**Types of shares** **:** Shares in the company may be similar i.e they may carry the same rights and liabilities and confer on their holders the same rights, liabilities and duties. There are two types of shares under Indian Company Law :-

1.**Equity shares** means that part of the share capital of the company which are not preference shares.

2.**Preference Shares** means shares which fulfill the following 2 conditions. Therefore, a share which is does not fulfill both these conditions is an equity share.

a. It carries Preferential rights in respect of Dividend at fixed amount or at fixed rate i.e. dividend payable is payable on fixed figure or percent and this dividend must paid before the holders of the equity shares can be paid dividend.

b. It also carries preferential right in regard to payment of capital on winding up or otherwise. It means the amount paid on preference share must be paid back to preference shareholders before anything in paid to the equity shareholders. In other words, preference share capital has priority both in repayment of dividend as well as capital.

**Types of Preference Shares**  
1.**Cumulative or Non-cumulative** : A non-cumulative or simple preference shares gives right to fixed percentage dividend of profit of each year. In case no dividend thereon is declared in any year because of absence of profit, the holders of preference shares get nothing nor can they claim unpaid dividend in the subsequent year or years in respect of that year. Cumulative preference shares however give the right to the preference shareholders to demand the unpaid dividend in any year during the subsequent year or years when the profits are available for distribution . In this case dividends which are not paid in any year are accumulated and are paid out when the profits are available.

2.**Redeemable and Non- Redeemable** : Redeemable Preference shares are preference shares which have to be repaid by the company after the term of which for which the preference shares have been issued. Irredeemable Preference shares means preference shares need not repaid by the company except on winding up of the company. However, under the Indian Companies Act, a company cannot issue irredeemable preference shares. In fact, a company limited by shares cannot issue preference shares which are redeemable after more than 10 years from the date of issue. In other words the maximum tenure of preference shares is 10 years. If a company is unable to redeem any preference shares within the specified period, it may, with consent of the Company Law Board, issue further redeemable preference shares equal to redeem the old preference shares including dividend thereon. A company can issue the preference shares which from the very beginning are redeemable on a fixed date or after certain period of time not exceeding 10 years provided it comprises of following conditions :-

1. It must be authorised by the articles of association to make such an issue.

2. The shares will be only redeemable if they are fully paid up.

3. The shares may be redeemed out of profits of the company which otherwise would be available for dividends or out of proceeds of new issue of shares made for the purpose of redeem shares.

4. If there is premium payable on redemption it must have provided out of profits or out of shares premium account before the shares are redeemed.

5. When shares are redeemed out of profits a sum equal to nominal amount of shares redeemed is to be transferred out of profits to the capital redemption reserve account. This amount should then be utilised for the purpose of redemption of redeemable preference shares. This reserve can be used to issue of fully paid bonus shares to the members of the company.

3.**Participating Preference Share or non-participating preference shares** : Participating Preference shares are entitled to a preferential dividend at a fixed rate with the right to participate further in the profits either along with or after payment of certain rate of dividend on equity shares. A non-participating share is one which does not such right to participate in the profits of the company after the dividend and capital have been paid to the preference shareholders.

**Listing and Delisting Requirements**

Before a company can begin trading on an exchange, it must meet certain initial requirements or "listing standards." The exchanges and the Nasdaq Stock Market set their own standards for listing and continuing to trade. The SEC does not set listing standards.

The initial listing requirements mandate that a company meet specified minimum thresholds for the number of publicly traded shares, total market value, stock price, and number of shareholders. After a company starts trading, it must continue to meet different standards set by the exchanges. Otherwise, the company can be delisted. These continuing standards usually are less stringent than the initial listing requirements.

You can find the initial and continued listing requirements on the websites of the [New York Stock Exchange](http://www.sec.gov/cgi-bin/goodbye.cgi?www.nyse.com/regulation/listed/1022221392369.html) and the [Nasdaq Stock Market](http://www.sec.gov/cgi-bin/goodbye.cgi?www.nasdaq.com/about/nasdaq_listing_req_fees.pdf). Neither the [Pink Sheets](http://www.sec.gov/answers/pink.htm) nor the [OTC Bulletin Board](http://www.sec.gov/answers/otcbb.htm) has listing standards, although the SEC requires companies to be current in their filings before their stock can be quoted on the OTCBB.

