



**Martha Redding**  
Associate General Counsel  
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May 16, 2016

**VIA E-MAIL**

Brent J. Fields  
Secretary  
Securities and Exchange Commission  
100 F Street, N.E.  
Washington, DC 20549-1090

Re: Securities Exchange Act Rel. 34-77674 (SR-NYSE-2016-22)

Dear Mr. Fields:

NYSE LLC; filed the attached Amendment No. 4 to the above-referenced filing on May 16, 2016.

Sincerely,

A handwritten signature in blue ink, appearing to be "B. J. Fields", written in a cursive style.

Encl. (Amendment No. 4 to SR-NYSE-2016-22)

## OMB APPROVAL

OMB Number: 3235-0045  
 Estimated average burden  
 hours per response.....38

Required fields are shown with yellow backgrounds and asterisks.

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| Page 1 of * 48                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | SECURITIES AND EXCHANGE COMMISSION<br>WASHINGTON, D.C. 20549<br>Form 19b-4                                                                                                                                                                  | File No.* SR - 2016 - * 22<br>Amendment No. (req. for Amendments *) 4                                                          |
| Filing by New York Stock Exchange<br>Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                             |                                                                                                                                |
| Initial * <input type="checkbox"/><br>Amendment * <input checked="" type="checkbox"/><br>Withdrawal <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Section 19(b)(2) * <input checked="" type="checkbox"/><br>Section 19(b)(3)(A) * <input type="checkbox"/><br>Section 19(b)(3)(B) * <input type="checkbox"/>                                                                                  |                                                                                                                                |
| Pilot <input type="checkbox"/><br>Extension of Time Period<br>for Commission Action * <input type="checkbox"/><br>Date Expires * <input type="text"/>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Rule<br><input type="checkbox"/> 19b-4(f)(1) <input type="checkbox"/> 19b-4(f)(4)<br><input type="checkbox"/> 19b-4(f)(2) <input type="checkbox"/> 19b-4(f)(5)<br><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<br>Section 806(e)(1) <input type="checkbox"/> Section 806(e)(2) <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                             | Security-Based Swap Submission pursuant<br>to the Securities Exchange Act of 1934<br>Section 3C(b)(2) <input type="checkbox"/> |
| Exhibit 2 Sent As Paper Document <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Exhibit 3 Sent As Paper Document <input type="checkbox"/>                                                                                                                                                                                   |                                                                                                                                |
| <b>Description</b><br>Provide a brief description of the action (limit 250 characters, required when Initial is checked *).<br><div style="border: 1px solid black; padding: 5px; min-height: 40px;">           Proposal to adopt initial and continued listing standards for the listing of Equity Investment Tracking Stocks and adopt listing fees         </div>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                             |                                                                                                                                |
| <b>Contact Information</b><br>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<br>Title * Senior Director NYSE Group Inc<br>E-mail * <span style="background-color: black; color: black;">[REDACTED]</span><br>Telephone * <span style="background-color: black; color: black;">[REDACTED]</span> Fax <span style="background-color: black; color: black;">[REDACTED]</span>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Last Name * Carey                                                                                                                                                                                                                           |                                                                                                                                |
| <b>Signature</b><br>Pursuant to the requirements of the Securities Exchange Act of 1934,<br>has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.<br><div style="text-align: right;">(Title *)</div> <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="width: 30%;">         Date 05/16/2016<br/>         By Clare Saperstein<br/>         (Name *)       </div> <div style="width: 60%; text-align: center;">         Associate General Counsel<br/> <div style="border: 1px solid black; width: 100%; height: 40px; margin-top: 5px;"></div> <div style="background-color: #cccccc; padding: 5px; width: 100%; margin-top: 5px;">Clare Saperstein,</div> </div> </div> <p style="font-size: small;">NOTE: Clicking the button at right will digitally sign and lock this form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.</p> |                                                                                                                                                                                                                                             |                                                                                                                                |

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| SECURITIES AND EXCHANGE COMMISSION<br>WASHINGTON, D.C. 20549                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| For complete Form 19b-4 instructions please refer to the EFFT website.                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <div>Form 19b-4 Information *</div> <div><div>Add</div><div>Remove</div><div>View</div></div>                                                                                                                        | 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <div>Exhibit 1 - Notice of Proposed Rule Change *</div> <div><div>Add</div><div>Remove</div><div>View</div></div>                                                                                                    | 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)                                                    |
| <div>Exhibit 1A- Notice of Proposed Rule Change, Security-Based Swap Submission, or Advance Notice by Clearing Agencies</div> <div><div>Add</div><div>Remove</div><div>View</div></div>                              | 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, security-based swap submission, or advance notice being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3) |
| <div>Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications</div> <div><div>Add</div><div>Remove</div><div>View</div></div> <div>Exhibit Sent As Paper Document<br/><input type="checkbox"/></div> | 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <div>Exhibit 3 - Form, Report, or Questionnaire</div> <div><div>Add</div><div>Remove</div><div>View</div></div> <div>Exhibit Sent As Paper Document<br/><input type="checkbox"/></div>                               | 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <div>Exhibit 4 - Marked Copies</div> <div><div>Add</div><div>Remove</div><div>View</div></div>                                                                                                                       | 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <div>Exhibit 5 - Proposed Rule Text</div> <div><div>Add</div><div>Remove</div><div>View</div></div>                                                                                                                  | 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <div>Partial Amendment</div> <div><div>Add</div><div>Remove</div><div>View</div></div>                                                                                                                               | 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 adopt initial and continued listing standards for the listing of Equity Investment Tracking Stocks. The Exchange also proposes to adopt listing fees specific to Equity Investment Tracking Stocks. This Amendment No. 4 supersedes the original filing and Amendment No. 1 thereto in their entirety.

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 persons on the Exchange staff prepared to respond to questions and comments on the proposed rule change are:

John Carey  
Senior Director  
NYSE Group, Inc.  
[REDACTED]

Samir Patel  
Senior Counsel  
NYSE Group, Inc.  
[REDACTED]

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

- (a) Purpose

The Exchange proposes to adopt initial and continued listing standards for the listing of Equity Investment Tracking Stocks. The Exchange also proposes to adopt listing fees specific to Equity Investment Tracking Stocks that are the sole

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

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

listed common equity security of the issuer.

For purposes of proposed new Section 102.07 of the Manual, an Equity Investment Tracking Stock is defined as a class of common equity securities that tracks on an unleveraged basis the performance of an investment by the issuer in the common equity securities of a single other company listed on the Exchange. An Equity Investment Tracking Stock may track multiple classes of common equity securities of a single issuer, so long as all of those classes have identical economic rights and at least one of those classes is listed on the Exchange.

In order to qualify for initial listing under proposed Section 102.07, an Equity Investment Tracking Stock will be required to meet the distribution and public float requirements currently applicable for initial public offerings set forth in Sections 102.01A and 102.01B of the Manual, respectively, and the Global Market Capitalization set forth in Section 102.01C. As such, as required under Section 102.01A, an Equity Investment Tracking Stock, at the time of initial listing, will be required to have at least 400 holders of 100 shares or more and 1,100,000 public held shares available for trading. Further, as required under Section 102.01B, an Equity Investment Tracking Stock must have an aggregated market value of publicly-held shares of \$40,000,000 and a per share price of \$4 at the time of initial listing. Under Section 102.01C, the issuer of an Equity Investment Tracking Stock will be required to meet the Global Market Capitalization Test, under which the issuer must have \$200 million in global market capitalization at the time of initial listing. The issuer of the Equity Investment Tracking Stock must also own (directly or indirectly<sup>3</sup>) at least 50% of both the economic interest and voting power of all of the outstanding classes of common equity of the issuer whose equity is tracked by the Equity Investment Tracking Stock. The Issuer of Equity Investment Tracking Stock must also fully comply with the Exchange's corporate governance requirements set forth in Section 303A of the Manual, subject to applicable exemptions such as those applicable to controlled companies.

The Exchange will not list an Equity Investment Tracking Stock if, at the time of the proposed listing, the issuer of the equity tracked by the Equity Investment Tracking Stock has been deemed below compliance with listing standards by the Exchange.

The Exchange proposes to subject the issuer of an Equity Investment Tracking Stock to the same continued listing standards under Sections 802.01A and 802.01B as are applicable to other companies listing common stocks on the

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<sup>3</sup> An example of an indirect ownership would be where the listed company has a 100%-owned subsidiary and that subsidiary in turn owns the stock of the company whose performance is being tracked. Another example would be where the listed company owns 100% of each of two subsidiaries, each of which owns stock in the company whose performance is being tracked.

Exchange. As such, these companies will be considered to be below compliance with Section 802.01A if (i) their number of total stockholders is less than 400 or (ii) their number of total stockholders is less than 1,200 and their average monthly trading volume is less than 100,000 shares (for the most recent 12 months) or (iii) their number of publicly-held shares is less than 600,000. Such companies will be deemed to be below compliance with Section 802.01B if their average global market capitalization over a consecutive 30 trading-day period is less than \$50,000,000 and, at the same time stockholders' equity is less than \$50,000,000 and (will be subject to immediate delisting if they are determined to have average global market capitalization over a consecutive 30 trading-day period of less than \$15,000,000).

In the case of an Equity Investment Tracking Stock, the Exchange will review the continued listing status of that security if:

- The underlying listed equity security or securities whose value is tracked by the Equity Investment Tracking Stock ceases or cease to be listed on the Exchange.
- The issuer of the Equity Investment Tracking Stock owns (directly or indirectly) less than 50% of either the economic interest or the voting power of all of the outstanding classes of common equity of the issuer whose equity is tracked by the Equity Investment Tracking Stock.
- The Equity Investment Tracking Stock ceases to track the performance of the listed equity security or securities that was tracked at the time of initial listing.

