



Martha Redding  
Corporate Secretary

March 1, 2022

**VIA E-MAIL**

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

Re: Securities Exchange Act Rel. 34-92876 (SR-NYSE-2021-45)

Dear Secretary

NYSE LLC, Inc. filed the attached Amendment No. 2 to the above-referenced filing on March 1, 2022. The Exchange has withdrawn the Amendment No. 1.

Sincerely,

A handwritten signature in blue ink, appearing to be the initials "MR" or similar, written in a cursive style.

Encl. (Amendment No. 2 to SR-NYSE-2021-45)

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of \* 29

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

File No. \* SR 2021 - \* 45

Amendment No. (req. for Amendments \*) 2

Filing by New York Stock Exchange LLC

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

Initial * <input type="checkbox"/>	Amendment * <input checked="" type="checkbox"/>	Withdrawal <input type="checkbox"/>	Section 19(b)(2) * <input checked="" type="checkbox"/>	Section 19(b)(3)(A) * <input type="checkbox"/>	Section 19(b)(3)(B) * <input type="checkbox"/>
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Pilot <input type="checkbox"/>	Extension of Time Period for Commission Action * <input type="checkbox"/>	Date Expires * <input type="text"/>
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Rule

<input type="checkbox"/> 19b-4(f)(1)	<input type="checkbox"/> 19b-4(f)(4)
<input type="checkbox"/> 19b-4(f)(2)	<input type="checkbox"/> 19b-4(f)(5)
<input type="checkbox"/> 19b-4(f)(3)	<input type="checkbox"/> 19b-4(f)(6)

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

Section 806(e)(2) \*

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

Exhibit 2 Sent As Paper Document

Exhibit 3 Sent As Paper Document

### Description

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

### Contact Information

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

First Name \* John Last Name \* Carey

Title \* Senior Director

E-mail \* [REDACTED]

Telephone \* [REDACTED] Fax [REDACTED]

### Signature

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

Date 03/01/2022

(Title \*)

By Martha Redding

Corporate Secretary

(Name \*)

Martha Redding

Digitally signed by Martha Redding  
Date: 2022.03.01 13:17:36 -05'00'

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

Required fields are shown with yellow backgrounds and astericks.

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

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

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

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subscription warrants filing A.2 jc.docx

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

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

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

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

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

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

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

Exhibit Sent As Paper Document

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

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

Exhibit Sent As Paper Document

**Exhibit 4 - Marked Copies**

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

**Exhibit 5 - Proposed Rule Text**

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The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item 1 and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change

**Partial Amendment**

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

1. Text of the Proposed Rule Change

- (a) Pursuant to the provisions of Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”)<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> New York Stock Exchange LLC (the “NYSE” or the “Exchange”) proposes to amend the NYSE Listed Company Manual (“Manual”) to adopt a new listing standard for the listing of Subscription Warrants.

The text of the proposed rule change is set forth in Exhibit 5 attached hereto.

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

- (c) Not applicable.

2. Procedures of the Self-Regulatory Organization

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

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

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

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

- (a) Purpose

Amendment No. 2 to SR-NYSE-2021-45

The Exchange has previously filed a proposed rule change to permit the listing of Subscription Warrants.<sup>3</sup> Amendment No. 2 to SR-NYSE-2021-45 proposes to:

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

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

<sup>3</sup> See SR-NYSE-2021-45. On February 17, 2022, the NYSE submitted Amendment No. 1, which was subsequently withdrawn.

- provide that Subscription Warrants with respect to which the exercise price is tendered after execution of an Acquisition Agreement will not actually be exercised until consummation of the company's business combination;
- state that the Subscription Warrants must provide for a period of at least 20 business days after effectiveness of such post-effective amendment or new registration statement during which holders may elect to exercise Subscription Warrants effective upon closing of the Acquisition, which period may expire prior to the date of consummation of the Acquisition. The terms of the Subscription Warrants must not in any other way limit the ability of holders to exercise such Subscription Warrants in full;
- specify that Subscription Warrants must be issued for no consideration to the securityholders of a previously existing company;
- increase from 1.1 million to 20 million the number of publicly-held Subscription Warrants that must be outstanding at the time of initial listing;
- state that a Subscription Warrant may provide by its terms that the issuer may (1) determine, at issuance, that each Subscription Warrant may be exercisable for a specified number of shares greater than one share; and (2) determine, at the time it enters into an Acquisition Agreement, that the exercise price per share may be increased above the exercise price specified at the time of original issuance;
- provide that the Subscription Warrants must have an opening trading price on the first day of listing of at least \$1.00 per Subscription Warrant;
- provide that the Subscription Warrants may not be tendered for exercise into common stock of a company until after such company has complied with all requirements of the federal securities laws with respect to such exercise, including, as appropriate, the filing and effectiveness of a post-effective amendment to the registration statement filed in connection with the original distribution of the Subscription Warrants or the filing and effectiveness of a new registration statement in connection with the exercise of such Subscription Warrants;
- state that the shares will be issued to the tendering holders of Subscription Warrants and the proceeds released to the issuer by the independent custodian at the time of closing of the Acquisition;
- state that the independent custodian will promptly return the funds tendered in payment of the exercise price of Subscription Warrants to the tendering holders (A) upon termination of the Acquisition Agreement; or (B) if the Acquisition does not close within twelve months from the date of entry into the definitive agreement with respect to the Acquisition or such earlier time as is specified in the operative agreements;
- increase the continued listing requirement with respect to the number of publicly-held Subscription Warrants from 100,000 to five million; and

