

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-92155; File No. SR-NYSE-2020-98)

June 11, 2021

Self-Regulatory Organizations; New York Stock Exchange LLC; Notice of Designation of a Longer Period for Commission Action on Proceedings to Determine Whether to Approve or Disapprove a Proposed Rule Change, as Modified by Amendment No. 2, to Amend Its Rules to Prohibit Member Organizations from Seeking Reimbursement, in Certain Circumstances, from Issuers for Forwarding Proxy and Other Materials to Beneficial Owners

On November 30, 2020, New York Stock Exchange LLC (“Exchange”) filed with the Securities and Exchange Commission (“Commission”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder,² a proposed rule change to amend its rules to prohibit member organizations from seeking reimbursement, in certain circumstances, from issuers for forwarding proxy and other materials to beneficial owners. The proposed rule change was published for comment in the Federal Register on December 18, 2020.³ On January 29, 2021, pursuant to Section 19(b)(2) of the Act,⁴ the Commission designated a longer period within which to approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to disapprove the proposed rule change.⁵ On March 17, 2021, the Commission instituted proceedings under Section 19(b)(2)(B) of the Act⁶ to determine whether to approve or disapprove the proposed rule

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 90653 (December 14, 2020), 85 FR 82539 (December 18, 2020) (“Original Notice”). Comments received on the proposal are available on the Commission’s website at: <https://www.sec.gov/comments/sr-nyse-2020-98/srnyse202098.htm>.

⁴ 15 U.S.C. 78s(b)(2).

⁵ See Securities Exchange Act Release No. 91011 (January 29, 2021), 86 FR 8246 (February 4, 2021).

⁶ 15 U.S.C. 78s(b)(2)(B).

change.⁷ On April 6, 2021, the Exchange filed Amendment No. 1 to the proposed rule change; the Exchange withdrew that amendment on April 16, 2021. On April 16, 2021, the Exchange filed Amendment No. 2 to the proposed rule change, which superseded the proposed rule change as originally filed. The proposed rule change, as modified by Amendment No. 2, was published for comment in the Federal Register on April 29, 2021.⁸

Section 19(b)(2) of the Act⁹ provides that, after initiating proceedings, the Commission shall issue an order approving or disapproving the proposed rule change not later than 180 days after the date of publication of notice of filing of the proposed rule change. The Commission may extend the period for issuing an order approving or disapproving the proposed rule change, however, by not more than 60 days if the Commission determines that a longer period is appropriate and publishes the reasons for such determination. The proposed rule change was published for comment in the Federal Register on December 18, 2020.¹⁰ The 180th day after publication of the Original Notice is June 16, 2021. The Commission is extending the time period for approving or disapproving the proposed rule change for an additional 60 days.

The Commission finds that it is appropriate to designate a longer period within which to issue an order approving or disapproving the proposed rule change so that it has sufficient time to consider the proposed rule change, as modified by Amendment No. 2, and the comments that have been submitted in connection therewith. Accordingly, the Commission, pursuant to Section

⁷ See Securities Exchange Act Release No. 91343 (March 17, 2021), 86 FR 15536 (March 23, 2021).

⁸ See Securities Exchange Act Release No. 91663 (April 23, 2021), 86 FR 22725 (April 29, 2021).

⁹ 15 U.S.C. 78s(b)(2).

¹⁰ See supra note 3.

19(b)(2) of the Act,¹¹ designates August 15, 2021, as the date by which the Commission shall either approve or disapprove the proposed rule change (File Number SR-NYSE-2020-98), as modified by Amendment No. 2.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹²

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Assistant Secretary

¹¹ 15 U.S.C. 78s(b)(2).

¹² 17 CFR 200.30-3(a)(57).