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Section 1 The Listing Process101.00 Introduction **101.00 Introduction**  A listing on the New York Stock Exchange is internationally recognized as signifying that a publicly owned corporation has achieved maturity and front-rank status in its industry---in terms of assets, earnings, and shareholder interest and acceptance. Indeed, the Exchange's listing standards are designed to assure that every domestic or non-U.S. company whose shares are admitted to trading in the Exchange's market merit that recognition.  The Exchange welcomes inquiries from corporate officials who wish to explore the advantages of listing with Exchange representatives. Discussions can be held at company headquarters, at the Exchange or over the telephone.  Prospective applicants for listing are invited to take advantage of the Exchange's free confidential review process to learn whether or not the company is eligible for listing and what additional conditions, if any, might first have to be satisfied. A company requesting such a review incurs no obligation whatever.  A company that has qualified for listing can normally expect its shares to be admitted to trading within four to six weeks after filing its original listing application. (See Section 7 of this Manual for details concerning listing applications.)  The Exchange has broad discretion regarding the listing of a company. The Exchange is committed to list only those companies that are suited for auction market trading and that have attained the status of being eligible for trading on the Exchange. Thus, the Exchange may deny listing or apply additional or more stringent criteria based on any event, condition, or circumstance that makes the listing of the company inadvisable or unwarranted in the opinion of the Exchange. Such determination can be made even if the company meets the standards set forth below. 102.00 Domestic Companies102.01 Minimum Numerical Standards—Domestic Companies—Equity Listings **102.01A A company must meet one of the following distribution criteria:**   |  |  | | --- | --- | | **Companies listing in connection with an IPO:** |  | | Number of holders of 100 shares or more or of a unit of trading if less than 100 shares .................. | 400 (A) | | **and** |  | | Number of publicly held shares .................. | 1,100,000 shares (B) | | **Affiliated companies:** |  | | Number of holders of 100 shares or more or of a unit of trading if less than 100 shares .................. | 400 (A) | | **and** |  | | Number of publicly held shares .................. | 1,100,000 shares (B) | | **Companies listing following emergence from bankruptcy:** |  | | Number of holders of 100 shares or more or of a unit of trading if less than 100 shares .................. | 400 (A) | | **and** |  | | Number of publicly held shares .................. | 1,100,000 shares (B) | | **Companies listing in connection with a transfer or quotation:** |  | | Number of holders of 100 shares or more or of a unit of trading if less than 100 shares .................. | 400 (A) | | **or** |  | | Total stockholders .................. | 2,200 (A) | | Together with average monthly trading volume .................. | 100,000 shares (for most recent 6 months) | | **or** |  | | Total stockholders .................. | 500 (A) | | Together with average monthly trading volume .................. | 1,000,000 shares (for most recent 12 months) | | **and** |  | | Number of publicly held shares .................. | 1,100,000 shares (B) |   (A) The number of beneficial holders of stock held in the name of Exchange member organizations will be considered in addition to holders of record. The Exchange will make any necessary check of such holdings.  (B) If the unit of trading is less than 100 shares, the requirements relating to number of publicly-held shares shall be reduced proportionately. 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.  **102.01B** A Company must demonstrate an aggregate market value of publicly-held shares of $40,000,000 for companies that list either at the time of their initial public offerings ("IPO") (C) or as a result of spin-offs or under the Affiliated Company standard or, for companies that list at the time of their Initial Firm Commitment Underwritten Public Offering (C), and $100,000,000 for other companies (D)(E). A company must have a closing price or, if listing in connection with an IPO or Initial Firm Commitment Underwritten Public Offering, an IPO or Initial Firm Commitment Underwritten Public Offering price per share of at least $4 at the time of initial listing.  (C) For companies that list at the time of their IPOs or Initial Firm Commitment Underwritten Public Offering, the Exchange will rely on a written commitment from the underwriter to represent the anticipated value of the company's offering in order to determine a company's compliance with this listing standard. Similarly, for spin-offs, the Exchange will rely on a representation from the parent company's investment banker (or other financial advisor) in order to estimate the market value based upon the as disclosed distribution ratio. For purpose of this paragraph, an IPO is an offering by an issuer which, immediately prior to its original listing, does not have a class of common stock registered under the Securities Exchange Act of 1934. An IPO includes a carve-out, which is defined for purposes of this paragraph as the initial offering of an equity security to the public by a publicly traded company for an underlying interest in its existing business (which may be subsidiary, division, or business unit). For purposes of this paragraph, a company is listing in connection with its Initial Firm Commitment Underwritten Public Offering if (i) such company has a class of common stock registered under the Exchange Act, (ii) such common stock has never been listed on a national securities exchange in the period since the commencement of its current registration under the Exchange Act, and (iii) such company is listing in connection with a firm commitment underwritten public offering that is its first firm commitment underwritten public offering of its common stock since the registration of its common stock under the Exchange Act.  (D) Shares held by directors, officers, or their immediate families and other concentrated holding of 10 percent or more are excluded in calculating the number of publicly-held shares. If a company either has a significant concentration of stock, or changing market forces have adversely impacted the public market value of a company which otherwise would qualify for listing on the Exchange, such that its public market value is no more than 10 percent below $40,000,000 or $100,000,000, as applicable, the Exchange will generally consider $40,000,000 or $100,000,000, as applicable, in stockholders' equity as an alternate measure of size and therefore as an alternate basis on which to list the company.  (E) Generally, the Exchange expects to list companies in connection with a firm commitment underwritten IPO, upon transfer from another market, or pursuant to a spin-off. However, the Exchange recognizes that some companies that have not previously had their common equity securities registered under the Exchange Act, but which have sold common equity securities in a private placement, may wish to list their common equity securities on the Exchange at the time of effectiveness of a registration statement filed solely for the purpose of allowing existing shareholders to sell their shares. Consequently, the Exchange will, on a case by case basis, exercise discretion to list companies whose stock is not previously registered under the Exchange Act, where such a company is listing without a related underwritten offering upon effectiveness of a registration statement registering only the resale of shares sold by the company in earlier private placements. In exercising this discretion, the Exchange will determine that such company has met the $100,000,000 aggregate market value of publicly-held shares requirement based on a combination of both (i) an independent third-party valuation (a "Valuation") of the company and (ii) the most recent trading price for the company's common stock in a trading system for unregistered securities operated by a national securities exchange or a registered broker-dealer (a "Private Placement Market"). The Exchange will attribute a market value of publicly-held shares to the company equal to the lesser of (i) the value calculable based on the Valuation and (ii) the value calculable based on the most recent trading price in a Private Placement Market. Any Valuation used for this purpose must be provided by an entity that has significant experience and demonstrable competence in the provision of such valuations. The Valuation must be of a recent date as of the time of the approval of the company for listing and the evaluator must have considered, among other factors, the annual financial statements required to be included in the registration statement, along with financial statements for any completed fiscal quarters subsequent to the end of the last year of audited financials included in the registration statement. The Exchange will consider any market factors or factors particular to the listing applicant that would cause concern that the value of the company had diminished since the date of the Valuation and will continue to monitor the company and the appropriateness of relying on the Valuation up to the time of listing. In particular, the Exchange will examine the trading price trends for the stock in the Private Placement Market over a period of several months prior to listing and will only rely on a Private Placement Market price if it is consistent with a sustained history over that several month period evidencing a market value in excess of the Exchange's market value requirement. The Exchange may withdraw its approval of the listing at any time prior to the listing date if it believes that the Valuation no longer accurately reflects the company's likely market value.  North American Companies---  When considering a listing application from a company organized under the laws of Canada, Mexico or the United States ("North America"), the Exchange will include all North American holders and North American trading volume in applying the minimum stockholder and trading volume requirements detailed above. For securities that trade in the format of American Depositary Receipts ("ADR's"), volume in the ordinary shares will be adjusted to be on an ADR-equivalent basis.  **Amended:** August 13, 2009 (NYSE-2009-80); January 21, 2010 (NYSE-2010-02).  **102.01C** A company must meet one of the following financial standards.  (I) **Earnings Test**  (1) Pre-tax earnings from continuing operations and after minority interest, amortization and equity in the earnings or losses of investees, adjusted for items specified in (3)(a) through (3)(j) below must total (x) at least $10,000,000 in the aggregate for the last three fiscal years together with a minimum of $2,000,000 in each of the two most recent fiscal years, and positive amounts in all three years or (y) at least $12,000,000 in the aggregate for the last three fiscal years together with a minimum of $5,000,000 in the most recent fiscal year and $2,000,000 in the next most recent fiscal year.  (2) Financial statements compliant with applicable SEC rules covering a period of nine to twelve months shall satisfy the requirement for the most recent fiscal year in those cases where the Company has changed its fiscal year or where there has been a significant change in the Company's operations or capital structure. Financial statements compliant with applicable SEC rules covering a period of six months shall satisfy the requirement for the most recent fiscal year in those cases where the Company has changed its fiscal year or where there has been a significant change in the Company's operations or capital structure, provided that the Company must include financial data as derived from financial statements that have been subject to an SAS 100 review in a public disclosure (either an SEC filing or a press release) prior to the date of listing that confirms that the Company continues to satisfy the applicable standard based on at least nine completed months of the current fiscal year. When qualifying companies for listing based on interim financial information from the current fiscal year, the Exchange must conclude that the Company can reasonably be expected to qualify under the regular earnings standard upon completion of its then current fiscal year. If the Company does not qualify under the regular earnings standard at the end of such current fiscal year or qualify at such time for original listing under another listing standard, the Exchange will promptly initiate suspension and delisting procedures with respect to the Company; and  (3) Adjustments (F)(G) that must be included in the calculation of the amounts required in paragraph (1) are as follows:  (a) Application of Use of Proceeds - If a company is in registration with the SEC and is in the process of an equity offering, adjustments should be made to reflect the net proceeds of that offering, and the specified intended application(s) of such proceeds to:  (i) Pay off existing debt or other financial instruments: The adjustment will include elimination of the actual historical interest expense on debt or other financial instruments classified as liabilities under generally accepted accounting principles being retired with offering proceeds of all relevant periods or by conversion into common stock at the time of an initial public offering occurring in conjunction with the company's listing. If the event giving rise to the adjustment occurred during a time-period such that *pro forma* amounts are not set forth in the SEC registration statement (typically, the *pro forma* effect of repayment of debt will be provided in the current registration statement only with respect to the last fiscal year plus any interim period in accordance with SEC rules), the company must prepare the relevant adjusted financial data to reflect the adjustment to its historical financial data, and its outside audit firm must provide a report of having applied agreed-upon procedures with respect to such adjustments. Such report must be prepared in accordance with the standards established by the American Institute of Certified Public Accountants.  (ii) Fund an acquisition:  (1) The adjustments will include those applicable with respect to acquisition(s) to be funded with the proceeds. Adjustments will be made that are disclosed as such in accordance with Rule 3-05 "Financial Statements of Business Acquired or to be Acquired" and Article 11 of Regulation S-X. Adjustments will be made for all the relevant periods for those acquisitions for which historical financial information of the acquiree is required to be disclosed in the SEC registration statement; and  (2) Adjustments applicable to any period for which *pro forma* numbers are not set forth in the registration statement shall be accompanied by the relevant adjusted financial data to combine the historical results of the acquiree (or relevant portion thereof) and acquiror, as disclosed in the company's SEC filing. Under SEC rules, the number of periods disclosed depends upon the significance level of the acquiree to the acquiror. The adjustments will include those necessary to reflect (a) the allocation of the purchase price, including adjusting assets and liabilities of the acquiree to fair value recognizing any intangibles (and associated amortization and depreciation), and (b) the effects of additional financing to complete the acquisition. The company must prepare the relevant adjusted financial data to reflect the adjustment to its historical financial data, and its outside audit firm must provide a report of having applied agreed-upon procedures with respect to such adjustments. Such report must be prepared in accordance with the standards established by the American Institute of Certified Public Accountants;  (b) Acquisitions and Dispositions:  In instances other than acquisitions (and related dispositions of part of the acquiree) funded with the use of proceeds, adjustments will be made for those acquisitions and dispositions that are disclosed as such in a company's financial statements in accordance with Rule 3-05 "Financial Statements of Business Acquired or to be Acquired" and Article 11 of Regulation S-X. If the disclosure does not specify pre-tax earnings from continuing operations, minority interest, and equity in the earnings or losses of investees, then such data must be prepared by the company's outside audit firm for the Exchange's consideration. In this regard, the audit firm would have to issue an independent accountant's report on applying agreed-upon procedures in accordance with the standards established by the American Institute of Certified Public Accountants;  (c) Exclusion of Merger or Acquisition Related Costs Recorded under Pooling of Interests;  (d) Exclusion of nonrecurring Charges or Income Specifically Disclosed in the Applicant's SEC Filing for the Following -  (i) In connection with exiting an activity for the following-  (1) Costs of severance and termination benefits  (2) Costs and associated revenues and expenses associated with the elimination and reduction of product lines  (3) Costs to consolidate or re-locate plant and office facilities  (ii) Loss or gain on disposal of long-lived assets  (iii) Environmental clean-up costs  (iv) Litigation settlements;  (v) Loss or gain from extinguishment of debt prior to its maturity;  (e) Exclusion of Impairment Charges on Long-lived Assets (goodwill, property, plant, and equipment, and other long-lived assets);  (f) Exclusion of Gains or Losses Associated with Sales of a Subsidiary's or Investee's Stock;  (g) Exclusion of In-Process Purchased Research and Development Charges;  (h) Regulation S-X Article 11 Adjustments  Adjustments will include those contained in a company's *pro forma* financial statements provided in a current filing with the SEC pursuant to SEC rules and regulations governing Article 11 "Pro forma information of Regulation S-X Part 210-Form and Content of and Requirements for Financial Statements;"  (i) Exclusion of the Cumulative Effect of Adoption of New Accounting Standards (APB Opinion No.20)  (j) Exclusion of the income statement effects for all periods of changes in fair value of financial instruments of the company classified as liabilities, provided such financial instrument is either being redeemed with the proceeds of an offering occurring in conjunction with the company's listing or converted into or exercised for common equity securities of the company at the time of such listing.  **OR**  (II) **Valuation/Revenue Test** Companies listing under this standard may satisfy either (a) the Valuation/Revenue with Cash Flow Test or (b) the Pure Valuation/Revenue Test.  (a) Valuation/Revenue with Cash Flow Test—  (1) at least $500,000,000 in global market capitalization,  (2) at least $100,000,000 in revenues during the most recent 12 month period, and  (3) at least $25,000,000 aggregate cash flows for the last three fiscal years with positive amounts in all three years, as adjusted pursuant to Paras. 102.01C (I)(3)(a) and (b), as applicable.  Financial statements compliant with applicable SEC rules covering a period of nine to twelve months shall satisfy the requirement to demonstrate cash flows for the most recent fiscal year in those cases where the Company has changed its fiscal year or where there has been a significant change in the Company's operations or capital structure. Financial statements compliant with applicable SEC rules covering a period of six months shall satisfy the requirement for the most recent fiscal year in those cases where the Company has changed its fiscal year or where there has been a significant change in the Company's operations or capital structure, provided that the Company must include financial data as derived from financial statements that have been subject to an SAS 100 review in a public disclosure (either an SEC filing or a press release) prior to the date of listing that confirms that the Company continues to satisfy the applicable standard based on at least nine completed months of the current fiscal year. As a condition to the Exchange's reliance on the interim financial information for the nine-months period, the company will be required to demonstrate that its independent accountant has performed sufficient procedures on such information in accordance with generally accepted auditing standards or other agreed upon procedures performed at the underwriter's request. When qualifying companies for listing based on interim financial information from the current fiscal year, the Exchange must conclude that the Company can reasonably be expected to qualify under the regular valuation/revenue standard upon completion of its then current fiscal year. If the Company does not qualify under the regular valuation/revenue standard at the end of such current fiscal year or qualify at such time for original listing under another listing standard, the Exchange will promptly initiate suspension and delisting procedures with respect to the Company.  A Company must demonstrate cash flow based on the operating activity section of its cash flow statement. Cash flow represents net income adjusted to (a) reconcile such amounts to cash provided by operating activities, and (b) exclude changes in operating assets and liabilities. With respect to reconciling amounts pursuant to this Paragraph, all such amounts are limited to the amount included in the company's income statement.  In the case of companies listing in connection with an IPO or an Initial Firm Commitment Underwritten Public Offering, the company's underwriter (or, in the case of a spin-off, the parent company's investment banker or other financial advisor) must provide a written representation that demonstrates the company's ability to meet the $500,000,000 global market capitalization requirement based upon the completion of the offering (or distribution).  Generally, the Exchange expects to list companies in connection with a firm commitment underwritten IPO, upon transfer from another market, or pursuant to a spin-off. However, the Exchange recognizes that some companies that have not previously had their common equity securities registered under the Exchange Act, but which have sold common equity securities in a private placement, may wish to list their common equity securities on the Exchange at the time of effectiveness of a registration statement filed solely for the purpose of allowing existing shareholders to sell their shares. Consequently, the Exchange will, on a case by case basis, exercise discretion to list companies whose stock is not previously registered under the Exchange Act, where such a company is listing without a related underwritten offering upon effectiveness of a registration statement registering only the resale of shares sold by the company in earlier private placements. In such cases, the Exchange will determine that the company has met the global market capitalization value requirement based on a combination of both (i) an independent third-party valuation (a "Valuation") of the company and (ii) the most recent trading price for the company's common stock in a trading system for unregistered securities operated by a national securities exchange or a registered broker-dealer (a "Private Placement Market"). The Exchange will list a company using this approach only if it determines that such company has a global market capitalization of $600,000,000. The Exchange will attribute a global market capitalization to the company equal to the lesser of (i) the value calculable based on the Valuation and (ii) the value calculable based on the most recent trading price in a Private Placement Market. Any Valuation used for this purpose must be provided by an entity that has significant experience and demonstrable competence in the provision of such valuations. The Valuation must be of a recent date as of the time of the approval of the company for listing and the evaluator must have considered, among other factors, the annual financial statements required to be included in the registration statement, along with financial statements for any completed fiscal quarters subsequent to the end of the last year of audited financials included in the registration statement. The Exchange will consider any market factors or factors particular to the listing applicant that would cause concern that the value of the company had diminished since the date of the Valuation and will continue to monitor the company and the appropriateness of relying on the Valuation up to the time of listing. In particular, the Exchange will examine the trading price trends for the stock in the Private Placement Market over a period of several months prior to listing and will only rely on a Private Placement Market price if it is consistent with a sustained history over that several month period evidencing a market value in excess of the Exchange's market value requirement. The Exchange may withdraw its approval of the listing at any time prior to the listing date if it believes that the Valuation no longer accurately reflects the company's likely market value.  (b) Pure Valuation/Revenue Test—  (1) at least $750,000,000 in global market capitalization, and  (2) at least $75,000,000 in revenues during the most recent fiscal year.  In the case of companies listing in connection with an IPO or an Initial Firm Commitment Underwritten Public Offering, the company's underwriter (or, in the case of a spin-off, the parent company's investment banker or other financial advisor) must provide a written representation that demonstrates the company's ability to meet the $750,000,000 global market capitalization requirement based upon the completion of the offering (or distribution). For all other companies, market capitalization valuation will be determined over a three-month average. In considering the suitability for listing of a company pursuant to the provision in the immediately preceding sentence, the Exchange will consider whether the company's business prospects and operating results indicate that the company's market capitalization value is likely to be sustained or increase over time.  Generally, the Exchange expects to list companies in connection with a firm commitment underwritten IPO, upon transfer from another market, or pursuant to a spin-off. However, the Exchange recognizes that some companies that have not previously had their common equity securities registered under the Exchange Act, but which have sold common equity securities in a private placement, may wish to list their common equity securities on the Exchange at the time of effectiveness of a registration statement filed solely for the purpose of allowing existing shareholders to sell their shares. Consequently, the Exchange will, on a case by case basis, exercise discretion to list companies whose stock is not previously registered under the Exchange Act, where such a company is listing without a related underwritten offering upon effectiveness of a registration statement registering only the resale of shares sold by the company in earlier private placements. In such cases, the Exchange will determine that the company has met the global market capitalization value requirement based on a combination of both (i) an independent third-party valuation (a "Valuation") of the company and (ii) the most recent trading price for the company's common stock in a trading system for unregistered securities operated by a national securities exchange or a registered broker-dealer (a "Private Placement Market"). The Exchange will list a company using this approach only if it determines that such company has a global market capitalization of $900,000,000. The Exchange will attribute a global market capitalization to the company equal to the lesser of (i) the value calculable based on the Valuation and (ii) the value calculable based on the most recent trading price in a Private Placement Market. Any Valuation used for this purpose must be provided by an entity that has significant experience and demonstrable competence in the provision of such valuations. The Valuation must be of a recent date as of the time of the approval of the company for listing and the evaluator must have considered, among other factors, the annual financial statements required to be included in the registration statement, along with financial statements for any completed fiscal quarters subsequent to the end of the last year of audited financials included in the registration statement. The Exchange will consider any market factors or factors particular to the listing applicant that would cause concern that the value of the company had diminished since the date of the Valuation and will continue to monitor the company and the appropriateness of relying on the Valuation up to the time of listing. In particular, the Exchange will examine the trading price trends for the stock in the Private Placement Market over a period of several months prior to listing and will only rely on a Private Placement Market price if it is consistent with a sustained history over that several month period evidencing a market value in excess of the Exchange's market value requirement. The Exchange may withdraw its approval of the listing at any time prior to the listing date if it believes that the Valuation no longer accurately reflects the company's likely market value.  **OR**  (III) **Affiliated Company Test**  (1) at least $500,000,000 in global market capitalization;  (2) at least 12 months of operating history (although a company is not required to have been a separate corporate entity for such period); and  (3) the company's parent or affiliated company is a listed company in good standing (as evidenced by written representation from the company or its financial advisor excluding that portion of the balance sheet attributable to the new entity); and  (4) the company's parent or affiliated company retains control of the entity or is under common control with the entity.  In the case of companies listing in connection with an IPO or an Initial Firm Commitment Underwritten Public Offering, the company's underwriter (or, in the case of a spin-off, the parent company's investment banker or other financial advisor) must provide a written representation that demonstrates the company's ability to meet the $500,000,000 global market capitalization requirement based upon the completion of the offering (or distribution).  Generally, the Exchange expects to list companies in connection with a firm commitment underwritten IPO, upon transfer from another market, or pursuant to a spin-off. However, the Exchange recognizes that some companies that have not previously had their common equity securities registered under the Exchange Act, but which have sold common equity securities in a private placement, may wish to list their common equity securities on the Exchange at the time of effectiveness of a registration statement filed solely for the purpose of allowing existing shareholders to sell their shares. Consequently, the Exchange will, on a case by case basis, exercise discretion to list companies whose stock is not previously registered under the Exchange Act, where such a company is listing without a related underwritten offering upon effectiveness of a registration statement registering only the resale of shares sold by the company in earlier private placements. In such cases, the Exchange will determine that the company has met the global market capitalization value requirement based on a combination of both (i) an independent third-party valuation (a "Valuation") of the company and (ii) the most recent trading price for the company's common stock in a trading system for unregistered securities operated by a national securities exchange or a registered broker-dealer (a "Private Placement Market"). The Exchange will list a company using this approach only if it determines that such company has a global market capitalization of $600,000,000. The Exchange will attribute a global market capitalization to the company equal to the lesser of (i) the value calculable based on the Valuation and (ii) the value calculable based on the most recent trading price in a Private Placement Market. Any Valuation used for this purpose must be provided by an entity that has significant experience and demonstrable competence in the provision of such valuations. The Valuation must be of a recent date as of the time of the approval of the company for listing and the evaluator must have considered, among other factors, the annual financial statements required to be included in the registration statement, along with financial statements for any completed fiscal quarters subsequent to the end of the last year of audited financials included in the registration statement. The Exchange will consider any market factors or factors particular to the listing applicant that would cause concern that the value of the company had diminished since the date of the Valuation and will continue to monitor the company and the appropriateness of relying on the Valuation up to the time of listing. In particular, the Exchange will examine the trading price trends for the stock in the Private Placement Market over a period of several months prior to listing and will only rely on a Private Placement Market price if it is consistent with a sustained history over that several month period evidencing a market value in excess of the Exchange's market value requirement. The Exchange may withdraw its approval of the listing at any time prior to the listing date if it believes that the Valuation no longer accurately reflects the company's likely market value.  "Control" for purposes of the Affiliated Company Test will mean having the ability to exercise significant influence over the operating and financial policies of the listing company, and will be presumed to exist where the parent or affiliated company holds 20% or more of the listing company's voting stock directly or indirectly. Other indicia that may be taken into account when determining whether control exists include board representation, participation in policy making processes, material intercompany transactions, interchange of managerial personnel, and technological dependency. The Affiliated Company Test is taken from and intended to be consistent with generally accepted accounting principles regarding use of the equity method of accounting for an investment in common stock.  **OR**  **IV) Assets and Equity Test\***  (i) at least $150,000,000 in global market capitalization\*\*; and  (ii) at least $75,000,000 in total assets together with at least $50,000,000 in stockholders' equity, in each case as adjusted pursuant to Sections 102.01C(I)(3)(a) and (b) as applicable.  \* Acquisition companies (as such term is defined in Section 102.06) are not permitted to list under the Assets and Equity Test. Such companies will only be listed if they meet the requirements of Section 102.06.  \*\* In considering the listing under the Assets and Equity Test of companies transferring from other markets, the Exchange will consider whether the company's business prospects and operating results indicate that the company's market capitalization value is likely to be sustained or increase over time.  In the case of companies listing in connection with an IPO or an Initial Firm Commitment Underwritten Public Offering, the company's underwriter (or, in the case of a spin-off, the parent company's investment banker or other financial advisor) must provide a written representation that demonstrates the company's ability to meet the $150,000,000 global market capitalization requirement based upon the completion of the offering (or distribution).  Generally, the Exchange expects to list companies in connection with a firm commitment underwritten IPO, upon transfer from another market, or pursuant to a spin-off. However, the Exchange recognizes that some companies that have not previously had their common equity securities registered under the Exchange Act, but which have sold common equity securities in a private placement, may wish to list their common equity securities on the Exchange at the time of effectiveness of a registration statement filed solely for the purpose of allowing existing shareholders to sell their shares. Consequently, the Exchange will, on a case by case basis, exercise discretion to list companies whose stock is not previously registered under the Exchange Act, where such a company is listing without a related underwritten offering upon effectiveness of a registration statement registering only the resale of shares sold by the company in earlier private placements. In such cases, the Exchange will determine that the company has met the global market capitalization value requirement based on a combination of both (i) an independent third-party valuation (a "Valuation") of the company and (ii) the most recent trading price for the company's common stock in a trading system for unregistered securities operated by a national securities exchange or a registered broker-dealer (a "Private Placement Market"). The Exchange will list a company under the Assets and Equity Test using this approach only if it determines that such company has a global market capitalization of $180,000,000. The Exchange will attribute a global market capitalization to the company equal to the lesser of (i) the value calculable based on the Valuation and (ii) the value calculable based on the most recent trading price in a Private Placement Market. Any Valuation used for this purpose must be provided by an entity that has significant experience and demonstrable competence in the provision of such valuations. The Valuation must be of a recent date as of the time of the approval of the company for listing and the evaluator must have considered, among other factors, the annual financial statements required to be included in the registration statement, along with financial statements for any completed fiscal quarters subsequent to the end of the last year of audited financials included in the registration statement. The Exchange will consider any market factors or factors particular to the listing applicant that would cause concern that the value of the company had diminished since the date of the Valuation and will continue to monitor the company and the appropriateness of relying on the Valuation up to the time of listing. In particular, the Exchange will examine the trading price trends for the stock in the Private Placement Market over a period of several months prior to listing and will only rely on a Private Placement Market price if it is consistent with a sustained history over that several month period evidencing a market value in excess of the Exchange's market value requirement. The Exchange may withdraw its approval of the listing at any time prior to the listing date if it believes that the Valuation no longer accurately reflects the company's likely market value.  (F) Only adjustments arising from events specifically so indicated in the company's SEC filing(s) as to both categorization and amount can and must be made. Any such adjustment applies only in the year in which the event occurred except with regard to the use of proceeds or acquisitions and dispositions. Any company for which the Exchange relies on adjustments in granting clearance must include all relevant adjusted financial data in its listing application as specified in Para. 702.04, and disclose the use of adjustments by including a statement in a press release (i) that additional information is available upon which the NYSE relied to list the company and is included in the listing application and (ii) that such information is available to the public upon request. This press release must be issued concurrently with any listing announcement issued by the company or, if a listing announcement is not issued, within 30 days from the date the company lists on the NYSE.  (G) Interested parties should apply the list of adjustments in accordance with any relevant accounting literature, such as that published by the Financial Accounting Standards Board ("FASB"), the Accounting Principles Board ("APB"), the Emerging Issues Task Force ("EITF"), the American Institute of Certified Public Accountants ("AICPA"), and the SEC. Any literature is intended to guide issuers and investors regarding the affected adjustment listed. If successor interpretations (or guidelines) are published with respect to any particular adjustment, the most recent relevant interpretations (or guidelines) should be consulted.  \*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*  Aside from the minimum numerical standards listed above, other factors are taken into consideration. The company must be a going concern or be the successor to a going concern. Although the amount of assets and earnings and the aggregate market value are considerations, greater emphasis is placed on such questions as the degree of national interest in the company, the character of the market for its products, its relative stability and position in its industry, and whether or not it is engaged in a expanding industry with prospects for maintaining its position.  Income deposit securities to be traded as a unit will as a general matter be listed if each of the component parts of the unit meets the applicable requirements for listing.  The Exchange is also concerned with such matters as voting rights of shareholder, voting arrangements and pyramiding of control, and related party transactions.  When there is an indication of a lack of public interest in the securities of a company evidenced, for example, by low trading volume on another exchange, lack of dealer interest in the over-the-counter market, unusual geographic concentration of holders of shares, slow growth in the number of shareholders, low rate of transfers, etc., higher distribution standards may apply. In this connection, particular attention will be directed to the number of holders of from 100 to 1,000 shares and the total number of shares in this category.  **Amended:** November 2, 2009 (NYSE-2009-109); January 21, 2010 (NYSE-2010-02).  **102.01D Policy on restated financial statements due to change from an unacceptable to acceptable accounting principle or correction of errors.**  If at any time following the Exchange's initial determination that a company meets the Exchange's original listing criteria, the company restates its financial statements due to a change from an unacceptable to an acceptable accounting principle or a correction of errors, and the restatement encompasses financial statements included in its SEC filings at the time of application for listing on the Exchange, the Exchange will reevaluate the company's listing status. In this regard, the Exchange will determine whether, at the time of the original clearance, the company would have qualified under the Exchange's original listing standards utilizing the restated financial data. If not, unless the company meets original listing standards at the time of the restatement, the company will be notified that it does not meet the original listing standards and, if its securities have been listed, such securities will be suspended from trading and the company will immediately be subject to the delisting procedures in Para. 804.  **102.01E Policy on reliance on the operating history of acquired companies.**  In the event that a company has less than three years of operating history and is acquiring (either completed or committed) an entity with the requisite operating history, the Exchange will consider the combined operating history of the aquiror and acquiree for the preceding period(s) in conducting its financial eligibility review. If it is necessary to combine historical financial statements if the acquiree and acquiror in order to enable the Exchange to conduct its analysis (e.g., overlapping fiscal year), then the combined data would need to be accompanied by an agreed upon procedures letter provided by the company's outside audit firm at the request of the company. The auditor's letter would state the procedures performed with respect to any necessary combination of historical data. 102.02 Alternate Listing Standards Companies Operating Primarily to Provide Venture Capital for Small and Medium Sized Businesses Equity Listings (Applicable only to companies registered under the Investment Company Act of 1940 or the Small Business Investment Act of 1958.)  The Exchange believes that it is necessary to encourage the formation and growth of the private capital essential to finance the expansion of the U.S. economy. Companies operating primarily to provide venture capital for small and medium sized businesses help to serve such a purpose. These companies seek long-term growth rather than current earnings and, as a result, are often unable to meet the minimal annual earnings standards of the Exchange.  Nevertheless they require substantial working capital to do a significant and successful job of assisting small businesses. Therefore, the Exchange has adopted the following alternate size and earnings standards of such companies.  • The earnings requirement will be modified to the extent appropriate for companies of this character.  • Net tangible assets applicable to common stock shall be at least $18,000,000 including a minimum of $8,000,000 composed of paid-in capital or retained earnings.  • The company will be asked for an undertaking not to take action which would significantly reduce its net assets below the $18,000,000 level. In this connection, unusual and special circumstances will be considered on their merits.  All other original listing standards will be applicable. 102.03 Minimum Numerical Standards — Domestic Companies — Debt Listings Market Value  The debt issue must have an aggregate market value or principal amount of no less than $5,000,000.  Convertible Bonds  Debt securities convertible into equity securities may be listed only if the underlying equity securities are subject to real-time last sale reporting in the United States. The convertible debt issue must have an aggregate market value or principal amount of no less than $10,000,000.  Issuer or Bond Rating Status  For the Exchange to list a debt security, the security must be characterized by one of the following conditions:  **(A)** the issuer of the debt security has equity securities listed on the Exchange;  **(B)** an issuer of equity securities listed on the Exchange directly or indirectly owns a majority interest in, or is under common control with, the issuer of the debt security;  **(C)** an issuer of equity securities listed on the Exchange has guaranteed the debt security;  **(D)** a nationally recognized securities rating organization (an "NRSRO") has assigned a current rating to the debt security that is no lower than an S&P Corporation "B" rating or an equivalent rating by another NRSRO; or  **(E)** if no NRSRO has assigned a rating to the issue, an NRSRO has currently assigned:  **(i)** an investment grade rating to a senior issue; or  **(ii)** a rating that is no lower than an S&P Corporation "B" rating, or an equivalent rating by another NRSRO, to a *pari passu* or junior issue. 102.04 Minimum Numerical Standards - Closed-end Management Investment Companies A. The Exchange will generally authorize the listing of a closed-end management investment company registered under the Investment Company Act of 1940 (a "Fund") that meets the requirements of Paras. 102.01A and 102.01B above, provided that the required market value of publicly held shares shall be $60,000,000 regardless of whether it is an IPO or an existing Fund. Para. 102.01C will not apply.  Notwithstanding the foregoing requirement for market value of publicly held shares of $60,000,000, the Exchange will generally authorize the listing of all the Funds in a group of Funds listed concurrently with a common investment adviser or investment advisers who are "affiliated persons", as defined in Section 2(a)(3) of the Investment Company Act of 1940, as amended, if:  • Total group market value of publicly held shares equals in the aggregate at least $200,000,000;  • The group market value of publicly held shares averages at least $45,000,000 per Fund; and  • No one Fund in the group has market value of publicly held shares of less than $30,000,000.  B. The Exchange will generally authorize the listing of a closed-end management investment company that has filed an election to be treated as a business development company under the Investment Company Act of 1940 that meets the requirements of Paras. 102.01A and 102.01B above, provided that the required market value of publicly held shares shall be $60,000,000 regardless of whether it is an IPO or an existing business development company, and provided further that the company has a total market capitalization of listed securities of at least $75,000,000. Para. 102.01C will not apply. 102.05 Minimum Numerical Standards - Real Estate Investment Trusts For Real Estate Investment Trusts (REITs) that do not have a three-year operating history, the following listing standards apply.  •For such companies with at least $60,000,000 in stockholders' equity, the Exchange will generally authorize the listing of the REIT. For those REITs listing in conjunction with an offering, this requirement must be evidenced by a written commitment from the underwriter (or, in the case of a spin-off or carve-out, from the parent company's investment banker or other financial advisor) on behalf of the REIT;  •For such companies with stockholders' equity below $60,000,000, the Exchange will not consider the REIT eligible for listing.  •For such companies with a three-year operating history, the company must meet the financial standards specified in Para. 102.01 C above\*  •As with all companies, compliance with Para. 102.01 A regarding size/volume as well as Para. 102.01 B above regarding size is also required. 102.06 Minimum Numerical Standards - Acquisition Companies The Exchange will consider on a case-by-case basis the appropriateness for listing of companies ("acquisition companies" or "ACs") with no prior operating history that conduct an initial public offering of which at least 90% of the proceeds, together with the proceeds of any other concurrent sales of the AC's equity securities, will be held in a trust account controlled by an independent custodian until consummation of a business combination in the form of a merger, capital stock exchange, asset acquisition, stock purchase, reorganization, or similar business combination with one or more operating businesses or assets with a fair market value equal to at least 80% of the net assets held in trust (net of amounts disbursed to management for working capital purposes and excluding the amount of any deferred underwriting discount held in trust) (a "Business Combination").  ACs must demonstrate an aggregate market value of $250,000,000 (A) and a market value of publicly-held shares of $200,000,000 (A) and must comply with the requirements of Section 102.01A. An AC must have a closing price or, if listing in connection with an IPO, an IPO price per share of at least $4 at the time of initial listing.  (A) 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. For ACs that list at the time of their IPOs, if necessary, the Exchange will rely on a written commitment from the underwriter to represent the anticipated value of the AC's offering in order to determine an AC's compliance with this listing standard.  Under the terms of its constitutive documents or by contract, any AC deemed suitable for listing will be subject to the following minimum requirements:  • the Business Combination must be approved by a majority of the votes cast by public shareholders at a duly held shareholders meeting;  • each public shareholder voting against the Business Combination will have the right ("Conversion Right") to convert its shares of common stock into a pro rata share of the aggregate amount then on deposit in the trust account (net of taxes payable, and amounts disbursed to management for working capital purposes), provided that the Business Combination is approved and consummated. It will be permissible for an AC to establish a limit (set no lower than 10% of the shares sold in the AC's IPO) as to the maximum number of shares with respect to which any public shareholder, together with any affiliate of such shareholder or any person with whom such shareholder is acting as a "group" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) may exercise Conversion Rights;  • the AC cannot consummate its Business Combination if public shareholders owning in excess of a threshold amount (to be set no higher than 40%) of the shares of common stock issued in the AC's initial public offering exercise their Conversion Rights in connection with such Business Combination;  • the AC will be liquidated if no Business Combination has been consummated within a specified time period not to exceed three years. The Exchange will promptly commence delisting procedures with respect to any AC that fails to consummate its Business Combination within (i) the time period specified by its constitutive documents or by contract or (ii) three years, whichever is shorter; and  • the AC's founding shareholders must waive their rights to participate in any liquidation distribution with respect to all shares of common stock owned by each of them prior to the IPO or purchased in any private placement occurring in conjunction with the IPO, including the common stock underlying any founders' warrants. In addition, the underwriters of the IPO must agree to waive their rights to any deferred underwriting discount deposited in the trust account in the event the AC liquidates prior to the completion of a Business Combination.  In the event that AC securities are listed as units, the components of the units (other than common stock) will be required to meet the applicable initial listing standards for the security types represented by the components.  In determining the suitability for listing of an AC, the Exchange will consider:  • the experience and track record of management;  • the amount of time permitted for the completion of the Business Combination prior to the mandatory dissolution of the AC;  • the nature and extent of management compensation;  • the extent of management's equity ownership in the AC and any restrictions on management's ability to sell AC stock;  • the percentage of the contents of the trust account that must be represented by the fair market value of the Business Combination;  • the percentage of voting publicly-held shares whose votes are needed to approve the Business Combination;  • the percentage of the proceeds of sales of the AC's securities that is placed in the trust account; and  • such other factors as the Exchange believes are consistent with the goals of investor protection and the public interest. 103.00 Foreign Private Issuers103.00 Foreign Private Issuers The Exchange welcomes listing inquiries from foreign private issuers.  Foreign private issuers may elect to qualify for listing either under the Alternate Listing Standards for foreign private issuers or the Exchange's domestic listing criteria. The foreign private issuer must meet all of the criteria within the standards under which it seeks to qualify for listing. For purposes of this Listed Company Manual, the terms "foreign private issuer" and "non-U.S. company" have the same meaning and are defined in accordance with the SEC's definition of foreign private issuer set out in Rule 3b-4(c) of the Securities Exchange Act of 1934.  The Alternate Listing Standards are designed to encourage major non-U.S. companies to list their shares on the Exchange. Domestic listing requirements call for minimum distribution of a company's shares within the United States, or in the case of North American companies, within North America. This is a major obstacle for many large non-U.S. companies which otherwise fulfill many times over the normal size and earnings requirements for listing on the Exchange. The principal Alternate Listing Standards focus on worldwide rather than U.S. or North American distribution of a non-U.S. company's shares.  In addition to the minimum numerical standards for listing, the Exchange has established policies and requirements concerning certain corporate governance practices and the reporting of interim earnings. For example, in many foreign countries, controlling law or common practice compel or permit the non-U.S. company to issue interim earnings reports on a semi-annual, as opposed to quarterly, basis or to have a class or classes of common stock having more or less than one vote per share.  Other Exchange policies concerning the corporate governance practices required of domestic companies which may not be consistent with the home country laws or practices of non-U.S. companies include those which address the structure and composition of the Board of Directors, shareholder approval, quorum requirements for shareholders' meetings and related continued listing criteria.  To assist the Exchange in considering the question of the listing or continued listing of the securities of a non-U.S. company whose interim earnings reporting or corporate governance practices are not in compliance with Exchange requirements for domestic companies, the non-U.S. company should furnish the Exchange with a written certification from independent counsel in the country of the non-U.S. company's domicile as to whether or not the non-complying practices are prohibited by home country law.  The Alternate Listing Standards for non-U.S. companies apply only where there is a broad, liquid market for the company's shares in its country of origin. 103.01 Minimum Numerical Standards Non-U.S. Companies Equity Listings Distribution **103.01A A company must meet the following distribution, size and price requirements:**   |  |  | | --- | --- | |  |  | | Number of shareholder, holders of 100 or more shares .................. | 5,000 Worldwide | | Number of shares publicly held .................. | 2.5 million Worldwide | | Market value of publicly-held shares (A) or for companies listing under the .................. | $100 million Worldwide (B) | | Affiliated Company standard .................. | $60 million Worldwide (B) |   (A) 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. If a company either has a significant concentration of stock, or if changing market forces have adversely impacted the public market value of a company which otherwise would qualify for listing on the Exchange such that its public market value is no more than 10 percent below $100,000,000, the Exchange will generally consider $100,000,000 in stockholders' equity as an alternate measure of size and therefore, as an alternative basis to list the company.  (B) For companies that list at the time of their initial public offerings ("IPOs") or in connection with an Initial Firm Commitment Underwritten Public Offering, if necessary, the Exchange will rely on a written commitment from the underwriter to represent the anticipated value of the company's offering in order to determine a company's compliance with this listing standards. Similarly, for spin-offs, the Exchange will rely on a representation from the parent company's investment banker (or other financial advisor) or transfer agent in order to estimate the market value based upon the as disclosed distribution ratio. For purpose of this paragraph, an IPO include a spin-off and is an offering by an issuer which, immediately prior to its original listing, does not have a class of common stock registered under the Securities Exchange Act of 1934. An IPO includes a carve-out, which is defined for purposed of this paragraph as the initial offering of an equity security to the publicly traded company for an underlying interest in its existing business (may be subsidiary, division, or business unit).  A company must have a closing price or, if listing in connection with an IPO or Initial Firm Commitment Underwritten Public Offering, a public offering price per share of at least $4 at the time of listing.  Amended: January 21, 2010 (NYSE-2010-02).  **103.01B A company must meet one of the following financial standards:**  **(I) Earnings Test**  **(1)** Pre-tax earnings from continuing operations and after minority interest, amortization and equity in the earnings or losses of investees, adjusted for items specified in Section 102.01C(I)(2)(a) through (i) above, and 103.01B(I)(2) below, must total at least $100,000,000 in the aggregate for the last three fiscal years with a minimum of $25,000,000 in each of the most recent two fiscal years.  **(2)** Additional Adjustment (C)(D) Available for Foreign Currency Devaluation. Non-operating adjustments when associated with translation adjustments representing a significant devaluation of a country's currency (e.g., the currency of a company's country of domicile devalues by more than 10 percent against the U.S. dollar within a six-month period). Adjustments may not include those associated with normal currency gains or losses.  **(3)** Reconciliation to U.S. GAAP of the third year back would only be required if the Exchange determines that reconciliation is necessary to demonstrate that the aggregate $100,000,000 threshold is satisfied.  **OR**  **(II) Valution/Revenue Test**  Companies listing under this standard may satisfy either (a) the Valuation/Revenue with Cash Flow Test or (b) the Pure Valuation/Revenue Test.  **(a)** Valuation/Revenue with Cash Flow Test -  **(1)** at least $500,000,000 in global market capitalization,  **(2)** at least $100,000,000 in revenues during the most recent 12 month period, and  **(3)** at least $100,000,000 aggregate cash flows for the last three fiscal years, where each of the two most recent years is reported at a minimum of $25,000,000, adjusted in accordance with (C)(D) Section 102.01C (I)(2) (a) and (b).  A Company must demonstrate cash flow based on the operating activity section of its cash flow statement. Cash flow represents net income adjusted to (a) reconcile such amounts to cash provided by operating activities, and (b) exclude changes in operating assets and liabilities. With respect to reconciling amounts pursuant to this Paragraph, all such amounts are limited to the amount included in the company's income statement.  In the case of companies listing in connection with an IPO or Initial Firm Commitment Underwritten Public Offering, the company's underwriter (or, in the case of a spin-off, the parent company's investment banker or other financial advisor) must provide a written representation that demonstrates the company's ability to meet the $500,000,000 global market capitalization requirement based upon the completion of the offering (or distribution).  Reconciliation to U.S. GAAP of the third fiscal year back would only be required if the Exchange determines that reconciliation is necessary to demonstrate that the $100,000,000 aggregate cash flow threshold is satisfied.  **(b)** Pure Valuation/Revenue Test -  **(1)** at least $750,000,000 in global market capitalization, and  **(2)** at least $75,000,000 in revenues during the most recent fiscal year.  In the case of companies listing in connection with an IPO or Initial Firm Commitment Underwritten Public Offering, the company's underwriter (or, in the case of a spin-off, the parent company's investment banker or other financial advisor) must provide a written representation that demonstrates the company's ability to meet the $750,000,000 global market capitalization requirement upon completion of the offering (or distribution). For all other companies, market capitalization valuation will be determined over a six-month average.  **OR**  **(III)** Affiliated Company Test  **(1)** at least $500,000,000 in global market capitalization;  **(2)** at least 12 months of operating history (although a company is not required to have been a separate corporate entity for such period); and  **(3)** the company's parent or affiliated company is a listed company in good standing (as evidenced by written representation from the company or its financial advisor excluding that portion of the balance sheet attributable to the new entity); and  **(4)** the company's parent or affiliated company retains control of the entity or is under common control with the entity.  In the case of companies listing in connection with an IPO or Initial Firm Commitment Underwritten Public Offering, the company's underwriter (or, in the case of a spin-off, the parent company's investment banker or other financial advisor) must provide a written representation that demonstrates the company's ability to meet the $500,000,000 global market capitalization requirement upon completion of the offering (or distribution).  "Control" for purposes of the Affiliated Company Test will mean having the ability to exercise significant influence over the operating and financial policies of the listing company, and will be presumed to exist where the parent or affiliated company holds 20% or more of the listing company's voting stock directly or indirectly. Other indicia that may be taken into account when determining whether control exists include board representation, participation in policy making processes, material intercompany transactions, interchange of managerial personnel, and technological dependency. The Affiliated Company Test is taken from and intended to be consistent with generally accepted accounting principles regarding use of the equity method of accounting for an investment in common stock.  **(C)** Only adjustments arising from events specifically so indicated in the company's SEC filing(s) as to both categorization and amount can and must be made. Any such adjustments apply only in the year in which the event occurred except with regard to the use of proceeds or acquisitions and dispositions. Any company for which the Exchange relies on adjustments in granting clearance must include all relevant adjusted financial data in its listing application as specified in Para. 702.04, and disclose the use of adjustments by including a statement in a press release (i) that additional information is available upon which the NYSE relied to list the company and is included in the listing application and (ii) that such information is available to the public upon request. This press release must be issued concurrently with any listing announcement issued by the company or, if a listing announcement is not issued, within 30 days from the date the company lists on the NYSE.  **(D)** Interested parties should apply the list of adjustments in accordance with any relevant accounting literature, such as that published by the Financial Accounting Standards Board ("FASB"), the Accounting Principles Board ("APB"), the Emerging Issues Task Force ("EITF"), the American Institute of Certified Public Accountants ("AICPA"), and the SEC. Any literature is intended to guide issuers and investors regarding the affected adjustment listed. If successor interpretations (or guidelines) are published with respect to any particular adjustment, the most recent relevant interpretations (or guidelines) should be consulted.  Amended: January 21, 2010 (NYSE-2010-02).  **103.01C Policy on restated financial statements due to change from an unacceptable to acceptable accounting principle or a correction of errors**  If at any time following the Exchange's initial determination that a company meets the Exchange's original listing criteria, the company restates its financial statements due to a change from an unacceptable to an acceptable accounting principle or a correction of errors, and the restatement encompasses financial statements included in its SEC filings at the time of application for listing on the Exchange, the Exchange will reevaluate the company's listing status. In this regard, the Exchange will determine whether, at the time of the original clearance, the company would have qualified under the Exchange's original listing standards utilizing the restated financial data. If not, unless the company meets original listing standards at the time of the restatement, the company will be notified that it does not meet the original listing standards and, if its securities have been listed, such securities will be suspended from trading and the company will immediately be subject to the delisting procedures in Para. 804.  **103.01D Policy on reliance on the operating history of acquired companies**  In the event that a company has less than three years of operating history and is acquiring (either completed or committed) an entity with the requisite operating history, the Exchange will consider the combined operating history of the acquirer and acquiree for the preceding period(s) in conducting its financial eligibility review. If it is necessary to combine historical financial statements of the acquiree and acquiror in order to enable the Exchange to conduct its analysis (e.g., overlapping fiscal years), then the combined data would need to be accompanied by an agreed upon procedures letter provided by the company's outside audit firm at the request of the company. The auditor's letter would state the procedures performed with respect to any necessary combination of historical data. 103.02 Securities Exchange Act of 1934 Aside from qualifying under Exchange standards, all corporate securities must be registered under the Securities Exchange Act of 1934 under Section 12(b) before admission to dealings on the Exchange. 103.03 Sponsorship by an Exchange Member Firm Because of the widespread use of bearer shares outside the United States, some non-U.S. companies might have difficulty in demonstrating that they have the required number of shareholders on a worldwide basis. In such cases, sponsorship by an Exchange member firm as to the liquidity and depth of the market for the company's shares may substitute for documentation concerning the number of shareholders. Nevertheless, the Exchange staff must be satisfied that a broad and independent market exists. For companies listing with minimal U.S. distribution, the primary non-U.S. market must provide the liquidity against which U.S. arbitrage transactions can be effected. 103.04 Sponsored American Depository Receipts or Shares ("ADRs") In order to list ADRs, the Exchange requires that such ADRs be sponsored. Foreign private issuers sponsor their ADRs by entering into a deposit agreement with an American depository bank to provide, such services as cash and stock dividend payments, transfer of ownership, and distribution of company financial statements and notices, such as shareholder meeting material. This agreement is a required supplement to the basic Listing Agreement. (See Section 901.00 for the text of the Listing Agreements.) 103.05 Minimum Numerical Standards Non-U.S. Market Value  The debt issue must have an aggregate market value or principal amount of no less than $5,000,000.  Convertible Bonds  Debt securities convertible into equity securities may be listed only if the underlying equity securities are subject to real-time last sale reporting in the United States.  Issuer or Bond Rating Status  For the Exchange to list a debt security, the security must be characterized by one of the following conditions:  **(A)** the issuer of the debt security has equity securities listed on the Exchange;  **(B)** an issuer of equity securities listed on the Exchange directly or indirectly owns a majority interest in, or is under common control with, the issuer of the debt security;  **(C)** an issuer of equity securities listed on the Exchange has guaranteed the debt security;  **(D)** a nationally recognized securities rating organization (an "NRSRO") has assigned a current rating to the debt security that is no lower than an S&P "B" rating or an equivalent rating by another NRSRO; or  **(E)** if no NRSRO has assigned a rating to the issue, an NRSRO has currently assigned:  **(i)** an investment grade rating to a senior issue; or  **(ii)** a rating that is no lower than an S&P Corporation "B" rating, or an equivalent rating by another NRSRO, to a *pari passu* or junior issue. 104.00 Confidential Review of Eligibility104.01 Domestic Companies The following is a general outline of the information needed for the purpose of conducting a confidential eligibility review:  1. Certified copy of the charter and by-laws.  2. Specimens of bonds or stock certificates.  3. The annual reports to shareholders for the last five years. (Two copies of the latest year.)  4. The latest available prospectus covering an offering under the Securities Act of 1933 (where available) and latest Form 10-K filed with the SEC.  5. The proxy statement for the most recent annual meeting.  6. A stock distribution schedule on the Exchange's form. (See Para. 904.01.)  7. Supplementary data to assist the Exchange in determining the character of the share distribution and the number of publicly-held shares.  (a) Identification of 10 largest holders of record, including beneficial owners (if known) of holdings of record nominees.  (b) List of holdings of 1,000 shares or more in the names of Exchange member organizations.  (c) NASDAQ or other registered securities exchanges' volume and price range during each of the last two years.  (d) Summary, by principal groups, of stock owned or controlled by:  (1) Directors or officers and their immediate families.  (2) Other concentrated holdings of 10 % or more.  (e) Shares held under investment letters (Securities Act of 1933) and not reported elsewhere under Item 7 (d).  (f) Estimate of number of non-officer employees owning stock and the total shares held.  (g) Company shares held in profit-sharing, savings, pension, or other similar funds or trusts established for benefit of officers, employees, etc. Indicate basis on which employees' participation is allocated or vested circumstances under which employees may receive company shares, and provision for 'pass through' of voting rights to employees or other methods of voting shares. 104.02 Non-U.S. Companies The following is a general outline of the information needed for the purpose of conducting a confidential eligibility review:  1. Certified copy of the charter and by-laws (translated into English).  2. Specimens of certificates traded or to be traded in the U.S. market. Also, a copy of any depository agreement, if applicable.  3. The annual reports to shareholders for the last five years. (Two copies of the latest year.) If no English version is available, provide translation for last three years' reports.  4. The latest available prospectus covering an offering under the Securities Act of 1933 and latest annual SEC filing, if any. Where no SEC documents are available, provide a copy of the most recent document utilized in connection with an offering of securities to the public or existing shareholders as well as any filings made with any regulatory authority.  5. The proxy statement or equivalent material made available to shareholders for the most recent annual (general) meeting (translated into English).  6. Worldwide and U.S. stock distribution schedules.  7. Supplementary data to assist the Exchange in determining the character of the share distribution and the number of publicly-held shares. This information should be provided for both U.S. and worldwide holdings.  (a) Names of the 10 largest holders.  (b) Exchange member organizations holding 1,000 or more shares or other units.  (c) A list of the stock exchanges or other markets upon which the company's securities are currently traded as well as the price range and volume of those securities over the past five years.  (d) Stock owned or known to be controlled by:  (1) Directors, officers and their immediate families.  (2) Other holdings of 10% or more.  (e) Any type of restriction (and the details thereof) relating to shares of the company.  (f) Estimate of non-officer employee ownership.  (g) Company shares held in profit sharing, savings, pension, or similar plans for benefit of the company's employees.  8. If the company has any partially-owned subsidiaries, detail ownership (public or private) of the remainder (as well as any director or officer ownership therein).  9. A list of the company's principal bankers and a statement of the holdings of the applicant's stock by any one of these bankers which is in excess of 5%.  10. The identity of any regulatory agency which regulates the company or any portion of its operations. Describe the extent and impact of such regulation on taxation, accounting, foreign exchange control, etc.  11. Identification of the company's directors and principal officers by name, title and principal occupation.  12. Total number of employees and general status of labor relations.  13. A description of pending material litigation and opinion as to potential impact upon the company as operations. 105.00 Limited Partnership Rollup **105.00 Limited Partnership Rollup**  The Exchange will not list a security issued in a limited partnership rollup transaction, as that term is defined in paragraphs (4) and (5) of section 14(h) of the Securities Exchange Act of 1934, unless such transaction was conducted in accordance with procedures designed to protect the rights of limited partners. The Exchange will consider a rollup transaction to have been conducted in accordance with such procedures only if: (a) a broker-dealer registered with the Securities and Exchange Commission participates in the transaction; and (b) the Exchange receives a written opinion of outside counsel stating that such broker-dealer's participation in the rollup transaction was conducted in compliance with rules of a national securities association designed to protect the rights of limited partners, as specified in the Limited Partnership Rollup Reform Act of 1933. 106.00 Miscellaneous Matters106.01 Stock Symbol Selection Subject to availability, the Exchange will assign the stock symbol requested by the company. The company should provide the Exchange with a first, second and third choice. The Exchange currently uses one, two and three letter combinations. 106.02 Specialist Allocation The Exchange has developed procedures to ensure that the allocation of stocks to specialist units is carried out objectively and with the highest degree of professionalism. Selecting the best available specialist unit is of the utmost importance to the Exchange because of the principal role specialists play in providing the finest marketplace for securities trading.  As soon as the Exchange makes the allocation decision, the company is immediately notified by telephone and in writing of the name of the specialist firm, selected background information on the firm and the reasons why the firm was selected. 106.03 Original Listing Ceremonies The Exchange invites the company's directors and officers to participate in listing ceremonies on the first day of trading.  The program begins with a visit to the trading floor to witness the first trade in the company's stock.  Traditionally, a company official will arrange through his broker for the purchase of the first one hundred shares of the company's stock.  Following the trading floor ceremonies there is a tour of Exchange facilities, which includes a discussion of the role of the Specialist in the Exchange marketplace and how the Exchange monitors the Specialist's activities. A luncheon concludes the festivities.  The company's Exchange representative will arrange the day's activities. The Exchange has a public relations area which will coordinate the publicity for the event including picture taking on the trading floor. |