- provide for the commencement of immediate suspension and delisting procedures when the average trading price of the Subscription Warrants is less than \$0.25 over 30 consecutive trading days

This Amendment No. 2 to SR-NYSE-2021-45 replaces SR-NYSE-2021-45 as originally filed and supersedes such filing in its entirety.

#### Subscription Warrants

The Exchange proposes to adopt a new subsection of Section 102 of the Manual (to be designated Section 102.09) to permit the listing of Subscription Warrants. For purposes of proposed Section 102.09 a Subscription Warrant is a warrant issued by a company organized solely for the purpose of identifying an acquisition target and is exercisable into the common stock of such company only upon consummation of such acquisition.

#### Initial Listing Standards for Subscription Warrants

The Exchange will list Subscription Warrants subject to the following requirements:

- (i) The issuer of the Subscription Warrants must be a company formed solely for the purpose of issuing the Subscription Warrants and consummating the acquisition of one or more operating businesses or assets with a value (calculated at the time of entry into the acquisition agreement) equal to at least 80% of the aggregate exercise price of the Subscription Warrants (an "Acquisition"). The Subscription Warrants must be issued for no consideration to the securityholders of another previously existing company.
- (ii) For a transaction to qualify as an Acquisition, the resultant entity must qualify for initial listing on the Exchange and the acquisition agreement must provide that the transaction will be consummated only if the resultant entity will be listed on the Exchange or another national securities exchange.
- (iii) At the time of initial listing, the Subscription Warrants must: (A) have an aggregate exercise price of at least \$250 million; (B) have at least 20 million publicly held Subscription Warrants outstanding, with an aggregate exercise price of at least \$200 million; (C) have at least 400 holders of round lots; (D) have an exercise price per share of common stock of at least \$10.00; (E) have an opening trading price on the first day of listing of at least \$1.00 per Subscription Warrant; and (F) expire in no more than 10 years. For purposes of proposed Section 102.09, public holders of Subscription Warrants do not include those held by directors, officers, or their immediate families and other concentrated holdings of 10 percent.

(iv) A Subscription Warrant may provide by its terms that the issuer may (1) determine, at issuance, that each Subscription Warrant may be exercisable for a specified number of shares greater than one share; and (2) determine, at the time it enters into an Acquisition Agreement, that the exercise price per share may be increased above the exercise price specified at the time of original issuance of such Subscription Warrants.

(v) The distribution of the Subscription Warrants and the issuance of the common stock of the issuer upon exercise of the Subscription Warrants must both be registered under the Securities Act.

(vi) The Subscription Warrants may not be tendered for exercise into common stock of a company until after such company has (A) entered into a binding agreement with respect to the Acquisition; and (B) complied with all requirements of the federal securities laws with respect to such exercise, including, as appropriate, the filing and effectiveness of a post-effective amendment to the registration statement filed in connection with the original distribution of the Subscription Warrants or the filing and effectiveness of a new registration statement in connection with the exercise of such Subscription Warrants.

(vii) Subscription Warrants must provide for a period of at least 20 business days after effectiveness of such post-effective amendment or new registration statement during which holders may elect to exercise Subscription Warrants effective upon closing of the Acquisition, which period may expire prior to the date of consummation of the Acquisition. The terms of the Subscription Warrants must not in any other way limit the ability of holders to exercise such Subscription Warrants in full.

(viii) The proceeds of the exercise of the Subscription Warrants will be held in an interest-bearing custody account controlled by an independent custodian, pending the closing of such Acquisition. The shares will be issued to the tendering holders of Subscription Warrants and the proceeds released to the issuer by the independent custodian at the time of closing of the Acquisition.

(ix) The independent custodian will promptly return the funds tendered in payment of the exercise price of Subscription Warrants to the tendering holders: (A) upon termination of the Acquisition Agreement; or (B) if the Acquisition does not close within twelve months of entry into the definitive agreement with respect to the Acquisition, or such earlier time as is specified in the operative agreements. Such holders will receive cash payments equal to their proportional share of the funds in the custody account, including any interest earned on those funds.

