Offering Reform Release, the Institute wishes to highlight one element of the proposal that could unduly impact a subset of seasoned issuers. Under proposed new General Instruction I.A.2, certain "ineligible issuers" are excluded from Form S-3 eligibility.[13] Among other criteria, an issuer is deemed ineligible if "within the past three years, the issuer or any entity that at the time was a subsidiary of the issuer was made the subject of any judicial or administrative decree or order arising out of a governmental action that: (1) prohibits certain conduct or activities regarding, including future violations of, the antifraud provisions of the Federal securities laws; (2) requires that the person cease and desist from violating the antifraud provisions of the Federal securities laws; or (3) determines that the person violated the antifraud provisions of the Federal securities laws…"[14]

The Institute notes that issuers may have previously consented to a judicial or administrative order or decree (without necessarily admitting guilt, or on a no admit, no deny basis) with the knowledge and acceptance that their consent would result in their becoming an "ineligible issuer," thus losing well-known seasoned issuer ("WKSI") status and the ability to file automatically effective shelf registration statements. Under the proposal, though, such an issuer would lose its ability to file shelf registration statements on Form S-3 altogether, a significant repercussion not contemplated at the time of the initial order. The Institute urges the Commission to consider the fairness of this ex post facto consequence and revise the definition of "ineligible issuer" to avoid this, likely unintended, outcome.

2. Public Company Reporting Framework (File Number S7-2026-18)

Since its launch in 2022, the Institute has received continuous feedback from issuers that the current filing and disclosure regime for public companies is overly burdensome and unnecessarily complex. The Public Company Reporting Framework proposal seeks to address many of these concerns, and the Institute is supportive of the Commission's goals in advancing this proposal. Consolidating the existing filer status categories and scaling disclosure obligations based on the more straightforward framework the Commission proposes will result in reporting on a more predictable schedule with consistent presentation across issuers. Ultimately, we believe the proposed framework will have significant benefits for investors, as well as the issuers themselves.

The existing filer status framework includes five categories: (i) large accelerated filers, (ii) accelerated filers, (iii) non-accelerated filers, (iv) smaller-reporting companies, and (v) emerging growth companies. In the Institute's experience, the underlying criteria corresponding to each current category may not be easily understood by investors. That differing disclosure obligations are linked to each filer status adds further confusion. Streamlining the filer status classifications to create only two categories,

[12] See Letter, dated April 13, 2026, from Klima, Jaime L., Re: File Number CLL-15; Request for Comment on Modernizing Regulation S-K, available at https://www.sec.gov/comments/CLL-15/cll15-749769-2316574.pdf.
[13] See Registered Offering Reform Release at pg. 64.
[14] Id. at pg. 66.

large accelerated filers and non-accelerated filers, will result in clearer delineation between companies and their attendant disclosure obligations, allowing investors to make better informed investment decisions.

The Institute believes that scaling disclosure obligations based on the proposed filer categories is a sensible approach to disclosure reform that will also meaningfully reduce burdens on issuers. As reflected in the Institute's submission in response to the Commission's 2025 Executive Compensation Roundtable,[15] issuers consistently report that executive compensation disclosure is the most onerous and costly to prepare, often with little tangible benefit to investors. The proposal's plan to extend to all non-accelerated filers the same disclosure accommodations, including on say-on-pay and pay-versus-performance,[16] currently available only to smaller reporting companies and emerging growth companies represents a major change that we hope will serve as a starting point for further disclosure reform that applies to issuers of all sizes.

The Institute is also supportive of the proposal to exempt non-accelerated filers from the requirement to obtain an auditor's attestation on internal control over financial reporting. As noted by the Commission, compliance with the auditor attestation requirement imposes a significant cost on issuers.[17] Exempting a significant category of issuers, particularly when other safeguards exist, including the Section 404(a) management report on internal control, will lessen the burden of becoming a public company. The Institute welcomes this reform.