In the event that any of the foregoing conditions exist, the Exchange will determine whether the Equity Investment Tracking Stock meets any other applicable initial listing standard in place at that time. If the Equity Investment Tracking Stock does not qualify for initial listing at that time under another applicable listing standard the issuer will not be eligible to follow the procedures set forth in Sections 802.02 and 802.03 and the Exchange will immediately suspend the Equity Investment Tracking Stock and commence delisting proceedings. Furthermore, whenever trading in the equity security whose value is tracked by an Equity Investment Tracking Stock is suspended or delisting proceedings are commenced with respect to such security, such Equity Investment Tracking Stock will be suspended and/or delisting proceedings commenced with respect to such Equity Investment Tracking Stock at the same time.

The Exchange proposes to amend Section 202.06(B) of the Manual to provide that, in the event that the issuer of the common equity security tracked by an Equity Investment Tracking Stock intends to issue a material news release during the trading day and the staff of NYSE Regulation determines that a regulatory trading halt required by Section 202.06 should be implemented pending dissemination of the news or any other required regulatory trading halt should be implemented, the Exchange will also halt trading in the Equity Investment

Tracking Stock simultaneously with the halt in the underlying security and will also recommence trading at the same time.

The Exchange represents that it will monitor activity in Equity Investment Tracking Stocks to identify and deter any potential improper trading activity in such securities. The Exchange will adopt enhanced surveillance procedures to enable it to monitor Equity Investment Tracking Stocks alongside the securities whose value they track. Additionally, the Exchange represents that its surveillance procedures are generally adequate to properly monitor the trading of Equity Investment Tracking Stocks. Specifically, the Exchange will rely on its existing trading surveillances, administered by the Exchange, or the Financial Industry Regulatory Authority (“FINRA”) on behalf of the Exchange, which are designed to detect violations of Exchange rules and applicable federal securities laws.<sup>4</sup>

The surveillances referred to above generally focus on detecting securities trading outside their normal patterns, which could be indicative of manipulative or other violative activity. When such situations are detected, surveillance analysis follows and investigations are opened, where appropriate, to review the behavior of all relevant parties for all relevant trading violations.

Given the novel investment characteristics of Equity Investment Tracking Stocks, the Exchange will conduct a review of the trading and compliance with continued listing standards of Equity Investment Tracking Stocks and their issuers over the initial two year period for which the proposed listing standard is in operation. The Exchange will furnish two reports to the SEC based on this review, one to be provided one year after the initial listing date of the first security listed under the proposed standard and the second to be provided on the second anniversary of such initial listing. At a minimum, the reports will address the relationship between the trading prices of listed Equity Investment Tracking Stocks and those of the securities whose values they track, the liquidity of the market for the two securities, and any manipulation concerns arising in connection with the trading of securities listed under the standard and the securities whose values are being tracked. The reports will also discuss any recommendations the Exchange may have for enhancements to the listing standard based on its review.

The proposed rule will provide that, prior to the commencement of trading of any Equity Investment Tracking Stock, the Exchange will distribute an Information Memorandum to its Members and Member Organizations that includes (a) any special characteristics and risks of trading the Equity Investment Tracking Stock, and (b) the Exchange Rules that will apply to the Equity Investment Tracking Stock including Exchange Rules that require Member Organizations:

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<sup>4</sup> FINRA conducts cross-market surveillances on behalf of the Exchange pursuant to a regulatory services agreement. The Exchange is responsible for FINRA’s performance under this regulatory services agreement.

- to use reasonable diligence in regard to the opening and maintenance of every account, to know (and retain) the essential facts concerning every customer and concerning the authority of each person acting on behalf of such customer.
- in recommending transactions in the Equity Investment Tracking Stock to have a reasonable basis to believe that (1) the recommendation is suitable for a customer given reasonable inquiry concerning the customer's investment objectives, financial situation, needs, and any other information known by such Member Organization, and (2) the customer can evaluate the special characteristics, and is able to bear the financial risks, of an investment in the Equity Investment Tracking Stock.

The Exchange proposes to amend Sections 902.02 and 902.03 of the Manual to provide that, where an Equity Investment Tracking Stock is the only common equity security of the issuer listed on the Exchange, listing and annual fees for such security will be subject to a single fee cap at the time of original listing and on an annual basis. The Exchange further proposes to amend Section 907.00 of the Manual to limit the products and services provided to the issuer of an Equity Investment Tracking Stock for so long as it is the only common equity security of the issuer listed on the Exchange.

Pursuant to Sections 902.02 and 902.03 of the Manual, listed companies are charged an annual fee for each class or series of security listed on the Exchange. The annual fee is calculated based on the number of shares issued and outstanding and is currently set at a rate of \$0.001025 for the primary listed class of equity, subject to an annual minimum of \$52,500. In its first year of listing, a company's annual fee is prorated from the date of initial listing through the year end. Listed companies also pay other fees to the Exchange, including fees associated with initial and supplemental listing applications. In any given calendar year, however, Section 902.02 of the Manual specifies that the total fees that the Exchange may bill a listed company are capped at \$500,000 (the "Total Maximum Fee"). For an Equity Investment Tracking Stock that is the issuer's only common equity security listed on the Exchange, the Exchange proposes to adopt a Total Maximum Fee of \$200,000.

Section 902.03 of the Manual currently provides, in part, for listing fees the first time an issuer lists a class of common shares, charged on a per share basis based on tiers set forth in the rule. The first time that an issuer lists a class of common shares, the issuer is also subject to a one-time special charge of \$50,000. Once listed, if an issuer lists additional shares of a class of previously listed securities, the issuer is subject to listing fees for such additional shares. The minimum and maximum listing fees applicable the first time an issuer lists a class of common shares are \$125,000 and \$250,000, respectively, which amounts include the special charge of \$50,000. In lieu of the foregoing, the Exchange proposes to establish for an Equity Investment Tracking Stock that is its issuer's only

common equity security listed on the Exchange a fixed initial listing fee (inclusive of the one-time charge) of \$100,000. Subject to the Total Maximum Fee of \$200,000 per year described above, the Exchange proposes to charge the same per share annual fee for Equity Investment Tracking Stocks as for the primary class of equity of a listed operating company (i.e., currently \$0.001025 per share, subject to the minimum annual fee of \$52,500).

Finally, Section 907.00 of the Manual sets forth certain complimentary products and services that are offered to certain currently and newly listed issuers. These products and services are developed or delivered by NYSE or by a third party for use by NYSE-listed companies. Some of these products are commercially available from such third-party vendors. All listed issuers receive some complimentary products and services through the NYSE Market Access Center. The Exchange proposes to exclude issuers of an Equity Investment Tracking Stock that is the issuer's only common equity security listed on the Exchange from receiving the products and services provided for under Section 907.00, with the exception that such issuers will receive the complimentary products and services and access to discounted third-party products and services through the NYSE Market Access Center available to all listed issuers. Issuers of Equity Investment Tracking Stocks will be eligible for tier-based services commencing when they have an additional class of common equity securities listed. In determining eligibility for the various service tiers under Section 907.00, the Exchange will aggregate all of the outstanding shares of listed classes of common equity securities of a company, including all outstanding shares of any listed Equity Investment Tracking Stock that is not the issuer's only listed class of common equity securities.

The Exchange proposes to limit the fees that would be payable for the listing on an Equity Investment Tracking Stock as an incentive for the issuer to list such security on the Exchange. As described below, the Exchange proposes to make the aforementioned fee changes to better reflect the Exchange's costs related to listing Equity Investment Tracking Stocks and the corresponding value of such listing to issuers.

The Exchange proposes to make three other minor changes in this filing: (i) to remove from Section 902.03 references to the annual fee schedule applicable to years prior to 2016; (ii) to update the web link included in Section 907.00 and (iii) to delete the word "four" from Section 802.01B, as there are no longer four continued listing standards referred to in that rule.

(b) 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 Sections 6(b)(4)<sup>6</sup> and

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

6(b)(5)<sup>7</sup> of the Act, in particular.

The Exchange believes that the proposed initial and continued listing standards for Equity Investment Tracking Stocks further the objectives of Section 6(b)(5) of the Act,<sup>8</sup> in particular in that they are designed 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 and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

In particular, the proposed listing standards are designed to protect investors and the public interest by ensuring that Equity Investment Tracking Stocks listed on the Exchange meet stringent quantitative and qualitative listing standards to qualify for initial and continued listing. The Exchange notes that an Equity Investment Tracking Stock will be subject to delisting if they do not meet another applicable initial listing standard and (i) the underlying equity security whose value is tracked by the Equity Investment Tracking Stock ceases to be listed on the Exchange; (ii) the issuer of the Equity Investment Tracking Stock owns (directly or indirectly) less than 50% of either the economic interest or the voting power of all of the outstanding classes of common equity of the issuer whose equity is tracked by the Equity Investment Tracking Stock; or (iii) the Equity Investment Tracking Stock ceases to track the performance of the listed equity security that was tracked at the time of initial listing. The Issuer of Equity Investment Tracking Stock must also fully comply with the Exchange's corporate governance requirements set forth in Section 303A of the Manual, subject to applicable exemptions such as those applicable to controlled companies.

The Exchange notes that it is proposing to amend Section 202.06(B) to provide that, in the event that the issuer of the common equity security tracked by an Equity Investment Tracking Stock intends to issue a material news release during the trading day and the staff of NYSE Regulation determines that a regulatory trading halt pursuant to Section 202.06 should be implemented pending dissemination of the news or if the staff of NYSE Regulation determine that any other required regulatory trading halt should be implemented, the Exchange will also halt trading in the Equity Investment Tracking Stock simultaneously with the halt in the underlying security and will also recommence trading at the same time. The Exchange believes that this proposed amendment will protect investors and the public interest by preventing market participants from gaining an advantage in trading in an Equity Investment Tracking Stock based on their possession of

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<sup>6</sup> 15 U.S.C. 78f(b)(4).

