

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-81021; File No. SR-NYSE-2017-17)

June 26, 2017

Self-Regulatory Organizations; New York Stock Exchange LLC; Notice of Filing of Proposed Rule Change to Require Listed Companies to Provide Advance Notice of Dividend Announcements to the Exchange

Pursuant to Section 19(b)(1)¹ of the Securities Exchange Act of 1934 (the “Act”),² and Rule 19b-4 thereunder,³ notice is hereby given that, on June 13, 2017, 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 (the “Manual”) to require listed companies to provide notice to the Exchange at least 10 minutes before making any public announcement with respect to a dividend or stock distribution in all cases, including outside of the hours in which the Exchange’s immediate release policy is in operation. The proposed rule change is available on the Exchange’s website at 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 statements concerning the purpose of, and basis for, the proposed rule change and discussed any comments it

¹ 15 U.S.C.78s(b)(1).

² 15 U.S.C. 78a.

³ 17 CFR 240.19b-4.

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 amend the Manual to require listed companies to provide notice to the Exchange at least 10 minutes before making any public announcement with respect to a dividend or stock distribution in all cases, including outside of the hours in which the Exchange's immediate release policy is in operation.

The Exchange's immediate release policy, set forth in Sections 202.05 and 202.06 of the Manual, already requires companies releasing material news between 7.00 AM ET and the NYSE close (generally 4.00 PM ET) to call the Exchange's Market Watch team at least 10 minutes before issuing their announcement to discuss the content of the announcement and also email a copy of the proposed announcement to Market Watch at least 10 minutes before its release. Listed companies announcing dividends during these hours are required to comply with the immediate release policy in connection with such announcement.

Section 204.12 of the Manual requires listed companies to give prompt notice to the Exchange as to any dividend action or action relating to a stock distribution in respect of a listed stock (including the omission or postponement of a dividend action at the customary time as well as the declaration of a dividend). This notice must be given at least ten days in advance of the record date and is in addition to the requirement to publicly disclose the information pursuant to the immediate release policy. The dividend notice must be given to the Exchange in accordance

with Section 204.00.⁴ Notice must be given as soon as possible after declaration and in any event, no later than simultaneously with the announcement to the news media.

In addition, Section 204.21 of the Manual requires listed companies to give prompt notice to the Exchange of the fixing of a date for the taking of a record of shareholders, or for the closing of transfer books (in respect of a listed security), for any purpose. The notice must state the purpose or purposes for which the record date has been fixed. This notice must be provided to the Exchange in accordance with Section 204.00.

The Exchange proposes to amend each of Sections 204.12 and 204.21 to specify that notice of any dividend or stock distribution required by Section 204.12 must be provided to the Exchange at least 10 minutes before any public announcement, including when such announcement is being made outside of Exchange trading hours. The principal effect of this amendment would be to require listed companies to provide 10 minutes advance notice to the Exchange with respect to a dividend announcement made at any time, rather than just during the hours of operation of the immediate release policy as is currently the case.

The Exchange also proposes to amend Section 202.06(B) to emphasize the Exchange's consistent interpretation of that rule as requiring listed companies to comply with the immediate release policy with respect to all announcements relating to a dividend or stock distribution.

The Exchange believes there are significant benefits to requiring listed companies to provide all announcements of dividends and stock distributions to the Exchange prior to their public dissemination. In particular, if the Exchange is provided dividend information prior to its public availability, Exchange staff will be able to address any issues that may arise in relation to

⁴ Section 204.00 requires that such notice must be provided via a web portal or email address specified by the Exchange on its website, except in emergency situations, when notification may instead be provided by telephone and confirmed by facsimile as specified by the Exchange on its website.

any announcement of a dividend or stock distribution. The proposed advance notice requirement would enable Exchange staff to ensure that a listed company's proposed dividend schedule complied with applicable Exchange requirements, including the requirement to provide 10 days advanced notice of the record date, and that the company's disclosure of the application of the Exchange's "ex"-dividend trading policy was accurate. The Exchange intends to have staff available at all times to review dividend notifications immediately upon receipt, regardless of what time or day of the week they are provided. The staff will contact a listed company immediately if there is a problem with its notification. Addressing problems with dividend notifications before they are issued publicly will avoid any confusion in the marketplace resulting from the dissemination of inaccurate information.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b)⁵ of the Act, in general, and furthers the objectives of Section 6(b)(5) of the Act,⁶ in particular 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 amendment is consistent with the protection of investors and the public interest because it will ensure that Exchange staff is able to address any rule compliance problems with a listed company's dividend schedule before it is publicly announced.

⁵ 15 U.S.C. 78f(b).

⁶ 15 U.S.C. 78f(b)(5).

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

The Exchange believes that the proposed rule change is consistent with Section 6(b)⁷ of the Act, in general, and furthers the objectives of Section 6(b)(5) of the Act,⁸ in particular 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 amendment is consistent with the protection of investors and the public interest because it will ensure that Exchange staff is able to address any rule compliance problems with a listed company's dividend schedule before it is publicly announced.

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.

⁷ 15 U.S.C. 78f(b).

⁸ 15 U.S.C. 78f(b)(5).

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. Please include File Number SR-NYSE-2017-17 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-2017-17. 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-2017-17 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.⁹

Robert W. Errett
Deputy Secretary

⁹ 17 CFR 200.30-3(a)(12).