

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * 22	SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-4		File No.* SR - 2012 - * 49	Amendment No. (req. for Amendments *) 3	
Proposed Rule Change by New York Stock Exchange Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934					
Initial * <input type="checkbox"/>	Amendment * <input checked="" type="checkbox"/>	Withdrawal <input type="checkbox"/>	Section 19(b)(2) * <input checked="" type="checkbox"/>	Section 19(b)(3)(A) * <input type="checkbox"/>	Section 19(b)(3)(B) * <input type="checkbox"/>
Pilot <input type="checkbox"/>	Extension of Time Period for Commission Action * <input type="checkbox"/>	Date Expires * <input type="text"/>	19b-4(f)(1) <input type="checkbox"/>	19b-4(f)(2) <input type="checkbox"/>	19b-4(f)(3) <input type="checkbox"/>
			19b-4(f)(4) <input type="checkbox"/>	19b-4(f)(5) <input type="checkbox"/>	19b-4(f)(6) <input type="checkbox"/>
Exhibit 2 Sent As Paper Document <input type="checkbox"/>		Exhibit 3 Sent As Paper Document <input type="checkbox"/>			
Description Provide a brief description of the proposed rule change (limit 250 characters, required when Initial is checked *). Proposal to Amend Sections 303A.00 and 303A.02a and 303A.05 of the Exchanges Listed Company Manual to comply with the requirements of Securities and Exchange Commission Rule 10C 1					
Contact Information Provide the name, telephone number and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the proposed rule change. First Name * John Last Name * Carey Title * Vice President NYSE Regulation Inc E-mail * jcarey@nyx.com Telephone * (212) 656-5640 Fax (212) 656-2223					
Signature Pursuant to the requirements of the Securities Exchange Act of 1934, has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized officer. Date 01/08/2013 By Janet McGinness (Name *) Corporate Secretary (Title *) NOTE: Clicking the button at right will digitally sign and lock this form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed. Janet McGinness, jmcginness@nyx.com					

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFF website.

Form 19b-4 Information (required)

Add Remove View

The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

Exhibit 1 - Notice of Proposed Rule Change (required)

Add Remove View

The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications

Add Remove View

Exhibit Sent As Paper Document

Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

Exhibit 3 - Form, Report, or Questionnaire

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Exhibit Sent As Paper Document

Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

Exhibit 4 - Marked Copies

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The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

Exhibit 5 - Proposed Rule Text

Add Remove View

The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change.

Partial Amendment

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If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

1. Text of the Proposed Rule Change

- (a) Pursuant to the provisions of Section 19(b)(1) of the Securities Exchange Act of 1934 (“Exchange Act”),¹ and Rule 19b-4 thereunder,² New York Stock Exchange LLC (“NYSE” or the “Exchange”) previously submitted a rule filing (SR-NYSE-2012-49) on September 25, 2012, which proposed to amend the NYSE’s corporate governance listing standards to comply with the requirements of SEC Rule 10C-1. On October 1, 2012, the NYSE submitted Amendment No. 1 to that filing which amended and replaced in its entirety the filing as originally submitted (as so amended, the “Initial Rule Filing”). This Amendment No. 3 to the Initial Rule Filing replaces Amendment No. 2 to the Initial Rule Filing in its entirety, as Amendment No. 2 was filed in error and has therefore been withdrawn. This Amendment No. 3 proposes some modifications to the rule text as set forth in the Initial Rule Filing. The text of the proposed rule changes is set forth in Exhibit 5 attached hereto and the text of the proposed rule changes marked to show changes from the original proposal made in this Amendment No. 3 is set forth in Exhibit 4 hereto.
- (b) The Exchange does not believe that the proposed rule change will have any direct effect, or any significant indirect effect, on any other Exchange rule in effect at the time of this filing.
- (c) Not applicable.