(x) The issuer of the Subscription Warrants will be subject to the same corporate governance requirements under Section 303A hereof as an issuer of listed common stock.

(xi) The Acquisition must be approved by a majority of the independent directors of the issuer of the Subscription Warrants.

#### Continued Listing Standards for Subscription Warrants

The Exchange will immediately initiate suspension and delisting procedures of an issuer's Subscription Warrants if:

- the number of publicly-held Subscription Warrants is fewer than five million;
- the number of public holders of such Subscription Warrants is fewer than 100;
- the total market capitalization of such Subscription Warrants is below \$15 million over 30 consecutive trading days; or
- the average trading price of the Subscription Warrants is less than \$0.25 over 30 consecutive trading days.

For purposes of the foregoing, public holders of Subscription Warrants do not include those held by directors, officers, or their immediate families and other concentrated holdings of 10 percent.

An issuer of Subscription Warrants will not be eligible to follow the procedures outlined in Sections 802.02 and 802.03 with respect to the criteria set forth above and any such security will be subject to delisting procedures as set forth in Section 804.00.

#### (b) Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b)(5) of the Act,<sup>4</sup> in that it is 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.

The proposed rule change is designed to perfect the mechanism of a free and open market and, in general, to protect investors and the public interest in that it will

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<sup>4</sup> 15 U.S.C. 78f(b)(5).



facilitate the listing and trading of an additional type of security that will, in turn, enhance competition among market participants, to the benefit of investors and the marketplace.

Furthermore, the Exchange believes that the proposed listing standard is consistent with Section 6(b)(5) of the Act in that it contains requirements in relation to the listing of Subscription Warrants that provide adequate protections for investors and the public interest. In particular, the Exchange believes that the proposed rule provides important investor protections including, but not limited to, providing that: (1) the issuer cannot accept Subscription Warrants for exercise until it has entered into a definitive Acquisition Agreement and filed and obtained effectiveness of a registration statement with respect to such exercise; (2) cash tendered by Subscription Warrant holders in payment of the exercise price will be held in an interest-bearing account controlled by an independent custodian pending closing of the Acquisition; and (3) if the Acquisition is terminated or does not close within 12 months of the date of the Acquisition Agreement, the tendering holders will receive a distribution of their pro rata share of the funds in the custody account.

The Exchange also believes that the proposed quantitative standards for Subscription Warrants are adequate to protect the interests of investors and the public interest. The Exchange notes that the proposed requirements that the Subscription Warrants at the time of initial listing must have an aggregate exercise price of at least \$250 million and that there be publicly-held Subscription Warrants with an aggregate exercise price of at least \$200 million significantly exceeds the listing requirements for SPACs set forth in Section 102.06 of the Manual, which requires a SPAC to have an aggregate market value of \$100 million and a market value of publicly-held shares of \$80 million.

The Exchange believes that its existing surveillance procedures are adequate to enable it to detect manipulative trading practices with respect to Subscription Warrants. The Exchange notes that the NYSE and other self-regulatory organizations have extensive experience in conducting surveillance of the trading in securities whose value, like that of Subscription Warrants, is substantially dependent on the issuer's future acquisition of a yet-to-be-identified operating asset. Such similar securities include the common stock and warrants of listed special purpose acquisition companies ("SPACs") and options on listed SPAC common stocks. The Exchange also believes that the extensive experience that exists in the trading of these kinds of securities provides evidence that market participants are generally able to arrive at market prices for such securities without excessive volatility and that this experience provides a reasonable basis for understanding how Subscription Warrants are likely to trade.

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 not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule would be available in a non-discriminatory way to any company satisfying its requirements, as well as all other applicable NYSE listing requirements. In addition, the proposed rule change does not impose any burden on the competition with other listing exchanges; any competing exchange could similarly adopt rules to allow the listing of Subscription Warrants.

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

The Exchange does not consent at this time to an extension of any time period for Commission action.

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

Not applicable.

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 Federal Register

Exhibit 4 – Marked Copy of Text of the Proposed Rule Change

Exhibit 5 – Proposed Rule Text

SECURITIES AND EXCHANGE COMMISSION  
(Release No. 34- ; File No. SR-NYSE-2021-45, Amendment No. 2)

[Date]

Self-Regulatory Organizations; New York Stock Exchange LLC; Notice of Filing of Proposed Rule Change to Amend the NYSE Listed Company Manual to Adopt a New Listing Standard for the Listing of Subscription Warrants

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 March 1, 2022, New York Stock Exchange LLC (“NYSE” or the “Exchange”) filed with the Securities and Exchange Commission (the “Commission”) the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

The Exchange proposes to amend the NYSE Listed Company Manual (“Manual”) to adopt a new listing standard for the listing of Subscription Warrants. The proposed rule change is available on the Exchange’s website at [www.nyse.com](http://www.nyse.com), at the principal office of the Exchange, and at the Commission’s Public Reference Room.