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

<sup>8</sup> 15 U.S.C. 78f(b)(5).

material nonpublic information with respect to the company whose value is being tracked by the Equity Investment Tracking Stock.

The proposed rule requires the issuer of an Equity Investment Tracking Stock to meet the Global Market Capitalization Test in Section 102.01C of the Manual at the time of initial listing and does not allow applicants the alternative of meeting the Earnings Test, as would normally be available to an operating company applicant. The Exchange does not believe this is unfairly discriminatory, as many applicants will likely not have prepared standalone financial statements applicable to the equity investment being tracked and would therefore be unable to demonstrate compliance with the Earnings Test.

The proposed fee provisions further the objectives of Sections 6(b)(4) in that they are designed to provide for the equitable allocation of reasonable dues, fees, and other charges among its members and issuers and other persons using its facilities. The Exchange believes that the proposed fee provisions are consistent with Section 6(b)(5) of the Act in that they do not unfairly discriminate among listed companies because there is a reasonable justification for charging the issuer of an Equity Investment Tracking Stock different fees from those charged to other issuers as there are cost and regulatory efficiencies for the Exchange when the issuer of an Equity Investment Tracking Stock and the issuer of the underlying equity security are both listed on the Exchange. Under the Exchange's proposal, the issuer of an Equity Investment Tracking Stock that is the issuer's only common equity security listed on the Exchange would pay a fixed initial listing fee of \$100,000, which is less than the minimum fee charged in connection with the listing of the primary class of equity of an operating company. In addition, Equity Investment Tracking Stocks would be billed annual fees at the same rate per share as the primary class of equity of an operating company, but, so long as the Equity Investment Tracking Stock is the issuer's only common equity security listed on the exchange, they will be subject to a lower annual fee cap that may cause an issuer of an Equity Investment Tracking Stock to be subject to a lower effective fee rate per share than if it were a regular operating company. Given the unique nature of an Equity Investment Tracking Stock, including especially the fact that its trading price will likely be primarily derivative of the trading price of the security of another company, most of the services provided by the Exchange under Section 907.00 would be of limited value and appeal to issuers of Equity Investment Tracking Stocks and the Exchange believes it is appropriate to exclude the issuers of Equity Investment Tracking Stocks from its services program. The Exchange believes that the fact that it will not provide these costly services makes it appropriate to charge lower fees. In addition, the Exchange believes there will be regulatory efficiencies when the same regulatory staff is responsible for oversight of an Equity Investment Tracking Stock and the underlying equity security. This would include, for example, the fact that news that is material to the issuer of the underlying security would also be material to an investment in the Equity Investment Tracking Stock.

The Exchange does not expect many issuers will seek to list an Equity Investment Tracking Stock. Accordingly, the Exchange does not anticipate that it will experience any meaningful diminution in revenue as a result of the proposed lower fees and therefore does not believe that the proposed fees would in any way negatively affect its ability to continue to adequately fund its regulatory program or the services the Exchange provides to issuers

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 designed to provide listing standards for Equity Investment Tracking Stocks that are appropriately protective of investors and is not designed to limit the ability of the issuers of those securities to list them on any other national securities exchange. The proposed rule change is designed to ensure that the fees charged by the Exchange accurately reflect the services provided and benefits realized by listed companies. The market for listing services is extremely competitive. Each listing exchange has a different fee schedule that applies to issuers seeking to list securities on its exchange. Issuers have the option to list their securities on these alternative venues based on the fees charged and the value provided by each listing. Because issuers have a choice to list their securities on a different national securities exchange, the Exchange does not believe that the proposed listing standards and fee changes impose a 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)

Not applicable.

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

The proposed rule change is not based on the rules of another self-regulatory organization or of the Commission.

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

Exhibit 4 – Additions and Deletions from Exhibit 5 to SR-NYSE-2016-22 as filed in Amendment No. 1

Exhibit 5 – Amendment to the Manual

## EXHIBIT 1

## SECURITIES AND EXCHANGE COMMISSION

(Release No. 34- ; File No. SR-NYSE-2016-22; Amendment No. 4)

[Date]

Self-Regulatory Organizations; New York Stock Exchange LLC; Notice of Filing of Proposed Rule Change Adopting Initial and Continued Listing Standards for the Listing of Equity Investment Tracking Stocks and Adopting Listing Fees Specific to Equity Investment Tracking Stocks

Pursuant to Section 19(b)(1)<sup>1</sup> of the Securities Exchange Act of 1934 (the “Act”)<sup>2</sup> and Rule 19b-4 thereunder,<sup>3</sup> notice is hereby given that, on May 16, 2016, 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 adopt initial and continued listing standards for the listing of Equity Investment Tracking Stocks. The Exchange also proposes to adopt listing fees specific to Equity Investment Tracking Stocks. . This Amendment No. 4 supersedes the original filing and Amendment No. 1 thereto in their entirety. 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

The Exchange proposes to adopt initial and continued listing standards for the listing of Equity Investment Tracking Stocks. The Exchange also proposes to adopt listing fees specific to Equity Investment Tracking Stocks that are the sole listed common equity security of the issuer.

For purposes of proposed new Section 102.07 of the Manual, an Equity Investment Tracking Stock is defined as a class of common equity securities that tracks on an unleveraged basis the performance of an investment by the issuer in the common equity securities of a single other company listed on the Exchange. An Equity Investment Tracking Stock may track multiple classes of common equity securities of a single issuer, so long as all of those classes have identical economic rights and at least one of those classes is listed on the Exchange.

In order to qualify for initial listing under proposed Section 102.07, an Equity Investment Tracking Stock will be required to meet the distribution and public float requirements currently applicable for initial public offerings set forth in Sections 102.01A

and 102.01B of the Manual, respectively, and the Global Market Capitalization set forth in Section 102.01C. As such, as required under Section 102.01A, an Equity Investment Tracking Stock, at the time of initial listing, will be required to have at least 400 holders of 100 shares or more and 1,100,000 public held shares available for trading. Further, as required under Section 102.01B, an Equity Investment Tracking Stock must have an aggregated market value of publicly-held shares of \$40,000,000 and a per share price of \$4 at the time of initial listing. Under Section 102.01C, the issuer of an Equity Investment Tracking Stock will be required to meet the Global Market Capitalization Test, under which the issuer must have \$200 million in global market capitalization at the time of initial listing. The issuer of the Equity Investment Tracking Stock must also own (directly or indirectly<sup>4</sup>) at least 50% of both the economic interest and voting power of all of the outstanding classes of common equity of the issuer whose equity is tracked by the Equity Investment Tracking Stock. The Issuer of Equity Investment Tracking Stock must also fully comply with the Exchange's corporate governance requirements set forth in Section 303A of the Manual, subject to applicable exemptions such as those applicable to controlled companies.

The Exchange will not list an Equity Investment Tracking Stock if, at the time of the proposed listing, the issuer of the equity tracked by the Equity Investment Tracking Stock has been deemed below compliance with listing standards by the Exchange.

The Exchange proposes to subject the issuer of an Equity Investment Tracking

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<sup>4</sup> An example of an indirect ownership would be where the listed company has a 100%-owned subsidiary and that subsidiary in turn owns the stock of the company whose performance is being tracked. Another example would be where the listed company owns 100% of each of two subsidiaries, each of which owns stock in the company whose performance is being tracked.

Stock to the same continued listing standards under Sections 802.01A and 802.01B as are applicable to other companies listing common stocks on the Exchange. As such, these companies will be considered to be below compliance with Section 802.01A if (i) their number of total stockholders is less than 400 or (ii) their number of total stockholders is less than 1,200 and their average monthly trading volume is less than 100,000 shares (for the most recent 12 months) or (iii) their number of publicly-held shares is less than 600,000. Such companies will be deemed to be below compliance with Section 802.01B if their average global market capitalization over a consecutive 30 trading-day period is less than \$50,000,000 and, at the same time stockholders' equity is less than \$50,000,000 and (will be subject to immediate delisting if they are determined to have average global market capitalization over a consecutive 30 trading-day period of less than \$15,000,000).

In the case of an Equity Investment Tracking Stock, the Exchange will review the continued listing status of that security if:

- The underlying listed equity security or securities whose value is tracked by the Equity Investment Tracking Stock ceases or cease to be listed on the Exchange.
- The issuer of the Equity Investment Tracking Stock owns (directly or indirectly) less than 50% of either the economic interest or the voting power of all of the outstanding classes of common equity of the issuer whose equity is tracked by the Equity Investment Tracking Stock.
- The Equity Investment Tracking Stock ceases to track the performance of the listed equity security or securities that was

tracked at the time of initial listing.

In the event that any of the foregoing conditions exist, the Exchange will determine whether the Equity Investment Tracking Stock meets any other applicable initial listing standard in place at that time. If the Equity Investment Tracking Stock does not qualify for initial listing at that time under another applicable listing standard the issuer will not be eligible to follow the procedures set forth in Sections 802.02 and 802.03 and the Exchange will immediately suspend the Equity Investment Tracking Stock and commence delisting proceedings. Furthermore, whenever trading in the equity security whose value is tracked by an Equity Investment Tracking Stock is suspended or delisting proceedings are commenced with respect to such security, such Equity Investment Tracking Stock will be suspended and/or delisting proceedings commenced with respect to such Equity Investment Tracking Stock at the same time.