2. Procedures of the Self-Regulatory Organization

The board of directors of NYSE Regulation, Inc. approved the proposed rule change on July 23, 2012. No further action is required under the Exchange's governing documents. Therefore, the Exchange’s internal procedures with respect to the proposed rule change are complete.

The person on the Exchange staff prepared to respond to questions and comments on the proposed rule change is:

John Carey
Vice President -- Legal
NYSE Regulation, Inc.
(212) 656-5640

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

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

(a) Purpose

The NYSE previously submitted the Initial Rule Filing on September 25, 2012, which proposed to amend the NYSE's corporate governance listing standards to comply with the requirements of SEC Rule 10C-1. On October 1, 2012, the NYSE submitted Amendment No. 1 to the Initial Filing which amended and replaced in its entirety the filing as originally submitted. This Amendment No. 3 to the Initial Rule Filing replaces Amendment No. 2 to the Initial Rule Filing in its entirety, as Amendment No. 2 was filed in error and has therefore been withdrawn. This Amendment No. 3 proposes some modifications to the rule text as set forth in the Initial Rule Filing.

This Amendment No. 3 makes the following changes to the text of the proposed rule changes as originally proposed in the Initial Rule Filing:

- The Exchange proposes to revise the provision included in the Initial Rule filing under which a company ceasing to be a smaller reporting company is granted a transition period to comply with the enhanced compensation committee requirements. As originally proposed, this transition period would be measured from the date as of which the company's status as a smaller reporting company is tested. The Exchange proposes to modify the start date of this transition period so that it will commence as of the later date on which company will actually cease to be a smaller reporting company. The Exchange believes that this change is appropriate, as it believes that many companies will likely not become aware of their change in status until significantly after the determination date and would therefore not utilize the transition period as originally proposed to bring themselves into compliance with the enhanced requirements. The Exchange also proposes to provide a longer transition period than originally proposed for compliance with the enhanced compensation committee independence requirements, as it believes that smaller reporting companies would have significant difficulty in becoming compliant within the transition period as originally proposed.

The paragraph of the proposed revised text of Section 303A.00 under the heading "A Company Ceases to Qualify as a Smaller Reporting Company" is deleted in its entirety and replaced by the following:

- Under Exchange Act Rule 12b-2, a company tests its status as a smaller reporting company on an annual basis at the end of its most recently completed second fiscal quarter (hereinafter, for purposes of this subsection, the "Smaller Reporting Company Determination Date"). A smaller reporting company with a public float of \$75

million or more as the last business day of its second fiscal quarter will cease to be a smaller reporting company as of the beginning of the fiscal year following the Smaller Reporting Company Determination Date. The compensation committee of a company that has ceased to be a smaller reporting company shall be required to comply with Section 303A.05(c)(iv) within six months of the date it ceases to be a smaller reporting company and must have:

- one member of its compensation committee that meets the independence standard of Section 303A.02(a)(ii) and the second paragraph of the commentary to Section 303A.02(a) within six months of that date;
 - a majority of directors on its compensation committee meeting those requirements within nine months of that date; and
 - a compensation committee comprised solely of members that meet those requirements within twelve months of that date.
- The reference in Section 303A.00 under the heading “Smaller Reporting Companies” to Regulation S-K, Item 10(f)(1) is changed to a reference to Exchange Act Rule 12b-2. That paragraph is also amended to clarify that, in addition to not being required to comply with Section 303A.02(a)(ii), smaller reporting companies will not be required to comply with the proposed new second paragraph of the Commentary to Section 303A.02(a).
 - The second paragraph of the commentary to Section 303A.05(c) is amended to exempt from the independence assessment outlined in Section 303A.05(c)(iv) any compensation consultant, legal counsel or other adviser whose role is limited to consulting on any broad-based plan that does not discriminate in scope, terms, or operation, in favor of executive officers or directors of the listed company, and that is available generally to all salaried employees; or providing information that either is not customized for a particular company or that is customized based on parameters that are not developed by the compensation consultant, and about which the compensation consultant does not provide advice. The Exchange believes this exemption is appropriate as it is identical to that provided by the SEC in Item 407(e)(3)(iii) of Regulation S-K, which exempts those specific categories of compensation consultants from the disclosure requirements of that provision.
 - The Exchange believes it is desirable to clarify that, while the compensation committee is required to consider the independence of compensation advisors, the compensation committee is not precluded from selecting or receiving advice from, compensation advisers that are not

independent. Consequently, the following is inserted as a new paragraph in the Commentary to proposed Section 303A.05(c):