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

In its filing with the Commission, the self-regulatory organization included

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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.

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

Amendment No. 2 to SR-NYSE-2021-45

The Exchange has previously filed a proposed rule change to permit the listing of Subscription Warrants.<sup>4</sup> Amendment No. 2 to SR-NYSE-2021-45 proposes to:

- provide that Subscription Warrants with respect to which the exercise price is tendered after execution of an Acquisition Agreement will not actually be exercised until consummation of the company's business combination;
- state that the Subscription Warrants must provide for a period of at least 20 business days after effectiveness of such post-effective amendment or new registration statement during which holders may elect to exercise Subscription Warrants effective upon closing of the Acquisition, which period may expire prior to the date of consummation of the Acquisition. The terms of the Subscription Warrants must not in any other way limit the ability of holders to exercise such Subscription Warrants in full;

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<sup>4</sup> See SR-NYSE-2021-45. On February 17, 2022, the NYSE submitted Amendment No. 1, which was subsequently withdrawn.

- specify that Subscription Warrants must be issued for no consideration to the securityholders of a previously existing company;
- increase from 1.1 million to 20 million the number of publicly-held Subscription Warrants that must be outstanding at the time of initial listing;
- state that a Subscription Warrant may provide by its terms that the issuer may (1) determine, at issuance, that each Subscription Warrant may be exercisable for a specified number of shares greater than one share; and (2) determine, at the time it enters into an Acquisition Agreement, that the exercise price per share may be increased above the exercise price specified at the time of original issuance;
- provide that the Subscription Warrants must have an opening trading price on the first day of listing of at least \$1.00 per Subscription Warrant;
- provide that the Subscription Warrants may not be tendered for exercise into common stock of a company until after such company has complied with all requirements of the federal securities laws with respect to such exercise, including, as appropriate, the filing and effectiveness of a post-effective amendment to the registration statement filed in connection with the original distribution of the Subscription Warrants or the filing and effectiveness of a new registration statement in connection with the exercise of such Subscription Warrants;
- state that the shares will be issued to the tendering holders of Subscription Warrants and the proceeds released to the issuer by the independent custodian at the time of closing of the Acquisition;

- state that the independent custodian will promptly return the funds tendered in payment of the exercise price of Subscription Warrants to the tendering holders (A) upon termination of the Acquisition Agreement; or (B) if the Acquisition does not close within twelve months from the date of entry into the definitive agreement with respect to the Acquisition or such earlier time as is specified in the operative agreements;
- increase the continued listing requirement with respect to the number of publicly-held Subscription Warrants from 100,000 to five million; and
- provide for the commencement of immediate suspension and delisting procedures when the average trading price of the Subscription Warrants is less than \$0.25 over 30 consecutive trading days

This Amendment No. 2 to SR-NYSE-2021-45 replaces SR-NYSE-2021-45 as originally filed and supersedes such filing in its entirety.

#### Subscription Warrants

The Exchange proposes to adopt a new subsection of Section 102 of the Manual (to be designated Section 102.09) to permit the listing of Subscription Warrants. For purposes of proposed Section 102.09 a Subscription Warrant is a warrant issued by a company organized solely for the purpose of identifying an acquisition target and is exercisable into the common stock of such company only upon consummation of such acquisition.

#### Initial Listing Standards for Subscription Warrants

The Exchange will list Subscription Warrants subject to the following requirements:

(i) The issuer of the Subscription Warrants must be a company formed solely for the purpose of issuing the Subscription Warrants and consummating the acquisition of one or more operating businesses or assets with a value (calculated at the time of entry into the acquisition agreement) equal to at least 80% of the aggregate exercise price of the Subscription Warrants (an "Acquisition"). The Subscription Warrants must be issued for no consideration to the securityholders of another previously existing company.

(ii) For a transaction to qualify as an Acquisition, the resultant entity must qualify for initial listing on the Exchange and the acquisition agreement must provide that the transaction will be consummated only if the resultant entity will be listed on the Exchange or another national securities exchange.

(iii) At the time of initial listing, the Subscription Warrants must: (A) have an aggregate exercise price of at least \$250 million; (B) have at least 20 million publicly held Subscription Warrants outstanding, with an aggregate exercise price of at least \$200 million; (C) have at least 400 holders of round lots; (D) have an exercise price per share of common stock of at least \$10.00; (E) have an opening trading price on the first day of listing of at least \$1.00 per Subscription Warrant; and (F) expire in no more than 10 years. For purposes of proposed Section 102.09, public holders of Subscription Warrants do not include those held by directors, officers, or their immediate families and other concentrated holdings of 10 percent.

