



8011-01p
SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-73153; File No. SR-NYSE-2014-51)

September 19, 2014

Self-Regulatory Organizations; New York Stock Exchange LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Amending Sections 902.03, 902.04, 902.05, 902.06 and 902.08 of the Listed Company Manual to Increase Certain of the Fees Set Forth Therein and to Delete Obsolete Rule Text

Pursuant to Section 19(b)(1)¹ of the Securities Exchange Act of 1934 (the “Act”)² and Rule 19b-4 thereunder,³ notice is hereby given that, on September 8, 2014, New York Stock Exchange LLC (“NYSE” or the “Exchange”) filed with the Securities and Exchange Commission (the “Commission”) the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization’s Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to amend Sections 902.03, 902.04, 902.05, 902.06 and 902.08 of the Listed Company Manual (the “Manual”) to increase certain of the fees set forth therein and to delete obsolete rule text. The Exchange proposes to immediately reflect the proposed changes in the Manual, but not to implement the proposed fee changes until January 1, 2015. The text of the proposed rule change is available on the Exchange’s website at www.nyse.com, at the principal office of the Exchange, and at the Commission’s Public Reference Room.

¹ 15 U.S.C.78s(b)(1).

² 15 U.S.C. 78a.

³ 17 CFR 240.19b-4.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the self-regulatory organization included statements concerning the purpose of, and basis for, the proposed rule change and discussed any comments it received on the proposed rule change. The text of those statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant parts of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange proposes to amend Sections 902.03, 902.04, 902.05, 902.06 and 902.08 of the Manual to increase certain of the fees set forth therein and to delete obsolete rule text. The Exchange proposes to immediately reflect the proposed changes in the Manual, but not to implement the proposed fee changes until January 1, 2015.⁴

The Exchange proposes to amend Section 902.03 of the Manual which currently provides, in part, for minimum listing fees for subsequent listing of additional equity securities. The Exchange proposes to increase such minimum listing fee from \$7,500 to \$10,000 effective January 1, 2015.

Section 902.03 of the Manual also currently provides, in part, for a fee for applications for changes that involve modifications to Exchange records (e.g., changes of name, par value, title of security or designation) and for applications relating to poison pills. The Exchange proposes to increase such application fee from \$7,500 to \$10,000 effective January 1, 2015.

⁴ The Exchange has proposed changes to the Manual, as reflected in Exhibit 5 attached hereto, in a manner that would permit readers of the Manual to identify the changes that would be implemented on January 1, 2015. The Commission notes that Exhibit 5 is attached to the filing, not to this Notice.

Section 902.03 of the Manual also currently provides, in part, for annual fees for listed equity securities. Currently, the annual fee for an issuer's primary class of common shares or, if no class of common shares is listed on the Exchange, the preferred stock of such issuer is the greater of \$42,000 or \$0.00093 per share. The Exchange proposes to increase these thresholds to \$45,000 and \$0.001, respectively. Currently, the annual fee for each additional class of common shares, each additional class of preferred stock and each class of warrants is calculated as the greater of a specified minimum fee or \$0.00093 per share. The Exchange proposes to leave the minimum fee for those three categories unchanged, but to increase the fee per share for each category to \$0.001 per share.

Sections 902.04, 902.05 and 902.06 of the Manual set forth, in part, the annual fees for closed-end funds, structured products and short-term securities, respectively. In each case, the current annual fee for these securities is calculated as the greater of a specified minimum fee or \$0.00093 per share. The Exchange proposes to leave the minimum fee for those three categories of securities unchanged, but to increase the fee per share for each category to \$0.001 per share. The Exchange also proposes to delete obsolete text from Sections 902.05 and 902.06.

Section 902.08 of the Manual provides, in part, for initial and annual fees for debt securities and listed structured products traded on NYSE Bonds. The Exchange proposes to increase the initial listing fee for such securities from \$5,000 to \$15,000 and the annual fee from \$5,000 to \$15,000. The Exchange also proposes to delete certain obsolete text from Section 902.08 of the Manual.