The Exchange proposes to amend Section 202.06(B) of the Manual to provide that, in the event that the issuer of the common equity security tracked by an Equity Investment Tracking Stock intends to issue a material news release during the trading day and the staff of NYSE Regulation determines that a regulatory trading halt required by Section 202.06 should be implemented pending dissemination of the news or any other required regulatory trading halt should be implemented, the Exchange will also halt trading in the Equity Investment Tracking Stock simultaneously with the halt in the underlying security and will also recommence trading at the same time.

The Exchange represents that it will monitor activity in Equity Investment Tracking Stocks to identify and deter any potential improper trading activity in such securities. The Exchange will adopt enhanced surveillance procedures to enable it to

monitor Equity Investment Tracking Stocks alongside the securities whose value they track. Additionally, the Exchange represents that its surveillance procedures are generally adequate to properly monitor the trading of Equity Investment Tracking Stocks. Specifically, the Exchange will rely on its existing trading surveillances, administered by the Exchange, or the Financial Industry Regulatory Authority (“FINRA”) on behalf of the Exchange, which are designed to detect violations of Exchange rules and applicable federal securities laws.<sup>5</sup>

The surveillances referred to above generally focus on detecting securities trading outside their normal patterns, which could be indicative of manipulative or other violative activity. When such situations are detected, surveillance analysis follows and investigations are opened, where appropriate, to review the behavior of all relevant parties for all relevant trading violations.

Given the novel investment characteristics of Equity Investment Tracking Stocks, the Exchange will conduct a review of the trading and compliance with continued listing standards of Equity Investment Tracking Stocks and their issuers over the initial two year period for which the proposed listing standard is in operation. The Exchange will furnish two reports to the SEC based on this review, one to be provided one year after the initial listing date of the first security listed under the proposed standard and the second to be provided on the second anniversary of such initial listing. At a minimum, the reports will address the relationship between the trading prices of listed Equity Investment Tracking Stocks and those of the securities whose values they track, the liquidity of the market for

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<sup>5</sup> FINRA conducts cross-market surveillances on behalf of the Exchange pursuant to a regulatory services agreement. The Exchange is responsible for FINRA’s performance under this regulatory services agreement.

the two securities, and any manipulation concerns arising in connection with the trading of securities listed under the standard and the securities whose values are being tracked. The reports will also discuss any recommendations the Exchange may have for enhancements to the listing standard based on its review.

The proposed rule will provide that, prior to the commencement of trading of any Equity Investment Tracking Stock, the Exchange will distribute an Information Memorandum to its Members and Member Organizations that includes (a) any special characteristics and risks of trading the Equity Investment Tracking Stock, and (b) the Exchange Rules that will apply to the Equity Investment Tracking Stock including Exchange Rules that require Member Organizations:

- to use reasonable diligence in regard to the opening and maintenance of every account, to know (and retain) the essential facts concerning every customer and concerning the authority of each person acting on behalf of such customer.
- in recommending transactions in the Equity Investment Tracking Stock to have a reasonable basis to believe that (1) the recommendation is suitable for a customer given reasonable inquiry concerning the customer's investment objectives, financial situation, needs, and any other information known by such Member Organization, and (2) the customer can evaluate the special characteristics, and is able to bear the financial risks, of an investment in the Equity Investment Tracking Stock.

The Exchange proposes to amend Sections 902.02 and 902.03 of the Manual to

provide that, where an Equity Investment Tracking Stock is the only common equity security of the issuer listed on the Exchange, listing and annual fees for such security will be subject to a single fee cap at the time of original listing and on an annual basis. The Exchange further proposes to amend Section 907.00 of the Manual to limit the products and services provided to the issuer of an Equity Investment Tracking Stock for so long as it is the only common equity security of the issuer listed on the Exchange.

Pursuant to Sections 902.02 and 902.03 of the Manual, listed companies are charged an annual fee for each class or series of security listed on the Exchange. The annual fee is calculated based on the number of shares issued and outstanding and is currently set at a rate of \$0.001025 for the primary listed class of equity, subject to an annual minimum of \$52,500. In its first year of listing, a company's annual fee is prorated from the date of initial listing through the year end. Listed companies also pay other fees to the Exchange, including fees associated with initial and supplemental listing applications. In any given calendar year, however, Section 902.02 of the Manual specifies that the total fees that the Exchange may bill a listed company are capped at \$500,000 (the "Total Maximum Fee"). For an Equity Investment Tracking Stock that is the issuer's only common equity security listed on the Exchange, the Exchange proposes to adopt a Total Maximum Fee of \$200,000.

Section 902.03 of the Manual currently provides, in part, for listing fees the first time an issuer lists a class of common shares, charged on a per share basis based on tiers set forth in the rule. The first time that an issuer lists a class of common shares, the issuer is also subject to a one-time special charge of \$50,000. Once listed, if an issuer lists additional shares of a class of previously listed securities, the issuer is subject to listing

fees for such additional shares. The minimum and maximum listing fees applicable the first time an issuer lists a class of common shares are \$125,000 and \$250,000, respectively, which amounts include the special charge of \$50,000. In lieu of the foregoing, the Exchange proposes to establish for an Equity Investment Tracking Stock that is its issuer's only common equity security listed on the Exchange a fixed initial listing fee (inclusive of the one-time charge) of \$100,000. Subject to the Total Maximum Fee of \$200,000 per year described above, the Exchange proposes to charge the same per share annual fee for Equity Investment Tracking Stocks as for the primary class of equity of a listed operating company (i.e., currently \$0.001025 per share, subject to the minimum annual fee of \$52,500).

Finally, Section 907.00 of the Manual sets forth certain complimentary products and services that are offered to certain currently and newly listed issuers. These products and services are developed or delivered by NYSE or by a third party for use by NYSE-listed companies. Some of these products are commercially available from such third-party vendors. All listed issuers receive some complimentary products and services through the NYSE Market Access Center. The Exchange proposes to exclude issuers of an Equity Investment Tracking Stock that is the issuer's only common equity security listed on the Exchange from receiving the products and services provided for under Section 907.00, with the exception that such issuers will receive the complimentary products and services and access to discounted third-party products and services through the NYSE Market Access Center available to all listed issuers. Issuers of Equity Investment Tracking Stocks will be eligible for tier-based services commencing when they have an additional class of common equity securities listed. In determining

eligibility for the various service tiers under Section 907.00, the Exchange will aggregate all of the outstanding shares of listed classes of common equity securities of a company, including all outstanding shares of any listed Equity Investment Tracking Stock that is not the issuer's only listed class of common equity securities.

The Exchange proposes to limit the fees that would be payable for the listing on an Equity Investment Tracking Stock as an incentive for the issuer to list such security on the Exchange. As described below, the Exchange proposes to make the aforementioned fee changes to better reflect the Exchange's costs related to listing Equity Investment Tracking Stocks and the corresponding value of such listing to issuers.

The Exchange proposes to make three other minor changes in this filing: (i) to remove from Section 902.03 references to the annual fee schedule applicable to years prior to 2016; (ii) to update the web link included in Section 907.00 and (iii) to delete the word "four" from Section 802.01B, as there are no longer four continued listing standards referred to in that rule.

## 2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,<sup>6</sup> in general, and furthers the objectives of Sections 6(b)(4)<sup>7</sup> and 6(b)(5)<sup>8</sup> of the Act, in particular.

The Exchange believes that the proposed initial and continued listing standards for Equity Investment Tracking Stocks further the objectives of Section 6(b)(5) of the

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

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

<sup>8</sup> 15 U.S.C. 78f(b)(5).

Act,<sup>9</sup> in particular in that they are designed 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 and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

In particular, the proposed listing standards are designed to protect investors and the public interest by ensuring that Equity Investment Tracking Stocks listed on the Exchange meet stringent quantitative and qualitative listing standards to qualify for initial and continued listing. The Exchange notes that an Equity Investment Tracking Stock will be subject to delisting if they do not meet another applicable initial listing standard and (i) the underlying equity security whose value is tracked by the Equity Investment Tracking Stock ceases to be listed on the Exchange; (ii) the issuer of the Equity Investment Tracking Stock owns (directly or indirectly) less than 50% of either the economic interest or the voting power of all of the outstanding classes of common equity of the issuer whose equity is tracked by the Equity Investment Tracking Stock; or (iii) the Equity Investment Tracking Stock ceases to track the performance of the listed equity security that was tracked at the time of initial listing. The Issuer of Equity Investment Tracking Stock must also fully comply with the Exchange's corporate governance requirements set forth in Section 303A of the Manual, subject to applicable exemptions such as those applicable to controlled companies.

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<sup>9</sup> 15 U.S.C. 78f(b)(5).

The Exchange notes that it is proposing to amend Section 202.06(B) to provide that, in the event that the issuer of the common equity security tracked by an Equity Investment Tracking Stock intends to issue a material news release during the trading day and the staff of NYSE Regulation determines that a regulatory trading halt pursuant to Section 202.06 should be implemented pending dissemination of the news or if the staff of NYSE Regulation determine that any other required regulatory trading halt should be implemented, the Exchange will also halt trading in the Equity Investment Tracking Stock simultaneously with the halt in the underlying security and will also recommence trading at the same time. The Exchange believes that this proposed amendment will protect investors and the public interest by preventing market participants from gaining an advantage in trading in an Equity Investment Tracking Stock based on their possession of material nonpublic information with respect to the company whose value is being tracked by the Equity Investment Tracking Stock.

The proposed rule requires the issuer of an Equity Investment Tracking Stock to meet the Global Market Capitalization Test in Section 102.01C of the Manual at the time of initial listing and does not allow applicants the alternative of meeting the Earnings Test, as would normally be available to an operating company applicant. The Exchange does not believe this is unfairly discriminatory, as many applicants will likely not have prepared standalone financial statements applicable to the equity investment being tracked and would therefore be unable to demonstrate compliance with the Earnings Test.