(iv) A Subscription Warrant may provide by its terms that the issuer may (1) determine, at issuance, that each Subscription Warrant may be exercisable for a

specified number of shares greater than one share; and (2) determine, at the time it enters into an Acquisition Agreement, that the exercise price per share may be increased above the exercise price specified at the time of original issuance of such Subscription Warrants.

(v) The distribution of the Subscription Warrants and the issuance of the common stock of the issuer upon exercise of the Subscription Warrants must both be registered under the Securities Act.

(vi) The Subscription Warrants may not be tendered for exercise into common stock of a company until after such company has (A) entered into a binding agreement with respect to the Acquisition; and (B) complied with all requirements of the federal securities laws with respect to such exercise, including, as appropriate, the filing and effectiveness of a post-effective amendment to the registration statement filed in connection with the original distribution of the Subscription Warrants or the filing and effectiveness of a new registration statement in connection with the exercise of such Subscription Warrants.

(vii) Subscription Warrants must provide for a period of at least 20 business days after effectiveness of such post-effective amendment or new registration statement during which holders may elect to exercise Subscription Warrants effective upon closing of the Acquisition, which period may expire prior to the date of consummation of the Acquisition. The terms of the Subscription Warrants must not in any other way limit the ability of holders to exercise such Subscription Warrants in full.



(viii) The proceeds of the exercise of the Subscription Warrants will be held in an interest-bearing custody account controlled by an independent custodian, pending the closing of such Acquisition. The shares will be issued to the tendering holders of Subscription Warrants and the proceeds released to the issuer by the independent custodian at the time of closing of the Acquisition.

(ix) The independent custodian will promptly return the funds tendered in payment of the exercise price of Subscription Warrants to the tendering holders:

(A) upon termination of the Acquisition Agreement; or (B) if the Acquisition does not close within twelve months of entry into the definitive agreement with respect to the Acquisition, or such earlier time as is specified in the operative agreements.

Such holders will receive cash payments equal to their proportional share of the funds in the custody account, including any interest earned on those funds.

(x) The issuer of the Subscription Warrants will be subject to the same corporate governance requirements under Section 303A hereof as an issuer of listed common stock.

(xi) The Acquisition must be approved by a majority of the independent directors of the issuer of the Subscription Warrants.

#### Continued Listing Standards for Subscription Warrants

The Exchange will immediately initiate suspension and delisting procedures of an issuer's Subscription Warrants if:

- the number of publicly-held Subscription Warrants is fewer than five million;
- the number of public holders of such Subscription Warrants is fewer than 100;

- the total market capitalization of such Subscription Warrants is below \$15 million over 30 consecutive trading days; or
- the average trading price of the Subscription Warrants is less than \$0.25 over 30 consecutive trading days.

For purposes of the foregoing, public holders of Subscription Warrants do not include those held by directors, officers, or their immediate families and other concentrated holdings of 10 percent.

An issuer of Subscription Warrants will not be eligible to follow the procedures outlined in Sections 802.02 and 802.03 with respect to the criteria set forth above and any such security will be subject to delisting procedures as set forth in Section 804.00.

## 2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b)(5) of the Act,<sup>5</sup> in that it is 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.

The proposed rule change is designed to perfect the mechanism of a free and open market and, in general, to protect investors and the public interest in that it will facilitate

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

the listing and trading of an additional type of security that will, in turn, enhance competition among market participants, to the benefit of investors and the marketplace.

Furthermore, the Exchange believes that the proposed listing standard is consistent with Section 6(b)(5) of the Act in that it contains requirements in relation to the listing of Subscription Warrants that provide adequate protections for investors and the public interest. In particular, the Exchange believes that the proposed rule provides important investor protections including, but not limited to, providing that: (1) the issuer cannot accept Subscription Warrants for exercise until it has entered into a definitive Acquisition Agreement and filed and obtained effectiveness of a registration statement with respect to such exercise; (2) cash tendered by Subscription Warrant holders in payment of the exercise price will be held in an interest-bearing account controlled by an independent custodian pending closing of the Acquisition; and (3) if the Acquisition is terminated or does not close within 12 months of the date of the Acquisition Agreement, the tendering holders will receive a distribution of their pro rata share of the funds in the custody account.

The Exchange also believes that the proposed quantitative standards for Subscription Warrants are adequate to protect the interests of investors and the public interest. The Exchange notes that the proposed requirements that the Subscription Warrants at the time of initial listing must have an aggregate exercise price of at least \$250 million and that there be publicly-held Subscription Warrants with an aggregate exercise price of at least \$200 million significantly exceeds the listing requirements for SPACs set forth in Section 102.06 of the Manual, which requires a SPAC to have an

aggregate market value of \$100 million and a market value of publicly-held shares of \$80 million.