Nothing in this Section 303A.05(c) requires a compensation consultant, legal counsel or other compensation adviser to be independent, only that the compensation committee consider the enumerated independence factors before selecting or receiving advice from a compensation adviser. The compensation committee may select or receive advice from any compensation adviser they prefer including ones that are not independent, after considering the six independence factors outlined in Section 303A.05(c)(iv)(A)—(F).

(b) Statutory Basis

As stated in the Initial Rule Filing, the Exchange believes that the proposed rule changes in relation to the Exchange's compensation committee requirements and the proposed compensation consultant independence requirements as amended by this Amendment No. 3, are consistent with Section 10C of the Exchange Act and Rule 10C-1 thereunder in that they comply with the requirements of Rule 10C-1 with respect to the adoption by national securities exchanges of compensation committee listing standards. The Exchange believes that the proposed rule changes, as amended by this No. 3, are consistent with Section 6(b)³ of the Exchange Act in general, and furthers the objectives of Section 6(b)(5) of the Exchange Act,⁴ in particular in that it is designed to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest. The Exchange believes that the proposed amendment to the transition period for companies that cease to be smaller reporting companies is consistent with the protection of investors and the public interest in that it provides such companies with a reasonable transition period but requires them to be fully compliant with the requirements of the proposed rule within twelve months of their change of status. The Exchange believes that the exemption from the independence assessment for advisers whose role is limited to consulting on broad based plans or providing non-customized information is appropriate, as these types of services do not raise conflict of interest concerns. This is the same reason why the SEC excludes these types of services from the disclosure requirement in Item 407(e)(3)(iii) of Regulation S-K. Similarly, the proposed amendment of Section 303A.05(c) to clarify that compensation committees may rely on advice from non-independent advisers (so

³ 15 U.S.C. 78f(b).

⁴ 15 U.S.C. 78f(b)(5).

long as the committee has conducted the required independence analysis) is consistent with the SEC's intent in Rule 10C-1.

4. 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 purpose of the Act.

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

The Exchange has neither solicited nor received written comments on the proposed rule change.

6. Extension of Time Period for Commission Action

The Exchange does not consent at this time to an extension of any time period for Commission action.

7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2)

The Exchange believes that good cause for accelerated effectiveness of the proposed rule changes exists in light of the fact that the Commission previously published a notice in the Federal Register in relation to the Initial Rule Filing, the comment period in relation to that notice has concluded, and the modifications to the proposed rule changes proposed by this Amendment No. 3 are consistent with the protection of investors and the public interest because the amendments strengthen and clarify the rules in part in response to comments received. Therefore, the Exchange respectfully requests acceleration of the effectiveness of the proposed rule changes. The Exchange respectfully requests that the Commission find good cause to accelerate approval.

8. Proposed Rule Change Based on Rules of Another Self-Regulatory Organization or of the Commission

Not applicable.

9. Security-Based Swap Submissions Filed Pursuant to Section 3C of the Act

Not applicable.

10. Advance Notices Filed Pursuant to Section 806(e) of the Payment, Clearing and Settlement Supervision Act

Not applicable.

11. Exhibits

Exhibit 1 – Form of Notice of Proposed Rule Change for Federal Register

Exhibit 4 – Proposed rule text marked to show changes made in Amendment No. 3.

Exhibit 5 – Proposed Rule Text

Additions in Amendment No. 3 are underscored. Deletions in Amendment No. 3 are [bracketed].