The proposed fee provisions further the objectives of Sections 6(b)(4) in that they are designed to provide for the equitable allocation of reasonable dues, fees, and other charges among its members and issuers and other persons using its facilities. The

Exchange believes that the proposed fee provisions are consistent with

Section 6(b)(5) of the Act in that they do not unfairly discriminate among listed companies because there is a reasonable justification for charging the issuer of an Equity Investment Tracking Stock different fees from those charged to other issuers as there are cost and regulatory efficiencies for the Exchange when the issuer of an Equity Investment Tracking Stock and the issuer of the underlying equity security are both listed on the Exchange. Under the Exchange's proposal, the issuer of an Equity Investment Tracking Stock that is the issuer's only common equity security listed on the Exchange would pay a fixed initial listing fee of \$100,000, which is less than the minimum fee charged in connection with the listing of the primary class of equity of an operating company. In addition, Equity Investment Tracking Stocks would be billed annual fees at the same rate per share as the primary class of equity of an operating company, but, so long as the Equity Investment Tracking Stock is the issuer's only common equity security listed on the exchange, they will be subject to a lower annual fee cap that may cause an issuer of an Equity Investment Tracking Stock to be subject to a lower effective fee rate per share than if it were a regular operating company. Given the unique nature of an Equity Investment Tracking Stock, including especially the fact that its trading price will likely be primarily derivative of the trading price of the security of another company, most of the services provided by the Exchange under Section 907.00 would be of limited value and appeal to issuers of Equity Investment Tracking Stocks and the Exchange believes it is appropriate to exclude the issuers of Equity Investment Tracking Stocks from its services program. The Exchange believes that the fact that it will not provide these costly services makes it appropriate to charge lower fees. In addition, the Exchange believes

there will be regulatory efficiencies when the same regulatory staff is responsible for oversight of an Equity Investment Tracking Stock and the underlying equity security. This would include, for example, the fact that news that is material to the issuer of the underlying security would also be material to an investment in the Equity Investment Tracking Stock.

The Exchange does not expect many issuers will seek to list an Equity Investment Tracking Stock. Accordingly, the Exchange does not anticipate that it will experience any meaningful diminution in revenue as a result of the proposed lower fees and therefore does not believe that the proposed fees would in any way negatively affect its ability to continue to adequately fund its regulatory program or the services the Exchange provides to issuers

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 designed to provide listing standards for Equity Investment Tracking Stocks that are appropriately protective of investors and is not designed to limit the ability of the issuers of those securities to list them on any other national securities exchange. The proposed rule change is designed to ensure that the fees charged by the Exchange accurately reflect the services provided and benefits realized by listed companies. The market for listing services is extremely competitive. Each listing exchange has a different fee schedule that applies to issuers seeking to list securities on its exchange. Issuers have the option to list their securities on these alternative venues based on the fees charged and the value provided by each listing. Because issuers have a

choice to list their securities on a different national securities exchange, the Exchange does not believe that the proposed listing standards and fee changes impose a 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

Within 45 days of the date of publication of this notice in the Federal Register or 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 (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number SR-NYSE-2016-22 on the subject line.

Paper comments:

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

All submissions should refer to File Number SR-NYSE-2016-22. 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-2016-22 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>

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

Robert W. Errett  
Deputy Secretary

Additions: Underlined

Additions proposed in Amendment No. 4: Double-underlined

Deletions: [Bracketed]

## NYSE Listed Company Manual

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### Section 1 The Listing Process

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#### 102.07 Minimum Numerical Standards—Equity Investment Tracking Stocks

An Equity Investment Tracking Stock is defined as a class of common equity securities that tracks on an unleveraged basis the performance of an investment by the issuer in the common equity securities of a single other company listed on the Exchange. An Equity Investment Tracking Stock may track multiple classes of common equity securities of a single issuer, so long as all of those classes have identical economic rights and at least one of those classes is listed on the Exchange.

In order for an Equity Investment Tracking Stock to qualify for initial listing, it must meet the requirements of Sections 102.01A and 102.01B and [one of the standards] the issuer of the Equity Investment Tracking Stock must meet the Global Market Capitalization Test set forth in Section 102.01C. The Exchange will not list an Equity Investment Tracking Stock if, at the time of the proposed listing, the issuer of the equity tracked by the Equity Investment Tracking Stock has been deemed below compliance with the Exchange's listing standards. The issuer of the Equity Investment Tracking Stock must own (directly or indirectly) at least 50% of both the economic interest and voting power of all of the outstanding classes of common equity securities of the issuer whose equity is tracked by the Equity Investment Tracking Stock.

[An Equity Investment Tracking Stock is a class of common stock that is the listed company's sole class of common equity securities at the time of its initial listing on the Exchange and that is designed solely to track the performance of an investment by the issuer in the common stock of another company listed on the Exchange. An Equity Investment Tracking Stock may subsequently, by way of a merger or acquisition, represent an investment in the common stock of another publicly-traded company.]

Prior to the commencement of trading of any Equity Investment Tracking Stock, the Exchange will distribute an Information Memorandum to its Members and Member Organizations that includes (a) any special characteristics and risks of trading the Equity

Investment Tracking Stock, and (b) the Exchange Rules that will apply to the Equity Investment Tracking Stock including Exchange Rules that:

- require Member Organizations to use reasonable diligence in regard to the opening and maintenance of every account, to know (and retain) the essential facts concerning every customer and concerning the authority of each person acting on behalf of such customer; and
- require Member Organizations in recommending transactions in the Equity Investment Tracking Stock to have a reasonable basis to believe that (1) the recommendation is suitable for a customer given reasonable inquiry concerning the customer's investment objectives, financial situation, needs, and any other information known by such Member Organization, and (2) the customer can evaluate the special characteristics, and is able to bear the financial risks, of an investment in the Equity Investment Tracking Stock.

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## **Section 2 Disclosure and Reporting Material Information**

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### **202.06 Procedure for Public Release of Information; Trading Halts**

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#### **(B) Telephone Alert to the Exchange; Trading Halts**

When the announcement of news of a material event or a statement dealing with a rumor which calls for immediate release is made between 7:00 A.M. and 4:00 P.M., Eastern Time, the company must notify the Exchange by telephone at least ten minutes prior to release of the announcement, to inform the Exchange of the substance of the announcement and the method by which the company intends to comply with the immediate release policy and providing the Exchange with the information necessary to locate the news upon publication. When the announcement is in written form, the company must also provide the text of such announcement to the Exchange through the Web-based notification methods specified in Section 204.00 at least ten minutes prior to release of the announcement. If the Exchange receives such notification in time, it will be in a position to consider whether, in the opinion of the Exchange, trading in the security should be temporarily halted. (See Rule 123D(1) for the Exchange's policies with respect to delayed openings and trading halts.) \* A delay in trading after the appearance of the news on the major news wires provides a period of calm for public evaluation of the announcement. The halt also allows customers to revise the terms of limit orders on the Exchange in view of the news announcement. Even if limit orders are not canceled or changed during the halt, the fact that trading is halted results in the reopening being considered a new opening, thereby enabling limit orders to participate at the new opening price regardless of the previously entered limit. A longer delay in trading may be

necessary if there is an unusual influx of orders. The Exchange attempts to keep such interruptions in the continuous auction market to a minimum. However, where events transpire during market hours, the overall importance of fairness to all those participating in the market demands that these procedures be followed.

When the Exchange believes it is necessary to request from an issuer information relating to:

- (i) material news;
- (ii) the issuer's compliance with Exchange continued listing requirements; or
- (iii) any other information which is necessary to protect investors and the public interest

the Exchange may halt trading in a listed security until it has received and evaluated such information.

The Exchange may halt trading in an American Depositary Receipt ("ADR") or other security listed on the Exchange, when the Exchange-listed security or the security underlying the ADR is listed on or registered with another national securities exchange or foreign exchange or market, and the national securities exchange or foreign exchange or market, or regulatory authority overseeing such exchange or market, halts trading in such security for regulatory reasons.

Whenever the Exchange halts trading in a security of a listed company for any of the reasons set forth above or implements any other required regulatory trading halt, the Exchange will also halt trading in any listed Equity Investment Tracking Stock that tracks the performance of such listed company.

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## **Section 8 Suspension and Delisting**

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### **802.01 Continued Listing Criteria**

The Exchange would normally give consideration to the prompt initiation of suspension and delisting procedures with respect to a security of either a domestic or non-U.S. issuer when:

#### **802.01A. Distribution Criteria for Capital or Common Stock (including Equity Investment Tracking Stock).—**

- Number of total stockholders (A) is less than \_\_\_\_\_400

**OR**

- Number of total stockholders (A) is less than \_\_\_\_\_1,200 and
- Average monthly trading volume is less than \_\_\_\_\_100,000 shares (for most recent 12 months)

**OR**

- Number of publicly-held shares (B) is less than \_\_\_\_\_600,000(C)

(A) The number of beneficial holders of stock held in the name of Exchange member organizations will be considered in addition to holders of record.

(B) Shares held by directors, officers, or their immediate families and other concentrated holdings of 10% or more are excluded in calculating the number of publicly-held shares.

(C) If the unit of trading is less than 100 shares, the requirement relating to the number of shares publicly held shall be reduced proportionately.

This Section 802.01A is applicable to listed Equity Investment Tracking Stocks.

**802.01B Numerical Criteria for Capital or Common Stock (including Equity Investment Tracking Stock)**

A company (including the issuer of an Equity Investment Tracking Stock) will be considered to be below compliance if its average global market capitalization over a consecutive 30 trading-day period is less than \$50,000,000 and, at the same time stockholders' equity is less than \$50,000,000.