The Exchange believes that its existing surveillance procedures are adequate to enable it to detect manipulative trading practices with respect to Subscription Warrants. The Exchange notes that the NYSE and other self-regulatory organizations have extensive experience in conducting surveillance of the trading in securities whose value, like that of Subscription Warrants, is substantially dependent on the issuer's future acquisition of a yet-to-be-identified operating asset. Such similar securities include the common stock and warrants of listed special purpose acquisition companies ("SPACs") and options on listed SPAC common stocks. The Exchange also believes that the extensive experience that exists in the trading of these kinds of securities provides evidence that market participants are generally able to arrive at market prices for such securities without excessive volatility and that this experience provides a reasonable basis for understanding how Subscription Warrants are likely to trade.

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 not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule would be available in a non-discriminatory way to any company satisfying its requirements, as well as all other applicable NYSE listing requirements. In addition, the proposed rule change does not impose any burden on the competition with other listing exchanges; any competing exchange could similarly adopt rules to allow the listing of Subscription Warrants.

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-2021-45 on the subject line.

Paper comments:

- Send paper comments in triplicate to: Secretary, Securities and Exchange

Commission, 100 F Street, NE, Washington, DC 20549-1090.

All submissions should refer to File Number SR-NYSE-2021-45. 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. Persons submitting comments are cautioned that we do not redact or edit personal identifying information from comment submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-NYSE-2021-45 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>6</sup>

Eduardo A. Aleman  
Deputy Secretary

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<sup>6</sup> 17 CFR 200.30-3(a)(12).

## EXHIBIT 4

Text added in Amendment No. 2 underlined;

Text deleted in Amendment No.2 ~~stricken~~.

NYSE Listed Company Manual

\* \* \* \* \*

#### 102.09 Minimum Numerical Standards - Subscription Warrants

(a) For purposes of this Section 102.09, a “Subscription Warrant” is a warrant issued by a company organized solely for the purpose of identifying an acquisition target and exercisable into the common stock of such company ~~upon entry into a binding agreement with respect to~~ only upon consummation of such acquisition.

(b) The Exchange will list Subscription Warrants subject to the following requirements:

(i) The issuer of the Subscription Warrants must be a company formed solely for the purpose of issuing the Subscription Warrants and consummating the acquisition of one or more operating businesses or assets with a value (calculated at the time of entry into the acquisition agreement) equal to at least 80% of the aggregate exercise price of the Subscription Warrants (an "Acquisition"). The Subscription Warrants must be issued without consideration to the securityholders of another previously existing company.

(ii) For a transaction to qualify as an Acquisition, the resultant entity must qualify for initial listing on the Exchange and the acquisition agreement (“Acquisition Agreement”) must provide that the transaction will be consummated only if the resultant entity will be listed on the Exchange or another national securities exchange.

(iii) At the time of initial listing, the Subscription Warrants must:

(A) have an aggregate exercise price of at least \$250 million;

(B) have at least ~~1,100,000~~ 20 million publicly held Subscription Warrants outstanding, with an aggregate exercise price of at least \$200 million;

(C) have at least 400 holders of round lots;

(D) have an exercise price per share of common stock of at least \$10.00;

(E) have an opening trading price on the first day of listing of at least \$1.00 per Subscription Warrant; and

~~(D)~~ (F) expire in no more than 10 years.

(iv) A Subscription Warrant may provide by its terms that the issuer may (1) determine, at issuance, that each Subscription Warrant may be exercisable for a specified number of shares greater than one share; and (2) determine, at the time it enters into an Acquisition Agreement, that the exercise price per share may be increased above the exercise price specified at the time of original issuance of such Subscription Warrants.

(v) The distribution of the Subscription Warrants and the issuance of the common stock of the issuer upon exercise of the Subscription Warrants must both be registered under the Securities Act.

(vi) The Subscription Warrants may not be fully exercisable for tendered for exercise into common stock of a company until after such company has:

(A) enters entered into a binding agreement with respect to the Acquisition; and may not limit the ability of holders to exercise such warrants in full prior to the closing of such Acquisition-

(B) complied with all requirements of the federal securities laws with respect to such exercise, including, as appropriate, the filing and effectiveness of a post-effective amendment to the registration statement filed in connection with the original distribution of the Subscription Warrants or the filing and effectiveness of a new registration statement in connection with the exercise of such Subscription Warrants.

(vii) The Subscription Warrants must provide for a period of at least 20 business days after effectiveness of such post-effective amendment or new registration statement during which holders may elect to exercise Subscription Warrants effective upon closing of the Acquisition, which period may expire prior to the date of consummation of the Acquisition. The terms of the Subscription Warrants must not in any other way limit the ability of holders to exercise such Subscription Warrants in full.

