

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-105512; File No. SR-NYSE-2026-05]

Self-Regulatory Organizations; New York Stock Exchange LLC; Order Granting Approval of Proposed Rule Change Amending Section 703.12(II) of the NYSE Listed Company Manual to Expand the Circumstances Under Which Rights May Be Listed on the NYSE

May 18, 2026.

I. Introduction

On February 4, 2026, the New York Stock Exchange LLC (“NYSE” or “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 Section 703.12(II) of the NYSE Listed Company Manual (“Manual”) to expand the circumstances under which rights may be listed on the NYSE. The proposed rule change was published for comment in the Federal Register on February 17, 2026.³ On March 27, 2026, 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 The Commission received no comments regarding the proposed rule change. This order approves the proposed rule change.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 104816 (Feb. 11, 2026), 91 FR 7332 (“Notice”).

⁴ 15 U.S.C. 78s(b)(2).

⁵ See Securities Exchange Act Release No. 105099, 91 FR 16259 (Apr. 1, 2026).

II. Description of the Proposal

As described in more detail in the Notice,⁶ the Exchange proposes to amend Section 703.12(II) of the Manual to provide that for purposes of the Exchange’s listing standards, “rights” will refer to the privilege offered to recipients of such rights to subscribe for shares of a class of securities of such issuer that is listed or to be listed on the Exchange, regardless of whether the recipients of the rights are existing shareholders of record of such issuer. The Exchange also proposes to permit the listing of a right where the security into which such right is exercisable will be listed on the Exchange upon the exercise of the rights and such exercise is pursuant to a registration statement filed under the Securities Act of 1933 (“Securities Act Registration Statement”) that has been declared effective by the Commission prior to or simultaneous with the listing of such rights (“Prospective Listing Rights”).⁷ The Exchange further proposes related changes, among other things, to specify that listed rights may be issued to the initial recipient of such rights either with or without the payment of consideration by such initial recipients, to set forth numerical requirements for listing of Prospective Listing Rights, to provide that funds paid upon exercise of Prospective Listing Rights must be held in a trust account, and to establish a maximum listing period and specify conditions for delisting of Prospective Listing Rights.⁸

III. Discussion and Commission Findings

⁶ See Notice, supra note 3.

⁷ The Exchange states that the issuer of the Prospective Listing Rights will be required by law to update the Securities Act Registration Statement to reflect any material changes in the information required to be included therein that arise between the time of effectiveness of the Securities Act Registration Statement and the exercise of the Prospective Listing Rights. See id. at 7333.

⁸ See id.

After careful review, the Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange.⁹ In particular, the Commission finds that the proposed rule change is consistent with Section 6(b)(5) of the Act,¹⁰ which requires, among other things, that the rules of a national securities exchange be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, 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 are not designed to permit unfair discrimination between customers, issuers, brokers or dealers.

The Exchange states that the proposal “will give issuers greater flexibility in structuring a rights offering as a capital raising tool” and will “provide a source of capital for the acquisition of assets.”¹¹

The Commission has stated that listing standards are important given investor expectations regarding the nature of securities that have achieved an exchange listing, and the role of an exchange in overseeing its market and assuring compliance with its listing standards.¹² The Commission believes that the proposal offers additional flexibility for issuers to raise capital through a new type of rights offering, in turn providing investors with a new opportunity to

⁹ In approving this proposed rule change, the Commission has considered the proposed rule’s impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

¹⁰ 15 U.S.C. 78f(b)(5).

¹¹ See Notice, supra note 3, at 7333, 7335.

¹² See, e.g., Securities Exchange Act Release Nos. 88716 (Apr. 21, 2020), 85 FR 23393 (Apr. 27, 2020) (SR-NASDAQ-2020-001); 88389 (Mar. 16, 2020), 85 FR 16163 (Mar. 20, 2020) (SR-NASDAQ-2019-089). See also Securities Exchange Act Release No. 81856 (Oct. 11, 2017), 82 FR 48296, 48298 (Oct. 17, 2017) (SR-NYSE-2017-31) (stating that “[a]dequate standards are especially important given the expectations of investors regarding exchange trading and the imprimatur of listing on a particular market” and that “[o]nce a security has been approved for initial listing, maintenance criteria allow an exchange to monitor the status and trading characteristics of that issue ... so that fair and orderly markets can be maintained”).

participate in that process, which will be pursuant to a Securities Act Registration Statement.

For this reason, the Commission finds that the proposed rule change is consistent with the Act.

IV. Conclusion

IT IS THEREFORE ORDERED, pursuant to Section 19(b)(2) of the Act,¹³ that the proposed rule change (SR-NYSE-2026-05) be, and it hereby is, approved.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁴

Sherry R. Haywood,

Assistant Secretary.

¹³ 15 U.S.C. 78s(b)(2).

¹⁴ 17 CFR 200.30-3(a)(12).