NYSE Listed Company Manual

* * * * *

[The following will be the operative text of Section 303A effective through June 30, 2013:]

Section 303A.00 Corporate Governance Standards

303A.00 Introduction

The following is the operative text of Section 303A.00 effective through June 30, 2013:

* * * * *

303A.02 Independence Tests

The following is the operative text of Section 303A.02 effective through June 30, 2013:

* * * * *

303A.05 Compensation Committee

The following is the operative text of Section 303A.05 effective through June 30, 2013:

* * * * *

Section 303A.00 Corporate Governance Standards

[The following will be the operative text of Section 303A effective commencing July 1, 2013:]

303A.00 Introduction

The following will be the operative text of Section 303A.00 effective commencing July 1, 2013:

* * * * *

Smaller Reporting Companies

Listed companies that satisfy the definition of smaller reporting company in [Regulation S-K, Item 10(f)(1)] Exchange Act Rule 12b-2 are not required to comply with Section 303A.02(a)(ii) and the second paragraph of the Commentary to Section 303A.02(a). However, smaller reporting companies must comply with all [other] applicable requirements under Section 303A.05, with the exception of Section 303A.05(c)(iv).

* * * * *

A Company Ceases to Qualify as a Smaller Reporting Company

- [Under SEC Rule 12b-2, a company tests its status as a smaller reporting company on an annual basis at the end of its most recently completed second fiscal quarter (hereinafter, for purposes of this subsection, the "Smaller Reporting Company Determination Date"). To the extent a smaller reporting company ceases to qualify as such under SEC rules, it is required, if applicable, to: (I) have a compensation committee of which all of the members meet the independence standard of Section 303A.02(a)(ii) within six months of the Smaller Reporting Company Determination Date; and (II) comply with Section 303A.05(c)(iv) as of the Smaller Reporting Company Determination Date.] Under Exchange Act Rule 12b-2, a company tests its status as a smaller reporting company on an annual basis at the end of its most recently completed second fiscal quarter (hereinafter, for purposes of this subsection, the "Smaller Reporting Company Determination Date"). A smaller reporting company with a public float of \$75 million or more as of the last business day of its second fiscal quarter will cease to be a smaller reporting company as of the beginning of the fiscal year following the Smaller Reporting Company Determination Date. The compensation committee of a company that has ceased to be a smaller reporting company shall be required to comply with Section 303A.05(c)(iv) as of six months from the date it ceases to be a smaller reporting company and must have:

- one member of its compensation committee that meets the independence standard of Section 303A.02(a)(ii) and the second paragraph of the commentary to Section 303A.02(a) within six months of that date;
- a majority of directors on its compensation committee meeting those requirements within nine months of that date; and
- a compensation committee comprised solely of members that meet those requirements within twelve months of that date.

* * * * *

303A.02 Independence Tests

The following will be the operative text of Section 303A.02 effective commencing July 1, 2013:

* * * * *

303A.05 Compensation Committee

The following will be the operative text of Section 303A.05 effective commencing July 1, 2013:

* * * * *

(c)

* * * * *

Commentary: Nothing in this Section 303A.05(c) shall be construed: (A) to require the compensation committee to implement or act consistently with the advice or recommendations of the compensation consultant, independent legal counsel or other adviser to the compensation committee; or (B) to affect the ability or obligation of the compensation committee to exercise its own judgment in fulfillment of the duties of the compensation committee.

The compensation committee is required to conduct the independence assessment outlined in Section 303A.05(c)(iv) with respect to any compensation consultant, legal counsel or other adviser that provides advice to the compensation committee, other than (i) in-house legal counsel; and (ii) any compensation consultant, legal counsel or other adviser whose role is limited to the following activities for which no disclosure would be required under Item 407(e)(3)(iii) of Regulation S-K: consulting on any broad-based plan that does not discriminate in scope, terms, or operation, in favor of executive officers or directors of the listed company, and that is available generally to all salaried employees; or providing information that either is not customized for a particular company or that is customized based on parameters that are not developed by the compensation consultant, and about which the compensation consultant does not provide.