Finally, the Institute supports increasing the public float threshold to achieve large-accelerated filer status from $700 million to $2 billion — and requiring that it be met for two consecutive years — as it more accurately reflects the current profile of large issuers.[18] Going further, the Institute would encourage a more frequent reassessment of such financial thresholds to reflect market adjustments.

3. IPO Modernization (File Number CLL-16)

Building on the proposals discussed above, the Institute is appreciative that the Commission continues to seek feedback on other ways to modernize the IPO process. The Institute agrees that the time is right to comprehensively examine obstacles to going and staying public, and to assess what modifications may best serve both investors and issuers.

A. Pre-IPO Communication

The Institute believes reform of rules governing pre-IPO communication should reflect the reality of present-day methods of interaction with investors. The 2019 adoption of Rule 163B was an important step in extending "test the waters" flexibility to all issuers.[19] In its current form, however, Rule 163B only allows communications with qualified institutional buyers ("QIBs") and institutional accredited investors ("IAIs"). The Institute urges the Commission to consider expanding this exemption to all investors, not just those meeting heightened financial thresholds, in recognition of increasing

[15] See Letter, dated June 25, 2025, from Klima, Jaime L., Re: File Number 4-855; Executive Compensation Roundtable - June 26, 2025, available at https://www.sec.gov/comments/4-855/4855-617127-1810194.pdf.
[16] See the Reporting Framework Release at pg. 18.
[17] See Id. at pg. 15-16.
[18] See Id. at pg. 36.
[19] See "Solicitations of Interest Prior to a Registered Public Offering," Release No. 33-10699 (September 26, 2019), 84 FR 53011 (October 4, 2019), available at https://www.sec.gov/files/rules/final/2019/33-10699.pdf.

investor sophistication. In this regard, the Institute notes that the evolution of new media channels has democratized access to investment information and, therefore, we believe non-QIB/IAIs are just as likely to make informed investment decisions as their QIB/IAI counterparts.

Similarly, Rule 163A provides issuers with a safe harbor from "gun-jumping" restrictions for certain pre-IPO communications, provided they are made at least 30 days prior to filing a registration statement. The Institute suggests the Commission consider shortening or eliminating this window as it unduly constrains issuers at a moment when investor communication is most critical.

B. Forward-looking Statements

The Private Securities Litigation Reform Act ("PSLRA") explicitly excludes forward-looking statements made in connection with an IPO from its statutory safe harbor protections. Financial projections contained in an IPO prospectus carry Section 11 liability, creating a two-tier information environment where roadshow participants receive prospective information that does not appear in the corresponding registration statement. The traditional IPO structure has embedded safeguards for investor protection, including underwriter due diligence, Commission review, and Section 11 liability for material misstatements and omissions.

Giving due credit to these existing safeguards, the Institute recommends that the Commission examine all possibilities — including expanded safe harbors and potentially seeking Congressional action — to permit forward-looking statements in an IPO prospectus, subject to the same safe harbor qualifications as exist under the PSLRA and that are now well-established.

C. Research Coverage

Issuers consistently report that attaining significant research coverage is a critical element in a company's long-term success. Currently, 24% of publicly listed companies in the United States do not have any analyst coverage and approximately 33% are covered by fewer than five analysts.[20] Without the availability of professional research, newly-public companies often struggle with investor engagement and trade at inferior multiples to private-sector peers.

FINRA Rule 2241 imposes a 10-day quiet period on analyst coverage by firms that participated as an underwriter in a company's IPO.[21] Notably, the FINRA rule does not apply to IPOs of emerging growth companies. The Institute recommends the Commission and FINRA consider eliminating this restriction for all issuers. The early stages of an issuer's public debut may actually be the period where research is most vital, because there is a relative unfamiliarity in the marketplace with the business' objectives and fundamentals, especially for smaller companies. The exemption already afforded to emerging growth companies demonstrates that the limitation is not necessary to manage conflicts of interest.

