

SECURITIES AND EXCHANGE COMMISSION  
(Release No. 34-83355; File No. SR-NYSE-2017-53)

May 31, 2018

Self-Regulatory Organizations; New York Stock Exchange LLC; Notice of Designation of a Longer Period for Commission Action on a Proposed Rule Change to Amend the Listed Company Manual for Special Purpose Acquisition Companies To Lower the Initial Holders Requirement From 300 to 150 Round Lot Holders and To Eliminate Completely the 300 Public Stockholders Continued Listing Requirement, To Require at Least \$5 Million in Net Tangible Assets for Initial and Continued Listing, and To Impose a 30-Day Deadline to Demonstrate Compliance with Certain Initial Listing Requirements Following a Business Combination

On November 16, 2017, 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”)<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> a proposed rule change to amend the Listed Company Manual for Special Purpose Acquisition Companies (“SPACs”)<sup>3</sup> to lower the initial holders requirement from 300 to 150 round lot holders and to eliminate the continued listing requirement of 300 public stockholders completely, to require at least \$5 million in net tangible assets for initial listing and continued listing, and to allow companies 30 days to demonstrate compliance with the applicable holder requirements of Section 102.01A in the Listed Company Manual following a business combination. Finally, NYSE proposes to eliminate certain alternative initial listing distribution criteria for SPACs that list in connection with a transfer or quotation. The proposed rule change was published for comment in the Federal Register on December 6, 2017.<sup>4</sup> In response, the Commission received

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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> The Commission notes that throughout this Notice we have used the term “SPAC” or “SPACs.” These terms have the same meaning as an “Acquisition Company” or “AC” which is the term used by NYSE in its current proposed rule filing and rule text.

<sup>4</sup> See Securities Exchange Act Release No. 82180 (November 30, 2017), 82 FR 57632 (December 6, 2017) (“Notice”).

two comments on the proposal.<sup>5</sup> On January 18, 2018, the Commission extended the time period within which to approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to approve or disapprove the proposed rule change to March 6, 2018.<sup>6</sup> The Commission issued an order instituting proceedings under Section 19(b)(2)(B) of the Act to determine whether to approve or disapprove the proposed rule change on March 5, 2018 (“OIP”).<sup>7</sup> The Commission received one additional comment letter in response to the OIP.<sup>8</sup>

Section 19(b)(2) of the Act<sup>9</sup> provides that, after initiating disapproval 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, however, extend the period for issuing an order approving or disapproving the proposed rule change 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 notice and comment in the Federal Register on December 6, 2017. June 4, 2018 is 180 days from that date, and August 3, 2018 is 240 days from that date.

The Commission finds it 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

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<sup>5</sup> See Letters to Brent J. Fields, Secretary, Commission, from Michael Kitlas, dated November 30, 2017 (“Kitlas Letter”) and Jeffrey P. Mahoney, General Counsel, Council of Institutional Investors, dated December 20, 2017 (“CII Letter”).

<sup>6</sup> See Securities Exchange Act Release No. 82531 (January 18, 2018), 83 FR 3371 (January 24, 2018) (“Extension”).

<sup>7</sup> See Securities Exchange Act Release No. 82804 (March 5, 2018), 83 FR 10530 (March 9, 2018).

<sup>8</sup> See Letters to Brent J. Fields, Secretary, Commission, from Jeffrey P. Mahoney, General Counsel, Council of Institutional Investors, dated March 26, 2018 (“CII Letter II”).

<sup>9</sup> 15 U.S.C. 78s(b)(2).

consider the proposed rule change and the comment letters. Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act,<sup>10</sup> designates August 3, 2018, as the date by which the Commission shall either approve or disapprove the proposed rule change (File No. SR-NYSE-2017-53).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>11</sup>

Eduardo A. Aleman  
Assistant Secretary

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<sup>10</sup> Id.

<sup>11</sup> 17 CFR 200.30-3(a)(31).