Nothing in this Section 303A.05(c) requires a compensation consultant, legal counsel or other compensation adviser to be independent, only that the compensation committee consider the enumerated independence factors before selecting or receiving advice from a compensation adviser. The compensation committee may select or receive advice from any compensation adviser they prefer including ones that are not independent, after considering the six independence factors outlined in Section 303A.05(c)(iv)(A)—(F).

* * * * *

Text of the Proposed Rule Changes

The proposed changes to Section 303A of the Listed Company Manual will become operative on July 1, 2013. Consequently, the existing text of these sections will remain in the Listed Company Manual through June 30, 2013 and will be removed immediately thereafter. Upon approval of this filing, the amended versions of those sections will also be included in the Listed Company Manual, with introductory text indicating that the revised text does not become operative until July 1, 2013. The rule text in this Exhibit 5 is marked to show how the rule text that will become operative on July 1, 2013, differs from the current rule text.

Additions are underscored. Deletions are [bracketed].

NYSE Listed Company Manual

* * * * *

Section 303A.00 Corporate Governance Standards

The following is the operative text of Section 303A.00 effective through June 30, 2013:

303A.00 Introduction

* * * * *

Compliance Dates

* * * * *

A Company Ceases to Qualify as a Foreign Private Issuer

To the extent a foreign private issuer ceases to qualify as such under SEC rules (so that it is required to file on domestic forms with the SEC), such company is required to comply with the Section 303A domestic company requirements as follows:

- The company must satisfy the majority independent board requirement of Section 303A.01, if applicable, within six months of the date as of which it fails to qualify for foreign private issuer status pursuant to SEC Rule 240.3b-4. Under SEC Rule 240.3b-4, a company tests its status as a foreign private issuer on an annual basis at the end of its most recently completed second fiscal quarter (hereinafter, for purposes of this subsection, the "Determination Date").

- The company must satisfy the website posting requirements of Sections 303A.04, 303A.05, 303A.07(b), 303A.09 and 303A.10, to the extent such sections are applicable, within six months of the Determination Date.
- The company must have fully independent nominating and compensation committees as required by Sections 303A.04 and 303A.05, if applicable, within six months of the Determination Date.
- The company's audit committee members must comply with the independence requirements of Section 303A.02, if applicable, within six months of the Determination Date.
- The company must comply with the three-person audit committee requirement of Section 303A.07(a) within six months of the Determination Date.
- The company must comply with the shareholder approval requirements of Section 303A.08 by the Determination Date, subject to the provisions in Section 303A.08 under the heading "Ongoing Transition Period for a Foreign Private Issuer Whose Status Changes."

Disclosure Requirements

If a listed company makes a required Section 303A disclosure in its annual proxy statement, or if the company does not file an annual proxy statement, in its annual report filed with the SEC, it may incorporate such disclosure by reference from another document that is filed with the SEC to the extent permitted by applicable SEC rules. If a listed company is not a company required to file a Form 10-K, then any provision in this Section 303A permitting a company to make a required disclosure in its annual report on Form 10-K filed with the SEC shall be interpreted to mean the annual periodic disclosure form that the listed company does file with the SEC. For example, for a closed-end management investment company, the appropriate form would be the annual Form N-CSR.

* * * * *

303A.02 Independence Tests

The following is the operative text of Section 303A.02 effective through June 30, 2013:

In order to tighten the definition of "independent director" for purposes of these standards:

(a) No director qualifies as "independent" unless the board of directors affirmatively determines that the director has no material relationship with the listed company (directly or as a partner, shareholder or officer of an organization that has a relationship with the company).