For the same reasons set forth below in the Statutory Basis section, the Exchange proposes to make the aforementioned fee increases to better reflect (i) the Exchange's costs related to listing equity securities and the corresponding value of such listing to issuers and (ii)

the increased compliance and technology costs required to operate and maintain the Exchange's bond platform

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,⁵ in general, and furthers the objectives of Sections 6(b)(4)⁶ of the Act, in particular, in that it is designed to provide for the equitable allocation of reasonable dues, fees, and other charges among its members and issuers and other persons using its facilities. The Exchange also believes that the proposed rule change is consistent with Section 6(b)(5)⁷ of the Act in that it is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

The Exchange believes that amending Section 902.03 of the Manual to increase the minimum listing fee for subsequent listing of additional equity securities and the application fee for changes that involve modifications to Exchange records from \$7,500 to \$10,000 is reasonable because the resulting fees would better reflect the Exchange's costs related to such listing. For the same reasons, the Exchange believes it is reasonable to increase the minimum annual fee for an issuer's primary class of equity securities, to the greater of \$45,000 or \$0.001 per share and to increase the fee per share for each additional class of common shares, each additional class of preferred stock, each class of warrants, each class of listed securities of closed-end funds, and each listed issue of structured products and short-term securities to \$0.001 per share. In this regard, the Exchange notes that it will have been two years since it last increased these fees.

The Exchange believes that it is reasonable to increase the initial and annual fee for debt securities and listed structured products traded on NYSE Bonds, in each case from \$5,000 to

⁵ 15 U.S.C. 78f(b).

⁶ 15 U.S.C. 78f(b)(4).

⁷ 15 U.S.C. 78f(b)(5).

\$15,000. The proposed fee increases set forth herein will enable the Exchange to ensure that it is providing a high standard of regulation and oversight of the market. To that end, the Exchange believes it is reasonable to increase the initial and annual fee for listed debt securities and structured products to ensure that the fees for such regulation and market oversight are equitably allocated amongst all issuers of securities listed on the Exchange. The Exchange notes that its compliance and technology costs to operate the NYSE Bonds platform are constantly increasing and that it works continually to enhance the platform, including the recent addition of Bondwatch, a web-based system that enables investors to obtain real-time pricing information. The proposed increases, therefore, will help defray the Exchange's costs to operate the platform.

The Exchange believes that it is equitable and not unfairly discriminatory to have different pricing schemes for equity and bond issuers because, while the overall costs to operate and maintain the Exchange's equity and bond platforms have both increased, the costs attributable to the equity platform are proportionately higher than those to the bond platform.

The Exchange believes that the non-substantive changes that are proposed are reasonable because they will result in the removal of obsolete text from the Manual.

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

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule change is designed to ensure that the fees charged by the Exchange accurately reflect the services provided and benefits realized by listed companies. The proposed fee increases will apply to all issuers listed on the Exchange, therefore they will be equitably allocated amongst all issuers and will not be unfairly discriminatory towards an individual issuer or class of issuers. Further, because issuers have the option to list their securities on a different

national securities exchange, the Exchange does not believe that the proposed fee changes impose a burden on competition.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

No written comments were solicited or received with respect to the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change is effective upon filing pursuant to Section 19(b)(3)(A)⁸ of the Act and subparagraph (f)(2) of Rule 19b-4⁹ thereunder, because it establishes a due, fee, or other charge imposed by the Exchange.

At any time within 60 days of the filing of such proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings under Section 19(b)(2)(B)¹⁰ of the Act to determine whether the proposed rule change should be approved or disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic comments:

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or

⁸ 15 U.S.C. 78s(b)(3)(A).

⁹ 17 CFR 240.19b-4(f)(2).

¹⁰ 15 U.S.C. 78s(b)(2)(B).

- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-NYSE-2014-51 on the subject line.

Paper comments:

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090.

All submissions should refer to File Number SR-NYSE-2014-51. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet website (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street, NE, Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer

to File Number SR-NYSE-2014-51 and should be submitted on or before [INSERT DATE 21 DAYS FROM PUBLICATION IN THE FEDERAL REGISTER].

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

Kevin M. O'Neill,
Deputy Secretary.

[FR Doc. 2014-22790 Filed 09/24/2014 at 8:45 am;
Publication Date: 09/25/2014]

¹¹ 17 CFR 200.30-3(a)(12).