Beyond eliminating the quiet period restriction, the Institute recommends that the Commission consider establishing a disclosure-based safe harbor for issuer-sponsored independent research. Smaller public companies frequently lack the trading volume and analyst economics that attract organic

[20] See Tabb, Larry, "Future of IPOs: 2026 Outlook — Public Markets in a Private Capital Era," Bloomberg Intelligence (Apr. 22, 2026), at pg. 32 (Section 9: Investment Research).
[21] See FINRA Rule 2241(b)(2)(I).

sell-side coverage, yet the current framework provides no mechanism for issuers to fund independent third-party research without risk of it being treated as a manipulative communication. A safe harbor conditioned on clear disclosure of the funding relationship and analytical independence would give smaller issuers a practical tool to build the investor awareness that supports a liquid public market in their shares.

D. Structural Deterrents

Litigation risk remains a core concern — often the most significant concern — for many companies considering a public listing. Research suggests that the number of IPO-related lawsuits doubled between 2013 - 2019.[22] Liability for alleged disclosure misstatement or omission can lead to severe financial and reputational consequences, hence the reservations of management and often outside advisors to joining the public markets. And the risk of litigation continues after the IPO date with companies facing shareholder suits second-guessing board and management decisions.[23] Even when management believes a lawsuit's allegations lack merit, there is nevertheless pressure to settle in order to avoid the cost and distraction of protracted litigation.

Understanding the challenges of achieving comprehensive litigation reform, the Institute nonetheless suggests the Commission focus on this area that is among the greatest deterrents to going public. The Institute appreciates the Commission's efforts in this area, particularly its statement that determinations on whether to declare a registration statement effective will no longer be influenced by an issuer's decision to adopt a mandatory arbitration policy for shareholder disputes.[24]

Uncertainty, both with respect to the IPO process and the long-term applicability of rules and regulations, also remains an issuer concern. As articulated by an executive of an NYSE-listed issuer, "predictability has its own independent economic value." Windows to enter the public markets often shift and sometimes close based on economic and geopolitical conditions outside an issuer's control. Trying to manage those moving targets can be challenging alongside navigating the Commission's registration statement review process. The Institute recognizes the important work of the Commission and appreciates the importance of its diligent and thoughtful review, but believes that greater predictability in the timing of the Staff's comment process would help mitigate execution risk of IPO transactions. Similarly, the Institute notes the difficulty for issuers in implementing regulatory requirements that may materially change within just a few years based on changes in Commission leadership. To the extent practicable, the Institute urges the Commission to focus on durable and consensus-driven reform that will remain steady across administrations.

E. Alternative Pathways to the Public Markets

As an innovator on creating pathways to the public markets, the NYSE first introduced the concept of direct listings and has continued to pioneer other alternatives such as special purpose

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[22] See Gonzalez, Guadalupe, "After the Flood of IPOs? Next Come the Shareholder Lawsuits," May 31, 2019, available at https://www.inc.com/guadalupe-gonzalez/ipo-shareholder-lawsuits-rising-lyft-eventbrite.html.

[23] The Institute notes the substantial cost of insurance coverage for directors and officers that remains constant and only increases over time in the face of rising litigation.

[24] See Paul S. Atkins, Chairman, "Policy Statement Concerning Mandatory Arbitration," September 17, 2025, available at https://www.sec.gov/newsroom/speeches-statements/atkins-091725-open-meeting-statement-policy-statement-concerning-mandatory-arbitration-amendments-rule-431.

acquisition rights companies.[25] Non-traditional avenues to the public markets are not fit for purpose for many issuers, but having a range of options acknowledges that the needs of each company for capital, the appropriate timeline for tapping public markets, and investor interest are different. One-size-fits-all regulation oversimplifies the complexities of capital formation, so we continue to support the development of creative ideas for avenues to access the public markets.

Conclusion

The Commission's efforts at transformative change via the Registered Offering Reform Release proposal, the Reporting Framework Release proposal, and the request for comment on IPO Modernization are commendable. The Institute appreciates the Commission's work, is supportive of the proposals, and is prepared to engage as these worthwhile and necessary reforms move forward.

Respectfully submitted,



Jaime L. Klima

[25] See Release No. 34-105512 (May 18, 2026), 91 FR 30005 (May 21, 2026) (SR-NYSE-2026-05).