If a company is initially listed under any of the Exchange's financial standards on the basis of financial statements covering a period of nine to twelve months and the company does not qualify under the regular standard at the end of such fiscal year or qualify at such time for original listing under another listing standard, the Exchange will promptly initiate suspension and delisting procedures with respect to the Company. Such companies will not be eligible to avail themselves of the provisions of Sections 802.02 and 802.03 and any such company will be subject to delisting procedures as set forth in Section 804.

Notwithstanding the preceding two paragraphs, the Exchange will promptly initiate suspension and delisting procedures with respect to a company (including the issuer of an Equity Investment Tracking Stock) that is listed under any financial standard set out in Sections 102.01C or 103.01B if a company is determined to have average global market capitalization over a consecutive 30 trading-day period of less than \$15,000,000, regardless of the original standard under which it listed. A company is not eligible to

follow the procedures outlined in Sections 802.02 and 802.03 with respect to this criterion.

When applying the market capitalization test in any of the above [four] standards, the Exchange will generally look to the total common stock outstanding (excluding treasury shares) as well as any common stock that would be issued upon conversion of another outstanding equity security. The Exchange deems these securities to be reflected in market value to such an extent that the security is a "substantial equivalent" of common stock. In this regard, the Exchange will only consider securities (1) publicly traded (or quoted), or (2) convertible into a publicly traded (or quoted) security. For partnerships, the Exchange will analyze the creation of the current capital structure to determine whether it is appropriate to include other publicly-traded securities in the calculation.

In the case of an Equity Investment Tracking Stock, the Exchange will [promptly initiate suspension and delisting procedures if the underlying equity security whose value is tracked by the Equity Investment Tracking Stock ceases to be listed on (i) the Exchange, (ii) the Nasdaq Stock Market, (iii) NYSE MKT or (iv) one of the markets listed in SEC Rule 146(b), or if the underlying equity security becomes, by way of merger or acquisition, another security that is not listed on one of the aforementioned markets.] review the continued listing status of that security if:

- The listed equity security or securities whose value is tracked by the Equity Investment Tracking Stock ceases or cease to be listed on the Exchange.
- The issuer of the Equity Investment Tracking Stock owns (directly or indirectly) less than 50% of either the economic interest or the voting power of all of the outstanding classes of common equity of the issuer whose equity is tracked by the Equity Investment Tracking Stock.
- The Equity Investment Tracking Stock ceases to track the performance of the listed equity security or securities that was tracked at the time of initial listing.

In the event that any of the foregoing conditions exist, the Exchange will determine whether the Equity Investment Tracking Stock meets any other applicable initial listing standard in place at that time. If the Equity Investment Tracking Stock does not qualify for initial listing at that time under another applicable listing standard, the issuer will not be eligible to follow the procedures set forth in Sections 802.02 and 802.03 and the Exchange will immediately suspend the Equity Investment Tracking Stock and commence delisting proceedings. Furthermore, whenever trading in the equity security whose value is tracked by an Equity Investment Tracking Stock is suspended or delisting proceedings are commenced with respect to such security, such Equity Investment Tracking Stock will be suspended and/or delisting proceedings will be commenced with respect to such Equity Investment Tracking Stock at the same time.

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## Section 9—Exchange Forms.

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### 902.02 General Information on Fees

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#### Total Maximum Fee Payable in a Calendar Year

The total fees that may be billed to an issuer in a calendar year are capped at \$500,000 (the "Total Maximum Fee"). The Total Maximum Fee for an Equity Investment Tracking Stock (as defined in Section 102.07 hereof) in a calendar year is capped at \$200,000 so long as the Equity Investment Tracking Stock is the only class of common equity [security] securities listed by the issuer on the Exchange. The fee cap includes most Listing Fees and Annual Fees, subject to any proration as described above under "Annual Fees". The fee cap, however, does not include the following fees:

- Listing Fees and Annual Fees for Investment Company Units, streetTRACKS® Gold Shares, Currency Trust Shares, and Commodity Trust Shares;
- Listing Fees and Annual Fees for closed-end funds;
- Listing Fees for structured products; and
- Annual Fees for structured products other than retail debt securities.

The term "retail debt securities" refers to debt securities that are listed under the equity criteria set out in Section 703.19 and traded on the equity floor of the Exchange.

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### 902.03 Fees for Listed Equity Securities

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#### Limitations on Listing Fees

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Minimum and Maximum Listing Fees. The minimum and maximum Listing Fees applicable the first time an issuer lists a class of common shares are \$125,000 and \$250,000, respectively, which amounts include the special charge of \$50,000. The Listing Fee applicable the first time an issuer lists an Equity Investment Tracking Stock (as defined in Section 102.07 hereof) that is the issuer's only class of common equity

securities listed on the Exchange is a fixed amount of \$100,000, which amount includes the special charge of \$50,000.

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## Annual Fees

### Annual Fee Schedule

The Annual Fee for each class of equity security listed is equal to the greater of the minimum fee or the fee calculated on a per share basis:

| <b>Type of Security</b>                                                                       | <b>Minimum Fee</b>                             | <b>Fee Per Share</b>                            |
|-----------------------------------------------------------------------------------------------|------------------------------------------------|-------------------------------------------------|
| Primary class of common shares <u>(including Equity Investment Tracking Stock)</u>            | [\$45,000 (J\$52,500 [as of January 1, 2016])] | [\$0.001 (J\$0.001025 [as of January 1, 2016])] |
| Each additional class of common shares (including tracking stock)                             | \$20,000                                       | [\$0.001 (J\$0.001025 [as of January 1, 2016])] |
| Primary class of preferred stock (if no class of common shares is listed)                     | [\$45,000 (J\$52,500 [as of January 1, 2016])] | [\$0.001 (J\$0.001025 [as of January 1, 2016])] |
| Each additional class of preferred stock (whether primary class is common or preferred stock) | \$5,000                                        | [\$0.001 (J\$0.001025 [as of January 1, 2016])] |
| Each class of warrants                                                                        | \$5,000                                        | [\$0.001 (J\$0.001025 [as of January 1, 2016])] |

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## 907.00 Products and Services Available to Issuers

*INTRODUCTORY NOTE: Any Eligible New Listing that listed on the Exchange while Section 907.00, as approved on December 3, 2013 (the "Prior Rule"), was in effect will continue to receive services under the terms of that rule instead of the terms described below. The text of the Prior Rule is available on the Exchange's website at [https://www.nyse.com/get-started/reference] [https://www.nyse.com/publicdocs/nyse/regulation/nyse/NYSE\\_Listed\\_Company\\_Manual\\_Section\\_907-00\\_in\\_effect\\_prior\\_to\\_October\\_9\\_2015.pdf](https://www.nyse.com/publicdocs/nyse/regulation/nyse/NYSE_Listed_Company_Manual_Section_907-00_in_effect_prior_to_October_9_2015.pdf).*

The Exchange offers certain complimentary products and services and access to discounted third-party products and services through the NYSE Market Access Center to currently and newly listed issuers, as described on the Exchange's Web site. The Exchange also provides complimentary market surveillance products and services (with a commercial value of approximately \$55,000 annually), corporate governance tools (with a commercial value of approximately \$50,000), Web-hosting products and services (with a commercial value of approximately \$16,000 annually), web-casting services (with a commercial value of approximately \$6,500 annually), market analytics products and services (with a commercial value of approximately \$30,000 annually), and news distribution products and services (with a commercial value of approximately \$20,000 annually) to certain categories of currently and newly listed issuers as set forth below:

### Eligible Current Listings:

Tier One: The Exchange offers (i) a choice of market surveillance or market analytics products and services, and (ii) Web-hosting and web-casting products and services to U.S. issuers that have 270 million or more total shares of common stock issued and outstanding in all share classes, including and in addition to Treasury shares, and non-U.S. companies that have 270 million or more shares of an equity security issued and outstanding in the U.S., each calculated annually as of September 30 of the preceding year.

Tier Two: At each such issuer's election, the Exchange offers a choice of market analytics or Web-hosting and webcasting products and services to:

(1) U.S. issuers that have 160 million to 269,999,999 total shares of common stock issued and outstanding in all share classes, including and in addition to Treasury shares, calculated annually as of September 30 of the preceding year; and

(2) non-U.S. companies that have 160 million to 269,999,999 shares of an equity security issued and outstanding in the U.S., calculated annually as of September 30 of the preceding year.

### Eligible New Listings and Eligible Transfer Companies:

Tier A: For Eligible New Listings and Eligible Transfer Companies with a global market value of \$400 million or more, in each case calculated as of the date of listing on the Exchange, the Exchange offers market surveillance, market analytics, web-hosting, web-casting, corporate governance tools (Eligible New Listings only), and news distribution products and services for a period of 24 calendar months.

Tier B: For Eligible New Listings and Eligible Transfer Companies with a global market value of less than \$400 million, in each case calculated as of the date of listing on the Exchange, the Exchange offers Web-hosting, market analytics, web-casting, corporate governance tools (Eligible New Listings only), and news distribution products and services for a period of 24 calendar months.

Global market value for an Eligible New Listing and Eligible Transfer Company is based on the public offering price; if there is no public offering in connection with listing on the Exchange, then the Exchange shall determine the issuer's global market value at the time of listing for purposes of determining whether the issuer qualifies for Tier A or B.

At the conclusion of the 24-month period, Tier A and Tier B issuers receive Tier One or Tier Two products and services if they qualify based on total shares of common stock (for a U.S. issuer) or equity security (for a non-U.S. issuer) issued and outstanding as described above under the heading "Eligible Current Listings."