[**Back to Top**](javascript:%20window.scrollTo(0,%200);%20void%200)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Section 7 Listing Applications701.00 Introduction701.00 Introduction Once a company has cleared eligibility and its management has decided to proceed with listing its securities on the Exchange, it must first file an original listing application before the listing can occur.  The Exchange's staff representatives welcome the opportunity to assist and advise the company in the preparation of the listing application and in related matters. The representatives are grouped on a regional basis. Each listed company is assigned to a team based upon the location of its executive offices. The representatives on these teams serve as the focal point for all listed company contact. When the company's assigned representative is not available, another team member will handle any inquiry so that there will be no unnecessary delay in attending to listed company matters. The introductory information in this Manual contains a list of the members of the regional teams.  Preliminary discussions on important matters may be undertaken by listed company officials with the assurance that careful security measures have been adopted by the Exchange to avoid revealing any confidential information which a listed company may disclose. 701.01 Guide to Listing Application Types and Disclosure/Supporting Documents Required The introductory material in this Manual includes a guide showing the disclosure to be made and supporting documents required to be filed in support of the various types of listing applications. 701.02 Listing Fees There are initial and continuing fees associated with original and continued listing on the Exchange. A full description of the fees and the current fees in effect are presented in Para. 902.02, "Schedule of Listing Fees." 702.00 Original Listing Application of Securities Other than Debt Securities702.00 Original Listing Application of Securities Other than Debt Securities This Subsection 702 sets forth the process for original listing applications for securities other than debt securities. (See Paragraph 703.06 concerning the listing of debt securities.) 702.01 Introduction The application for original listing provides the Exchange with the data necessary to authorize the listing of the company's securities and to provide the investment community with the information that it requires to judge the securities' investment merits.  No prepared or blank forms are used for the application itself. Instead, the data should be set forth in narrative form, supplemented by financial statements. It should provide a summary description of the company's business and the company's securities. It should describe the terms and conditions under which any shares reserved for future issuance will be issued. It is permissible to attach the company's Annual Report, Form 10K or Securities Act Prospectus and to use appropriate cross references thereto.  The wide range of circumstances found among various industries, and among individual companies, makes it impossible to set forth fully in these directions all details which may finally be required in a listing application. That can be determined only after detailed study of the particular case by the company's Exchange representative. It is the purpose of these directions to furnish sufficient advice to enable a company to prepare a draft listing application adequate for such study.  Reference to recently approved listing applications will be helpful as a guide to the form of the application. The Exchange will furnish sample applications. 702.02 Timetable for Original Listing of Securities Other than Debt Securities The information outlined below serves as a guide for determining the steps to be taken and the time involved in effecting an original listing on the Exchange of securities other than debt securities. (See Para. 703.06 concerning the listing of debt securities.)  It should be recognized that unusual developments may increase the time span. The following timetable, however, is a typical chronology.  First step—Submission of all information for confidential review of eligibility (see Para. 104.00).  By the third week—An Exchange representative will contact the company as to eligibility clearance and conditions of listing. The company will be provided with copies of original listing applications and a guide to supporting documents. The Exchange will accept a formal listing application at any time within the six-month period following approval.  The time for the filing of an original listing application and supporting documents is at the discretion of the company. For purposes of this timetable, it will be assumed that the original listing application is filed within 4-5 weeks after notification of eligibility clearance.  Once a company has filed an original listing application and sufficient supporting documentation with the Exchange, the next step for the Exchange will be to authorize the company's securities for listing and certify such authorization to the SEC. Additionally, the Exchange will acknowledge receipt of the company's application in either the regular Weekly Bulletin or through some other comparable method of publication. The SEC, under the Securities Exchange Act of 1934, requires a mandatory 30-day waiting period. However, the SEC has been cooperative in accelerating registration upon request by the company.  By the twelfth week—The company's securities are admitted to trading. The original listing date is established at the company's convenience and can be set for a day any time after effectiveness of registration under the Securities Exchange Act of 1934. 702.03 Submission of Listing Application To allow time for preliminary examination and revision, six draft copies of the application (one of which must be signed by an officer of the company) should be submitted to the Exchange at least three weeks before it is desired to have the application acted upon. Action will be taken by the Exchange on an application as soon as practicable after any necessary revisions have been made, the file of supporting documents completed, and a convenient time schedule for listing agreed upon.  Admission to trading normally takes place within 30 days after Exchange action. This permits registration under the Securities Exchange Act of 1934 to become effective. 702.04 Supporting Documents The following is a list of the documents ordinarily required to be filed in support of the application for the listing of securities other than debt securities. (See Paragraph 703.06 concerning the listing of debt securities.) Under special circumstances, additional documents may be required. These documents are considered a part of the application. It is the policy of the Exchange to make them available for public inspection at the Exchange, upon request, after listing has been authorized.  To avoid possible delay in the processing of the application, the file of supporting documents should be completed at least one week before the date on which the Exchange is to take action on the application, except for those documents which, because of their nature, cannot be filed at that time. If, for any reason, any of the required documents are not filed by the time action is taken on the application, the Exchange may make its authorization of listing conditional upon the file being completed prior to the first day of trading.  Signed Application—  A signed copy of the application and five conformed copies.  Charter and By-Laws—  Copy of the charter, certified by the secretary of the state/country of incorporation, and copy of the by-laws, certified by the secretary of the company.  Resolutions—  Certified copy of each of the following resolutions:  • Resolution of the shareholders authorizing issuance (if corporate procedure required such action) with respect to any unissued securities for which listing application is made.  • Resolution of the Board of Directors authorizing issuance with respect to any unissued securities for which listing application is made.  • Resolution of the Board of Directors authorizing listing. This resolution shall authorize application to the Exchange for the listing of the specified amount of the designated security.  • Resolution of the Board of Directors authorizing appointments of the transfer agent and registrar.  Issuers must (i) furnish the Exchange with copies of opinions of counsel filed in connection with recent public offerings or (ii) if no opinions of counsel exist, provide to the Exchange a certificate of good standing from the company's jurisdiction of incorporation.  Stock Distribution Schedule—  A signed copy of a schedule showing the distribution of each class of shares for which listing application is made. The schedule shall be in the form indicated in Para. 904.01 under the sub-section headed Stock Distribution Schedule. It should be as of any recent, convenient date and may be signed by either the transfer agent or the company. If signed by the transfer agent, the Certificate of Transfer Agent described in the item below may be omitted.  Any material difference in the number of outstanding shares as shown in the distribution schedule, as compared with the Certificate of Transfer Agent, Certificate of Registrar or as shown in the listing application should be explained by letter supplementing the schedule. If the schedule is signed by the transfer agent, an explanation of any difference between the number of outstanding shares shown in the distribution schedule and the number of shares shown as registered in the Certificate of Registrar should be filed in a supplemental letter.  Certificate of Transfer Agent—  If the distribution schedule has not been signed by the transfer agent, a letter from the transfer agent should be filed certifying as to the number of shares of the class or series for which listing application is made which were issued and outstanding as of, or about, the date of the listing application. Any difference in the number of shares issued and outstanding as shown in such certificate and as shown by the listing application should be explained in a supplemental letter. Any difference between the number of shares issued and outstanding as shown in such certificate and the number of shares shown as registered in the Certificate of Registrar should also be explained in a supplemental letter.  Certificate of Registrar—  A letter from the registrar certifying the number of shares of the class or series for which listing application is made which were registered as of, or about, the date of the listing application.  As indicated above in relation to the Stock Distribution Schedule and Certificate of Transfer Agent, the number of shares shown as issued and outstanding in the listing application, in the Certificate of Transfer Agent, and in the Certificate of Registrar shall all be in agreement, or any discrepancies between any or all of them shall be explained in supplemental letters.  Notice of Availability of Stock Certificates—  A letter from the transfer agent stating that a sufficient supply of certificates is on hand to meet the demands for transfers and exchanges.  Specimens of the Securities for Which Listing Application is Made—  One specimen certificate of each form, except global, and denomination currently issued, or to be issued, shall be filed. They should be mutilated by perforation or otherwise, and clearly and indelibly marked "Specimen".  If the specimens are not available for filing by the time the Exchange takes action on the listing application, they must be filed prior to the original listing date.  Public Authority Certificate—  A copy of the certificate or order of any public authority having jurisdiction over the company in the matter of approving or authorizing issuance of any unissued securities proposed for listing.  Prospectus—  Seven copies of any prospectus made under the Securities Act of 1933 within the past year and relating to the securities proposed for listing.  Financial Statements—  A set of the financial statements must appear in the application, including the report of the company's independent public accountants or, in the case of interim statements, the report of the company's chief financial officer. Where practicable, manual signatures by the independent public accountants and the chief accounting officer should be affixed to their reports on one of the proof copies of the application.  Adjustments to Historical Financial Data—  If the Exchange requires any adjustment to historical financial data submitted by the company during the financial eligibility review process and such data is necessary to demonstrate that the company meets the Exchange's listing standards, the company must include such data in it's listing application. Exchange staff will advise the company as to which, if any, adjustments to historical financial data to it by the company must be included in the listing application. Such information must include the agreed upon procedures report, if any, submitted to the Exchange.  Listing Agreement—  Executed by the designated officer and affixed with the corporate seal. Since 1899, companies applying for listing have, as a regular part of the listing procedure, entered into a Listing Agreement with the Exchange. This Listing Agreement commits them to a code of performance in respect to the matters dealt with by the agreement.  The principles underlying the agreement are matters of more or less common occurrence in the affairs of large, publicly held companies. From time to time unusual situations not specifically covered in the Listing Agreement will occur. The Exchange urges listed companies to be guided in such situations by the principles of the Listing Agreement and the supporting material contained in this Manual. The Exchange will furnish copies of the Listing Agreement. The Listing Agreement is printed in Para. 901.00.  Provisions of the Listing Agreement which in the opinion of the Exchange are not applicable to the situation of the company, or to the particular securities which it seeks to list, may be deleted.  Memorandum with Respect to Unpaid Dividends, Unsettled Rights and Record Dates—  See form in Para. 904.02. This is a report as to any dividends declared, any rights issued, or any imminent record date not mentioned in the listing application.  Registration form under the Securities Exchange Act of 1934—  One signed copy of SEC Form for Registration under the Securities Exchange Act of 1934 and one copy of each exhibit, which is to be simultaneously filed with the SEC. 702.05 Printing of Application Printing Costs—  The company is expected to pay all costs of printing the application, including the printing of the copies requested by the Exchange. The Exchange, after listing has been authorized, distributes copies of the listing application in final form to all member firms of the Exchange and to other subscribers. Copies are also available to the general public upon request.  Choice of Printer—  If the company has any preference as to the firm which is to print the listing application, the preference should be stated at the time the initial draft copies of the application are filed with the Exchange. If the company does not indicate a preference, the Exchange will assign the task to one of the local printing firms.  After the first proof of the application has been filed with the Exchange, all changes in the application should be coordinated with the company's Exchange representative. When all amendments have been agreed upon, the company will be requested to approve the application for final printing and to authorize the Exchange to instruct the printer to proceed with such printing. It is desirable that distribution of the application occur as soon as possible after listing has been authorized and companies are requested to cooperate toward that end by prompt response to the request for authorization of the final printing.  Format—  See Para. 903.01 for complete requirements. 702.06 Registration under the Securities Exchange Act of 1934 Before securities may be admitted to trading on the Exchange, they must be authorized for listing by the Exchange and, in addition, must be registered under the Securities Exchange Act of 1934.  Registration under the Securities Exchange Act of 1934 requires filing with both the Exchange and the SEC of a registration statement conforming to the rules of the SEC and certification by the Exchange to the SEC that it has received what purports to be a registration statement and has approved the particular securities for listing and registration.  Registration becomes effective automatically 30 days after receipt by the SEC of the Exchange's certification, but may become effective within a shorter period, by order of the SEC, upon request made by the company to the SEC. The Exchange will concur in the company's request for acceleration.  Registration of banks is effected in a similar manner through the filing of registration statements with the appropriate Federal banking agency.  For complete information as to those procedures and requirements, reference is made to the General Rules and Regulations under the Securities Exchange Act of 1934 as issued by the SEC under Section 12(b). 703.00 Subsequent Listing Applications and Debt Securities Applications703.01 (part 1) General Information **Part 1**  **(A) When a Company Must File an Application**  A company must file a listing application and seek authorization of the Exchange prior to:  1. the issuance of additional shares of a listed security;  2. listing a new security, or;  3. the issuance of any security that is convertible into additional shares of a listed security, whether or not the convertible security is to be listed on the Exchange.  The application must be in the form of a memo from the company signed by an authorized company official providing the Exchange with relevant information regarding the transaction(s) for which the Company is requesting authorization (see Section 903.02). The application and sufficient supporting documentation should be provided to the Exchange at least two weeks in advance of the required authorization date.  For a Listed Security—  If a company proposes to issue an additional amount of a security that is already listed (this does not include shares issued from treasury), it must first make application to, and seek authorization of the Exchange for listing of the additional security. The Subsequent Listing Application must indicate whether shareholder approval is required with respect to the issuance pursuant to Sections 303A.08 or 312.03 and, if required, the date such shareholder approval was obtained.  In the event a company is issuing shares from treasury in a transaction or series of related transactions, it must notify the Exchange in writing in advance of the issuance, indicating whether shareholder approval is required pursuant to Sections 303A.08 or 312.03 and, if required, the date such shareholder approval was obtained. If the issuance involves both shares issued from treasury and newly issued, the company may include the foregoing notification in the subsequent listing application that the company files to list the newly issued shares.  The listing authorization is granted only if the securities are issued for the purpose, and under the terms and conditions authorized by the company's Board of Directors and as specified in the listing application. If after authorization of listing by the Exchange, the company desires to make a change in the specified purpose of the issuance, or in the specified terms and conditions of the issuance, the Exchange may require a supplement to the prior application or cancel the previous listing authorization and require a further listing application.  Where listing is authorized upon "official notice of issuance," the listing becomes effective upon the Exchange's receipt of notice from the transfer agent (or other issuing agent) that the securities have been issued for the specified purpose.  For a Previously Unlisted Security—  If a company which has certain of its securities listed on the Exchange desires listing of other securities which are of a class, issue or series different from the securities already listed, it is necessary to make application for the listing of the other securities.  The listing application may be acted upon by the Exchange prior to the issuance of the securities, provided there is a definite plan or proposal for their issuance. It is recognized that at that time, certain information relative to the securities and the transaction through which they are to be issued, such as dividend or interest rate, conversion ratio, call price and selling price may not yet have been determined. In this case the application may still be submitted to and acted upon by the Exchange without such data, conditional upon that data being furnished for inclusion in the application as soon as available and before admission of the securities to trading.  In the case of previously unlisted securities which are being newly distributed, the Exchange will authorize listing effective upon official notice of issuance of the securities and subject to the issuance meeting the Exchange's listing standards. However, while action will be taken upon an application prior to issuance and distribution of the securities, the securities will not be admitted to trading until their distribution has been substantially completed. If the distribution has not been completed several days before registration of the securities under the Securities Exchange Act of 1934 is scheduled to become effective, the Exchange may withdraw its certification to the Securities and Exchange Commission of its approval of the securities for listing and registration and will defer recertification until the distribution has been substantially completed. With this procedure the securities can be qualified for listing as soon as distributed while, at the same time, the effectiveness of their registration under the Securities Exchange Act of 1934 is deferred until distribution is completed. This arrangement is designed to make it readily adaptable to any problems that may be encountered by the company or the underwriters in connection with the distribution.  Where a listed security offers rights to subscribe to a previously unlisted security, and the company seeks to list such previously unlisted security, an exception may be made to the policy of deferring admission to dealings until distribution has been substantially completed.  The Exchange will also consider admitting a security to trading on a "when-issued" basis prior to the completed distribution if the ultimate issuance is assured as in a merger or acquisition involving the exchange of the to-be listed security or in an extremely large public offering where strong retail interest is assured.  For a Change in a Listed Security—  If a change in a listed security is proposed which, in the opinion of the Exchange, creates a new security, or which alters any of such listed security's rights, preferences, privileges or terms, application must be made for its listing as changed, irrespective of its status under the Securities Exchange Act of 1934. This does not apply to a change in par value, or a change in designation which does not alter the rights, preferences, privileges or terms of the security. Such matters may be treated by the filing of a supplement to a previously approved listing application.  The application should be filed early enough to permit action to be taken in regular course by the Exchange prior to the effective date of the change.  In addition, and irrespective of its status under Exchange requirements and procedures, it may be necessary to register the security, as changed, under the Securities Exchange Act of 1934. This will depend on the extent of the change being made. However, if such registration is required, the temporary exemption from registration afforded by Rule 12a-5 under the Securities Exchange Act of 1934, will usually be available in respect of the security as changed. Consequently, the registration procedure need not delay effectiveness of the change.  Usually, the change in the security is effected by the filing of an amendment to the certificate of incorporation, or by execution of a supplemental indenture, following some action by the holders of the securities. It is desirable that a three day interval be allowed between completion of such action by the security holders and the effectiveness of the change. This permits the Exchange to give appropriate advance notice of the change to take place in the security as previously dealt in.  For a Change in Purpose of Terms of Issuance—  The Exchange's authorization of the listing of unissued securities is effective only if such securities are issued for the purpose and under the terms specified in the listing application.  If the listing has been authorized and the company wishes to issue all or part of the securities for a different purpose or under altered terms, an amended application covering the changes must be made to the Exchange.  Where the change in purpose or terms of issuance is, in the opinion of the Exchange, of minor effect, the amendment to the listing authorization may be accomplished by the filing of a supplement to the listing application. However, when the change in purpose or terms of issuance is, in the opinion of the Exchange, substantial, the Exchange may cancel the listing authorization and require a full listing application.  As in the case of an application for listing an additional amount, the application or supplement relative to the amendment of the listing authorization should be filed with the Exchange early enough to permit action to be taken before planned issuance of the securities.  No generally applicable rule can be stated as to the conditions under which a change in purpose or terms of issuance may be treated by a supplement to the listing application or as to those under which a full application will be necessary. This determination requires consideration of all circumstances of the particular case.  For the Assumption of a Listed Security—  If a listed security is assumed by another company, such other company (if it wishes the security to remain listed) is required to make application for the retention of the assumed security upon the Exchange.  *If the assuming company does not have securities already listed on the Exchange, the application must be in the form of an original listing application.*  The application should be filed with the Exchange early enough to permit action to be taken by the Exchange prior to the effective date of assumption.  Registration is required under the Securities Exchange Act of 1934 with respect to the security resulting from the assumption. However, a temporary exemption from such registration is available pursuant to Rule 12a-5 under that Act if the company assuming the obligation is already listed on the Exchange.  For Supplements to Listing Applications—  It may be necessary to file a supplement to a previously approved listing application upon the occurrence of certain events affecting a listed company or in order to provide certain required data not available at the time of the previous listing application.  It is not feasible to enumerate all events which may necessitate filing of such a supplement, but among them are such matters as a change in the par value of a listed security, a change in its designation without alteration of its rights or terms or a minor change in its rights and/or preferences, the use of a large amount of treasury shares to effect mergers and acquisitions, bonus option plans, etc., a change in the name of the company, the disqualification of a company from Real Estate Investment Trust "REIT" status, a change in the obligor of a listed debt security, or a minor change in the purpose or terms of issuance as stated in a prior listing application not deemed by the Exchange to be of sufficient significance to require further listing action.  In general, it is the purpose of such supplement to give notice of the occurrence of the event, and to correct or amend the previously approved listing application. For the purpose of early determination of the material to be included in a supplement, the company's Exchange representative should be consulted if the company is contemplating actions or changes of the type described above. 703.01 (part 2) General Information **(B)** Timetable for Filing an Application to List Securities Other than Debt Securities  Four typewritten copies, all signed, should be filed at least two weeks before the company wishes the Exchange to take formal action upon the application. A shorter timetable may be arranged in extraordinary circumstances.  It is suggested that while the listing application is in process of examination and revision, the documents required in support of the application be filed. In order to expedite approval of the application, the filing of supporting documents should be completed at least one week before the company wishes the Exchange to take formal action upon the application.  If, for any reason, any of the required documents is not filed by the time action is taken on the application, the Exchange may condition its authorization of listing upon the file being completed prior to the admission of new securities or prior to issuance of an additional amount of a listed security.  Once a company has filed a subsequent listing application and sufficient supporting documentation with the Exchange, the next step for the Exchange will be to authorize the company's application and, where necessary, certify such authorization to the SEC. Additionally, the Exchange will acknowledge receipt of the company's application in either the regular Weekly Bulletin or through some other comparable method of publication.  **(C) Supporting Documents**  The following is a description of the types of documents that may be required to be filed with different types of applications. These documents are considered a part of the application and it is the policy of the Exchange to make them available for public inspection at the offices of the Exchange after listing has been authorized. Under special circumstances additional documents may be required.  Amendments to Charter and By-Laws—  A copy of each amendment to the charter or by-laws not previously filed. If desired, there may be filed, in lieu of such amendments, copies of the charter or bylaws as amended to date. Each charter amendment, or the amended charter, shall be certified by the secretary of the state/country of incorporation. Each by-law amendment, or the amended by-laws, shall be certified by the secretary of the company.  Financial Statements—  A set of financial statements reported on by the company's independent auditors, or, in the case of interim statements, certified by the company's chief accounting officer. Where practical, it is preferred that at least one copy of such report or certificate be manually signed.  Distribution Information—  Results of sale of a stock offering from the company, underwriter or transfer agent, and date price restrictions lifted and selling groups terminated.  Distribution Schedule—  A signed copy of a schedule showing the distribution of the shares for which listing application is made. The schedule shall be in the form indicated in Para. 904.01. It may be as of any recent, convenient date, but must be signed by either the transfer agent or the company.  Any material difference in the number of outstanding shares as shown in the distribution schedule and as shown in the listing application shall be explained by letter supplementing the schedule.  In the case of recently distributed shares, it may be considered that, at the time action on the application is taken by the Exchange, the distribution schedule does not fairly represent the breadth of the public distribution of the shares. In such case, unless the company's Exchange representative otherwise requests, filing of the detailed distribution schedule may be deferred, and there may be filed instead a statement of the number of distributors and dealers participating in the distribution, together with such data as may be available at that time as to the extent of the public distribution. The detailed distribution schedule shall be filed as soon thereafter as it may be considered fairly representative of the public distribution, and, in any event, before the shares are admitted to dealings on the Exchange unless the company's Exchange representative indicates otherwise.  Due-Bill Letter—  The Exchange will send a letter to the company in regard to due-bill trading when ex-distribution dealings are deferred in connection with stock distributions. (See sample letter in Para. 904.03.)  Indemnification Agreement—  Agreement indemnifying the Exchange and others against acts done in reliance upon the authenticity of facsimile signatures.  The forms of the Indemnification Agreement are contained in Para. 501.05.  Letter to Shareholders—  A copy of all correspondence to shareholders in connection with stock dividends, stock splits, subscription offerings, etc. and of transmittal material in connection with exchange offers, mergers, etc.  Listing Agreement—  Execution and filing of the current form of the Listing Agreement will be requested when deemed essential. (See Para. 901.00.)  Listing Fee Agreement—  A certified copy of the current form of the Fee Agreement, if not previously filed. The form will be provided to the company. (See Para. 902.01.)  Mortgage or Indenture—  Copy of the mortgage, indenture, or equivalent instrument, certified by the Trustee.  Notice of Availability of Stock Certificates—  If the securities for which listing application is made are of a class or series not previously listed, a letter from the transfer agent must be filed stating that there is on hand a supply of certificates sufficient to meet the demands for transfers and exchanges. Such letter must also be filed in cases where new or altered certificates are to be issued as a result of a change in a class or series of stock which is already listed.  If, at the time the Exchange takes action on the application, a sufficient supply of certificates is not in the hands of the transfer agent, the filing of such letter may be deferred to a later date prior to admission of the securities to dealings on the Exchange.  Issuers must (i) furnish the Exchange with copies of opinions of counsel filed in connection with recent public offerings or (ii) if no opinions of counsel exist, provide to the Exchange a certificate of good standing from the company's jurisdiction of incorporation.  Plans—  Certified copy of option, stock purchase, recapitalization, merger, acquisition or other agreement covering the securities for which listing application is made, unless submitted as part of a prospectus or other registration statement.  Prospectus—  Four copies of any prospectus which have been issued, in compliance with the Securities Act of 1933, as amended relating to the securities proposed for listing.  Registration Statement—  One signed copy of the related SEC Form for Registration under the Securities Exchange Act of 1934 and a copy of each exhibit, including those incorporated by reference. In lieu of signed copy, Company may submit SEC Form for Registration as filed via EDGAR. Include a statement to the effect that the registration statement, as submitted, is a true and complete copy of that which has been filed with the Securities and Exchange Commission.  Specimens—  In the event of a new issue, the company's bank note company should be instructed to submit latest drafts, models and proofs and specimens of the stock certificates, scrip, etc. in latest form. Specimens should be mutilated by perforation or otherwise and clearly and indelibly marked "Specimen".  **(D) Data to be Included in a Subsequent Listing Application.**  A subsequent listing application is designed to bring up to date information given in previous applications. The format and instructions are contained in Para. 903.02.  **(E) Typing of Application**  The Exchange does not require that an application be in printed form. Four signed copies of the application should be filed with the Exchange. One copy, countersigned by the Exchange, will be returned to the company as formal indication of authorization. 703.02 (part 1) Stock Split/Stock Rights/Stock Dividend Listing Process **(A) Introduction**  Stock Splits—  There are many factors which a company must consider in evaluating the merits of splitting its stock. Studies by the Exchange indicate that a properly timed stock split can contribute to an increase in and broadening of the shareholder base and can also be an important means of improving market liquidity. Generally speaking, a properly timed stock split, when effected under appropriate circumstances, serves as an excellent means of generating greater investor interest. Postsplit price is also an important consideration, especially when a company is competing in the financial marketplace for investor attention with other high quality securities.  Exchange statistics indicate a preferential price range within which a significant percentage of Exchange round lot volume is generated. This preference tends to be strongly reinforced when demand for a particular security is supported by a strong corporate image, widely recognized product lines, a strong financial picture and a good dividend history.  Furthermore, a stock split can present an opportunity for long-term holders to consider the possibility of selling a portion of their position. This could have the effect of creating additional round-lot holders and thereby act as an aid in obtaining additional liquidity, thus assisting in broadening the floating supply of the stock.  A stock split also acts as a means of converting odd-lot holders into round-lot holders. It is the round-lot holder that plays a very important role in a stock's marketability and liquidity on the Exchange.  Today, liquidity is probably the most important element in the investment decision, other than the financial condition or suitability of the security under consideration. Optimum liquidity is measured by the relative ease and promptness with which a security may be traded with a minimum price change from the previous transaction. Accordingly, a further objective of a stock split is to lower the market price sufficiently in order to broaden marketability.  Consideration of a stock split is therefore justified when a company's shares are selling at a relatively high price, and when such action is accompanied by healthy operating results and a strong financial condition. When these factors are further supported by anticipated growth as evidenced by a steady increase in earnings, dividends, book value and revenue, a strong foundation is in place for a stock split decision.  While not having any fixed formula for determination of the appropriate ratio for a stock split, the Exchange is of the view that a stock split in a ratio of less than two shares for one (i.e., one additional share for each share outstanding), is not likely to achieve, to a satisfactory degree, the constructive purposes of a stock split. Experience has shown that frequently, when a stock split in a lesser proportion has been effected, the company has felt it necessary to follow it up with a further small stock split within a relatively short period in order to obtain the desired result. Adjustments of that nature, following each other too closely, may have effects upon the market not consistent with the best interests of the company, of its shareholders, or those of the general investing public.  As it appears to the Exchange, a stock split should be effected on a basis designed to produce, in one step, and to the full extent deemed beneficial, the adjustments of price and distribution indicated by current and anticipated conditions. If those conditions do not indicate clearly that a stock split of at least two-for-one proportion is warranted, it is questionable whether they warrant any stock split at all.  Furthermore, recurring stock splits in a ratio less than two-for-one may give rise to the question of whether such stock splits are not, in effect, periodic stock dividends to which the accounting requirement and other phases of the Exchange's stock dividend policy apply.  The Exchange also takes the position that a stock split is not in the public interest in the case of a company which, because of the nature of its business, its capitalization, or other factors, has a record of widely fluctuating earnings with alternating years of substantial profits and heavy losses.  Preliminary Discussion Suggested—  Any company contemplating a stock split should discuss the matter with the company's Exchange representative before taking definitive action.  A preliminary discussion would be mutually helpful not only in clarifying matters of policy, but in arranging a schedule which will ensure the necessary coordination of the different actions to be taken by both the company and the Exchange. Such discussion will not result in premature disclosure of the company's plans.  Stock Dividends—  Many listed companies find it preferable at times to pay dividends in stock rather than cash, particularly in those cases in which a substantial part of earnings is retained by the company for use in its business. In order to guard against possible misconception by the shareowners of the effect of stock dividends on their equity in the company, and of their relation to current earnings, the Exchange has adopted certain standards of disclosure and accounting treatment.  Distinction between a Stock Dividend, a Partial Stock Split, and a Stock Split in Exchange Policy:  *Stock Dividend*—A distribution of less than 25 % of the outstanding shares (as calculated prior to the distribution).  *Partial Stock Split*—A distribution of 25 % or more but less than 100 % of the outstanding shares (as calculated prior to the distribution).  *Stock Split*—A distribution of 100% or more of the outstanding shares (as calculated prior to the distribution).  Accounting Treatment.—  In accordance with generally accepted accounting principles, the following accounting treatment is required for the various distributions:  *Stock Dividend*—Capitalize retained earnings for the fair market value of the additional shares to be issued. Fair market value should closely approximate the current share market price adjusted to give effect to the distribution.  *Partial Stock Split*—Requires capitalization of paid-in capital (surplus) for the par or stated value of the shares issued only where there is to be no change in the par or stated value. In those circumstances where the distributions of small stock splits assume the character of stock dividends through repetition of issuance under circumstances not consistent with the intent and purpose of stock splits, the Exchange may require that such distributions be accounted for as stock dividends, i.e., capitalization of retained earnings.  *Stock Split*—Requires transfer from paid-in capital (surplus) for the par or stated value of the shares issued unless there is to be a change in the par or stated value.  Avoidance of the Word "Dividend" —  A stock split is frequently effected by means of a distribution to shareholders upon the same authority, and in the same manner as a stock dividend. However, in order to preserve the distinction between a stock split and a stock dividend, the use of the word "dividend" should be avoided in any reference to a stock split when such a distribution does not result in the capitalization of retained earnings of the fair market value of the shares distributed. Such usage may otherwise tend to obscure the real nature of the distribution. Where legal considerations require the use of the word "dividend", the distribution should be described, for example, as a "stock split effected in the form of a stock dividend."  Notice to Shareholders with Stock Dividend Distribution—  A notice should be sent to shareholders with the distribution advising them of the amount capitalized in the aggregate and per share, the relation of such aggregate amount to current earnings and retained earnings, the account or accounts to which such aggregate has been charged and credited, the reason for issuance of the stock dividend, and that sale of the dividend shares would reduce their proportionate equity in the company.  **(B) Procedures to Follow When a Stock Dividend or Stock Split is Declared**  Notice to the Exchange—  It is essential that, when news of a proposed stock distribution is released shortly before the opening or during market hours (9:30 A. M. to 5 P.M., New York time), the company should follow the Exchange's timely disclosure/telephone alert procedures. (See Paras. 202.05 and 202.06(B).)  In addition to the press release, the Exchange requires certain information in a separate confirmation letter to the Exchange. See Para 204.16.  • Brokers' cut-off date—Period to be allowed after record or effective date in which brokers and other nominees may advise the company or its disbursing agent as to their full and fractional share requirements. A broker or nominee cannot determine, until after the record date, just what his full share and fractional share requirements will be. Because of this problem, it is desirable to allow a period of one week after the record date during which brokers and nominees may advise the disbursing agent of their requirements. A minimum of three business days could be prearranged with the Exchange if a tighter schedule is necessary. As an alternative procedure applicable when the time between record date and payment date is too short to allow a one week period for advice of share requirements, it is the regular practice for the company to instruct the paying agent to issue fractional share payments to brokers and other nominees as required by them against full share certificates surrendered by them for a period of not less than a week after the payment date.  The company's notice to the Exchange should indicate which of the above methods will be followed in respect of brokers' and nominees' requirements and the date by which they must notify the disbursing agent of their full and fractional share requirements. The Exchange will publicize this information in its Weekly Bulletin or special circulars so that those concerned will be informed as to the procedure to be followed.  Should any of the above information not be available at the time notice of the calling of the Board of Directors' meeting is given for the purpose of dividend action, the information shall be supplied to the Exchange as soon as it becomes available.  "When Issued" Trading in Distributed Shares—  In the case of a stock distribution which is substantial, both in percentage and in number of shares, the Exchange considers it desirable from the standpoint of public interest to afford shareholders who will receive the distribution the facilities of the Exchange market for their shares at the earliest possible moment.  This is accomplished by trading the "new" shares on a "when issued" basis while continuing the "regular way" market at the predistribution price. These two markets exist concurrently through the mail date. The regular way trading process is more fully explained below. In "when issued" trading, contracts for the purchase and sale of shares are made in the same manner as are regular way contracts for presently issued shares, except that when issued contracts are settled by delivery and payment of the shares on a date chosen by the Exchange, normally after the company's mail or payment date. Ordinarily, the date fixed for settlement of when issued contracts is the fourth business day after mailing of the split shares. When issued trading itself terminates on the mail date. Because of the delayed settlement of contracts, companies should avoid setting a record date for any purpose until seven business days after the mail date and may not set a record date during such seven day period for a cash dividend.  Normally, the Exchange will initiate when issued trading when the percentage of additional stock distributed is 25 % or more of the outstanding. There is no fixed date for the commencement of when issued trading, but the Exchange will usually wait until such time as all corporate and official action requisite to the issuance of shares has been taken. The Exchange will also wait until the company's listing application for the distribution has been authorized. Therefore, the company is urged to file the listing application early, preferably before the record date. 703.02 (part 2) Stock Split/Stock Rights/Stock Dividend Listing Process "Regular Way" Trading with a Deferred "Ex" Date—  Normally, a distribution of less than 25 % is traded "ex" (without the distribution) on and after the second business day prior to the record date. This procedure is based on the Exchange's three-day delivery rule, pursuant to which contracts made on the Exchange for the purchase and sale of securities are settled by delivery on the third business day after the contract is made, unless other terms of settlement are specified at the time the contract is made.  