(viii) The proceeds of the exercise of the Subscription Warrants will be held in an interest-bearing custody account controlled by an independent custodian, pending the closing of such Acquisition. The shares will be issued to the tendering holders of Subscription Warrants and the proceeds released to the issuer by the independent custodian at the time of closing of the Acquisition.

(ix) The independent custodian will promptly return the funds tendered in payment of the exercise price of Subscription Warrants to the tendering holders shares of common stock issued upon exercise of the Subscription Warrants will promptly be redeemed by the issuer of such Subscription Warrants for cash (A) upon termination of the acquisition agreement Acquisition Agreement; or (B) if the Acquisition does not close within twelve months from the date of exercise of the Subscription Warrants, entry into the definitive agreement with respect to the Acquisition or such earlier time as is specified in the operative agreements. If the shares issuable upon exercise of the Subscription Warrants are redeemed, the Such holders will receive cash payments equal to their proportional share of the funds in the custody account, including any interest earned on those funds.

(vii) The sale of the Subscription Warrants and the issuance of the common stock of the issuer in exchange for the Subscription Warrants must both be registered under the Securities Act.



~~(viii)~~ The issuer of the Subscription Warrants will be subject to the same corporate governance requirements under Section 303A hereof as an issuer of listed common stock.

~~(ix)~~ the Acquisition must be approved by a majority of the independent directors of the issuer of the Subscription Warrants.

(c) Public holders of Subscription Warrants do not include those held by directors, officers, or their immediate families and other concentrated holdings of 10 percent.

\* \* \* \* \*

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

### **Criteria for Subscription Receipts Listed Under Section 102.08**

The Exchange will immediately initiate suspension and delisting procedures with respect to Subscription Receipts if:

- i. the number of publicly-held shares\* is less than 100,000;
- ii. the number of public holders\* is less than 100;
- iii. the total market capitalization of the Subscription Receipts is below \$15 million over 30 consecutive trading days;
- iv. the issuer's related common equity security ceases to be listed on the Exchange; or
- v. the issuer announces that the Specified Acquisition (as defined in Section 102.08) has been terminated.

\* Shares held by directors, officers, or their immediate families and other concentrated holdings of 10 percent or more are excluded in calculating the number of publicly-held shares. "Public holders" exclude holders that are directors, officers, or their immediate families and holders of other concentrated holdings of 10% or more.

An issuer of Subscription Receipts will not be eligible to follow the procedures outlined in Sections 802.02 and 802.03 with respect to these criteria and any such security will be subject to delisting procedures as set forth in Section 804.

### **Criteria for Subscription Warrants Listed Under Section 102.09**

(a) The Exchange will immediately initiate suspension and delisting procedures of an issuer's Subscription Warrants if:

- i. the number of publicly-held Subscription Warrants is fewer than ~~400,000~~ five million;
- ii. the number of public holders of such Subscription Warrants is fewer than 100; ~~or~~

iii. the total market capitalization of such Subscription Warrants is below \$15 million over 30 consecutive trading days; or

iv. the average trading price of the Subscription Warrants is less than \$0.25 over 30 consecutive trading days.

(b) Public holders of Subscription Warrants do not include those held by directors, officers, or their immediate families and other concentrated holdings of 10 percent.

(c) An issuer of Subscription Warrants will not be eligible to follow the procedures outlined in Sections 802.02 and 802.03 with respect to the criteria in paragraph (a) and any such security will be subject to delisting procedures as set forth in Section 804.00.

\* \* \* \* \*

Added text underlined;  
Deleted text in [brackets].

NYSE Listed Company Manual

\* \* \* \* \*

102.09 Minimum Numerical Standards - Subscription Warrants

(a) For purposes of this Section 102.09, a "Subscription Warrant" is a warrant issued by a company organized solely for the purpose of identifying an acquisition target and exercisable into the common stock of such company only upon consummation of such acquisition.

(b) The Exchange will list Subscription Warrants subject to the following requirements:

(i) The issuer of the Subscription Warrants must be a company formed solely for the purpose of issuing the Subscription Warrants and consummating the acquisition of one or more operating businesses or assets with a value (calculated at the time of entry into the acquisition agreement) equal to at least 80% of the aggregate exercise price of the Subscription Warrants (an "Acquisition"). The Subscription Warrants must be issued without consideration to the securityholders of another previously existing company.

(ii) For a transaction to qualify as an Acquisition, the resultant entity must qualify for initial listing on the Exchange and the acquisition agreement ("Acquisition Agreement") must provide that the transaction will be consummated only if the resultant entity will be listed on the Exchange or another national securities exchange.