The period of complimentary products and services provided to Eligible New Listing and Eligible Transfer Companies begins on the date of listing on the Exchange. Notwithstanding the foregoing, however, if an Eligible New Listing or Eligible Transfer Company begins to use a particular product or service provided for under this Section 907.00 within 30 days of its initial listing date, the complimentary period will begin on the date of first use.

In addition to the foregoing, the Exchange provides all listed issuers with complimentary access to whistleblower hotline services (with a commercial value of approximately \$4,000 annually) for a period of 24 calendar months.

Issuers may elect whether or not to receive products and services for which they are eligible under this Section 907.00. For the purposes of this Section 907.00, the term "Eligible New Listing" means (i) any U.S. company that lists common stock on the Exchange for the first time and any non-U.S. company that lists an equity security on the Exchange under Section 102.01 or 103.00 of the Manual for the first time, regardless of

whether such U.S. or non-U.S. company conducts an offering and (ii) any U.S. or non-U.S. company emerging from a bankruptcy, spinoff (where a company lists new shares in the absence of a public offering), and carve-out (where a company carves out a business line or division, which then conducts a separate initial public offering). For purposes of this Section 907.00, the term "Eligible Transfer Company" means any U.S. or non-U.S. company that transfers its listing of common stock or equity securities, respectively, to the Exchange from another national securities exchange. For purposes of Section 907.00, an "equity security" means common stock or common share equivalents such as ordinary shares, New York shares, global shares, American Depositary Receipts, or Global Depositary Receipts.

The issuer of an Equity Investment Tracking Stock (as defined in Section 102.07 hereof) that is that issuer's only class of common equity securities listed on the Exchange will not receive the products and services provided for under this Section 907.00, with the exception that such issuers will receive the complimentary products and services and access to discounted third-party products and services through the NYSE Market Access Center available to all listed issuers, as described on the Exchange's Web site. In determining eligibility for the various service tiers under this Section 907.00, the Exchange will aggregate all of the outstanding shares of listed classes of common equity securities of a company, including all outstanding shares of any listed Equity Investment Tracking Stock that is not the issuer's only listed class of common equity securities.

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Additions underscored

Deletions [bracketed]

## NYSE Listed Company Manual

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### Section 1 The Listing Process

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#### **102.07 Minimum Numerical Standards—Equity Investment Tracking Stocks**

An Equity Investment Tracking Stock is defined as a class of common equity securities that tracks on an unleveraged basis the performance of an investment by the issuer in the common equity securities of a single other company listed on the Exchange. An Equity Investment Tracking Stock may track multiple classes of common equity securities of a single issuer, so long as all of those classes have identical economic rights and at least one of those classes is listed on the Exchange.

In order for an Equity Investment Tracking Stock to qualify for initial listing, it must meet the requirements of Sections 102.01A and 102.01B and the issuer of the Equity Investment Tracking Stock must meet the Global Market Capitalization Test set forth in Section 102.01C. The Exchange will not list an Equity Investment Tracking Stock if, at the time of the proposed listing, the issuer of the equity tracked by the Equity Investment Tracking Stock has been deemed below compliance with the Exchange's listing standards. The issuer of the Equity Investment Tracking Stock must own (directly or indirectly) at least 50% of both the economic interest and voting power of all of the outstanding classes of common equity securities of the issuer whose equity is tracked by the Equity Investment Tracking Stock.

Prior to the commencement of trading of any Equity Investment Tracking Stock, the Exchange will distribute an Information Memorandum to its Members and Member Organizations that includes (a) any special characteristics and risks of trading the Equity Investment Tracking Stock, and (b) the Exchange Rules that will apply to the Equity Investment Tracking Stock including Exchange Rules that:

- require Member Organizations to use reasonable diligence in regard to the opening and maintenance of every account, to know (and retain) the essential facts concerning every customer and concerning the authority of each person acting on behalf of such customer; and
- require Member Organizations in recommending transactions in the Equity Investment Tracking Stock to have a reasonable basis to believe that (1) the recommendation is suitable for a customer given reasonable inquiry concerning

the customer's investment objectives, financial situation, needs, and any other information known by such Member Organization, and (2) the customer can evaluate the special characteristics, and is able to bear the financial risks, of an investment in the Equity Investment Tracking Stock.

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## **Section 2 Disclosure and Reporting Material Information**

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### **202.06 Procedure for Public Release of Information; Trading Halts**

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#### **(B) Telephone Alert to the Exchange; Trading Halts**

When the announcement of news of a material event or a statement dealing with a rumor which calls for immediate release is made between 7:00 A.M. and 4:00 P.M., Eastern Time, the company must notify the Exchange by telephone at least ten minutes prior to release of the announcement, to inform the Exchange of the substance of the announcement and the method by which the company intends to comply with the immediate release policy and providing the Exchange with the information necessary to locate the news upon publication. When the announcement is in written form, the company must also provide the text of such announcement to the Exchange through the Web-based notification methods specified in Section 204.00 at least ten minutes prior to release of the announcement. If the Exchange receives such notification in time, it will be in a position to consider whether, in the opinion of the Exchange, trading in the security should be temporarily halted. (See Rule 123D(1) for the Exchange's policies with respect to delayed openings and trading halts.)<sup>\*</sup> A delay in trading after the appearance of the news on the major news wires provides a period of calm for public evaluation of the announcement. The halt also allows customers to revise the terms of limit orders on the Exchange in view of the news announcement. Even if limit orders are not canceled or changed during the halt, the fact that trading is halted results in the reopening being considered a new opening, thereby enabling limit orders to participate at the new opening price regardless of the previously entered limit. A longer delay in trading may be necessary if there is an unusual influx of orders. The Exchange attempts to keep such interruptions in the continuous auction market to a minimum. However, where events transpire during market hours, the overall importance of fairness to all those participating in the market demands that these procedures be followed.

When the Exchange believes it is necessary to request from an issuer information relating to:

(i) material news;

- (ii) the issuer's compliance with Exchange continued listing requirements; or
- (iii) any other information which is necessary to protect investors and the public interest

the Exchange may halt trading in a listed security until it has received and evaluated such information.

The Exchange may halt trading in an American Depositary Receipt ("ADR") or other security listed on the Exchange, when the Exchange-listed security or the security underlying the ADR is listed on or registered with another national securities exchange or foreign exchange or market, and the national securities exchange or foreign exchange or market, or regulatory authority overseeing such exchange or market, halts trading in such security for regulatory reasons.

Whenever the Exchange halts trading in a security of a listed company for any of the reasons set forth above or implements any other required regulatory trading halt, the Exchange will also halt trading in any listed Equity Investment Tracking Stock that tracks the performance of such listed company.

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## **Section 8 Suspension and Delisting**

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### **802.01 Continued Listing Criteria**

The Exchange would normally give consideration to the prompt initiation of suspension and delisting procedures with respect to a security of either a domestic or non-U.S. issuer when:

#### **802.01A. Distribution Criteria for Capital or Common Stock (including Equity Investment Tracking Stock).—**

•Number of total stockholders (A) is less than \_\_\_\_\_ 400

**OR**

•Number of total stockholders (A) is less than \_\_\_\_\_ 1,200 and

•Average monthly trading volume is less than \_\_\_\_\_ 100,000 shares (for most recent 12 months)

**OR**

•Number of publicly-held shares (B) is less than \_\_\_\_\_600,000(C)

(A) The number of beneficial holders of stock held in the name of Exchange member organizations will be considered in addition to holders of record.

(B) Shares held by directors, officers, or their immediate families and other concentrated holdings of 10% or more are excluded in calculating the number of publicly-held shares.

(C) If the unit of trading is less than 100 shares, the requirement relating to the number of shares publicly held shall be reduced proportionately.

This Section 802.01A is applicable to listed Equity Investment Tracking Stocks.

**802.01B Numerical Criteria for Capital or Common Stock (including Equity Investment Tracking Stock)**

A company (including the issuer of an Equity Investment Tracking Stock) will be considered to be below compliance if its average global market capitalization over a consecutive 30 trading-day period is less than \$50,000,000 and, at the same time stockholders' equity is less than \$50,000,000.

If a company is initially listed under any of the Exchange's financial standards on the basis of financial statements covering a period of nine to twelve months and the company does not qualify under the regular standard at the end of such fiscal year or qualify at such time for original listing under another listing standard, the Exchange will promptly initiate suspension and delisting procedures with respect to the Company. Such companies will not be eligible to avail themselves of the provisions of Sections 802.02 and 802.03 and any such company will be subject to delisting procedures as set forth in Section 804.

Notwithstanding the preceding two paragraphs, the Exchange will promptly initiate suspension and delisting procedures with respect to a company (including the issuer of an Equity Investment Tracking Stock) that is listed under any financial standard set out in Sections 102.01C or 103.01B if a company is determined to have average global market capitalization over a consecutive 30 trading-day period of less than \$15,000,000, regardless of the original standard under which it listed. A company is not eligible to follow the procedures outlined in Sections 802.02 and 802.03 with respect to this criterion.

When applying the market capitalization test in any of the above [four] standards, the Exchange will generally look to the total common stock outstanding (excluding treasury shares) as well as any common stock that would be issued upon conversion of another outstanding equity security. The Exchange deems these securities to be reflected in market value to such an extent that the security is a "substantial equivalent" of common stock. In this regard, the Exchange will only consider securities (1) publicly traded (or quoted), or (2) convertible into a publicly traded (or quoted) security. For partnerships,

the Exchange will analyze the creation of the current capital structure to determine whether it is appropriate to include other publicly-traded securities in the calculation.