In calculating the ex-dividend date, days on which the Exchange or the banks, transfer agencies and depositories for securities in New York State are closed are not counted as business days. Following is a tabulation showing the relation between record dates and the normal ex-dividend dates, according to the days of the week:   |  | | --- | |  | | Record Date Normal Ex-Dividend  Date  Monday preceding Thursday  Tuesday preceding Friday  Wednesday preceding Monday  Thursday preceding Tuesday  Friday preceding Wednesday  Saturday preceding Wednesday  Sunday preceding Wednesday |   When either the record date or normal ex-dividend date, or when any intervening weekday (except Saturday), is a holiday on which the Exchange or the banks, agencies and depositories for securities in New York State are closed, the ex-dividend date will be one business day earlier than shown in the above tabulation, as the occurrence of such holiday defers, by one business day, deliveries in settlement of contracts made on the Exchange in the regular way.  Holidays thus affecting the ex-dividend dates are:  •New Year's Day (Jan. 1)  •Presidents' Day (third Mon. in Feb.)  •Martin Luther King's Day (third Mon. in Jan.)  •Good Friday (variable date between Mar. 20 and April 23, both inclusive)  •Memorial Day (last Mon. in May)  •Independence Day (July 4)  •Labor Day (1st Mon. in Sept.)  •Columbus Day (second Mon. in Oct.) [\*](http://nysemanual.nyse.com/LCMTools/TOCChapter.asp?manual=/lcm/sections/lcm-sections/chp_1_8/default.asp&selectedNode=chp_1_8" \l "8FN9)  •Veterans Day (Nov. 11) [\*](http://nysemanual.nyse.com/LCMTools/TOCChapter.asp?manual=/lcm/sections/lcm-sections/chp_1_8/default.asp&selectedNode=chp_1_8" \l "8FN10)  •Thanksgiving Day (fourth Thurs. in Nov.)  •Christmas Day (Dec. 25)  In the event that any of the above holidays falls on Sunday, it is regularly observed on the following Monday.  When the distribution is 25% or more, the Exchange will defer trading the security "ex" until one day after the mail date for the distribution. This deferral is in the public interest because the normal "ex" basis of trading would result in the adjustment of the market price by the amount of distribution. For example, in a two-for-one stock split, a normal "ex" would reduce the market price of a $50 stock by $25. Consequently, shareholders would be deprived of the market value of their holdings represented by the distribution between the "ex" date and their receipt of the distributed shares. By deferring the "ex" date, shareholders who sell during this period are able to realize the value of the distribution to which they are entitled as record holders, as well as the value of the shares they already hold and avoid the freezing of a substantial part of the market value of the stock.  Conditionally Authorized Distribution—  *Setting Record Date*  Circumstances may cause a Board of Directors to authorize a stock distribution which, at the time of authorization, is subject to future fulfillment of some requirement or condition, such as some action by shareholders, or approval by a public authority. Such a situation always involves the possibility that the prerequisite requirement or condition will not be fulfilled and that the distribution will not be made on schedule—a possibility usually given recognition by expression of the condition precedent in the authorizing resolutions. (Theoretically, the same situation could occur in relation to a cash dividend but, as a practical matter, such an occurrence is very unlikely. If it should occur, the resulting problem would have to be treated by special methods designed to fit the circumstances.)  Because of that possibility, certain factors must be taken into account in the fixing of the record date for the distribution so as to keep to the minimum the difficulties and confusion which will result if the condition precedent is not met and the distribution is not made on schedule.  If, at the time of the Board's conditional authorization, there is a specific date upon which it will definitely become known whether or not the distribution will be made (as is generally the case when the prerequisite requirement or condition is an action by shareholders) a specific record date for the distribution may, if so desired, be fixed at the time the Board authorizes the distribution.  The record date so fixed should, if at all possible, be a date which is at least six business days after the date on which it will definitely be determined whether or not the distribution will be made. That six-business-day interval will be of considerable significance in the event that the distribution is not made on schedule in that brokerage firms will be spared the futile labor and expense of obtaining due-bills assigning the distribution shares from selling customers in contracts made on and after the second business day prior to the record dates; of charging such customers' accounts with state transfer taxes, if any, in respect of due-bills; and the greater labor and expense of revising those entries, redetermining the account balances, and sending corrected confirmations of sales to customers.  Ordinarily, it should be feasible to allow the full six-business-day interval. However, if this is not feasible, the maximum interval possible under the circumstances should be allowed, and in no event should the record date occur earlier than the business day after the date on which it will definitely be determined whether or not the distribution will be made.  It may be that, at the time of the Board's conditional authorization, there is no specific date on which it will definitely become known whether or not the distribution will be made (as is frequently the case when approval by a public authority is involved).  In such a case the Exchange must ask that the schedule be arranged so that the record date will not occur until at least nine calendar days after it is definitely determined that the distribution will be made.  This may be done, of course, by deferring the fixing of the record date until the prerequisite requirement or condition has been fulfilled, and then fixing a record date as to which the Exchange shall receive nine calendar days' advance notice. Or, if some difficulty in reconvening the Board a second time for the fixing of a record date is anticipated, it may be feasible for the Board, when authorizing the distribution, instead of fixing a specific day of the month as the record date, to fix "the ninth day after" fulfillment of the prerequisite requirement or condition as the record date. In the latter case, the Exchange should receive immediate notice of the fulfillment of the prerequisite requirement or condition.  The nine-day interval is the barest minimum which will permit the Exchange to give effective advance publicity to the definitive record date and to issue a ruling as to the basis of dealings.  *Deferred "Ex" date and Use of Due Bills*  When the issuance of a stock dividend, or stock distribution, or subscription right is subject to fulfillment of some requirement or condition (such as further corporate action, or action or approval by some public authority) which will not be fulfilled before the normal "ex" date, "ex" dealings are deferred and due-bills are used until a specific date subsequent to the date on which the prerequisite requirement or condition is to be fulfilled or until further notice if the date of such fulfillment is indeterminate.  The date fixed for "ex" dealings in such a case is usually the first or second business day after the Exchange receives notice that the prerequisite requirement or condition has been fulfilled, depending on the hour at which such notice is received. The date fixed for redemption of due-bills is usually the first or second business day after the mailing of the stock dividend or three business days after the mailing of the distribution shares or the subscription rights.  The deferral of the "ex" date and use of due-bills in situations involving conditional distributions is necessary to avoid the risk that a loss may occur should the prerequisite requirement or condition not be met. If the change to the "ex" basis of dealings were permitted to occur on the normal "ex" date (the second business day prior to the record date) and it should happen that the prerequisite requirement or condition were not fulfilled, so that the stock dividend, stock distribution or subscription right could not be issued, sellers in the "ex" market would have suffered a loss that could not be recovered.  *Avoiding the Use of Due-Bills*  It is recognized that it is not always possible to avoid circumstances which result in the issuance of a stock dividend or stock distribution, or subscription rights being subject to future fulfillment of some requirement or condition. However, even though such circumstances cannot be avoided, it will usually be possible to avoid deviation from the normal procedure for "ex" dealings and the consequent use of due-bills if the company will cooperate by adoption of certain simple procedures.  For example, in the case of a stock dividend or distribution, when the date for fulfillment of the requirement or condition prerequisite to issuance is known with reasonable certainty, it should generally be feasible, at the time the dividend is declared, or the distribution authorized, to fix a specific record date which is at least six business days subsequent to the prearranged date on which the Exchange will receive notice of such fulfillment. With the prerequisite requirement or condition fulfilled, and issuance assured, a six-business-day period will allow the Exchange just enough time to issue the customary advance notice that dealings in the stock will be "ex" on the normal date; or, if the prerequisite requirement or condition is not fulfilled, or if its fulfillment is delayed, it will allow enough time to take such other steps as may be necessary.  In a case where it is not known, with reasonable certainty, when the prerequisite requirement or condition will be fulfilled, or if there is doubt that it will be fulfilled at all, the situation can be met by deferring the fixing of the record date until the requirement or condition has been fulfilled, and then fixing a record date as to which the Exchange shall receive at least nine calendar days' advance notice. If some difficulty on reconvening the Board for the purpose of fixing the record date is anticipated, or may be feasible, when the dividend is declared, for the Board to fix the record date as "the ninth day after" fulfillment of the prerequisite requirement or condition instead of designating a specific date. In the latter case, the Exchange should receive immediate notice of such fulfillment so that it will have nine days in which to give effective advance notice of the record date, as finally determined, through the medium of its Weekly Bulletin or special circulars, in addition to the advance notice it must give as to "ex" dealings.  In the case of subscription rights, it is usually necessary to make their issuance subject to effectiveness of registration of the securities being offered under the Securities Act of 1933. Usually, too, if the offering is underwritten it is not practicable, from the viewpoint of the underwriters, either to defer the fixing of a record date until that condition has been fulfilled or to fix a record date which will be six business days after the condition has been fulfilled. However, where the offering is not underwritten, it should generally be possible to follow the latter course; i.e., to fix a record date which shall be six business days after registration under the Securities Act of 1933 becomes effective, or any other requirement or condition prerequisite to issuance of the rights is fulfilled, or expected to be fulfilled.  Trading with Due-Bills—  While, under certain circumstances, the deferment of "ex" dealings and use of due-bills is essential from the standpoint of public interest, there are certain undesirable features attaching to that procedure which make advisable holding their use to a minimum. Because of these undesirable features, "ex" dealings are deferred and use of due-bills resorted to only in cases where such deferment cannot be avoided, and in those cases the procedure is employed for the shortest possible period.  While the purchaser of stock during the period between the normal "ex" date and the deferred "ex" date is paying full value, including the value of the distribution, he does not become a record holder entitled to receive the distribution directly from the company. Therefore, the seller, who is the holder on the record date and the prospective recipient of the distributed shares, is required to assign the right to these shares to the purchaser.  Such assignment is made through an instrument known as a "due-bill." The seller delivers the due-bill to the purchaser, along with the certificates for the shares covered by the contract, in settlement of the contract. The due-bill is redeemed by the seller's delivery of the distribution to the holder of the due-bill, on a date fixed by an Exchange ruling. Due-bills are issued in standard form prepared by the Exchange and are supplied to member firms in the required quantity. The manner of their execution and guaranty is prescribed by Exchange rules.  Company's Agreement to Recognize Due-Bills—  Ordinarily, due-bills are redeemed on the date specified in the Exchange ruling by direct dealing of the broker representing the seller with the broker representing the holder of the due-bill. However, in order to make such due-bills enforceable and deliverable in settlement of contracts, the Exchange must obtain the company's agreement to recognize them as valid assignments by the record holders and, upon their presentation to the issuing agent prior to the distribution, to cause the dividend or distribution shares to be issued to the assignees just as though such assignees were holders of record on the record date.  This agreement will be requested of the company by the Exchange when required. It should give rise to no problems, as due-bills are seldom presented to the company or its agents for this purpose, and then usually through misunderstanding. (See Exchange form letter in Para. 904.05.)  [\*](http://nysemanual.nyse.com/LCMTools/TOCChapter.asp?manual=/lcm/sections/lcm-sections/chp_1_8/default.asp&selectedNode=chp_1_8" \l "8FR9) While the Exchange will be open on these days, the banks, agencies and depositories for securities in New York State are regularly closed and, therefore, they are not counted as business days.  [\*](http://nysemanual.nyse.com/LCMTools/TOCChapter.asp?manual=/lcm/sections/lcm-sections/chp_1_8/default.asp&selectedNode=chp_1_8" \l "8FR10) While the Exchange will be open on these days, the banks, agencies and depositories for securities in New York State are regularly closed and, therefore, they are not counted as business days. 703.02 (part 3) Stock Split/Stock Rights/Stock Dividend Listing Process Company Due-Bills for Convertible Securities—  A company having convertible securities outstanding may have them presented for conversion into the stock which is being split after the record date for the distribution and before the payment has been made. The Exchange recommends in such instances that the converting security holder receive on conversion the number of shares to which he was entitled prior to the distribution, plus a "company due-bill" which will entitle the registered owner, or his assigns, to receive the additional shares on or after the distribution date upon surrender of the due-bill to the company's agent. Since such a due-bill would be transferable, it would be acceptable in settlement of contracts made on this Exchange and the converting security holder would be able to sell his entire holdings without waiting for the distribution date. The advantage of using such a procedure is that the holder of stock with a company due-bill attached would be able to use the same market facilities and mechanics if he wished to sell as would a holder of record on the stock split record date who can use the standard form of due-bill.  This special form of due-bill, which would be executed by the company or its agent, is usually in the form of a certification that a designated number of shares are being held by the distribution agent and will be delivered to a named individual or assigns upon surrender of the due-bill on or after the distribution date. Many companies specify in the due-bill that the additional shares will be mailed to the person named therein if the due-bill has not been presented within thirty days after the distribution date. This provision avoids the problem of holding the shares for an indefinite period if the due-bill is not presented promptly. The form on which the certification is printed should contain a border and underlying tint in color to give the appearance of an instrument of value. It should be submitted in draft form for approval by the Exchange in order to ensure its acceptability for delivery in settlement of an Exchange contract. Specimens may be secured from the Exchange upon request.  Record Date During or Shortly after a Stock Distribution—  When stock is traded with due-bills attached, as is the case in a stock split effected by distribution of additional shares, the additional shares are seldom transferred into the name of the buyer until the distribution is made and the due-bills are redeemed. Therefore, should a cash dividend be payable to holders of record on any date between the record date for the stock distribution and a date seven business days after the additional shares are mailed, such dividend would be paid to the seller as the holder of record on the company's books. Since the buyer would be entitled to the dividend, the Exchange would have to protect the buyer's interests by ruling that an additional due-bill for the cash dividend be secured from each person who had sold stock during the period. This would result in mechanical problems and, in many instances, difficulty in persuading the seller that the cash dividend properly belongs to the buyer. Accordingly, in order to allow such buyers time to receive the additional shares in settlement of contracts and have them transferred into their names, no record date for a cash dividend is acceptable which falls between the record date for a stock dividend or a stock split and a date seven business days after the date the additional stock is mailed.  The same record date may be used for a cash dividend and a stock distribution. To avoid misunderstandings, care should be taken that both the declaration and the public announcement express clearly the basis on which the cash dividend will be paid. In case of an identical record date for a stock split and a cash dividend, the cash dividend should be declared in terms of the "old" stock rather than than the split stock in order to make it clear that a purchaser of the split shares on a "when-issued" basis will not be entitled to receive the cash dividend.  A shareholders' meeting and other record dates during the above period should be avoided. For example, if a voting record were taken for a shareholders meeting between the record and distribution dates for a stock split, a broker who purchased and surrendered his stock for transfer to his name after the record date for the split (in order to establish his voting rights) would not be permitted to vote the shares to be received as a result of the distribution.  Full Share and Fractional Share Needs of Nominees—  In connection with stock dividends, or other stock distributions made to holders of record, brokers and other nominees must make exact allocation of the dividend or distribution to the accounts of customers or other accounts for which they act as nominees. In order to make such allocation, they may require full shares, and cash for settlement of fractional share interests, or may be required to buy or sell fractional share interests, on a basis different than that indicated by their record holdings. For example, in the case of a 2 1/2% stock dividend, a nominee holding of record 1,000 shares would receive 25 full shares in payment of the dividend on the basis of his record holdings. However those holdings might represent 10 accounts, and the beneficial owners thereof might each be entitled to 2 1/2 dividend shares. In such a case, the nominee would require 20 full shares, and cash for 5 shares (if fractions are to be settled in cash). If an agency were being set up to buy or sell fractional share interests, the nominee in this case might be required to buy or sell 1/2 share for each of the ten accounts—a total of five shares.  The broker or nominee cannot determine, until after the record date, just what his full share and fractional share requirements will be. As a means of meeting this situation, it is the regular practice to allow a period of one week after the record date, during which brokers and nominees may advise the dividend disbursing agent of their requirements, and then to issue to them, in accordance with their advices, the appropriate amounts of full shares and cash, or the appropriate number of forms for instructing the agent to buy or sell fractions when the dividend is paid. Shorter periods ranging to a minimum of three business days may be pre-arranged with the company's Exchange representative where a tighter schedule is necessary.  As an alternative, when the time between record date and payment date is too short to allow the above period for that purpose, it is the regular practice for the company to instruct the dividend paying agent to issue fractional share payments to brokers and other nominees as required by them against full share dividend certificates surrendered by them, for a period of not less than a week after the payment date.  The company's notice to the Exchange of the dividend action should indicate which of the above methods will be followed in respect of broker's and nominees' requirements and the date by which they must notify the disbursing agent of their full and fractional share requirements. The Exchange will publicize this information in its Weekly Bulletin or special circulars so that those concerned will be informed as to the procedure to be followed.  Fractional Share Interests: Methods of Settlement—  The Exchange has no rule or policy requiring the use of any particular method for the settlement of fractional share interests resulting from stock dividends or other transactions.  It is expected, of course, that whatever method is employed will treat all holders of such interests equitably; that it will afford adequate opportunity for the exercise of the rights and realization of the value attaching to such interests; and that such method will not only be feasible and simple, but will require no more than ordinary business prudence and diligence for the exercise of such rights and realization of such value.  The several methods which have been employed in the settlement of fractional share interests by companies listed on the Exchange are described below.  *Settlement in Cash*  In recent years, most listed companies have elected to settle fractional share interests by immediate cash payment therefor.  In some such cases, the number of full shares represented by fractional share interests were issued to an agent who (as agent for holders entitled to said interests) sold such shares and distributed the proceeds of sale to said holders. In other cases, no shares were issued in respect of fractional share interests. Instead, the Board authorized direct cash payment of such interests, usually at an amount related to market value on a date pertinent to the dividend (or other transaction) resulting in the fractional share interests.  *Agency for Purchase or Sale of Fractional Share Interests*  Another method gives the holders of fractional share interests the right, for a specified period, to purchase the additional fractions required to make up full shares, or to sell the fractions to which they are entitled. This is accomplished by the establishment of an agency which, during a specified period, buys or sells such fractions for the account and risk of the holders thereof, pursuant to their instructions. At the end of the period, the full shares represented by any fractional interests as to which no instructions have been received are sold and the proceeds remitted to the holders entitled thereto.  The agency employed for this purpose has usually been a bank or trust company. All charges, such as transfer taxes, commissions and other service charges, usually are borne by the company. Purchasing holders pay only the proportionate market value of the fraction purchased, and selling holders receive the full proportionate market value of the fraction sold.  Instructions for the purchase or sale of fractions are communicated to the agent on a form provided by the company or the agent at, or before, the time the full shares are distributed (or become available for exchange, if the transaction of issuance is one requiring an exchange of certificates). Such form should include, or be accompanied by, detailed instructions to holders of fractional interests as to the procedure to be followed. Such instructions should state, prominently, that if the holder fails to give the agent instructions within the specified period, his fractional interest will be sold.  Transactions are made by the agent within a specified period after receipt of instructions, and holders are billed directly by the agent for the cost of fractions purchased, or have remitted to them the proceeds from fractions sold. Usually, the right is reserved to the agent to offset buying and selling orders received during a specified period at prices current on the Exchange during that period. Thus, the agent's actual purchases or sales of the security are limited to the excess of purchase or sale orders received during that period.  The purchase for the account of any one holder is limited to the fraction necessary to complete a full share. Similarly, the sale for the account of any one holder is limited to the fraction to which he is entitled.  The period for which the agency is retained has varied in different cases, but, obviously, if the arrangement is to be of fullest service to shareholders and the company, sufficient time must be allowed for communication in both directions, plus a reasonable period for decision by holders as to whether to buy or to sell. In that connection, thirty days would appear to be the minimum serviceable period.  **(C) Change in Par Value**  The question of a change in par value of a stock in connection with a stock split is left entirely to the discretion of the company because of the possible involvement of original issue taxes and other corporate factors.  Where a change in par value is involved and a supply of certificates bearing the old par value is on hand, the question will arise whether to discard the existing supply or overprint the certificates with the new par value and continue their use. One of the considerations involved is that of cost, and in that connection it should be kept in mind that additional agency fees will be involved if overprinted certificates are used and there are subsequent requests by shareholders for an exchange for the new form of certificate. Many companies have found that use of the new form of certificate for both the distribution and subsequent transfers is less costly in the long run even though it means destroying the existing supply of old certificates. The Exchange prefers to avoid the use of overstamped certificates so as to keep the number of certificate forms in public hands to a minimum. But it will accept either method.  Where overprinted certificates are used, it is urged that they be used to the extent possible to effect distribution of the split shares so that the use of new certificates upon subsequent transfer may commence at the earliest possible date. However, if the space limitations in the old certificate form make their use inconvenient because of mechanical preparation of certificates to be distributed, the distribution may be made entirely with new certificates and the overprinted certificates used for subsequent transfers.  The Exchange recommends mailing the additional shares for all splits.  **(D) Distribution Effected by Charter Amendment**  Charter Amendment and Mailing of Additional Shares—  Under this method, each outstanding certificate continues to evidence, after the split up, the same number of shares as it did prior to the split up. Certificates evidencing the additional shares resulting from the split up must be mailed to holders of record as of the close of business on the effective date of the amendment.  When a company must amend its charter to effect a stock distribution, the date on which the charter amendment becomes effective is necessarily the record date for the purpose of distribution of the additional shares.  Since this method necessitates mailing of additional share certificates, dealings on the Exchange are conducted on the same basis as in the case of a large stock dividend or stock distribution. "When issued" dealings in the new shares are usually initiated as soon as practicable; "ex" dealings are deferred until one day after the mail date for the distribution and deliveries made after the record date are accompanied by due-bills. (See (B) above in this section for additional details.)  It is essential to Exchange procedure that the charter amendment be filed as early as possible in the morning of the day on which it is to become effective if not filed before then so that the Exchange can issue at noon on the day of effectiveness, its customary notice that dealings will be ex-distribution the following day. However, even though the amendment is filed early in the day, the record should be taken as of the close of business on the day of effectiveness, just as for any record taken for the purpose of distribution to shareholders. The amendment should contain a provision deferring its effectiveness until the close of business on the day of effectiveness, or such other provision as may be necessary to establish clearly that the record is to be taken at that time. This is necessary to avoid the confusion and misunderstanding among transferors and transferees that would result if the record were taken prior to the close of business.  The date fixed for effectiveness of the amendment should be not less than ten days after the date of shareholders' approval except under unusual circumstances and except as prearranged with the Exchange. If such ten day interval is not feasible, the maximum interval possible under the circumstances should be allowed. In no event shall the date fixed in advance for effectiveness of the amendment be earlier than the business day following the date of shareholder action. The Exchange must receive prompt notice of the intended effective date.  Charter Amendment and Exchange of Certificates—  Under this infrequently used method, used only in cases where the split up involves a change in par value, each outstanding certificate comes to evidence the new number of shares after the split up. However, for trading and delivery purposes, the outstanding certificates must be submitted in exchange for new certificates representing the post-split shares.  Since the outstanding certificates must be exchanged for new post-split share certificates, "when issued" dealings are usually initiated upon effectiveness of the charter amendment when dealings in the old stock are simultaneously discontinued. As a result, there is no need for "ex" dealings or for the use of due-bills. When issued trading normally continues until one day after advice is received that a significant number of the old share certificates has been exchanged. (See (B) above in this section for additional detail.)  The charter amendment should not be made effective until a supply of new certificates is available for purposes of the exchange. The new certificates to be issued in the exchange should be sufficiently distinctive in appearance from the old certificates to make identification of the shares represented by each type of certificate readily possible.  **(E) Filing a Listing Application**  The general instructions for preparation and filing of a listing application are described in Para. 703.01. The listing application format is presented in Para. 903.02.  Timing—  As with other listing applications, the application should be filed at least two weeks before the company wishes the Exchange to take action. Because of the desire to commence "when issued" trading in situations where there is a distribution of 25% or more, the listing application should be filed before the record date even though some of the information requested in the application will not be available until after the record date.  **(F) Supporting Documents**  The following documents must be filed in support of the listing application:  •Timetable listing declaration date, record date, mail date, date of shareholders' meeting (if applicable), effective date of charter amendment (if applicable) and broker's cut-off date (if applicable). Such information may be referenced in a cover letter which accompanies the application.  •Copies of opinions of counsel filed in connection with recent public offerings or, if no opinions of counsel exist, a certificate of good standing from the company's jurisdiction of incorporation.  •Specimen certificates (if requested).  •Notice of availability of eligible securities for trading (if requested).  •Due-bill letter (if requested). (See Para. 904.03.)  •Current form of Listing Fee Agreement (if not previously filed). (See Para. 902.01.)  •Current form of Listing Agreement (if not previously filed). (See Para 901.00) 703.03 Short Term Rights Offerings Relating to Listed Securities Listing Process **(A) Preliminary Discussion with the Exchange**  Because of the complexity encountered in rights offerings and the necessity for arranging a time schedule which will coordinate the various actions to be taken, it is recommended that the company confer with their Exchange representative well in advance of the offering date.  **(B) Publicity and Notice to the Exchange**  The Exchange requires all known terms and details of a proposed rights offering be publicly released immediately after the company's Board of Directors has taken action. The company should follow the Exchange's timely disclosure/telephone alert procedures detailed in Paras. 202.05 and 202.06(B).  Any additional terms should also be publicly released as soon as they are determined.  The Exchange also requires at least ten days advance notice of any record date fixed in connection with an offering of securities to holders of a listed stock.  **(C) Notice to Shareholders**  Written notice must be sent to shareholders at least ten days in advance of the proposed record date. The notice should state that subject to effectiveness of registration under the Securities Act of 1933, the company intends to make a rights offering. The notice should also include to the extent finally determined:  •Title of the security to be offered.  •The proposed subscription ratio.  •The proposed subscription price.  •The proposed record date for determination of those entitled to subscribe.  •The proposed expiration date of the right to subscribe.  •The date on which it is expected the certificates evidencing the right to subscribe will be mailed.  If all of the pertinent data has not been determined by the time the notice to shareholders is sent, the company may subsequently inform them through the public media. However, the notice to shareholders should alert them to watch for these subsequent releases.  **(D) Preparation of Timetable**  The schedule for the rights offering should be arranged so that all action by shareholders or any public authority which is prerequisite to the making of the offering occurs prior to the effectiveness of the registration under the Securities Act of 1933.  If at all practicable, registration under the Securities Act of 1933 of the securities to be offered should become effective at least six business days prior to the record date. This six-day interval is recommended in order that the listed security may trade ex-rights in a normal fashion on the second business day prior to the record date. Otherwise, a deferred ex-date and due-bills would have to be utilized. (See Para. 703.02 (B) for discussion of conditionally authorized distributions including rights offerings.)  Where a full six-day interval between effective registration and record date cannot be provided because of underwriting commitments or other compelling reasons, companies can cooperate by providing for as long an interval as circumstances will permit. This would minimize the undesirable effects of using due-bills and deferring the ex-date.  Where it is impracticable to provide any interval between effective registration and the record date, it is acceptable to have registration become effective on the record date.  Under normal conditions, the Exchange will not assent to a timetable in which the record date occurs prior to effectiveness of registration. This is because of the confusion and complications of trading if registration does not become effective as scheduled. In the past, the Exchange has not approved such a timetable except in cases where the company has outstanding a security convertible into the listed security and conversions are occurring. The Exchange understands that, under these circumstances, it is necessary to take the record date prior to the effective registration date so that the amount to be offered and registered could be definitely determined.  In all cases, provision should be made so that if effectiveness of registration is delayed, the record date will be automatically delayed for a corresponding period. This is generally done by having the company's Board of Directors fix as the date of record a specified date "or such later date as registration under the Securities Act of 1933 shall become effective."  The "moving" record date is a safeguard against the untimely occurrence of the record date in event that some unforeseen delay in effecting registration occurs that would otherwise disturb the essential relationship between the effective registration date and record date. However, it is not feasible to allow a delay of more than one business day beyond the initially scheduled date due to the confusion that would result. If the delay should exceed one day beyond the announced date, it will generally be necessary to fix a new record date as to which adequate notice and publicity can be given.  The company should not use either weekend or holiday dates for either the record date or expiration date for a subscription offering. In addition, record dates for other purposes must be avoided between the record date for the subscription offering through seven business days after the expiration date for the offering.  **(E) Subscription Period**  Certificates evidencing the right to subscribe should be issued to shareholders as soon as practicable after the record date.  The Exchange requires that holders of listed securities be allowed at least sixteen days after the warrants have been mailed to subscribe to the offering.  Companies may shorten the subscription period to fourteen days upon preliminary clearance by the Exchange if provisions are made for such matters as multiple mailing points for the rights and multiple agencies for subscription, or airmailing of rights to shareholders located in areas distant from New York City and acceptance of telegraphic subscriptions, [\*](http://nysemanual.nyse.com/LCMTools/TOCChapter.asp?manual=/lcm/sections/lcm-sections/chp_1_8/default.asp&selectedNode=chp_1_8" \l "8FN11) or a combination of such devices.  **(F) Arrangements for Non-U.S. Holders**  Arrangements should be made so that holders of record with addresses outside of the continental United States or Canada will be given an opportunity to give instructions as to the exercise or other disposition of their rights prior to the expiration date. A satisfactory arrangement would be for the company to withhold the rights certificates of non-U.S. holders pending their instructions for exercise or disposition. If the company has not received instructions by the day before the expiration date, it should provide for the sale of the rights for the benefit of these non-U.S. holders.  **(G) "Step Up" Provisions**  The same proportionate subscription right must be given each outstanding share or bond of the listed security. However, provision may be made to permit holders entitled to receive a number of rights not evenly divisible by the ratio of the offering to round out their subscriptions to the next higher full share.  Two methods of effecting such "step up" provisions are:  •Issue a certificate for the number of rights to which such holder is entitled to on the basis of record-holdings. A provision is printed on the certificate to the effect that if the number of rights evidenced is not evenly divisible by the ratio of the offering, the holder may subscribe for one full share in excess of the number of full shares for which he is otherwise entitled.  •Issue a certificate for that number of rights which represent the number of full shares for which such holder is entitled to subscribe, including the full share to which his fractional share subscription rights entitle him to subscribe.  Under the second method no fractional-share warrants are issued to holders, as all warrants issued represent a sufficient number of rights to subscribe for some number of full shares. However, dealings on the Exchange are in units of 100 rights (each "right" being the right attaching to each outstanding share on the record date for the offering) and contracts must be settled by delivery of warrants in multiples of 100 rights. This makes it essential that the company make available through the issuing agent, for use of brokers, some appropriate form of instrument evidencing fractional-share subscription rights, so that brokers may "make change" in settling contracts in the rights. As these instruments circulate only among brokers, it is not required that they be in the form prescribed in paragraph 501.09 regarding warrant certificates.  **(H) Ratio of Offering**  One right should be issued for each share outstanding. The ratio of the number of rights needed to subscribe for a share should be set so that a holder can subscribe for a new share without resorting to fractional rights. For example, a ratio of 10 rights to subscribe to 3 new shares would be objectionable since the ratio reduces to a ratio of 3 1/3 rights to 1 new share and therefore would require fractional rights.  **(I) Over-Subscription Provision**  Upon occasion, a rights offering includes provision for subscriptions in addition to the primary subscription rights. When this is a feature, and the additional subscriptions exceed the amount of securities available for the purpose, the available securities should be allotted in proportion to the primary subscription rights exercised.  **(J) Requirements of Brokers and Other Nominees**  Arrangements must be made to permit brokers and other nominees a period of at least one week after the record date to make written request for the exchange of warrants issued to them as holders of record for warrants in the denominations required for proper allocation to the accounts of customers who are beneficial owners.  **(K) Issuance of Subscribed Securities**  *Unlisted Security*-If the securities offered are not already listed, the normal procedure is to defer issuance of the securities subscribed for until the expiration of the subscription period.  *Additional Amount of a Listed Security*—If the securities offered are an additional amount of a listed security, the securities subscribed for must be issued within two business days after subscription and payment in full.  With an oversubscription privilege, if a subscriber does not exercise his oversubscription privilege, the amount subscribed for pursuant to the primary right must be issued within two business days after subscription and payment in full. If the oversubscription privilege is exercised, companies must still send shares subscribed for under the primary offering if the holder oversubscribing requests it.  In offerings providing for installment payments, payments in full at any time must be permitted. The securities subscribed for must be issued within two business days following subscription and payment in full.  **(L) Subscriptions on "Letters of Guaranty" from Exchange Member Firms**  The company must make arrangements to accept subscriptions prior to expiration of the offering on the basis of receipt of appropriate letters guaranteeing delivery of the rights certificates and funds covering such subscriptions within a reasonable time after the expiration date.  **(M) Exchange to be Notified Immediately When Registration Becomes Effective**  Immediately after the company has notice that registration of the securities being offered is effective under the Securities Act of 1933, it must notify the Exchange by telephone that such registration is effective and that it is proceeding to make the offering as scheduled.  **(N) Trading of Rights on the Exchange**  The Exchange considers it highly desirable, from the standpoint of public interest, that dealings in subscription rights, and in the security being offered, be conducted in the same market as the beneficiary security, where all three will be subject to the same market conditions and will be affected thereby in proper relative proportions. There is the further consideration that the subscription right represents a realizable part of the market value of the beneficiary security, and where the latter is listed on the Exchange, it is appropriate that shareholders desirous of selling their subscription rights be afforded the facilities and benefits of the Exchange auction market for that purpose.  Normally, the Exchange will trade rights issued to holders of a listed security if the rights are to subscribe to that security. However, the Exchange does not consider it appropriate that rights be traded if the offered security is not listed or to be listed.  Where all is in order, rights will be traded as soon as registration of the offered securities under the Securities Act of 1933 becomes effective. To facilitate settlement of contracts and subscriptions prior to the time of expiration, rights are traded only up to the close on the business day preceding the expiration date. It is suggested that this information be included in the offering circular or prospectus in order that shareholders may be aware of the trading time limitation.  **(O) Filing a Listing Application Relating to Short Term Rights Offerings**  The general instructions for preparation and filing of a listing application are described in Para. 703.01.  A separate listing application is not required for listing short term rights. Short-term subscription rights granted to holders of listed securities are exempt from registration under the Securities Exchange Act of 1934. Where the underlying security is to be listed, a listing application should be filed, if possible, two weeks in advance of the date when registration is expected to become effective. See Para. 903.02 for the listing application format.  **(P) Supporting Documents**  The following documents must be filed in support of the listing application:  •Timetable (if requested)-listing proposed record date, effective date of registration statement, mail date of rights certificates and expiration date of offering. Such information may be referenced in a cover letter which accompanies the application.  •Preliminary warning letter to shareholders.  •Letter of Transmittal to shareholders.  •Specimens of rights certificates. (See Para. 502.15 for requirements.) Form and color must be approved by the Exchange in advance of distribution.  •Copies of opinions of counsel filed in connection with recent public offerings or, if no opinions of counsel exist, a certificate of good standing from the company's jurisdiction of incorporation.  •Proxy Prospectus—4 copies each of preliminary and final.  •Current form of Listing Fee Agreement (if not previously filed). (See Para. 902.01).  •Indemnification Agreement. (See Para. 501.05).  •Current form of Listing Agreement (if not previously filed). (See Para. 901.00).  [\*](http://nysemanual.nyse.com/LCMTools/TOCChapter.asp?manual=/lcm/sections/lcm-sections/chp_1_8/default.asp&selectedNode=chp_1_8" \l "8FR11) Telegraphic subscription involves making the subscription funds available to the subscription agent prior to expiration of the subscription period and telegraphic notice to the agent, also prior to the expiration of the subscription period, from a bank or member firm of the Exchange, to the effect that the rights certificates have been or will be mailed by such bank or member firm. The company is required to honor all meritorious cases in which subscriptions are received late. 703.04 Public Offerings and Private Placement of Common Stock Listing Process **(A) Publicity and Notice to the Exchange**  The Exchange requires that immediately after a company's Board of Directors has taken action with respect to a public offering or a private placement of common stock listed on the Exchange, all known terms and details of the transaction shall be released to the wire services and the press. Prompt notice shall be given to the Exchange in accordance with the Exchange's timely disclosure/telephone alert procedures as more fully explained in Paras. 202.05 and 202.06(B).  **(B) Shareholder Approval Policy**  The company should consult Para. 312.00 to determine whether or not shareholder approval of the issuance of the securities is required.  **(C) Filing a Listing Application Relating to Public Offerings and Private Placements**  The general instructions for preparation and filing of a listing application are described in Para. 703.01. The listing application format is presented in Para. 903.02.  **(D) Supporting Documents**  The following documents must be filed in support of the listing application:  1. For Public Offerings  •Timetable (if requested)-listing proposed effective date of registration statement and closing date. Such information may be referenced in a cover letter which accompanies the application.  •Copies of opinions of counsel filed in connection with recent public offerings or, if no opinions of counsel exist, a certificate of good standing from the company's jurisdiction of incorporation.  •Prospectus—4 copies, both preliminary and final.  •Current form of Listing Fee Agreement (if not previously filed). (See Para. 902.01.)  •Current form of Listing Agreement (if not previously filed). (See Para. 901.00.)  2. For Private Placements  •Timetable (if requested)—listing proposed closing date. Such information may be referenced in a cover letter which accompanies the application.  • Copies of opinions of counsel filed in connection with recent public offerings or, if no opinions of counsel exist, a certificate of good standing from the company's jurisdiction of incorporation.  •Agreements between parties.  •Current form of Listing Fee Agreement (if not previously filed). (See Para. 902.01.)  •Current form of Listing Agreement (if not previously filed). (See Para. 901.00.) 703.05 Preferred Stock Offerings Listing Process **(A) Listing Policy**  The Exchange has not set any minimum numerical criteria for the listing of preferred stock. The issue must be of sufficient size and distribution, however, to warrant trading in the Exchange market system. The Exchange has set certain numerical delisting criteria for preferred stock. The Exchange will normally give consideration to suspending or removing a preferred stock if the aggregate market value of publicly-held shares is less than $2,000,000 and the number of publicly-held shares is less than 100,000.  The Exchange expects that a preferred stock will have voting provisions and other provisions normally found in a security designated as preferred stock. (See Para. 313.00 (C), "Preferred Stock, Minimum Voting Rights Required".) While the minimum redemption rights set forth below are acceptable under Exchange policy, they should not be regarded as an expression of opinion by the Exchange as to the adequacy of protective provisions under all circumstances.  The Exchange is concerned about the issuance of preferred stock which by its terms would vote separately as a class from the common stock on the approval of mergers and acquisitions, unless required by law. (See "Defensive Tactics" in Para. 308.00.)  **(B) Clearance of Terms**  Before a company applies for the listing of a preferred stock, it should first submit the terms of the preferred stock to the Exchange for clearance. In order to be called preference or preferred stock, the issue should be preferred as to dividends and on liquidation. After the terms have been reviewed and cleared by the Exchange, the company will be given permission to use a "listing intention statement" in the offering prospectus.  **(C) Title of Issue**  The Exchange recommends that the following attributes of the preferred stock be disclosed in the title of issue even if the preferred stock is not listed:  •The dividend rate should be shown.  •The seniority of the security in relation to other preferred issues should be indicated.  •If dividends are non-cumulative, the title should indicate it.  •If an issue is convertible for life, the title should indicate it. If there is a limitation on the conversion feature, it should be shown parenthetically.  •If the issue is one series of a class of preferred stock, the title should indicate it.  **(D) Redemption Rights**  The following describes the redemption rights of preferred shareholders.  Redemption—  •Redemption provisions should provide for a redemption date which is no less than 30 days nor more than 90 days following notification to holders.  •Rights of preferred shareholders may be terminated in advance of the redemption date provided that adequate notice has been published that sufficient funds will be made available to shareholders within 90 days. No rights should be terminated, even if the redemption date has passed, if there is a default in funds available for redemption.  •If an issue is convertible, conversion privileges should continue for a reasonable period after the redemption notice is published.  •Partial redemption should be pro rata or by lot.  **(E) Exceptions to Minimum Voting Rights**  In the application of the policy relating to the above-stated minimum voting provisions for preferred stock, the Exchange may make exception in a case where the laws of the state of incorporation preclude, or make virtually impossible, the conferring of exclusive voting rights upon any particular class of stock.  Exception may also be made in cases where the preferred stock has provisions which, while not conforming exactly to the above-stated minimum provisions, give the stock the practical equivalent of those minimum provisions.  Exception may also be made in a case where the company agrees to submit to its stockholders at a reasonably early date, a proposal to amend the voting provisions of the preferred stock to conform, at the least, to the minimum provisions stated above, along with the management's recommendation to stockholders that the proposal be adopted.  However, such exceptions are made only after consideration of the circumstances of the particular case, and it should not be assumed, in any case, that they will be made. Any company contemplating issuance of a preferred stock which it desires to list on the Exchange, and which, for any reason, does not have, at the least, the voting provisions described above, is urged to discuss the matter with the company's Exchange representative at an early date and, if at all possible, before definitive steps are taken to fix the provisions of the class.  **(F) Filing a Listing Application Relating to Preferred Stock Offerings**  The general instructions for preparation and filing of a listing application are described in Para. 703.01. The listing application format is presented in Para. 903.02.  **(G) Supporting Documents**  The following documents must be filed in support of the listing application.  •Timetable (if requested) - include proposed date of effectiveness under the Securities Act of 1933 and closing date. Such information may be referenced in a cover letter which accompanies the application.  •Definitive terms of preferred stock.  •Copies of opinions of counsel filed in connection with recent public offerings or, if no opinions of counsel exist, a certificate of good standing from the company's jurisdiction of incorporation.  •Distribution information, including notice of termination of selling group and lifting of price restrictions.  •Specimen certificates (if requested).  •Notice of availability of eligible securities for trading (if requested).  •Prospectus - 4 copies, both preliminary, and final.  •Signed registration statement under the Securities Exchange Act of 1934. In lieu of signed copy, Company may submit registration statement as filed via EDGAR. Include a statement to the effect that the registration statement, as submitted, is a true and complete copy of that which has been filed with the Securities and Exchange Commission.  •Current form of Listing Fee Agreement (if not previously filed). (See Para. 902.01.)  •Current form of Listing Agreement (if not previously filed). (See Para. 901.00).  •Indemnification Agreement. (See Para. 501.05). 703.06 Debt Securities Offerings Listing Process **(A) Listing Policy**  The Exchange has set minimum numerical criteria for the listing of debt securities in Section 1. The Exchange has also set certain numerical delisting criteria.  The Exchange will delist a debt security if the aggregate market value or principal amount that is publicly-held is less than $1,000,000.  **(B) Description of Issue**  The description of the issue should indicate the following information:  •The interest rate or if the interest rate varies, e.g., "floating" rate securities, the basis for the interest variation.  •The seniority of the security in relation to other issues.  •Whether the issue is convertible.  •Whether the issue is one series of a class of debt securities.  **(C) Denomination**  The standard unit of trading for debt securities listed on the Exchange is $1,000 original principal amount.  Securities in denominations of $500 and in large denominations that are multiples of $1,000 are permissible if they are exchangeable without charge for $1,000 denominations.  Units of trading of other than $1,000 may be designated by the Exchange for specific issues of bonds denominated in U.S. dollars or foreign currencies.  **(D) Indenture Provisions**  Deposited Funds to be Impressed with a Trust—  Any indenture which permits the deposit of funds with Trustee, Depository or Paying Agent for the purpose of paying the principal amount or redemption price of debt securities, or releasing a lien or collateral, or satisfying the indenture, must contain provisions which clearly establish that such funds are to be impressed with a trust for the holders of debt securities entitled to the benefits of such payment, lien, collateral or indenture.  **(E) Charge for Registration-Transfer-Exchange**  There must not be any charge to holders of debt securities for registration, transfer, discharge from registration, or exchange for other denominations, except for stamp taxes or governmental charges.  Where a single market is to be established in debt securities issued in both coupon and registration form, the securities must be interchangeable without charge and facilities for transfer and interchange must be provided to meet normal settlement procedures.  Where only coupon bonds are traded in the regular market, it is recommended that no charge be made for exchanges between coupon and registered form.  **(F) Debt Securities Listing Application Supporting Documents**  The debt listing application format is that used for subsequent listings as presented in Para. 903.02.  The following documents or notifications must be provided in support of the listing application.  For new issues:  •Timetable (if requested)—including proposed date of effectiveness under the Securities Act of 1933 and closing date. Such information may be referenced in a cover letter which accompanies the application.  •For debt securities that have been issued within the past 30 days, notification of availability of eligible securities for trading.  For all issues:  •Copies of opinions of counsel filed in connection with recent public offerings or, if no opinions of counsel exist, a certificate of good standing from the company's jurisdiction of incorporation.  •Specimen certificates—if requested—(except for globally certificated bonds).  •Prospectus—For issues that have been issued during the previous 12 months, but whose prospectus has not been made publicly available over a disclosure service satisfactory to the Exchange, 4 copies of the final prospectus; for issues that have been outstanding for more than 12 months or in respect of which the prospectus has been made publicly available over a disclosure service satisfactory to the Exchange, 1 copy of either the final prospectus or an issue term sheet.  •Mortgage or Indenture—1 final copy, unless the document has been made publicly available over a disclosure service satisfactory to the Exchange. For applications involving more than one issue, Company may submit a copy of the master indenture and the separate indenture provisions specific to each issue.  •Signed registration statement under Securities Exchange Act of 1934. In lieu of signed copy, Company may submit registration statement as filed via EDGAR. Include a statement to the effect that the registration statement, as submitted, is a true and complete copy of that which has been filed with the Securities and Exchange Commission. 703.07 Reserves for Convertible Securities Listing Process **(A) Policy**  If a company intends to list a senior debt, warrant or equity security that is convertible into common stock, it should apply for the listing of the common stock reserved for conversion in the listing application for the senior debt, warrant or equity security.  If the company does not plan to list the convertible senior debt, warrant or equity security, it still must file a listing application in connection with the shares to be reserved for conversion of those securities. The application should be filed prior to the issuance of the senior debt or equity security regardless of when that security is convertible into the underlying common stock.  An adjustment of previously listed conversion reserves may be necessary if certain anti-dilution provisions of convertible securities are triggered. Since this normally occurs when the company is issuing additional common stock for some purpose, the adjustment of reserves should be included in the listing application filed in connection with that issuance, e.g., a stock split.  **(B) Filing a Listing Application Relative to Reserves for Convertible Securities**  The general instructions for preparation and filing of a listing application are described in Para. 703.01. The listing application format is presented in Para. 903.02.  **(C) Supporting Documents**  The following documents must be filed in support of the listing application. (If the company is listing a convertible security and the securities for the conversion reserve, it must file the documents required for listing the convertible security in addition to those outlined below.)  •Copies of opinions of counsel filed in connection with recent public offerings or, if no opinions of counsel exist, a certificate of good standing from the company's jurisdiction of incorporation.  •Prospectus—4 copies, both preliminary and final.  •Current form of Listing Fee Agreement (if not previously filed). (See Para. 902.01.)  •Current form of Listing Agreement (if not previously filed). (See Para. 901.00.) 703.08 Mergers, Acquisitions and Other Business Combinations Listing Process **(A) Shareholder Approval Policy**  Reference is made to Para. 312.00 for those transactions which would require the approval of shareholders.  **(B) Restrictive Covenants in Agreement between Parties**  The Exchange would object to transactions where the rights of shareholders are adversely altered by covenants or where the shareholder is granted special privileges not available to other shareholders. For example, the Exchange would object to:  •The imposition of restrictions on voting rights by a voting trust, irrevocable proxy, disproportionate voting power, classification of boards of directors into more than three classes of approximately equal size and tenure or similar arrangements.  •A "right of first refusal" or similar kinds of "call" provisions.  •The imposition of any ongoing obligation to cause the nomination and election of a person or persons who represents a specific individual or corporate shareholder on the company's Board of Directors.  **(C) Escrow Agreements and Contingent Payouts**  Some acquisitions provide for future issuance of shares to the sellers pursuant to a formula relating to the future performance of the company being acquired. Occasionally these contingent issuances are also provided to compensate the sellers if the price of the security being issued doesn't maintain a certain level at some future time.  For the protection of the company, these shares are placed in escrow and released under the provisions of the purchase agreement. Shares not required to be issued under the formula are returned to the company for cancellation.  Since, in such an arrangement, a portion of the shares issued are not "earned" at the time of the closing, questions arise relating to the rights accompanying such shares. In past instances, for example, dividend rights have been waived or, as an alternative, additional shares were also placed in escrow and released in connection with the earnings formula. In regard to voting, a company may not wish to allow the sellers to direct the vote of the shares held in escrow on the basis that they are not entitled to this stock until earned.  In situations where a small percentage of the shares issued are placed in escrow to secure representations, warranties, and tax claims, the Exchange looks for the sellers to have the right to direct the voting of such shares. However, as to shares issued subject to an earnings formula, the Exchange will accept the voting of the shares not yet earned by the trustee if voted in proportion to the total shareholder vote. However, as the shares are earned, the sellers must receive full rights with respect to voting.  **(D)** Final Dividend Paid on Stock Exchangeable in a Business Combination Between Two Listed Companies  Whenever a plan for a business combination between two listed companies provides for the payment of a final dividend, or a partial dividend is declared on the "old" stock, the dividend should be declared either:  1. As a definitive dividend, not contingent upon effectiveness of the merger or consolidation, to shareholders as of a specified record date and mailed to such shareholders; or  2. If payment of the dividend is contingent upon effectiveness of the merger, or the amount to be paid is dependent upon the date the plan becomes effective, the dividend should be paid upon presentation of certificates for exchange along with the equivalent securities to be received. Provision should be made in the letter of transmittal for the party presenting the certificates for exchange to direct the order of payment of the dividend. A record date should not be established for determining holders to receive any dividend that is subject to effectiveness of a plan. However, if there is a legal requirement for the use of a record date, such a dividend should be declared payable to holders of record or their assigns and paid upon exchange of certificates as set forth above.  These procedures are necessary in order to maintain an orderly and appropriate market in the stock in view of the pending dividend.  **(E) Listed Company Acquired by, Consolidated with or Merged into an Unlisted Company**  The Exchange will refuse to list additional equity securities of a listed company in a transaction considered to be a "back door listing," i.e. resulting from a merger, acquisition or consolidation which has the effect of circumventing its standards for original listing. Accordingly, when an unlisted company proposes to combine with, or into, a listed company under circumstances which, in the opinion of the Exchange, constitute an acquisition of a listed company by an unlisted company, the resulting company must meet the standards for original listing. If the resulting company would not qualify for original listing, the Exchange will refuse to list additional shares of the listed company for the transaction.  In applying the above policy, consideration will be given to all factors including changes in ownership of the listed company, changes in management, whether the size of the company being "acquired" is larger than the listed company and whether the two businesses are related on a horizontal or a vertical basis. All circumstances will be considered collectively and weight may be given to compensating factors.  **(F) Filing a Listing Application Relating to Mergers, Acquisitions and Other Business Combinations**  The general instructions for preparation and filing of a listing application are described in Para. 703.01. The listing applications format is presented in Para. 903.02. If the consideration to be issued in connection with the business combination is a preferred stock or debt and is to be listed, consult the appropriate paragraphs on preferred stock and debt for details of requirements.  **(G) Supporting Documents**  The following documents must be filed in support of the listing application:  •Timetable (if requested)—include proposed closing date. Such information may be included in a cover letter which accompanies the application.  •Copies of opinions of counsel filed in connection with recent public offerings or, if no opinions of counsel exist, a certificate of good standing from the company's jurisdiction of incorporation.  •Current form of Listing Fee Agreement (if not previously filed.) (See Para. 902.01.)  •Current form of Listing Agreement (if not previously filed.) (See Para. 901.00.)  •Proxy/Prospectus—4 copies each of preliminary and final.  •Certified year-end financial statements supplemented by latest interim statements (if available) of the company being acquired.  •Agreement between parties.  If the merger or acquisition involves two listed companies, the following documents will also be required:  •Copy of letter of transmittal (draft and 2 copies of the final) and any other material sent to shareholders concerning the transaction.  Exhibits  Financial Statements—Certified year-end balance sheet and income statements of the company being acquired, supplemented by the latest interim income statements (if available). A recent balance sheet and/or pro forma or combined statements may be considered appropriate in some circumstances. Independently audited statements are preferred but, where audited statements are not available, company prepared statements may be accepted. 703.09 Stock Option, Stock Purchase and Other Remuneration Plans Listing Process **(A) Shareholder Approval Policy**  Reference is made to Para. 312.00, "Shareholder Approval Policy" for those instances in which the approval of shareholders would be required.  The company's Exchange representative should be consulted for advice as to whether or not the Exchange's shareholder approval policy applies to a particular plan or arrangement.  **(B) Disclosure of Options, etc. in Proxy Statement**  In general (and without attempting to define what may be considered pertinent in all cases), concerning options or option plans presented for shareholder approval, a company should disclose, at a minimum:  •The intention to issue options.  •The per share purchase price fixed by the options (or formula for determination of such price).  •The aggregate number of shares for which options will be issuable and/or the period during which options may be issued.  •The classes and number of persons to whom options may be issued.  •The life of the options.  •Any information then available as to the conditions under which options may be exercised.  •Terms of payment for shares covered by the options (including any amounts to be credited or debited in respect of the purchase price or balances owing by optionees).  •Maximum number of shares which may be optioned to any one person.  •Provisions for amendment of the plan.  It has been the experience of the Exchange that many company plans will provide for option committees to have broad based powers to amend the plan.  These powers normally are not explicitly detailed. Although the Exchange realizes that a certain amount of flexibility is desirable, the company's shareholders should be provided with information as to major changes that could be approved by the option committee without seeking further shareholder consent.  In respect to other types of stock purchase and remuneration plans the Exchange believes that all pertinent information in regard to the plans should be disclosed.  **(C) Filing a Listing Application Relative to Stock Option, Stock Purchase or Other Remuneration Plans**  It is recommended that an application for listing of unissued shares in connection with a stock option, stock purchase or other remuneration plan be filed as soon as possible after all required corporate and shareholder action has been taken.  A listing application would also have to be filed if a company significantly amends a plan covered by a previous listing application. The application must cover all the shares that would be subject to issuance under the amended plan. The shares reserved for issuance under the old plan would be delisted. Generally, a listing application would have to be filed if the amendment was of such significance that the company was required under the terms of the plan to have the amendment approved by shareholders.  The general instructions for preparation and filing of a listing application are described in Para. 703.01. The listing application format is presented in Para. 903.02.  **(D) Supporting Documents**  The following documents must be filed in support of the listing application:  • Copies of opinions of counsel filed in connection with recent public offerings or, if no opinions of counsel exist, a certificate of good standing from the company's jurisdiction of incorporation.  • Plan document (copy of plan or prospectus, as appropriate).  • Current form of Listing Fee Agreement (if not previously filed). (See Para. 902.01.)  • Current form of Listing Agreement (if not previously filed). (See Para. 901.00.)  • Prospectus—12 final copies. 703.10 Technical Original Listing Process If it is proposed to make a change in a listed security which, in effect, creates a new security or which alters any of its rights, preferences, privileges or terms, an application must be made for the relisting of the shares as changed. This would include such changes as:  •Creation of a holding company or a new company by operation of law or through an exchange offer.  •Reorganization by means of a change in state of incorporation or recapitalization or change from a limited purpose business trust (e.g. a "REIT") to an operating company.  **(A) Filing a Listing Application Relating to a Technical Original Listing**  The general instructions for preparation and filing of a listing application are described in Para. 703.01. The listing application format is presented in Para. 903.02.  **(B) Supporting Documents**  The following documents, as applicable, must be filed in support of the listing application:  •Timetable (if requested)—include shareholder meeting date and proposed date of effectiveness of registration under the Securities Exchange Act of 1934. Such information may be referenced in a cover letter which accompanies the application.  •Copies of opinions of counsel filed in connection with recent public offerings or, if no opinions of counsel exist, a certificate of good standing from the company's jurisdiction of incorporation.  •Proxy/Prospectus—4 copies each of preliminary and final.  •Specimen certificates.  •Registration Statement under the Securities Exchange Act of 1934. In lieu of a signed copy, Company may submit Registration Statement as filed via EDGAR. Include a statement to the effect that the registration statement, as submitted, is a true and complete copy of that which has been filed with the Securities and Exchange Commission.  •Current form of Listing Fee Agreement (if not previously filed). (See Para. 902.01.)  •Current form of Listing Agreement. (See Para. 901.00.)  •Charter, if requested.  •By-laws, if requested.  •Notice of availability of eligible securities for trading. 703.11 Supplemental Listing Process It is the purpose of supplemental listing applications to give the Exchange notification of certain important events affecting a listed company or to provide certain required data not available at the time of a previous listing application by amending previously approved listing applications. Ordinarily, only such data need be included in the supplement as will effect that purpose.  The various types of events requiring notification of supplemental listing, but not a new listing, include:  •Change in corporate name.  •Minor change in rights and/or preferences of listed securities.  •Change in par value.  •Change in designation without alteration of its rights or terms.  •Release of restricted shares from treasury.  •Disqualification from Real Estate Investment Trust "REIT" status. (Note: A technical original listing application is required when a "REIT" changes from a limited purpose business trust to an operating company.)  •Change in obligor of a listed debt security under certain circumstances. Please consult your Exchange representative.  •Minor change in the purpose or terms of issuance.  **(A) Filing a Listing Application Relating to a Supplemental Listing**  The general instructions for preparation and filing of a listing application are described in Para. 703.01. The listing application format is presented in Para. 903.02.  **(B) Supporting Documents**  The following documents must be filed in support of the listing application:  •Timetable (if requested) including shareholder meeting date and proposed date of effectiveness of registration under the Securities Exchange Act of 1934. Such information may be referenced in the cover letter which accompanies the application.  •Copies of opinions of counsel filed in connection with recent public offerings or, if no opinions of counsel exist, a certificate of good standing from the company's jurisdiction of incorporation.  •Specimen certificate (if requested).  •Notice of availability of eligible securities for trading (if requested).  •Current form of Listing Fee Agreement (if not previously filed). (See Para. 902.01.)  •Current form of Listing Agreement (if not previously filed). (See Para. 901.00.)  **(C)** No supplemental listing applications will be approved for companies that have been identified as being below the Exchange's continued listing standards (see Para. 802.01) for issuances to new shareholders unless such issuance is determined to be consistent with an Exchange-approved plan (or its goals) pursuant to Para. 802.02 or Para. 802.03 as applicable. 703.12 Warrants Listing Standards In order to be listed on the Exchange, warrants must be issued to purchase a security that is already listed or that will be listed concurrent with the warrants. The warrant holder shall not be entitled to any privileges of the holder of common stock (e.g. dividends, preemptive rights or voting rights). If the warrants are exercisable into listed common stock, the listing of the warrants and the underlying common stock is subject to the NYSE shareholder approval policy. (See Para. 312.00.)  Warrants must be issued as fully registered instruments. They must be issued in a form approved by the Exchange, and transferable, exercisable, payable and deliverable in the Borough of Manhattan, in the City of New York.  The terms of the warrants should include the usual anti-dilution provisions protecting the warrant holder.  **(A) Standards for Listing**  •1,000,000 warrants outstanding.  •At least 400 holders (except that this requirement will not apply to the listing of warrants in connection with the initial firm commitment underwritten public offering of such warrants).  •At least $4 million aggregate market value.  Warrants should have a minimum life of one year, and an aggregate market value of at least $4 million. In reviewing the eligibility for listing of warrants, the Exchange will also take into consideration certain other factors including the relationship between the exercise price of the warrants and the price of the underlying security at the time of issuance; and the proportion of the issuer's total equity that all issues of warrants represent. (Note: Prior to Dec. 1992, the Exchange stated that the warrant exercise price must not be "substantially" —not greater than approximately 25%—above market price. In addition, the Exchange would not list warrants where a new warrant issue would result in more than 50% of a company's common stock being represented in warrant form.)  While the standards outlined herein are generally determinative on the question of eligibility for listing, the Exchange can, where circumstances warrant, take into consideration these and other factors which could have a bearing on the warrant holder's ultimate expectation of exercising his warrant. This could include, but is not limited to, the issuer's relative stability and position in its industry, whether it is engaged in an expanding industry with prospects of maintaining its position, the degree of national interest in the company, whether the security to which the warrant is attached at the time of issuance can be used as consideration in exercising the warrant, etc.  Also, the Exchange normally refuses to list warrants issued in connection with other securities which do not meet Exchange listing requirements. The terms of the warrants must not give the company the right to reduce the established price of the warrant for periods of time, or from time to time, during the life of the warrants. Finally, the Exchange strongly recommends that each warrant have a residual value at expiration. The value could take the form of a monetary value or security value, e.g., 100 warrants entitles a holder to one share of common stock or some other security.  **(B) Filing a Listing Application Relating to Warrants**  The general instructions for preparation and filing of a listing application are described in Para. 703.01.The listing application format is presented in Para. 903.02.  **(C) Supporting Documents**  The following documents, as applicable, must be filed in support of the listing application:  •Timetable (if requested)—include proposed date of effectiveness and closing date. If warrants are part of unit offering date they are detachable. Such information may be referenced in a cover letter which accompanies the application.  •Copies of opinions of counsel filed in connection with recent public offerings or, if no opinions of counsel exist, a certificate of good standing from the company's jurisdiction of incorporation.  •Prospectus—4 copies each of preliminary and final.  •Document setting forth definitive terms of warrants.  •Specimen of warrant certificates.  •Current form of Listing Fee Agreement (if not previously filed). (See Para. 902.01.)  •Current form of Listing Agreement (if not previously filed). (See Para. 901.00.)  •Registration statement under the Securities Exchange Act of 1934. In lieu of signed copy Company may submit registration statement as filed via EDGAR. Include a statement to the effect that the registration statement, as submitted, is a true and complete copy of that which has been filed with the Securities and Exchange Commission.  •Indemnification Agreement. (See Para 501.05).  •Notice of availability of warrant certificates.  •Distribution information.  Amended: December 2, 2009 (NYSE-2009-115). 703.13 "Special Stocks" Listing Process (Stocks Which Have Periodic Increases in Conversion Rate Into Common Stock) Stocks which have periodic increases in their conversion rate into common stock are commonly referred to as "Special Stock." Shares of such stock are generally described as "accumulating shares." Reference in the title itself to "Class A" or "Series A" is necessary for ticker and quotation purposes even if only one class may be issued. The Exchange additionally requires that a descriptive designation of the stock referring to the increasing conversion rate be clearly set forth parenthetically adjacent to the title. The terms "preferred" or "preference" should not be used unless the stock has all the normal terms of a preference stock, including a cash dividend which is commensurate with a call or redemption price and voting privileges in accordance with the minimums set forth under Exchange policy. (See Para. 703.05.)  **(A) Standards for Listing**  Distribution of each series should usually meet the minimum original listing standards for common stocks, unless the series is clearly a preferred stock. Delisting criteria relating to the distribution of common stock would normally apply.  The number of shares of all series of special stock outstanding at any time should be limited so that the number of votes applicable to such shares will not exceed 95 % of the vote applicable to the common stock of the listed company.  1. Where each accumulating share is currently convertible into at least one whole share, the voting right of each share of accumulating stock should be at least equal to the voting right of the amount of whole shares into which it is currently convertible. However, upward vote adjustments corresponding to fractional changes in the conversion rate are acceptable.  2. Where each accumulating share is currently convertible into less than one whole share, the voting right of each accumulating share should be the same as the voting right of the fractional share into which it is currently convertible.  3. Where the accumulating share may be classified as a bona fide "preferred" stock, i.e., having all the normal preference stock terms including the requirement of a cash dividend payment, such stock need only have the minimum class voting rights required under Exchange policy. (See Para. 313.00(E), "Preferred Stock, Minimun Voting Rights Required".)  The automatic increase in convertibility should be limited to a period of not more than 25 years.  Earnings per share are to be expressed in accordance with generally accepted accounting principles. In addition, a pro forma calculation of earnings per share should be given including the accumulating stock at its maximum conversion basis along with the shares issuable on other convertible issues and/or other contingent issuances.  The Exchange expects that cash dividends on common stock under normal conditions should not exceed earnings per share on both classes on a current conversion basis. In the event of unusual circumstances, the Exchange may waive any objection thereto for a particular period.  The corporate charter should not preclude equalizing the change in equity between the common shares of stock and the special stock which may occur in any one year because of the effect of the change in the special stock's conversion rate.  The terms of the initial series of special stock and of any additional series which has a higher rate of conversion into common stock should be set by action of the common shareholders.  The potential number of shares on maximum conversion of the special stock should be disclosed either on the face of the balance sheet or in a footnote.  **(B) Filing a Listing Application Relating to Special Stocks**  The general instructions for preparation and filing of a listing application are described in Para. 703.01. The listing application format is presented in Para. 903.02.  **(C) Supporting Documents**  The following documents, as applicable, must be filed in support of the listing application:  •Timetable (if requested).—include proposed date of effectiveness and closing date. Such information may be referenced in a cover letter which accompanies the application.  •Issuers must (i) furnish the Exchange with copies of opinions of counsel filed in connection with recent public offerings or (ii) if no opinions of counsel exist, provide to the Exchange a certificate of good standing from the company's jurisdiction of incorporation.  •Specimen certificate.  •Current form of Listing Fee Agreement (if not previously filed). (See Para. 902.01.)  •Current form of Listing Agreement (if not previously filed). (See Para. 901.00.)  •Registration Statement under the Securities Exchange Act of 1934. In lieu of signed copy Company may submit registration statement as filed via EDGAR. Include a statement to the effect that the registration statement, as submitted, is a true and complete copy of that which has been filed with the Securities and Exchange Commission.  •Indemnification Agreement. (See Para. 501.05 or 501.06).  •Distribution information.  •Notice of availability of eligible securities for trading.  •Prospectus—4 copies each of preliminary and final. 703.14 Voting Trust Certificate Listing Process The listing application must be made jointly by the voting trustees and the issuer of the underlying security.  **(A) Registration under the Securities Exchange Act of 1934**  In order to effect registration of the trust certificates under the Securities Exchange Act of 1934, it is necessary to effect registration of the underlying security as well. This, in turn, necessitates that the underlying securities also be approved for listing, since, without approval, the underlying securities cannot be listed.  **(B) Exchange Authorization**  To meet the circumstances of the situation (in cases where application is not also made to list the underlying securities), a special type of listing authorization is given. Such authorization is stated to be only for the purpose of qualifying the underlying securities for registration, thus making possible the registration of the trust securities. Such listing does not qualify the underlying security for admission to dealings on the Exchange. It is effected by filing, simultaneously with the application for the listing of the trust certificates, a very brief form of application signed by the company requesting such listing of the underlying security. In final printing, this application is attached to, and made supplemental to, the application for the listing of the trust certificates.  **(C) Filing a Listing Application Relating to Voting Trust Certificates**  The general instructions for preparation and filing of a listing application are described in Para. 703.01.  The listing application format is presented in Para. 903.02.  **(D) Supporting Documents**  The following documents, as applicable, must be filed in support of the listing application:  •Timetable(if requested)—to include date of issuance. Such information may be referenced in a cover letter which accompanies the listing application.  •Copy of the trust agreement certified by voting trustees.  •Current form of Listing Agreement (See Para. 901.00).  •Copies of opinions of counsel filed in connection with recent public offerings or, if no opinions of counsel exist, a certificate of good standing from the company's jurisdiction of incorporation.  •Current form of Listing Fee Agreement (if not previously filed). (See Para. 902.01.)  •Registration statement under the Securities Exchange Act of 1934. In lieu of signed copy, Company may submit registration statement as filed via EDGAR. Include a statement to the effect that the registration statement, as submitted, is a true and complete copy of that which has been filed with the Securities and Exchange Commission. 703.15 Foreign Currency Warrants and Currency Index Warrants The Exchange will list foreign currency warrants and currency index warrants having the following general characteristics: The warrants will be unsecured obligations of the issuer, will be exercisable at any time during their term (i.e., American style) or only on their expiration date (i.e., European style), will expire between one and five years from the date of issuance and will have a value linked to the price of a foreign currency or to the value of a foreign currency index. In addition, the warrant must be deemed to be automatically exercised (without the requirement of a notice of exercise) on the delisting date (if the warrant issue has not been listed on another organized securities market in the United States) or on the expiration date, as the case may be, if the warrant is in-the-money and has not been properly delivered for exercise on or prior to that date.  At exercise, or at the expiration date, the holder of a currency warrant or a currency index warrant structured as a "put" would receive payment in United States dollars to the extent that the spot price of the currency or the value of the currency index has declined to below a pre-stated cash settlement value. Conversely, holders of a currency warrant or a currency index warrant structured as a "call" would, upon exercise or at expiration, receive payment in United States dollars to the extent that the spot price of the currency or the value of the currency index has increased above the pre-stated cash settlement value.  Foreign currency and currency index warrants will expire worthless if they are out of the money on their expiration date.  The warrant issuer will be an entity that:  **(a)**  **(i)** has minimum tangible net worth in excess of $250 million; or  **(ii)**  **(A)** has minimum tangible net worth in excess of $150 million; and  **(B)** refrains from issuing warrants where the aggregate market value of all of the issuer's and the issuer's affiliates' foreign currency warrant and currency index warrant offerings, and stock index warrant offerings (see Para. 703.17), that are listed on a national securities exchange or traded through the facilities of a national securities association (calculated based upon such issue's original issue price) exceeds 25 percent of the issuer's net worth; and  **(b)** otherwise substantially exceeds the size and earnings requirements of Para. 102.01.  The warrant issuer must have:  •At least 1 million warrants outstanding  •At least 400 holders  •Minimum life of one year  •At least $4 million market value  (See Para. 904.04 for Membership Circular required in connection with admitting foreign currency warrants and currency index warrants to trading on the Exchange.) 703.16 Investment Company Units The Exchange will consider for listing, whether pursuant to Rule19b-4(e) under the Securities Exchange Act of 1934 (the "Exchange Act") or otherwise, units of trading ("Units") that meet the criteria of this paragraph. Units traded on an unlisted trading privileges basis must comply with paragraph (C)(5) of this Section 703.16. A Unit is a security that represents an interest in a registered investment company ("Investment Company") that could be organized as a unit investment trust, an open-end management investment company, or a similar entity. (See also NYSE Rule 1100.)  **(A) Original Unit Listing Standards**  **(1)** The Investment Company must:  **(a)** hold shares of stock, a portfolio of fixed income securities or a combination thereof, comprising, or otherwise based on or representing an investment in, an index or portfolio of securities; or  **(b)** hold securities in another registered investment company that holds securities as described in (a) above.  An index or portfolio may be revised as necessary or appropriate to maintain the quality and character of the index or portfolio.  **(2)** The Investment Company must issue Units in a specified aggregate number in return for a deposit (the "Deposit") consisting of either:  **(a)** a specified number of shares of stock, a specified portfolio of fixed income securities or a combination thereof, that comprise the index or portfolio, or are otherwise based on or represent an investment in securities comprising such index or portfolio, and/or a cash amount; or  **(b)** shares of a registered investment company, as described in clause (A)(1)(b) above, and/or a cash amount.  **(3)** Units must be redeemable, directly or indirectly, from the Investment Company for shares of stock, a specified portfolio of fixed income securities or a combination thereof and/or cash then comprising the Deposit. Units must pay holders periodic cash payments corresponding to the regular cash dividends or distributions declared with respect to the securities held by the Investment Company, less applicable expenses and charges.  **(4)** For each series of Investment Company Units the Exchange will establish a minimum number of Units required to be outstanding at the time of commencement of trading on the Exchange. Notwithstanding the foregoing, for the initial listing of a series of Investment Company Units in reliance upon Rule 19b-4(e) under the Exchange Act, there must be at least 100,000 Units outstanding prior to the commencement of trading of a series of Units on the Exchange.  **(5)** Voting rights shall be as set forth in the applicable Investment Company prospectus.  **(6)** The Exchange will obtain a representation from the issuer for each series of Units that net asset value per share will be calculated each business day and will be made available to all market participants at the same time.  **(B)** Definitions. For purposes of this Section 703.16, the following terms are defined below:  **(1)** US Component Stock. The term "US Component Stock" shall mean an equity security that is registered under Sections 12(b) or 12(g) of the Exchange Act or an American Depository Receipt the underlying equity security of which is registered under Sections 12(b) or 12(g) of the Exchange Act.  **(2)** Non-US Component Stock. The term "Non-US Component Stock" shall mean an equity security that is not registered under Sections 12(b) or 12(g) of the Exchange Act and that is issued by an entity that (a) is not organized, domiciled or incorporated in the United States, and (b) is an operating company (including real estate investment trusts (REITs) and income trusts, but excluding investment trusts, unit trusts, mutual funds, and derivatives).  **(3)** Fixed Income Securities. Fixed Income Securities are debt securities that are notes, bonds, debentures or evidence of indebtedness that include, but are not limited to, U.S. Department of Treasury securities ("Treasury Securities"), government-sponsored entity securities ("GSE Securities"), municipal securities, trust preferred securities, supranational debt and debt of a foreign country or a subdivision thereof.  **(C)** Underlying Indices and Portfolios Consisting of US and/or Non-US Component Stocks  **(1)** The Exchange may list specified series of Units, with each series based on a specified index or portfolio of securities consisting of US and/or Non-US Component Stocks.  **(2)** Upon the initial listing of a series of Investment Company Units on the Exchange in reliance upon Rule 19b-4(e) under the Exchange Act, the component stocks of an index or portfolio underlying such series shall meet the criteria described in paragraph (a), (b) or (c) below and (C)(3) through (6) as of the date of the initial deposit of securities in connection with the initial issuance of such Investment Company Units:  **(a)** Series of Investment Company Units That Invest Solely in US Component Stocks:  **(i)** Component stocks that in the aggregate account for at least 90 percent of the weight of the index or portfolio each must have a minimum market value of at least $75 million;  **(ii)** Component stocks that in the aggregate account for at least 90 percent of the weight of the index or portfolio each must have a minimum monthly trading volume during each of the last six months of at least 250,000 shares;  **(iii)** The most heavily weighted US Component Stock may not exceed 30 percent of the weight of the index or portfolio, and the five most heavily weighted component stocks may not exceed 65 percent of the weight of the index or portfolio;  **(iv)** The index or portfolio must include a minimum of 13 component stocks; and  **(v)** All securities in the underlying index or portfolio must be US Component Stocks listed on a national securities exchange and shall be NMS stocks as defined in Rule 600 of Regulation NMS under the Exchange Act.  **(b)** Series of Investment Company Units That Invest in Non-US Component Stocks or Both US and Non-US Component Stocks  **(i)** Component stocks that in the aggregate account for at least 90% of the weight of the index or portfolio each must have a minimum market value of at least $100 million;  **(ii)** Component stocks that in the aggregate account for at least 90% of the weight of the index or portfolio each must have a minimum worldwide monthly trading volume during each of the last six months of at least 250,000 shares;  **(iii)** The most heavily weighted component stock may not exceed 25% of the weight of the index or portfolio, and the five most heavily weighted component stocks may not exceed 60% of the weight of the index or portfolio;  **(iv)** The index or portfolio must include a minimum of 20 component stocks; and  **(v)** Each US Component Stock must be listed on a national securities exchange and must be an NMS stock as defined in Rule 600 of Regulation NMS under the Exchange Act, and each Non-US Component Stock must be listed and traded on an exchange that has last-sale reporting.  **(c)** Index or portfolio approved in connection with options or other derivative securities. Upon the initial listing of a series of Units pursuant to Rule 19b-4(e) under the Exchange Act, the index or portfolio underlying such series shall have been reviewed and approved for trading of options, Investment Company Units, Index-Linked Exchangeable Notes or Index-Linked Securities by the Commission under Section 19(b)(2) of the Exchange Act and rules thereunder and the conditions set forth in the Commission's approval order, including comprehensive surveillance sharing agreements with respect to Non-US Component Stocks and the requirements regarding dissemination of information continue to be satisfied. Each component stock of the index or portfolio shall be either (i) a US Component Stock that is listed on a national securities exchange and is an NMS stock as defined in Rule 600 of Regulation NMS under the Exchange Act or (ii) a Non-US Component Stock that is listed and traded on an exchange that has last-sale reporting.  **(3)** The value of the index or portfolio must be calculated and disseminated to the public at least once per business day; provided that, if the securities representing at least half the value of the index or portfolio are securities of a single country other than the United States, then the value of the index or portfolio may be calculated and disseminated to the public at least once per day that is a business day in that country. If a series of Investment Company Units is listed for trading on the Exchange in reliance upon Rule 19b-4(e) under the Exchange Act, and invests solely in US Component stocks, the current value of the underlying index must be widely disseminated by one or more major market data vendors or disseminated over the consolidated tape at least every 15 seconds during trading hours on the Exchange. If a series of Units is listed for trading on the Exchange in reliance upon Rule 19b-4(e) under the Exchange Act and invests in both US Component Stocks and Non-US Component Stocks or only in Non-US Component Stocks, the current value of the underlying index must be widely disseminated by one or more major market data vendors or disseminated over the consolidated tape at least every 60 seconds during trading hours on the Exchange. If the index value does not change during some or all of the period when trading is occurring on the Exchange (for example, for indexes of Non-US Component Stocks because of time zone differences or holidays in the countries where such indexes' component stocks trade), then the last official calculated index value must remain available throughout Exchange trading hours. In addition, there must be similarly disseminated for each series of Units an estimate, updated at least every 15 seconds, of the value of a share of each series (the "Intraday Indicative Value"). This may be based, for example, upon current information regarding the required deposit of securities plus any cash amount to permit creation of new shares of the series or upon the index value. The Intraday Indicative Value will be updated at least every 15 seconds to reflect changes in the exchange rate between the U.S. dollar and the currency in which any component stock is denominated.  **(4)** If a series of Investment Company Units is listed for trading on the Exchange in reliance upon Rule 19b-4(e) under the Exchange Act:  **(a)** if the index underlying the series is maintained by a broker-dealer or fund advisor, (i) the broker-dealer or fund advisor must erect a "fire wall" around the personnel who have access to information concerning changes and adjustments to the index and (ii) the index must be calculated by a third party who is not a broker-dealer or fund advisor; and  **(b)** any advisory committee, supervisory board or similar entity that advises an Index Licensor or Administrator (as defined in Exchange Rule 1100, Supplementary Material .10) or that makes decisions regarding the index or portfolio composition, methodology and related matters must implement and maintain, or be subject to, procedures designed to prevent the use and dissemination of material, non-public information regarding the applicable index or portfolio.  **(5)** If a series of Investment Company Units is listed for trading on the Exchange in reliance upon Rule 19b-4(e) under the Exchange Act, the Exchange will implement written surveillance procedures applicable to such series. In addition, the Exchange will comply with the record-keeping requirements of Rule 19b-4(e) under the Exchange Act, and will file Form 19b-4(e) for each series of Investment Company Units within five business days of the commencement of trading.  **(6)** Creation and Redemption. For Units listed pursuant to Section 703.16(C)(2)(b) or (c) above, the statutory prospectus or the application for exemption from provisions of the Investment Company Act of 1940 for the series of Investment Company Units must state that the series of Units must comply with the federal securities laws in accepting securities for deposits and satisfying redemptions with redemption securities, including that the securities accepted for deposits and the securities used to satisfy redemption requests are sold in transactions that would be exempt from registration under the Securities Act of 1933.  **(D) Underlying Indices and Portfolios Consisting of Fixed Income Securities**  The Exchange may approve a series of Units based on an index or portfolio of Fixed Income Securities for listing and trading pursuant to Rule 19b-4(e) under the Exchange Act provided such index or portfolio (i) has been reviewed and approved for the trading of options, Investment Company Units, Index-Linked Exchangeable Notes or Index-Linked Securities by the Commission under Section 19(b)(2) of the Exchange Act and rules thereunder and the conditions set forth in the Commission's approval order, continue to be satisfied or (ii) the criteria in paragraphs (D)(1) and (D)(2) below are satisfied; and provided further, that the Exchange may not so approve a series of Investment Company Units that seeks to provide investment results that either exceed the performance of a specified index by a specified multiple or that correspond to the inverse (opposite) of the performance of a specified index by a specified multiple.  **(1)** Eligibility Criteria for Index Components. Upon the initial listing of a series of Investment Company Units, pursuant to Rule 19b-4(e) under the Exchange Act, each component of an index or portfolio that underlies a series of Investment Company Units shall meet the following criteria:  **(a)** The index or portfolio must consist of Fixed Income Securities;  **(b)** Components that in aggregate account for at least 75% of the weight of the index or portfolio must have a minimum original principal amount outstanding of $100 million or more;  **(c)** A component may be a convertible security; however, once the convertible security component converts to the underlying equity security, the component is removed from the index or portfolio;  **(d)** No component fixed-income security (excluding Treasury Securities or GSE Securities) will represent more than 30% of the weight of the index, and the five highest weighted component fixed-income securities in the index do not in the aggregate account for more than 65% of the weight of the index;  **(e)** An underlying index or portfolio (excluding one consisting entirely of exempted securities) must include a minimum of 13 non-affiliated issuers; and  **(f)** Component securities that in aggregate account for at least 90% of the weight of the index or portfolio must be either a) from issuers that are required to file reports pursuant to Sections 13 and 15(d) of the Exchange Act; b) from issuers that have a worldwide market value of its outstanding common equity held by non-affiliates of $700 million or more; c) from issuers that have outstanding securities that are notes, bonds debentures, or evidence of indebtedness having a total remaining principal amount of at least $1 billion; d) exempted securities as defined in section 3(a)(12) of the Exchange Act; or e) from issuers that are a government of a foreign country or a political subdivision of a foreign country.  **(2)** Index Methodology and Calculation  **(a)** If the index is maintained by a broker-dealer or fund advisor, the broker-dealer or fund advisor shall erect a "fire wall" around the personnel who have access to information concerning changes and adjustments to the index;  **(b)** The current index value will be widely disseminated by one or more major market data vendors at least once per day; and  **(c)** Any advisory committee, supervisory board, or similar entity that advises an Index Licensor or Administrator or that makes decisions on the index composition, methodology and related matters, must implement and maintain, or be subject to, procedures designed to prevent the use and dissemination of material non-public information regarding the applicable index or portfolio.  **(E)** The Exchange may approve a series of Investment Company Units based on a combination of indexes or an index or portfolio of component securities representing the U.S. or domestic equity market, the international equity market, and the fixed income market for listing and trading pursuant to Rule 19b-4(e) under the Exchange Act provided (i) such portfolio or combination of indexes have been reviewed and approved for the trading of options, Investment Company Units, Index-Linked Exchangeable Notes or Index-Linked Securities by the Commission under Section 19(b)(2) of the Exchange Act and rules thereunder and the conditions set forth in the Commission's approval order continue to be satisfied or (ii) each index or portfolio of equity and fixed income component securities separately meet either the criteria set forth in subsection (C) or (D) above; and provided further, that the Exchange may not so approve a series of Investment Company Units that seeks to provide investment results that either exceed the performance of a specified index by a specified multiple or that correspond to the inverse (opposite) of the performance of a specified index by a specified multiple.  **(1)** Index Methodology and Calculation  **(a)** If the index is maintained by a broker-dealer or fund advisor, the broker-dealer or fund advisor shall erect a "fire wall" around the personnel who have access to information concerning changes and adjustments to the index;  **(b)** The current composite index value will be widely disseminated by one or more major market data vendors at least once every 15 seconds during the time when the Investment Company Units trade on the Exchange, provided however, that with respect to the fixed income components of the combination index the impact on the index is only required to be updated at least once each day; and  **(c)** Any advisory committee, supervisory board, or similar entity that advises an Index Licensor or Administrator or that makes decisions on the index composition, methodology and related matters, must implement and maintain, or be subject to, procedures designed to prevent the use and dissemination of material non-public information regarding the applicable index or portfolio.  **(F)** The following provisions shall apply to all series of Investment Company Units listed pursuant to subsections (D) or (E) above:  **(1)** Disseminated Information. For each series of Investment Company Units listed pursuant to subsections (D) or (E) above an estimate, updated at least every 15 seconds, of the value of a share of each series (the "Intraday Indicative Value") must be widely disseminated by one or more major market data vendors or over the consolidated tape. The Intraday Indicative Value may be based, for example, upon current information regarding the required deposit of securities and cash amount to permit creation of new shares of the series or upon the index value. The Intraday Indicative Value may be calculated by the Exchange or by an independent third party throughout the day using prices obtained from independent market data providers or other independent pricing sources such as a broker-dealer or price evaluation services.  **(2)** The provisions of paragraph (C)(5) of this Section 703.16 shall apply to each series listed for trading on the Exchange pursuant to subsections (D) or (E) above in reliance upon Rule 19b-4(e) under the Exchange Act.  **(G) Form of Certificates**  Units may be book-entry-only or certificated or may be issued in the form of a single global certificate, provided that the global certificate is issued in a manner consistent with the requirements of Section 5 of this Manual.  **(H) Continued Listing Criteria**  The Exchange will consider the suspension of trading and delisting of a series of Units in any of the following circumstances:  **(1)** Following the initial twelve-month period beginning upon the commencement of trading of a series of Units, there are fewer than 50 record and/or beneficial holders of Units for 30 or more consecutive trading days;  **(2)** The value of the index or portfolio of securities on which the series is based is no longer calculated or available; or  **(3)** Such other event shall occur or condition exist that, in the opinion of the Exchange, makes further dealings on the Exchange inadvisable.  In addition, the Exchange will remove Units from listing and trading upon termination of the issuing Investment Company.  **(I) Minimum Trading Variation**  The minimum trading variation for an Investment Company Unit is $.01.  **(J)** The issuer of a series of Units must be in compliance with Rule 10A-3 under the Exchange Act. 703.17 Stock Index Warrants Listing Standards The issuer will be an entity that:  **(a)**  **(i)** has minimum tangible net worth in excess of $250 million; or  **(ii)**  **(A)** has minimum tangible net worth in excess of $150 million; and  **(B)** refrains from issuing warrants where the aggregate market value of all of the issuer's and the issuer's affiliates' stock index warrant offerings, and currency warrant and currency index warrant offerings (see Para. 703.15), that are listed on a national securities exchange or traded through the facilities of a national securities association (calculated based upon each issue's original issue price) exceeds 25 percent of the issuer's net worth; and (b) otherwise substantially exceeds the size and earnings requirements of Para. 102.01.  The listing of Stock Index Warrants for other than corporate issuers will be considered on a case-by-case basis and may include Stock Index Warrants on both domestic and foreign market indexes.  The issue must have at least 1 million Stock Index Warrants outstanding, have a minimum market value of $4,000,000, and have at least 400 holders.  The Stock Index Warrants will expire between one and five years from the date of issuance, will be direct obligations of the issuer, subject to cash settlement during their term and either exercisable throughout their life (i.e., American style) or exercisable only on their expiration date (i.e., European style). Upon exercise, or at the Stock Index Warrant expiration date (if not exercisable prior to such date), the holder of a Stock Index Warrant structured as a "put" would receive payment in United States dollars to the extent that the Index has declined below a pre-stated cash settlement value. Conversely, holders of a Stock Index Warrant structured as a "call" would, upon exercise or at expiration, receive payment in United States dollars to the extent that the Index has increased above the pre-stated cash settlement value. If "out-of-the-money" at the time of expiration, the Stock Index Warrants would expire worthless.  Furthermore, "Non-United States component securities" that are not subject to comprehensive surveillance agreements may not in the aggregate constitute more than 20 percent of the weighted value of an index stock group underlying a stock index warrant unless the index stock group is otherwise approved for warrant or option trading. For the purposes of this provision, the term "non-United States component security" means the stock, or an American Depositary Receipt on the stock, of a company that is organized outside of the United States, where more than 50 percent of the dollar value of the global trading volume of the security occurs outside of the United States.  In addition, the warrant must be deemed to be automatically exercised (without the requirement of a notice of exercise) on the delisting date (if the warrant issue has not been listed on another organized securities market in the United States) or on the expiration date, as the case may be, if the warrant is in-the-money and has not been properly delivered for exercise on or prior to that date.  (See Para. 904.04 for Membership Circular required in connection with admitting Stock Index Warrants to trading on the Exchange). 703.18 Contingent Value Rights The Exchange will list Contingent Value Rights which are unsecured obligations of the issuer providing for a possible cash payment at maturity based upon the price performance of an affiliate's equity security.  At maturity, the holder of a Contingent Value Right is entitled to a cash payment if the average market price of the related equity security is less than a pre-set target price. The target price is typically established at the time the Contingent Value Right is issued. Conversely, should the average market price of the related equity security equal or exceed the target price, the Contingent Value Right would expire worthless.  **(A) Issuer Listing Standards**  The issuer will be an entity that has assets in excess of $100 million and that meets the size and earnings requirements of Para. 102.01.  **(B) Contingent Value Rights Listing Standards**  The issue must have:  •At least 1 million CVR's outstanding  •At least 400 holders  •Minimum life of one year  •At least $4 million market value.  The issue may be delisted when the aggregate market value of the publicly-held CVRs is less than $1,000,000 or when the related equity security to which the cash payment at maturity is tied is delisted.  NEW YORK STOCK EXCHANGE, INC.  Date:  *CIRCULAR TO THE MEMBERSHIP*  The following Contingent Voting Rights of \_\_\_\_\_\_\_\_\_\_ have been approved for Exchange listing and will commence trading at a date to be announced.  •X,000,000 Contingent Value Rights expiring \_\_\_\_\_\_\_\_\_\_ unless extended as more fully explained in the joint proxy/prospectus.  •The Contingent Value Rights will trade with the ticker symbol \_\_\_\_\_\_\_\_\_\_  Since the Contingent Value Rights have certain unique characteristics, investors should be afforded an explanation of such special characteristics and risks attendant to trading thereof, including the possibility that the maturity date may be extended and that the CVR's may possibly expire without value (consult the joint proxy/prospectus for full details). The Exchange suggests that transactions in CVR's be recommended only to investors whose accounts have been approved for options trading. If a customer has not been approved for options trading, or does not wish to open an options account, the firm should ascertain that CVR's are suitable for the customer.  Before a member, member organization, allied member or employee of such member organization undertakes to recommend a transaction in the Contingent Value Rights, such member or member organization should make a determination that such Contingent Value Rights are suitable for such customer and the person making the recommendation should have a reasonable basis for believing, at the time of making the recommendation, that the customer has such knowledge and experience in financial matters that he may reasonably be expected to be capable of evaluating the risks and special characteristics of recommended transaction and is financially able to bear the risks of the recommended transaction. 703.19 Other Securities The Exchange will consider listing any security not otherwise covered by the criteria of Sections 1 and 7 of the New York Stock Exchange Listed Company Manual (the "Manual"), provided the issue is suited for auction market trading. Such issues will be evaluated for listing against the following criteria:  **(1)** If the issuer is a New York Stock Exchange listed company, the issuer must be a company in good standing (i.e., above Continued Listing Criteria): if an affiliate of an NYSE-listed company, the NYSE-listed company must be a company in good standing; if not listed, the issuer must meet NYSE original listing standards as set forth in Sections 102.01C and 103.01B of the Manual. (Sovereign issuers will be evaluated on a case-by-case basis.)  **(2)** Listing Standards:  Equity  •At least 1 million securities outstanding  •At least 400 holders  •At least $4 million market value  Debt  •Minimum public market value of $4 million  Prior to the commencement of trading of securities admitted to listing under this section, the Exchange will evaluate the nature and complexity of the issue and, if appropriate, distribute a circular to the membership providing guidance regarding member firm compliance responsibilities when handling transactions in such securities. 703.20 Trust Issued Receipts Exchange Rules 1200 through 1202 govern listing and trading Trust Issued Receipts on the Exchange. 703.21 Equity-Linked Debt Securities The Exchange will consider listing equity-linked debt securities ("ELDS") that meet the criteria of this paragraph. "Equity-linked debt securities" are non-convertible debt of an issuer where the value of the debt is based, at least in part, on the value of up to thirty (30) common stocks, non-convertible preferred stocks, common units of master limited partnerships or any other common equity securities of a type classified for trading as stocks by the Exchange. The Exchange may submit a rule filing pursuant to Section 19(b)(2) of the Securities Exchange Act of 1934 (the "1934 Act") to permit the listing and trading of Equity-Linked Debt Securities that do not otherwise meet the standards set forth below in paragraphs (A) through (D) below.  The Exchange will consider for listing and trading, pursuant to Rule 19b-4(e) under the 1934 Act, securities under this Section 703.21 provided the following criteria are met:  **(A) Issuer Listing Standards**  The issuer must be an entity that:  •If the issuer is a New York Stock Exchange-listed company, the entity must be a company in good standing (i.e., above Continued Listing Criteria); if an affiliate of an NYSE-listed company, the NYSE-listed company must be a company in good standing; if not listed, the issuer must meet the size and earnings requirements of Paragraphs 102.01 - 102.03 or Paragraphs 103.01 - 103.05. (Sovereign issuers will be evaluated on a case-by-case basis.)  •Either:  **(a)** Has a minimum tangible net worth of $250 million; or  **(b)** Has a minimum tangible net worth of $150 million and the original issue price of the ELDS, combined with all of the issuer's other ELDS listed on a national securities exchange or otherwise publicly traded in the United States, is not greater than 25 percent of the issuer's net worth at the time of issuance.  **(B) Equity-Linked Debt Security Listing Standards**  The issue must have:  •At least 1 million ELDS outstanding (provided, however, that if ELDS is traded in $1,000 denominations, there is no minimum public distribution);  •At least 400 public holders (provided, however, that if the ELDS is traded in $1,000 denominations, or if the ELDS are redeemable at the option of the holders thereof on at least a weekly basis, there is no minimum number of holders);  •An aggregate market value of $4 million.  •Minimum life of one year.  **(C) Linked Equity Listing Standards**  An equity security on which the value of the debt is based must:  •Have market capitalization and trading volume in the United States in the one-year period preceding the listing of the ELDS that meets one of the following sets of criteria:   |  | | --- | |  | | Market  Trading Volume  Capitalization  $3 billion and 2.5 million shares  $1.5 billion and 10 million shares  $500 million and 15 million shares |   • Each issuer of an underlying security to which the ELDS is to be linked shall be:  **(a)** a Securities Exchange Act of 1934 reporting company that is listed on a national securities exchange.  **(b)** In addition, if any underlying security to which the ELDS is to be linked is the stock of a non-US company which is traded in the US market as sponsored American Depository Shares ("ADS"), ordinary shares or otherwise, then for each such security, one of the following conditions must be met:  **(1)** the Exchange has in place with the primary exchange on which each non-U.S. security is traded (in the case of a sponsored ADS, the Exchange has in place with the primary exchange in the country where the security underlying the ADS is primarily traded) an effective, comprehensive surveillance information sharing agreement;  **(2)** the "Relative U.S. Volume" (as defined below) is at least 50 percent; or  **(3)** during the preceding six months:  **(i)** the combined trading volume of each security and "related securities," consisting of other classes of common stock related to the security (including ADSs overlying such other classes, on a share equivalent basis), in the U.S. market is at least 20 percent of the combined world-wide trading volume in the security and in related securities;  **(ii)** the average daily trading volume for each security (or, if traded in the form of an ADS, the ADS overlying such security) in the U.S. market is 100,000 or more shares; and  **(iii)** the trading volume for each security (or, if traded in the form of an ADS, the ADS overlying such security) is at least 60,000 per day in the U.S. market on a majority of the trading days during the six-month period.  For the purposes of this Para. 703.21, "Relative U.S. Volume" is the ratio of (i) the combined trading volume, on a share-equivalent basis, of each security and related securities (including ADSs overlying such security) in the United States and in any other market with which the Exchange has in place an effective, comprehensive surveillance information sharing agreement to (ii) the world-wide trading volume in such securities.  **(D) Limits on Number of ELDS**  The issuance of ELDS relating to any underlying U.S. security may not exceed five percent of the total outstanding shares of such underlying security.  The issuance of ELDS relating to any underlying non-U.S. security or sponsored ADS may not exceed:  •two percent of the total worldwide outstanding shares of each non-U.S. security if at least 20 percent of the worldwide trading volume in the security and related securities during the six-month period preceding the date of listing occurs in the U.S. market; or  •three percent of the total worldwide outstanding shares of each non-U.S. security if at least 50 percent of the worldwide trading volume in the security and related securities during the six-month period preceding the date of listing occurs in the U.S. market; or  •five percent of the total worldwide outstanding shares of each non-U.S. security if at least 70 percent of the worldwide trading volume in the security and related securities during the six-month period preceding the date of listing occurs in the U.S. market.  If any non-U.S. security and related securities have less than 20% of the worldwide trading volume occurring in the U.S. market during the six month period preceeding the date of listing, then the ELDS may not be linked to that non-U.S. security  If an issuer proposes to list ELDS that relate to more than the allowable percentages specified above, then the Exchange, with the concurrence of the staff of the Division of Trading and Markets of the Securities and Exchange Commission, will evaluate the maximum percentage of ELDS that may be issued on a case-by-case basis. 703.22 Equity Index-Linked Securities, Commodity-Linked Securities and Currency-Linked Securities The Exchange will consider listing equity index-linked securities ("Equity Index-Linked Securities"), commodity-linked securities ("Commodity-Linked Securities") and currency-linked securities ("Currency-Linked Securities" and, together with Equity Index-Linked Securities and Commodity-Linked Securities, "Index-Linked Securities") that in each case meet the applicable criteria of this Section 703.22.  The payment at maturity with respect to Equity Index-Linked Securities, Commodity-Linked Securities and Currency-Linked Securities is based on the performance of:  (i) in the case of Equity Index-Linked Securities, an underlying index or indexes of equity securities (an "Equity Reference Asset"), or  (ii) in the case of Commodity-Linked Securities, one or more physical commodities or commodity futures, options or other commodity derivatives or Commodity Trust Shares (as defined in Exchange Rule 1300B) or a basket or index of any of the foregoing (a "Commodity Reference Asset"), or  (iii) in the case of Currency-Linked Securities, one or more currencies, or options or currency futures or other currency derivatives or Currency Trust Shares (as defined in Exchange Rule 1300A) or a basket or index of any of the foregoing (a "Currency Reference Asset").  Index-Linked Securities may or may not provide for the repayment of the original principal investment amount. The Exchange may submit a rule filing pursuant to Section 19(b)(2) of the Securities Exchange Act of 1934 (the "1934 Act") to permit the listing and trading of Index-Linked Securities that do not otherwise meet the standards set forth below.  The Exchange will consider for listing and trading pursuant to Rule 19b-4(e) under the 1934 Act, Index-Linked Securities provided the following criteria are met:  **(A) Issuer Listing Standards**  The issuer must be an entity that:  **(1)** If the issuer is a New York Stock Exchange-listed company, the entity must be a company in good standing (i.e., meets Continued Listing Criteria); if an affiliate of an NYSE-listed company, the NYSE-listed company must be a company in good standing; if not listed, the issuer must meet the size and earnings requirements of Sections 102.01 - 102.03 or Sections 103.01 - 103.05. (Sovereign issuers and supranational entities will be evaluated on a case-by-case basis.)  **(2)** Either:  (a) Has a minimum tangible net worth of $250 million (if the Index-Linked Securities are fully and unconditionally guaranteed by an affiliate of the issuer, the Exchange will rely on such affiliate's tangible net worth for purposes of this requirement); or  (b) Has a minimum tangible net worth of $150 million and the original issue price of the Index-Linked Securities, combined with all of the issuer's other Index-Linked Securities listed on a national securities exchange or otherwise publicly traded in the United States, is not greater than 25 percent of the issuer's tangible net worth at the time of issuance (if the Index-Linked Securities are fully and unconditionally guaranteed by an affiliate of the issuer, the Exchange will apply the provisions of this paragraph to such affiliate instead of the issuer and will include in its calculation all Index-Linked Securities that are fully and unconditionally guaranteed by such affiliate).  **(3)** Is in compliance with Rule 10A-3 under the 1934 Act.  **(B) Issue Listing Standards**  The issue must:  **(1)** Have a minimum public distribution of at least 1 million units, except if (a) traded on the NYSE Bonds system and the applicable NYSE Bonds listing and trading standards are satisfied, or (b) the Index-Linked Securities are redeemable at the option of the holders thereof on at least a weekly basis, then no minimum number of units.  **(2)** Have at least 400 holders, except if (a) traded on the NYSE Bonds system and the applicable NYSE Bonds listing and trading standards are satisfied, or (b) the Index-Linked Securities are redeemable at the option of the holders thereof on at least a weekly basis.  **(3)** Have a principal amount/aggregate market value of not less than $4 million.  **(4)** Have a minimum term of one (1) year but not greater than thirty (30) years.  **(5)** Be the non-convertible debt of the issuer.  **(6)** The payment at maturity may or may not provide for a multiple of the direct or inverse performance of an underlying Reference Asset; however, in no event will a loss or negative payment at maturity be accelerated by a multiple that exceeds three times the performance of an underlying Reference Asset.  **(C) Requirements Specific to Equity Index-Linked Securities, Commodity-Linked Securities and Currency-Linked Securities.**  The issue must meet one of the criteria set forth below.  **I. Equity Index-Linked Securities Listing Standards**  **(1)** The Exchange will consider listing Equity Index-Linked Securities that meet the requirements of this subparagraph (C) (I), where the payment at maturity or earlier redemption is based on an index or indexes of equity securities, securities of closed-end management investment companies registered under the Investment Company Act of 1940 (the "1940 Act") and/or investment company units. The issue must meet the following initial listing criteria:  **(a)** Each underlying index is required to have at least ten (10) component securities of different issuers.  **(b)** The index or indexes to which the security is linked shall either (1) have been reviewed and approved for the trading of investment company units or options or other derivatives by the Commission under Section 19(b)(2) of the 1934 Act and rules thereunder and the conditions set forth in the Commission's approval order, including comprehensive surveillance sharing agreements for non-U.S. stocks, continue to be satisfied, or (2) the index or indexes meet the following criteria:  **(i)** Each component security has a minimum market value of at least $75 million, except that for each of the lowest dollar weighted component securities in the index that in the aggregate account for no more than 10% of the dollar weight of the index, the market value can be at least $50 million;  **(ii)** Component stocks that in the aggregate account for at least 90% of the weight of the index each shall have a minimum global monthly trading volume of 1,000,000 shares, or minimum global notional volume traded per month of $25,000,000, averaged over the last six months;  **(iii)** No underlying component security will represent more than 25% of the dollar weight of the index, and the five highest dollar weighted component securities in the index will not in the aggregate account for more than 50% of the weight of the index (60% for an index consisting of fewer than 25 component securities);  **(iv)** 90% of the index's numerical value and at least 80% of the total number of component securities will meet the then current criteria for standardized options trading on a national securities exchange; an index will not be subject to this requirement if (a) no underlying component security represents more than 10% of the dollar weight of the index and (b) the index has a minimum of 20 components; and  **(v)** All component securities shall be either:  **(A)** Securities (other than foreign country securities and American Depository Receipts ("ADRs")) that are (i) issued by a 1934 Act reporting company or by an investment company registered under the 1940 Act, which in each case is listed on a national securities exchange and (ii) an "NMS stock" (as defined in Rule 600 of SEC Regulation NMS); or  **(B)** Foreign country securities or ADRs, provided that foreign country securities or foreign country securities underlying ADRs having their primary trading market outside the United States on foreign trading markets that are not members of the Intermarket Surveillance Group ("ISG") or parties to comprehensive surveillance sharing agreements with the Exchange will not in the aggregate represent more than 50% of the dollar weight of the index, provided further that:  **(i)** the securities of any one such market do not represent more than 20% of the dollar weight of the index, and  **(ii)** the securities of any two such markets do not represent more than 33% of the dollar weight of the index.  **(2)** The issue must meet the following continued listing criteria:  **(a)** The Exchange will commence delisting or removal proceedings (unless the Commission has approved the continued trading of the subject Index-Linked Security), if any of the initial listing criteria described in paragraphs (1)(a) and (1)(b)(2) above are not continuously maintained, except that:  **(i)** the criteria that no single component represent more than 25% of the dollar weight of the index and the five highest dollar weighted components in the index can not represent more than 50% (or 60% for indexes with less than 25 components) of the dollar weight of the index, need only be satisfied at the time the Index is rebalanced; and  **(ii)** Component stocks that in the aggregate account for at least 90% of the weight of the index each shall have a minimum global monthly trading volume of 500,000 shares, or minimum global notional volume traded per month of $12,500,000, averaged over the last six months.  **(b)** In connection with an Equity Index-Linked Security that is listed pursuant to Section 703.22, the Exchange will commence delisting or removal proceedings (unless the Commission has approved the continued trading of the subject Index-Linked Security) if an underlying index or indexes fails to satisfy the maintenance standards or conditions for such index or indexes as set forth by the Commission in its order under Section 19(b)(2) of the 1934 Act approving the index or indexes for the trading of options or other derivatives.  **(c)** The Exchange will also commence delisting or removal proceedings (unless the Commission has approved the continued trading of the subject Index-Linked Security), under any of the following circumstances:  **(i)** if the aggregate market value or the principal amount of the Equity Index-Linked Securities publicly held is less than $400,000;  **(ii)** if the value of the index or composite value of the indexes, if applicable, is no longer calculated or widely disseminated on at least a 15-second basis with respect to indexes containing only securities listed on a national securities exchange, or on at least a 60-second basis with respect to indexes containing foreign country securities, provided, however, that, if the official index value does not change during some or all of the period when trading is occurring on the Exchange (for example, for indexes of foreign country securities, because of time zone differences or holidays in the countries where such indexes' component stocks trade) then the last calculated official index value must remain available throughout the Exchange's trading hours; or  **(iii)** if such other event shall occur or condition exists which in the opinion of the Exchange makes further dealings on the Exchange inadvisable.  **(d)** Index Rebalancing—Indexes will be rebalanced at least annually.  **II. Commodity-Linked Securities Listing Standards**  **(1)** The issue must meet initial listing standard set forth in either (a) or (b) below:  **(a)** The Commodity Reference Asset to which the security is linked shall have been reviewed and approved for the trading of Commodity Trust Shares or options or other derivatives by the Commission under Section 19(b)(2) of the 1934 Act and rules thereunder and the conditions set forth in the Commission's approval order, including with respect to comprehensive surveillance sharing agreements, continue to be satisfied.  **(b)** The pricing information for each component of a Commodity Reference Asset must be derived from a market which is an Intermarket Surveillance Group ("ISG") member or affiliate or with which the Exchange has a comprehensive surveillance sharing agreement. Notwithstanding the previous sentence, pricing information for gold and silver may be derived from the London Bullion Market Association. A Commodity Reference Asset may include components representing not more than 10% of the dollar weight of such Commodity Reference Asset for which the pricing information is derived from markets that do not meet the requirements of this subparagraph (b); provided, however, that no single component subject to this exception exceeds 7% of the dollar weight of the Commodity Reference Asset.  In addition, the issue must meet both of the following initial listing criteria:  **(i)** the value of the Commodity Reference Asset must be calculated and widely disseminated on at least a 15-second basis during the time the Commodity-Linked Securities trade on the Exchange; and  **(ii)** in the case of Commodity-Linked Securities that are periodically redeemable, the indicative value of the subject Commodity-Linked Securities must be calculated and widely disseminated by one or more major market data vendors on at least a 15-second basis during the time the Commodity-Linked Securities trade on the Exchange.  **(2)** The issue must meet the following continued listing criteria  **(a)** The Exchange will commence delisting or removal proceedings if any of the initial listing criteria described above are not continuously maintained. Notwithstanding the foregoing, an issue will not be delisted for a failure to have comprehensive surveillance sharing agreements, if the Commodity Reference Asset has at least 10 components and the Exchange has comprehensive surveillance sharing agreements with respect to at least 90% of the dollar weight of the Commodity Reference Asset.  **(b)** The Exchange will also commence delisting or removal proceedings:  **(i)** If the aggregate market value or the principal amount of the Commodity-Linked Securities publicly held is less than $400,000;  **(ii)** The value of the Commodity Reference Asset is no longer calculated or available and a new Commodity Reference Asset is substituted, unless the new Commodity Reference Asset meets the requirements of this Section 703.22; or  **(iii)** if such other event shall occur or condition exists which in the opinion of the Exchange makes further dealings on the Exchange inadvisable.  **III. Currency-Linked Securities Listing Standards**  **(1)** The issue must meet the initial listing standard set forth in either (a) or (b) below:  **(a)** The Currency Reference Asset to which the security is linked shall have been reviewed and approved for the trading of Currency Trust Shares or options or other derivatives by the Commission under Section 19(b)(2) of the 1934 Act and rules thereunder and the conditions set forth in the Commission's approval order, including with respect to comprehensive surveillance sharing agreements, continue to be satisfied.  **(b)** The pricing information for each component of a Currency Reference Asset must be: (x) the generally accepted spot price for the currency exchange rate in question or (y) derived from a market which (i) is an ISG member or affiliate or with which the Exchange has a comprehensive surveillance sharing agreement and (ii) is the pricing source for components of a Currency Reference Asset that has previously been approved by the Commission.  A Currency Reference Asset may include components representing not more than 10% of the dollar weight of such Currency Reference Asset for which the pricing information is derived from markets that do not meet the requirements of either (x) or (y) above; provided, however, that no single component subject to this exception exceeds 7% of the dollar weight of the Currency Reference Asset.  In addition, the issue must meet both of the following initial listing criteria:  **(i)** the value of the Currency Reference Asset must be calculated and widely disseminated on at least a 15-second basis during the time the Currency-Linked Securities trade on the Exchange; and  **(ii)** in the case of Currency-Linked Securities that are periodically redeemable, the indicative value of the subject Currency-Linked Securities must be calculated and widely disseminated by one or more major market data vendors on at least a 15-second basis during the time the Currency-Linked Securities trade on the Exchange.  **(2)** The issue must meet the following continued listing criteria  **(a)** The Exchange will commence delisting or removal proceedings if any of the initial listing criteria described above is not continuously maintained. Notwithstanding the foregoing, an issue will not be delisted for a failure to have comprehensive surveillance sharing agreements, if the Currency Reference Asset has at least ten (10) components and the Exchange has comprehensive surveillance sharing agreements with respect to at least 90% of the dollar weight of the Currency Reference Asset.  **(b)** The Exchange will also commence delisting or removal proceedings under any of the following circumstances:  **(i)** If the aggregate market value or the principal amount of the Currency-Linked Securities publicly held is less than $400,000;  **(ii)** If the value of the Currency Reference Asset is no longer calculated or available and a new Currency Reference Asset is substituted, unless the new Currency Reference Asset meets the requirements of this Section 703.22; or  **(iii)** If such other event shall occur or condition exists which in the opinion of the Exchange makes further dealings on the Exchange inadvisable.  **(D) Firewalls**  If the value of an Index-Linked Security listed under Section 703.22 is based in whole or in part on an index that is maintained by a broker-dealer, the broker-dealer shall erect a "firewall" around the personnel responsible for the maintenance of such index or who have access to information concerning changes and adjustments to the index, and the index shall be calculated by a third party who is not a broker-dealer.  Any advisory committee, supervisory board or similar entity that advises an Index Licensor or Administrator (as defined in Exchange Rule 1100, Supplementary Material .10) or that makes decisions regarding the index or portfolio composition, methodology and related matters must implement and maintain, or be subject to, procedures designed to prevent the use and dissemination of material, non-public information regarding the applicable index or portfolio.  **(E)** Index-Linked Securities will be subject to the Exchange's equity trading rules, except that Index-Linked Securities traded on the NYSE Bonds system will be subject to the trading rules applicable to securities trading on such system.  **(F) Trading Halts**  In the case of Commodity- or Currency-Linked Securities, if the indicative value or the Commodity Reference Asset value or Currency Reference Asset value, as the case may be, applicable to a series of securities is not being disseminated as required, or, in the case of Equity Index-Linked Securities, if the value of the index is not being disseminated as required, the Exchange may halt trading during the day on which such interruption first occurs. If such interruption persists past the trading day in which it occurred, the Exchange will halt trading no later than the beginning of the trading day following the interruption.  **(G) Surveillance Procedures**  The Exchange will implement written surveillance procedures for Index-Linked Securities, including adequate comprehensive surveillance sharing agreements with markets trading in non-U.S. components, as applicable.  Amended: December 23, 2009 (NYSE-2009-124). |