(iii) At the time of initial listing, the Subscription Warrants must:

(A) have an aggregate exercise price of at least \$250 million;

(B) have at least 20 million publicly held Subscription Warrants outstanding, with an aggregate exercise price of at least \$200 million;

(C) have at least 400 holders of round lots;

(D) have an exercise price per share of common stock of at least \$10.00;

(E) have an opening trading price on the first day of listing of at least \$1.00 per Subscription Warrant; and

(F) expire in no more than 10 years.

(iv) A Subscription Warrant may provide by its terms that the issuer may (1) determine, at issuance, that each Subscription Warrant may be exercisable for a specified number of shares greater than one share; and (2) determine, at the time it enters into an Acquisition Agreement, that the exercise price per share may be increased above the exercise price specified at the time of original issuance of such Subscription Warrants.

(v) The distribution of the Subscription Warrants and the issuance of the common stock of the issuer upon exercise of the Subscription Warrants must both be registered under the Securities Act.

(vi) The Subscription Warrants may not be tendered for exercise into common stock of a company until after such company has:

(A) entered into a binding agreement with respect to the Acquisition; and

(B) complied with all requirements of the federal securities laws with respect to such exercise, including, as appropriate, the filing and effectiveness of a post-effective amendment to the registration statement filed in connection with the original distribution of the Subscription Warrants or the filing and effectiveness of a new registration statement in connection with the exercise of such Subscription Warrants.

(vii) The Subscription Warrants must provide for a period of at least 20 business days after effectiveness of such post-effective amendment or new registration statement during which holders may elect to exercise Subscription Warrants effective upon closing of the Acquisition, which period may expire prior to the date of consummation of the Acquisition. The terms of the Subscription Warrants must not in any other way limit the ability of holders to exercise such Subscription Warrants in full.

(viii) The proceeds of the exercise of the Subscription Warrants will be held in an interest-bearing custody account controlled by an independent custodian, pending the closing of such Acquisition. The shares will be issued to the tendering holders of Subscription Warrants and the proceeds released to the issuer by the independent custodian at the time of closing of the Acquisition.

(ix) The independent custodian will promptly return the funds tendered in payment of the exercise price of Subscription Warrants to the tendering holders (A) upon termination of the Acquisition Agreement; or (B) if the Acquisition does not close within twelve months from the date of entry into the definitive agreement with respect to the Acquisition or such earlier time as is specified in the operative agreements. Such holders will receive cash payments equal to their proportional share of the funds in the custody account, including any interest earned on those funds.

(x) The issuer of the Subscription Warrants will be subject to the same corporate governance requirements under Section 303A hereof as an issuer of listed common stock.

(xi) the Acquisition must be approved by a majority of the independent directors of the issuer of the Subscription Warrants.

(c) Public holders of Subscription Warrants do not include those held by directors, officers, or their immediate families and other concentrated holdings of 10 percent.

\* \* \* \* \*

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

\* \* \* \* \*

**Criteria for Subscription Receipts Listed Under Section 102.08**

The Exchange will immediately initiate suspension and delisting procedures with respect to Subscription Receipts if:

- i. the number of publicly-held shares\* is less than 100,000;
- ii. the number of public holders\* is less than 100;
- iii. the total market capitalization of the Subscription Receipts is below \$15 million over 30 consecutive trading days;
- iv. the issuer's related common equity security ceases to be listed on the Exchange;  
or
- v. the issuer announces that the Specified Acquisition (as defined in Section 102.08) has been terminated.

\* Shares held by directors, officers, or their immediate families and other concentrated holdings of 10 percent or more are excluded in calculating the number of publicly-held shares. "Public holders" exclude holders that are directors, officers, or their immediate families and holders of other concentrated holdings of 10% or more.

An issuer of Subscription Receipts will not be eligible to follow the procedures outlined in Sections 802.02 and 802.03 with respect to these criteria and any such security will be subject to delisting procedures as set forth in Section 804.

Criteria for Subscription Warrants Listed Under Section 102.09

(a) The Exchange will immediately initiate suspension and delisting procedures of an issuer's Subscription Warrants if:

- i. the number of publicly-held Subscription Warrants is fewer than five million;
- ii. the number of public holders of such Subscription Warrants is fewer than 100;
- iii. the total market capitalization of such Subscription Warrants is below \$15 million over 30 consecutive trading days; or
- iv. the average trading price of the Subscription Warrants is less than \$0.25 over 30 consecutive trading days.

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(b) Public holders of Subscription Warrants do not include those held by directors, officers, or their immediate families and other concentrated holdings of 10 percent.

(c) An issuer of Subscription Warrants will not be eligible to follow the procedures outlined in Sections 802.02 and 802.03 with respect to the criteria in paragraph (a) and any such security will be subject to delisting procedures as set forth in Section 804.00.

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