In the case of an Equity Investment Tracking Stock, the Exchange will review the continued listing status of that security if:

- The listed equity security or securities whose value is tracked by the Equity Investment Tracking Stock ceases or cease to be listed on the Exchange.
- The issuer of the Equity Investment Tracking Stock owns (directly or indirectly) less than 50% of either the economic interest or the voting power of all of the outstanding classes of common equity of the issuer whose equity is tracked by the Equity Investment Tracking Stock.
- The Equity Investment Tracking Stock ceases to track the performance of the listed equity security or securities that was tracked at the time of initial listing.

In the event that any of the foregoing conditions exist, the Exchange will determine whether the Equity Investment Tracking Stock meets any other applicable initial listing standard in place at that time. If the Equity Investment Tracking Stock does not qualify for initial listing at that time under another applicable listing standard, the issuer will not be eligible to follow the procedures set forth in Sections 802.02 and 802.03 and the Exchange will immediately suspend the Equity Investment Tracking Stock and commence delisting proceedings. Furthermore, whenever trading in the equity security whose value is tracked by an Equity Investment Tracking Stock is suspended or delisting proceedings are commenced with respect to such security, such Equity Investment Tracking Stock will be suspended and/or delisting proceedings will be commenced with respect to such Equity Investment Tracking Stock at the same time.

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## **Section 9 Exchange Forms**

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### **902.02 General Information on Fees**

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#### **Total Maximum Fee Payable in a Calendar Year**

The total fees that may be billed to an issuer in a calendar year are capped at \$500,000 (the "Total Maximum Fee"). The Total Maximum Fee for an Equity Investment Tracking Stock (as defined in Section 102.07 hereof) in a calendar year is capped at \$200,000 so long as the Equity Investment Tracking Stock is the only class of common equity securities listed by the issuer on the Exchange. The fee cap includes most Listing Fees and Annual Fees, subject to any proration as described above under "Annual Fees". The fee cap, however, does not include the following fees:

- Listing Fees and Annual Fees for Investment Company Units, streetTRACKS® Gold Shares, Currency Trust Shares, and Commodity Trust Shares;
- Listing Fees and Annual Fees for closed-end funds;
- Listing Fees for structured products; and
- Annual Fees for structured products other than retail debt securities.

The term "retail debt securities" refers to debt securities that are listed under the equity criteria set out in Section 703.19 and traded on the equity floor of the Exchange.

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### **902.03 Fees for Listed Equity Securities**

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#### **Limitations on Listing Fees**

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Minimum and Maximum Listing Fees. The minimum and maximum Listing Fees applicable the first time an issuer lists a class of common shares are \$125,000 and \$250,000, respectively, which amounts include the special charge of \$50,000. The Listing Fee applicable the first time an issuer lists an Equity Investment Tracking Stock (as defined in Section 102.07 hereof) that is the issuer's only class of common equity securities listed on the Exchange is a fixed amount of \$100,000, which amount includes the special charge of \$50,000.

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#### **Annual Fees**

##### **Annual Fee Schedule**

The Annual Fee for each class of equity security listed is equal to the greater of the minimum fee or the fee calculated on a per share basis:

| <b>Type of Security</b>                                                            | <b>Minimum Fee</b>                            | <b>Fee Per Share</b>                           |
|------------------------------------------------------------------------------------|-----------------------------------------------|------------------------------------------------|
| Primary class of common shares <u>(including Equity Investment Tracking Stock)</u> | [\$45,000 (]\$52,500 [as of January 1, 2016)] | [\$0.001 (]\$0.001025 [as of January 1, 2016)] |

|                                                                                               |                                                |                                                 |
|-----------------------------------------------------------------------------------------------|------------------------------------------------|-------------------------------------------------|
| Each additional class of common shares (including tracking stock)                             | \$20,000                                       | [\$0.001 ( \$0.001025 [as of January 1, 2016])] |
| Primary class of preferred stock (if no class of common shares is listed)                     | [\$45,000 ( \$52,500 [as of January 1, 2016])] | [\$0.001 ( \$0.001025 [as of January 1, 2016])] |
| Each additional class of preferred stock (whether primary class is common or preferred stock) | \$5,000                                        | [\$0.001 ( \$0.001025 [as of January 1, 2016])] |
| Each class of warrants                                                                        | \$5,000                                        | [\$0.001 ( \$0.001025 [as of January 1, 2016])] |

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## 907.00 Products and Services Available to Issuers

*INTRODUCTORY NOTE: Any Eligible New Listing that listed on the Exchange while Section 907.00, as approved on December 3, 2013 (the "Prior Rule"), was in effect will continue to receive services under the terms of that rule instead of the terms described below. The text of the Prior Rule is available on the Exchange's website at [https://www.nyse.com/get-started/reference] [https://www.nyse.com/publicdocs/nyse/regulation/nyse/NYSE\\_Listed\\_Company\\_Manual\\_Section\\_907-00\\_in\\_effect\\_prior\\_to\\_October\\_9\\_2015.pdf](https://www.nyse.com/publicdocs/nyse/regulation/nyse/NYSE_Listed_Company_Manual_Section_907-00_in_effect_prior_to_October_9_2015.pdf).*

The Exchange offers certain complimentary products and services and access to discounted third-party products and services through the NYSE Market Access Center to currently and newly listed issuers, as described on the Exchange's Web site. The Exchange also provides complimentary market surveillance products and services (with a commercial value of approximately \$55,000 annually), corporate governance tools (with a commercial value of approximately \$50,000), Web-hosting products and services (with a commercial value of approximately \$16,000 annually), web-casting services (with a commercial value of approximately \$6,500 annually), market analytics products and services (with a commercial value of approximately \$30,000 annually), and news distribution products and services (with a commercial value of approximately \$20,000 annually) to certain categories of currently and newly listed issuers as set forth below:

### Eligible Current Listings:

Tier One: The Exchange offers (i) a choice of market surveillance or market analytics products and services, and (ii) Web-hosting and

web-casting products and services to U.S. issuers that have 270 million or more total shares of common stock issued and outstanding in all share classes, including and in addition to Treasury shares, and non-U.S. companies that have 270 million or more shares of an equity security issued and outstanding in the U.S., each calculated annually as of September 30 of the preceding year.

Tier Two: At each such issuer's election, the Exchange offers a choice of market analytics or Web-hosting and webcasting products and services to:

(1) U.S. issuers that have 160 million to 269,999,999 total shares of common stock issued and outstanding in all share classes, including and in addition to Treasury shares, calculated annually as of September 30 of the preceding year; and

(2) non-U.S. companies that have 160 million to 269,999,999 shares of an equity security issued and outstanding in the U.S., calculated annually as of September 30 of the preceding year.

#### Eligible New Listings and Eligible Transfer Companies:

Tier A: For Eligible New Listings and Eligible Transfer Companies with a global market value of \$400 million or more, in each case calculated as of the date of listing on the Exchange, the Exchange offers market surveillance, market analytics, web-hosting, web-casting, corporate governance tools (Eligible New Listings only), and news distribution products and services for a period of 24 calendar months.

Tier B: For Eligible New Listings and Eligible Transfer Companies with a global market value of less than \$400 million, in each case calculated as of the date of listing on the Exchange, the Exchange offers Web-hosting, market analytics, web-casting, corporate governance tools (Eligible New Listings only), and news distribution products and services for a period of 24 calendar months.

Global market value for an Eligible New Listing and Eligible Transfer Company is based on the public offering price; if there is no public offering in connection with listing on the Exchange, then the Exchange shall determine the issuer's global market value at the time of listing for purposes of determining whether the issuer qualifies for Tier A or B.

At the conclusion of the 24-month period, Tier A and Tier B issuers receive Tier One or Tier Two products and services if they qualify

based on total shares of common stock (for a U.S. issuer) or equity security (for a non-U.S. issuer) issued and outstanding as described above under the heading "Eligible Current Listings."

The period of complimentary products and services provided to Eligible New Listing and Eligible Transfer Companies begins on the date of listing on the Exchange. Notwithstanding the foregoing, however, if an Eligible New Listing or Eligible Transfer Company begins to use a particular product or service provided for under this Section 907.00 within 30 days of its initial listing date, the complimentary period will begin on the date of first use.

In addition to the foregoing, the Exchange provides all listed issuers with complimentary access to whistleblower hotline services (with a commercial value of approximately \$4,000 annually) for a period of 24 calendar months.

Issuers may elect whether or not to receive products and services for which they are eligible under this Section 907.00. For the purposes of this Section 907.00, the term "Eligible New Listing" means (i) any U.S. company that lists common stock on the Exchange for the first time and any non-U.S. company that lists an equity security on the Exchange under Section 102.01 or 103.00 of the Manual for the first time, regardless of whether such U.S. or non-U.S. company conducts an offering and (ii) any U.S. or non-U.S. company emerging from a bankruptcy, spinoff (where a company lists new shares in the absence of a public offering), and carve-out (where a company carves out a business line or division, which then conducts a separate initial public offering). For purposes of this Section 907.00, the term "Eligible Transfer Company" means any U.S. or non-U.S. company that transfers its listing of common stock or equity securities, respectively, to the Exchange from another national securities exchange. For purposes of Section 907.00, an "equity security" means common stock or common share equivalents such as ordinary shares, New York shares, global shares, American Depositary Receipts, or Global Depositary Receipts.

The issuer of an Equity Investment Tracking Stock (as defined in Section 102.07 hereof) that is that issuer's only class of common equity securities listed on the Exchange will not receive the products and services provided for under this Section 907.00, with the exception that such issuers will receive the complimentary products and services and access to discounted third-party products and services through the NYSE Market Access Center available to all listed issuers, as described on the Exchange's Web site. In determining eligibility for the various service tiers under this Section 907.00, the Exchange will aggregate all of the outstanding shares of listed classes of common equity securities of a company, including all outstanding shares of any listed Equity Investment Tracking Stock that is not the issuer's only listed class of common equity securities.

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