[**Back to Top**](javascript:%20window.scrollTo(0,%200);%20void%200)

|  |
| --- |
| Section 8 Suspension and Delisting801.00 Policy **801.00 Policy**  Securities admitted to the list may be suspended from dealings or removed from the list at any time that a company falls below certain quantitative and qualitative continued listing criteria. When a company falls below any criterion, the Exchange will review the appropriateness of continued listing. The Exchange may give consideration to any definitive action that a company would propose to take that would bring it above continued listing standards. The specific procedures and timelines regarding such proposals are delineated in Sections 802.02 and 802.03.  When a company which has fallen below any of the continued listing criteria has more than one class of securities listed, the Exchange will give consideration to delisting all such classes. However, the Exchange may continue the listing of one class of securities regardless of its decision to delist another class. This circumstance would usually occur when a class of listed securities falls below certain of the Exchange's distribution criteria. Any issue convertible into common stock customarily is delisted when the related common stock is delisted, except that a debt security convertible into a listed equity security will be reviewed when the underlying equity security is delisted and will be delisted when the underlying equity security is no longer subject to real-time trade reporting in the United States. In addition, if common stock is delisted for violation of any of the "Corporate Responsibility" criteria in Section 3 of this Listed Company Manual, the Exchange will also delist (i) any listed debt securities convertible into that common stock and (ii) any specialized securities listed pursuant to Section 703 of the Manual the price of which is related to that common stock.  The Exchange will normally not approve the listing of additional shares of common stock of a company that has fallen below any of the Exchange's continued listing criteria in connection with a business combination with an unlisted company which results in the unlisted company acquiring the listed company. This would be the case regardless of which company was nominally the survivor. An exception to the above-stated policy is that the Exchange would normally approve the listing if the company resulting from the combination would meet the Exchange's original listing criteria in all respects. 802.00 Continued Listing802.01 Continued Listing Criteria The Exchange would normally give consideration to the prompt initiation of suspension and delisting procedures with respect to a security of either a domestic or non-U.S. issuer when:  **802.01A. Distribution Criteria for Capital or Common Stock.—**  •Number of total stockholders (A) is less than \_\_\_\_\_\_\_\_\_\_400  **OR**  •Number of total stockholders (A) is less than \_\_\_\_\_\_\_\_\_\_1,200 and  •Average monthly trading volume is less than \_\_\_\_\_\_\_\_\_\_100,000 shares (for most recent 12 months)  **OR**  •Number of publicly-held shares (B) is less than \_\_\_\_\_\_\_\_\_\_600,000(C)  (A) The number of beneficial holders of stock held in the name of Exchange member organizations will be considered in addition to holders of record.  (B) Shares held by directors, officers, or their immediate families and other concentrated holdings of 10% or more are excluded in calculating the number of publicly-held shares.  (C) If the unit of trading is less than 100 shares, the requirement relating to the number of shares publicly held shall be reduced proportionately.  **802.01B Numerical Criteria for Capital or Common Stock**  A company that falls below the criteria applicable to the standard under which it originally listed will be considered to be below compliance.  If a company is listed under any of the Exchange's financial standards on the basis of financial statements covering a period of nine to twelve months and the company does not qualify under the regular standard at the end of such fiscal year or qualify at such time for original listing under another listing standard, the Exchange will promptly initiate suspension and delisting procedures with respect to the Company. Such companies will not be eligible to avail themselves of the provisions of Sections 802.02 and 802.03 and any such company will be subject to delisting procedures as set forth in Section 804.  Notwithstanding items (I) and (IV) below, the Exchange will promptly initiate suspension and delisting procedures with respect to a company that is listed under any financial standard set out in Sections 102.01C or 103.01B if a company is determined to have average global market capitalization over a consecutive 30 trading-day period of less than $15,000,000, regardless of the original standard under which it listed. A company is not eligible to follow the procedures outlined in Sections 802.02 and 802.03 with respect to this criterion.  **(I)** A company that qualified to list under the Earnings Test set out in Section 102C.01(I) or in Section 103.01B(I) or pursuant to the requirements set forth under the Assets and Equity Test set forth in Section 102.01C(IV) or the "Initial Listing Standard for Companies Transferring from NYSE Arca" (this standard is no longer in existence and was operative from October 1, 2008 until August 31, 2009) or the Assets and Equity Test set out in Section 102C.01(IV) will be considered to be below compliance standards if average global market capitalization over a consecutive 30 trading-day period is less than $50,000,000 and, at the same time, total stockholders' equity is less than $50,000,000.  **(II)** A company that qualifies to list under the Valuation/Revenue with Cash Flow Test set out in Section 102.01C(II)(a) or Section 103.01B(II)(a) will be considered to be below compliance standards if:  (i) average global market capitalization over a consecutive 30 trading-day period is less than $250,000,000 and, at the same time, total revenues are less than $20,000,000 over the last 12 months (unless the company qualifies as an original listing under one of the other original listing standards); or  (ii) average global market capitalization over a consecutive 30 trading-day period is less than $75,000,000.  **(III)** A company that qualified to list under the Pure Valuation/Revenue Test set out in Section 102C.01(II)(b) or in Section 103.01B(II)(b) will be considered to be below compliance standards if:  (i) average global market capitalization over a consecutive 30 trading-day period is less than $375,000,000 and, at the same time, total revenues are less than $15,000,000 over the last 12 months (unless the company qualifies as an original listing under one of the other original listing standards); or  (ii) average global market capitalization over a consecutive 30 trading-day period is less than $100,000,000.  **(IV)** A company that qualified to list under the Affiliated Company Test set out in Section 102C.01(III) or Section 103.01B(III) will be considered to be below compliance standards if:  (i) the listed company's parent/affiliated company ceases to control the listed company, or the listed company's parent/affiliated company itself falls below the continued listing standards applicable to the parent/affiliated company, and  (ii) average global market capitalization over a consecutive 30 trading-day period is less than $75,000,000 and, at the same time, total stockholders' equity is less than $75,000,000.  When applying the market capitalization test in any of the above four standards, the Exchange will generally look to the total common stock outstanding (excluding treasury shares) as well as any common stock that would be issued upon conversion of another outstanding equity security. The Exchange deems these securities to be reflected in market value to such an extent that the security is a "substantial equivalent" of common stock. In this regard, the Exchange will only consider securities (1) publicly traded (or quoted), or (2) convertible into a publicly traded (or quoted) security. For partnerships, the Exchange will analyze the creation of the current capital structure to determine whether it is appropriate to include other publicly-traded securities in the calculation.  **Criteria for REITs and Limited Partnerships**  The Exchange will promptly initiate suspension and delisting procedures wtih respect to REITs and Limited Partnerships if the average market capitalization of the entity over 30 consecutive trading days is below $15,000,000. The Exchange will promptly initiate suspension and delisting procedures with respect to a REIT if it fails to maintain its REIT status (unless the resultant entity qualifies for an original listing as a corporation).  The Exchange will notify the REIT or limited partnership if the average market capitalization falls below $35,000,000 and will advise the REIT or limited partnership of the delisting standard. REITs and limited partnerships are not eligible to follow the procedures outlined in Sections 802.02 and 802.03.  **Criteria for Acquisition Companies ("ACs")**  *Prior to Consummation of Business Combination*  Prior to the consummation by a listed Acquisition Company (an "AC") of its Business Combination (as defined in Section 102.06), the Exchange will promptly initiate suspension and delisting procedures:  (i) if the AC's average aggregate global market capitalization is below $125,000,000 or the average aggregate global market capitalization attributable to its publicly-held shares is below $100,000,000, in each case over 30 consecutive trading days. An AC will not be eligible to follow the procedures outlined in Sections 802.02 and 802.03 with respect to this criterion, and any such AC will be subject to delisting procedures as set forth in Section 804. The Exchange will notify the AC if its average aggregate global market capitalization falls below $150,000,000 or the average aggregate global market capitalization attributable to its publicly-held shares falls below $125,000,000 and will advise the AC of the delisting standard.  (ii) if the AC securities initially listed (either common equity securities or units, as the case may be), fall below the following distribution criteria:  [middot] the number of total stockholders (A) is less than.............................................400  OR  [middot] the number of total stockholders (A) is less than...........................................1,200 and average monthly trading volume is less than............................100,000 shares (for most recent 12 months)  OR  [middot] the number of publicly-held shares (B) is less than..............................600,000(C).  (A) The number of beneficial holders of stock held in the name of Exchange member organizations will be considered in addition to holders of record.  (B) Shares held by directors, officers, or their immediate families and other concentrated holdings of 10% or more are excluded in calculating the number of publicly-held shares.  (C) If the unit of trading is less than 100 shares, the requirement relating to the number of shares publicly held shall be reduced proportionately.  In the case of AC securities traded as a unit, such securities will be subject to suspension and delisting if any of the component parts do not meet the applicable listing standards. However, if one or more of the components is otherwise qualified for listing, such component(s) may remain listed.  For the purposes of determining whether an individual component satisfies the applicable distribution criteria, the units that are intact and freely separable into their component parts shall be counted toward the total numbers required for continued listing of the component. If a component is a warrant, it will be subject to the continued listing standards for warrants set forth in Section 802.01D, including a distribution requirement of 100 holders.  Notwithstanding the foregoing, the Exchange will consider the suspension of trading in, or removal from listing of, any individual component or unit when, in the opinion of the Exchange, it appears that the extent of public distribution or the aggregate market value of such component or unit has become so reduced as to make continued listing on the Exchange inadvisable. In its review of the advisability of the continued listing of an individual component or unit, the Exchange will consider the trading characteristics of such component or unit and whether it would be in the public interest for trading to continue.  (iii) if the AC fails to consummate its Business Combination within the time period specified by its constitutive documents or required by contract, or as provided by Section 102.06, whichever is shorter.  *At the Time of the Business Combination*  After shareholder approval of a Business Combination, the Exchange will consider whether the continued listing of the AC after consummation of the Business Combination will be in the best interests of the Exchange and the public interest and will have the discretion to suspend and commence delisting proceedings with respect to the AC prior to consummation of the Business Combination. An AC will not be eligible to follow the procedures outlined in Sections 802.02 and 802.03 with respect to such a delisting determination, and any such AC will be subject to delisting procedures as set forth in Section 804.  *After Consummation of Business Combination*  After consummation of its Business Combination, a company that had originally listed as an AC will be subject to Section 801 and Section 802.01 in its entirety and will be subject to the continued listing standards applicable to companies that qualify to list under the Earnings Test as set forth above.  *"Back Door Listing"*  When a listed AC consummates its Business Combination, the Exchange will consider whether the Business Combination gives rise to a "back door listing"as described in Section 703.08(E). If the resulting company would not qualify for original listing, the Exchange will promptly initiate suspension and delisting of the AC.  **Criteria for Closed-end Funds**  The Exchange will promptly initiate suspension and delisting procedures wtih respect to closed-end funds if the average market capitalization of the entity over 30 consecutive trading days is below $15,000,000. In addition, the Exchange will promptly initiate suspension and delisting procedures with respect to a closed-end fund if it ceases to maintain its closed-end status.  The Exchange will notify the closed-end fund if the average market capitalization falls below $25,000,000 and will advise the closed-end fund of the delisting standard. Closed-end funds are not eligible to follow the procedures outlined in Sections 802.02 and 802.03.  **Criteria for Income Deposit Securities**  Income deposit securities traded as a unit will be subject to suspension and delisting if any of the component parts do not meet the applicable listing standards. However, if one or more of the components is otherwise qualified for listing, that component may remain listed.  **Criteria for Bonds**  The Exchange will promptly initiate suspension and delisting procedures with respect to Bonds if:  (i) the aggregate market value or principal amount of publicly-held bonds is less than $1,000,000, or  (ii) the issuer is not able to meet its obligations on the listed debt securities.  Bonds are not eligible to follow the procedures outlined in Sections 802.02 and 802.03.  **Criteria for Preferred Stock, Guaranteed Railroad Stock and Similar Issues**  The Exchange will promptly initiate suspension and delisting procedures with respect to Preferred Stock, Guaranteed Railroad Stock and Similar Issues if:  (i) the aggregate market value of publicly-held shares is less than $2,000,000, or  (ii) the number of publicly-held shares is less than 100,000.  These type of securities are not eligible to follow the procedures outlined in Sections 802.02 and 802.03.  **Amended:** May 28, 2009 (NYSE-2009-49); July 14, 2009 (NYSE-2009-66); November 2, 2009 (NYSE-2009-109).  **802.01C Price Criteria for Capital or Common Stock**  A company will be considered to be below compliance standards if the average closing price of a security as reported on the consolidated tape is less than $1.00 over a consecutive 30 trading-day period.  Once notified, the company must bring its share price and average share price back above $1.00 by six months following receipt of the notification. A company is not eligible to follow the procedures outlined in Paras. 802.02 and 802.03 with respect to this criteria. The company must, however, notify the Exchange, within 10 business days of receipt of the notification, of its intent to cure this deficiency or be subject to suspension and delisting procedures. In addition, a domestic company must disclose receipt of the notification by issuing a press release disclosing the fact that it has fallen below the continued listing standards of the Exchange within the time period allotted by SEC rules for the making of a filing with respect to Exchange notification of that event, but no longer than four business days after notification. A non-U.S. company must issue this press release within 30 days after notification. If the company fails to issue this press release during the allotted time period, the Exchange will issue the requisite press release. The company can regain compliance at any time during the six-month cure period if on the last trading day of any calendar month during the cure period the company has a closing share price of at least $1.00 and an average closing share price of at least $1.00 over the 30 trading-day period ending on the last trading day of that month. In the event that at the expiration of the six-month cure period, both a $1.00 closing share price on the last trading day of the cure period and a $1.00 average closing share price over the 30 trading-day period ending on the last trading day of the cure period are not attained, the Exchange will commence suspension and delisting procedures.  Notwithstanding the foregoing, if a company determines that, if necessary, it will cure the price condition by taking an action that will require approval of its shareholders, it must so inform the Exchange in the above referenced notification, must obtain the shareholder approval by no later than its next annual meeting, and must implement the action promptly thereafter. The price condition will be deemed cured if the price promptly exceeds $1.00 per share, and the price remains above the level for at least the following 30 trading days.  Notwithstanding the foregoing, if the subject security is not the primary trading common stock of the company (e.g., a tracking stock or a preferred class) or is a stock listed under the Affiliated Company standard where the parent remains in "control" as that term is used in that standard, the Exchange may determine whether to apply the Price Criteria to such security after evaluating the financial status of the company and/or the parent/affiliated company, as the case may be.  **Amended:** September 2, 2009 (NYSE-2009-88).  **802.01D Other Criteria—**  If any of the following factors apply to a listed company, the Exchange may in its sole discretion subject the company to the procedures outlined in Paras. 802.02 and 802.03:  Reduction in Operating Assets and/or Scope of Operations  The operating assets have been or are to be substantially reduced such as by sale, lease, spin off, distribution, discontinuance, abandonment, destruction, condemnation, seizure or expropriation, or the company has ceased to be an operating company or discontinued a substantial portion of its operations or business for any reason whatsoever and whether or not any of the foregoing results from action by the company, related parties or persons unrelated to the company.  Bankruptcy and/or Liquidation—  An intent to file under any of the sections of the bankruptcy law has been announced or a filing has been made or liquidation has been authorized and the company is committed to proceed. If a company files or announces an intent to file for reorganization relief under the bankruptcy laws (or an equivalent foreign law), the Exchange may exercise its discretion to continue the listing and trading of the securities of the company. However, if a company that is below any continued listing standard enumerated in Para. 802.01B above (which may be determined on the basis of price indications) files or announces an intent to file for relief under any provisions of any bankruptcy laws, it is subject to immediate suspension and delisting. Similarly, if a company that files or announces an intent to file for relief under any provisions of any bankruptcy laws subsequently falls below any continued listing standard enumerated in Para. 802.01B above (which may be determined on the basis of price indications, it is subject to immediate suspension and delisting. Notwithstanding the foregoing, in the event that such company is profitable (or has positive cash flow), or is demonstrably in sound financial health despite the bankruptcy proceedings, the Exchange may evaluate and accept a Plan submitted under the procedures of 802.02 and 802.03.  Authoritative Advice Received that Security is Without Value—  Advice has been received, deemed by the Exchange to be authoritative, that the security is without value. In this connection, it should be noted that the Exchange does not pass judgment upon the value of securities.  Registration No Longer Effective—  The registration or exemption from registration pursuant to the Securities Exchange Act of 1934 is no longer effective for any reason.  Proxies are not Solicited for All Meetings of Stockholders—  Actively operating companies currently filing application to list on the Exchange must agree to solicit proxies from stockholders. Companies soliciting voluntarily, although not under agreement to solicit, which hereafter discontinue the practice, must agree to resume solicitation within one year after failure to solicit.  This does not apply where the issuer is not an actively operating company. Exception may be made where applicable law precludes or makes virtually impossible the solicitation of proxies in the United States.  Agreements are Violated—  The company, its transfer agent or registrar, violates any of its, or their, listing or other agreements with the Exchange.  Payment, Redemption or Retirement of Entire Class, Issue or Series—  Whenever the entire outstanding amount of a listed class, issue, or series is to be retired through payment at maturity, or through redemption, reclassification or otherwise.  Operations Contrary to Public Interest—  If the company or its management shall engage in operations which, in the opinion of the Exchange, are contrary to the public interest.  Audit Committee—  An Audit Committee in conformity with Exchange requirements is not maintained.  Specialized Securities—  Para. 703 contains listing standards for certain types of specialized securities: Warrants (703.12); Foreign Currency Warrants and Currency Index Warrants (703.15); Stock Index Warrants (703.17); Contingent Value Rights (703.18); Other Securities (703.19); Equity-Linked Debt Securities (703.21) and Equity Index-Linked Securities, Commodity-Linked Securities and Currency-Linked Securities (703.22). [\*](http://nysemanual.nyse.com/LCMTools/TOCChapter.asp?manual=/lcm/sections/lcm-sections/chp_1_9/default.asp&selectedNode=chp_1_9" \l "9FN12)  Delisting will be considered when:  • Number of publicly-held shares is less than 100,000.  • Number of holders is less than 100, except that this provision will not apply in the case of Equity Index-Linked Securities, Commodity-Linked Securities or Currency-Linked Securities (as defined in Para. 703.22) that are redeemable at the option of the holder on at least a weekly basis.  • Aggregate market value of shares outstanding is less than $1,000,000.  • For warrants and CVRs, if the related security is delisted; for equity-linked debt securities, if the issuer of the linked security is no longer subject to the reporting obligations of the Securities Exchange Act of 1934 or if the linked security no longer trades in a market in which there is last sale reporting.  • For specialized securities that are debt, the issuer is not able to meet its obligations on such debt.  The Exchange is not limited by the criteria set forth above. Rather, it may make an appraisal of, and determine on an individual basis, the suitability for continued listing of an issue in the light of all pertinent facts whenever it deems such action appropriate, even though a security meets or fails to meet any enumerated criteria. Other factors which may lead to a company's delisting include:  • The failure of a company to make timely, adequate, and accurate disclosures of information to its shareholders and the investing public.  • Failure to observe good accounting practices in reporting of earnings and financial position.  • Other conduct not in keeping with sound public policy.  • Unsatisfactory financial conditions and/or operating results.  •Most recent independent public accountant's opinion on the financial statements contains a:  .a. Qualified opinion:  .b. Adverse opinion:  .c. Disclaimer opinion: or  .d. Unqualified opinion with a "going concern" emphasis.  • Inability to meet current debt obligations or to adequately finance operations.  • Abnormally low selling price or volume of trading.  • Unwarranted use of company funds for the repurchase of its equity securities.  • Any other event or condition which may exist or occur that makes further dealings or listing of the securities on the Exchange inadvisable or unwarranted in the opinion of the Exchange.  **802.01E SEC Annual Report Timely Filing Criteria**  A company that fails to file its annual report (Forms 10-K, 10-KSB, 20-F, 40-F or N-CSR) with the SEC in a timely manner will be subject to the following procedures:  Once the Exchange identifies that a company has failed to file a timely periodic annual report with the SEC by the later of (a) the date that the annual report was required to be filed with the SEC by the applicable form or (b) if a Form 12b-25 was timely filed with the SEC, the extended filing due date for the annual report, the Exchange will notify the company in writing of the procedures set forth below. For purposes of this Section 802.01E, the later of these two dates will be referred to as the "Filing Due Date."  Within five days of receipt of this notification, the company will be required to (a) contact the Exchange to discuss the status of the annual report filing, and (b) issue a press release disclosing the status of the filing, noting the delay, the reason for the delay and the anticipated filing date, if known. If the company has not issued the required press release by the fifth day following receipt of this notification, the Exchange will itself issue a press release stating that the company has failed to timely file its annual report with the SEC.  During the six-month period from the Filing Due Date, the Exchange will monitor the company and the status of the filing, including through contact with the company, until the annual report is filed. If the company fails to file the annual report within six months from the Filing Due Date, the Exchange may, in its sole discretion, allow the company's securities to be traded for up to an additional six-month trading period depending on the company's specific circumstances. If the Exchange determines that an additional trading period of up to six months is not appropriate, suspension and delisting procedures will commence in accordance with the procedures set out in Section 804.00 of the Listed Company Manual. A company is not eligible to follow the procedures outlined in Sections 802.02 and 802.03 with respect to this criteria.  In determining whether an additional up to six-month trading period is appropriate, the Exchange will consider the likelihood that the filing can be made during the additional period, as well as the company's general financial status, based on information provided by a variety of sources, including the company, its audit committee, its outside auditors, the staff of the SEC and any other regulatory body. The Exchange strongly encourages companies to provide ongoing disclosure on the status of the annual report filing to the market through press releases, and will also take the frequency and detail of such information into account in determining whether an additional six-month trading period is appropriate.  If the Exchange determines that an additional up to six-month trading period is appropriate and the company fails to file its periodic annual report by the end of the additional period, suspension and delisting procedures will commence in accordance with the procedures set out in Section 804.00.  [\*](http://nysemanual.nyse.com/LCMTools/TOCChapter.asp?manual=/lcm/sections/lcm-sections/chp_1_9/default.asp&selectedNode=chp_1_9" \l "9FR12) Para. 703.16 contains listing standards for Investment Company Units; that paragraph also contains continued listing criteria for those instruments. 802.02 Evaluation and Follow-Up Procedures for Domestic Companies The following procedures shall be applied by the Exchange to domestic companies that are identified as being below the Exchange's continued listing criteria. Notwithstanding the above, when the Exchange deems it necessary for the protection of investors, trading in any security can be suspended immediately, and application made to the SEC to delist the security.  Once the Exchange identifies, through internal reviews or notice (a press release, news story, company communication, etc.), a company as being below the continued listing criteria set forth in Para. 802.01 (and not able to otherwise qualify under an original listing standard), the Exchange will notify the company by letter of its status within 10 business days. This letter will also provide the company with an opportunity to provide the Exchange with a plan (the "Plan") advising the Exchange of definitive action the company has taken, or is taking, that would bring it into conformity with continued listing standards within 18 months of receipt of the letter. Within 10 business days after receipt of the letter, the company must contact the Exchange to confirm receipt of notification, discuss any possible financial data of which the Exchange may be unaware, and indicate whether or not it plans to present a Plan; otherwise, suspension and delisting procedures will commence. If the company submits a Plan, it must identify specific quarterly milestones against which the Exchange will evaluate the company's progress.  The company has 45 days from the receipt of the letter to submit its Plan to the Exchange for review; otherwise, suspension and delisting procedures will commence. If the company is determined to be below the criteria listed in Section 802.01B, the Plan it presents must demonstrate how it will return to compliance with the applicable continued listing standard by the end of the Plan period.  In any event, all companies submitting a Plan must include quarterly financial projections, details related to any strategic initiatives the company plans to complete, and market performance support. Exchange staff will evaluate the Plan, including any additional documentation that supports the Plan, and make a determination as to whether the company has made a reasonable demonstration in the Plan of an ability to come into conformity with the relevant standard(s) within 18 months. The Exchange will make such determination within 45 days of receipt of the proposed Plan, and will promptly notify the company of its determination in writing.  The company must disclose receipt of the letter by issuing a press release disclosing the fact that it has fallen below the continued listing standards of the Exchange within the time period allotted by SEC rules for the making of a filing with respect to Exchange notification of that event, but no longer than four business days after notification. If the company fails to issue this press release during the allotted time, the Exchange will issue the requisite press release.  If the Exchange does not accept the Plan, the Exchange will promptly initiate suspension and delisting procedures and issue a press release disclosing the forthcoming suspension and application to the SEC to delist the company's securities.  If the Exchange accepts the Plan, the Exchange will review the company on a quarterly basis for compliance with the Plan. If the company fails to meet the material aspects of the Plan or any of the quarterly milestones, the Exchange will review the circumstances and variance, and determine whether such variance warrants commencement of suspension and delisting procedures. Should the Exchange determine to proceed with suspension and delisting procedures, it may do so regardless of the company's continued listing status at that time. The Exchange will deem the Plan period over prior to the end of the 18 months if a company is able to demonstrate returning to compliance with the applicable continued listing standards, or achieving the ability to qualify under an original listing standard, for a period of two consecutive quarters. In any event, a company that does not meet continued listing standards at the end of the 18-month period, will be subject to the prompt initiation of suspension and delisting procedures.  If the company, within twelve months of the end of the Plan period, is again determined to be below continued listing standards, the Exchange will examine the relationship between the two incidents of falling below continued listing standards and re-evaluate the company's method of financial recovery from the first incident. It will then take appropriate action, which, depending upon the circumstances, may include truncating the procedures described above or immediately initiating suspension and delisting procedures. 802.03 Continued Listing **Evaluation and Follow-up Procedures for Non-U.S. Companies**  The following procedures shall be applied by the Exchange to non-U.S. companies that are identified as being below the Exchange's continued listing criteria. Notwithstanding the above, when the Exchange deems it necessary for the protection of the investors, trading in any security can be suspended immediately, and application made to the SEC to delist the security.  Once the Exchange identifies, through internal reviews or notice (a press release, news story, company communication, etc.), a company as being below the continued listing criteria set forth in Section 802.01 (and not able to otherwise qualify under an original listing standard), the Exchange will notify the company by letter of its status within 10 business days. This letter will also provide the company with an opportunity to provide the Exchange with a plan (the "Plan") advising the Exchange of definitive action the company has taken, or is taking, that would bring it into conformity with the standards within 18 month of receipt of the letter. Within 30 business days after receipt of the letter, the company must contact the Exchange to confirm receipt of notification, discuss any possible financial data of which the Exchange may be unaware, and indicate whether or not it plans to present a Plan; otherwise, suspension and delisting procedures will commence. If the company submits a Plan, it must identify specific semi - annual milestones against which the Exchange will evaluate the company's progress.  The company has 90 days from the receipt of the letter to submit its Plan to the Exchange for review; otherwise, suspension and delisting procedures will commence. If the company is determined to be below the criteria listed in Section 802.01B, the Plan it presents must demonstrate how it will return to compliance with the applicable continued listing standard by the end of the Plan period.  In any event, all companies submitting a Plan must include quarterly financial projections, details related to any strategic initiatives the company plans to complete, and market performance support. Exchange staff will evaluate the Plan, including any additional documentation that supports the Plan, and make a determination as to whether the company has made a reasonable demonstration in the Plan of an ability to come into conformity with the relevant standard(s) within 18 months. The Exchange will make such determination within 45 days of receipt of the proposed Plan, and will promptly notify the company of its determination in writing.  The company also has 30 days from receipt of the letter to issue press release disclosing the fact that it has fallen below the continued listing standards of the Exchange. If the company fails to issue this press release during the allotted 30 days, the Exchange will issue the requisite press release.  If the Exchange does not accept the Plan, the Exchange will promptly initiate suspension and delisting procedures and issue a press release disclosing the forthcoming suspension and application to the SEC to delist the company's securities.  If the Exchange accepts the Plan, the Exchange will review the company on a semi-annual basis for compliance with the Plan. If the company fails to meet the material aspects of the Plan or any of the semi-annual milestones, the Exchange will review the circumstances and variance, and determine whether such variance warrants commencement of suspension and delisting procedures. Should the Exchange determine to proceed with suspension and delisting procedures, it may do so regardless of the company's continued listing status at that time. The Exchange will deem the Plan period over prior to the end of the 18 months if a company is able to demonstrate returning to compliance with the applicable continued listing standards, or achieving the ability to qualify under an original listing standard, for a period of two consecutive quarters. In any event, the Exchange will promptly initiate suspension and delisting procedures with respect to a company that does not meet the continued listing standards at the end of the 18-month period.  If the company, within twelve months of the end of the Plan, is again determined to be below continued listing standards, the Exchange will examine the relationship between the two incidents of falling below continued listing standards and re-evaluate the company's method of financial recovery from the first incident. It will then take appropriate action, which, depending upon the circumstances, may include truncating the procedures described above or immediately initiating suspension and delisting procedures. 803.00 Information Furnished by the Company **803.00 Information Furnished by the Company**  No action by the company concerned is required in connection when its securities are removed from the list by the Exchange except for the furnishing of such information or notice as the Exchange may request. 804.00 Procedure for Delisting **804.00 Procedure for Delisting**  • If the Exchange staff should determine that a security be removed from the list, it will so notify the issuer in writing, describing the basis for such decision and the specific policy or criterion under which such action is to be taken. The Exchange will simultaneously (1) issue a press release disclosing the company's status and the basis for the Exchange's determination and (2) begin daily dissemination of ticker and information notices identifying the security's status, and include similar information on the Exchange's web site.  • The notice to the issuer will also inform the issuer of its right to a review of the determination by a Committee of the Board of Directors of the Exchange, provided a written request for such a review is filed with the Secretary of the Exchange within ten business days after receiving the aforementioned notice. Such written request must state with specificity the grounds on which the issuer intends to challenge the determination of the Exchange staff, must indicate whether the issuer desires to make an oral presentation to the Committee, and must be accompanied or preceded by payment of a non-refundable appeal fee in the amount of $20,000.  • If the issuer does not request a review within the specified period, the Exchange will suspend trading in the security and will file a Form 25 with the Securities and Exchange Commission to strike the security from listing and furnish a copy of such Form 25 to the issuer in accordance with Section 12 of the Securities Exchange Act of 1934 and the rules promulgated thereunder. Prior to filing a Form 25 with the Securities and Exchange Commission, the Exchange will give public notice of its final determination to remove the security from listing by issuing a press release and posting a notice on its web site. Such notice will remain posted on the Exchange's web site until the delisting is effective pursuant to Section 12 of the Securities Exchange Act of 1934 and the rules promulgated thereunder.  • If a review is requested, the review will be scheduled for the first Review Day which is at least 25 business days from the date the request for review is filed with the Secretary of the Exchange, unless the next subsequent Review Day must be selected to accommodate the Committee's schedule. The Committee's review and final decision will be based on oral argument (if any) and the written briefs and accompanying materials submitted by the parties. The company will not be permitted to argue grounds for reversing the staff's decision that are not identified in its request for review, however, the company may ask the Committee for leave to adduce additional evidence or raise arguments not identified in its request for review, if it can demonstrate that the proposed additional evidence or new arguments are material to its request for review and that there was reasonable ground for not adducing such evidence or identifying such issues earlier. This section will not, however, (i) authorize a company to seek to file a reply brief in support of its request for review or (ii) be deemed to limit the staff's response to a request for review to the issues raised in the request for review. Upon review of a properly supported request, the Committee may in its sole discretion permit new arguments or additional evidence to be raised before the Committee. Following such event, the Committee may, as it deems appropriate, (i) itself decide the matter, or (ii) remand the matter to the staff for further review. Should the Committee remand the matter to the staff, the Committee will instruct the staff to (i) give prompt consideration to the matter, and, (ii) complete its review and inform the Committee of its conclusions no later than seven (7) days before the first Review Day which is at least 25 business days from the date the matter is remanded to the staff.  • A request for review will ordinarily stay the suspension of the subject security pending the review, but the Exchange staff may immediately suspend from trading any security pending review should it determine that such immediate suspension is necessary or appropriate in the public interest, for the protection of investors, or to promote just and equitable principles of trade.  • Promptly following receipt of a request for review and the appeal fee, the Exchange's Office of the General Counsel will notify the issuer and the Exchange staff of the scheduled Review Day and the briefing schedule. The schedule will be set by the Office of the General Counsel so as to provide the Committee adequate time to review materials submitted to it, with the remaining time split so as to afford the issuer and the Exchange staff substantially equal periods for the submission of a brief by the issuer and a responsive brief by the Exchange staff. Each party must submit its brief and any accompanying materials to both its counterparty and to the Office of the General Counsel of the Exchange, and must do so by means calculated to ensure the party's submission reaches both the Office of the General Counsel and the counterparty at or prior to the deadline specified in the briefing schedule.  • The Committee, in its sole discretion upon written motion of either party or upon its own motion, may extend any of the time periods specified above. The Committee in its sole discretion may permit the parties to make oral presentations on their Review Day in accordance with such procedures as the Committee may specify at the time. If the Committee denies a request by either party to make an oral presentation, its reason for doing so must be included in its written decision on the review, which decision is provided to all parties. Document discovery and depositions will not be permitted.  • If the Committee decides that the security of the issuer should be removed from listing, the Exchange will (i) suspend trading in the security as soon as practicable, (ii) file a Form 25 with the Securities and Exchange Commission to strike the security from listing and registration and (iii) furnish a copy of such Form 25 to the issuer in accordance with Section 12 of the Securities Exchange Act of 1934 and the rules promulgated thereunder. Prior to filing the Form 25 with the Securities and Exchange Commission, the Exchange will give public notice of its final determination to remove the security from listing by issuing a press release and posting a notice on its web site. Such notice will remain posted on the Exchange's web site until the delisting is effective pursuant to Section 12 of the Securities Exchange Act of 1934 and the rules promulgated thereunder. If the Committee decides that the security should not be removed from listing, the issuer will receive from the Exchange a notice to that effect. 805.00 Public Hearings on Delisting Action **805.00 Public Hearings on Delisting Action**  The Exchange may hold a public hearing in connection with its consideration of suspension of a security from dealings. 806.00 Request of Listed Company for a Change of Specialist Unit or for Removal from the List806.01 Change of Specialist Unit upon Request of Company (a) A listed company may file with the Corporate Secretary of the Exchange a written notice (the "Issuer Notice"), signed by the company's chief executive officer, that it wishes to request a change of specialist firm. The Issuer Notice shall indicate the specific issues prompting this request. The Corporate Secretary shall provide copies of the Issuer Notice to the specialist firm currently registered in the security, the Exchange's Global Corporate Client Group, and NYSE Regulation, Inc. ("NYSER"). After said written notice and completion of NYSER's review, the security shall be put up for allocation pursuant to Exchange Rule 103B, subject to the provisions of subparagraph (b) below.  (b) NYSER shall review the Issuer Notice and any specialist response and may request a review of the matter by the NYSER Board of Directors. No change of specialist firm may occur until NYSER makes a final determination that it is appropriate to permit such change. In making such determination, NYSER may consider all relevant regulatory issues, including without limitation whether the requested change appears to be in aid or furtherance of conduct that is illegal or violates Exchange rules, or in retaliation for a refusal by a specialist to engage in conduct that is illegal or violates Exchange rules. Notwithstanding NYSER's review of any matter raised during the process described herein, NYSER may at any time take any regulatory action that it may determine to be warranted. 806.02 Removal from List Upon Request of Company An issuer may delist a security from the Exchange after its board approves the action and the issuer (i) furnishes the Exchange with a copy of the Board resolution authorizing such delisting certified by the secretary of the issuer and (ii) complies with all of the requirements of Rule 12d2-2(c) under the Securities Exchange Act of 1934. If the security being delisted is an index-linked security listed pursuant to Section 703.19 hereof or Section 703.22 hereof, and the notice of withdrawal is provided to the Exchange, and relates to the transfer of the listing of such security to another national securities exchange, then the issuer need not provide the Exchange with a board resolution authorizing such action under (i) in the immediately preceding sentence but, in lieu thereof, must provide a letter signed by an authorized executive officer of the issuer setting forth the reasons for the proposed withdrawal. The issuer must thereafter file a Form 25 with the Securities and Exchange Commission to withdraw the security from listing on the Exchange and from registration under the Securities Exchange Act of 1934. In addition, the company must provide a copy of the Form 25 to the Exchange simultaneously with the filing of such Form 25 with the Securities and Exchange Commission. If an issuer delists a class of stock from the Exchange pursuant to this Section 806.02, but does not delist other classes of listed securities, the Exchange will give consideration to delisting one or more of such other classes. 807.00 Voluntary Transfer to Another Exchange by Company That Falls Below Criteria for Continued Listing **807.00 Voluntary Transfer to Another Exchange by Company That Falls Below Criteria for Continued Listing**  Where a company falls below the criteria for continued listing, the Exchange will permit the company, by action of its Board of Directors, to voluntarily transfer its listing, and/or its principal market to another national securities exchange and cooperate with the company and the other exchange in order to avoid any interruption in trading. During this transition, the Exchange will daily disseminate ticker and information notices identifying the securities/status, and will include similar information on the Exchange's web site. Where the listing of the common stock of a company is transferred in this manner, it would normally be expected that any other securities of the company listed on the Exchange would likewise be transferred to the other exchange, although each such case would be considered on its merits. 808.00 Withdrawal from Listing and Registration under the Securities Exchange Act of 1934 **808.00 Withdrawal from Listing and Registration under the Securities Exchange Act of 1934**  Section 12(d) of the Securities Exchange Act of 1934 provides, among other things, as follows: "A security registered with a national securities exchange may be withdrawn or stricken from listing and registration in accordance with the rules of the exchange and, upon such terms as the Commission may deem necessary to impose for the protection of investors, upon application by the issuer or the exchange to the Commission;—" 809.00 Applicable Rules of the Securities and Exchange Commission **809.00 Applicable Rules of the Securities and Exchange Commission**  For rules and regulations of the Securities and Exchange Commission under the Securities Exchange Act of 1934 relating to the suspension of trading and the delisting of listed securities, see the rules promulgated under Section 12(d) of that Act. |

[**Back to Top**](javascript:%20window.scrollTo(0,%200);%20void%200)