Commentary: It is not possible to anticipate, or explicitly to provide for, all circumstances that might signal potential conflicts of interest, or that might bear on the materiality of a director's relationship to a listed company (references to "listed company" would include any parent or subsidiary in a consolidated group with the listed company). Accordingly, it is best that boards making "independence" determinations broadly consider all relevant facts and circumstances. In particular, when assessing the materiality of a director's relationship with the listed company, the board should consider the issue not merely from the standpoint of the director, but also from that of persons or organizations with which the director has an affiliation. Material relationships can include commercial, industrial, banking, consulting, legal, accounting, charitable and familial relationships, among others. However, as the concern is independence from management, the Exchange does not view ownership of even a significant amount of stock, by itself, as a bar to an independence finding.

Disclosure Requirement: The listed company must comply with the disclosure requirements set forth in Item 407(a) of Regulation S-K.

* * * * *

303A.05 Compensation Committee

The following is the operative text of Section 303A.05 effective through June 30, 2013:

- (a) Listed companies must have a compensation committee composed entirely of independent directors.
- (b) The compensation committee must have a written charter that addresses:
 - (i) the committee's purpose and responsibilities - which, at minimum, must be to have direct responsibility to:
 - (A) review and approve corporate goals and objectives relevant to CEO compensation, evaluate the CEO's performance in light of those goals and objectives, and, either as a committee or together with the other independent directors (as directed by the board), determine and approve the CEO's compensation level based on this evaluation;
 - (B) make recommendations to the board with respect to non-CEO executive officer compensation, and incentive-compensation and equity-based plans that are subject to board approval; and
 - (C) prepare the disclosure required by Item 407(e)(5) of Regulation S-K;
 - (ii) an annual performance evaluation of the compensation committee.

Commentary: In determining the long-term incentive component of CEO compensation, the committee should consider the listed company's performance and relative shareholder

return, the value of similar incentive awards to CEOs at comparable companies, and the awards given to the listed company's CEO in past years. To avoid confusion, note that the compensation committee is not precluded from approving awards (with or without ratification of the board) as may be required to comply with applicable tax laws (i.e., Rule 162(m)). Note also that nothing in Section 303A.05(b)(i)(B) is intended to preclude the board from delegating its authority over such matters to the compensation committee.

The compensation committee charter should also address the following items: committee member qualifications; committee member appointment and removal; committee structure and operations (including authority to delegate to subcommittees); and committee reporting to the board.

Additionally, if a compensation consultant is to assist in the evaluation of director, CEO or executive officer compensation, the compensation committee charter should give that committee sole authority to retain and terminate the consulting firm, including sole authority to approve the firm's fees and other retention terms.

Boards may allocate the responsibilities of the compensation committee to committees of their own denomination, provided that the committees are composed entirely of independent directors. Any such committee must have a committee charter.

Nothing in this provision should be construed as precluding discussion of CEO compensation with the board generally, as it is not the intent of this standard to impair communication among members of the board.

Website Posting Requirement: A listed company must make its compensation committee charter available on or through its website. If any function of the compensation committee has been delegated to another committee, the charter of that committee must also be made available on or through the listed company's website.

Disclosure Requirements: A listed company must disclose in its annual proxy statement or, if it does not file an annual proxy statement, in its annual report on Form 10-K filed with the SEC that its compensation committee charter is available on or through its website and provide the website address.

* * * * *

Section 303A.00 Corporate Governance Standards

303A.00 Introduction

The following will be the operative text of Section 303A.00 effective commencing July 1, 2013:

* * * * *

Equity Listings

Section 303A applies in full to all companies listing common equity securities, with the following exceptions:

* * * * *

Foreign Private Issuers

Listed companies that are foreign private issuers (as such term is defined in Rule 3b-4 under the Exchange Act) are permitted to follow home country practice in lieu of the provisions of this Section 303A, except that such companies are required to comply with the requirements of Sections 303A.06, 303A.11 and 303A.12(b) and (c).

Smaller Reporting Companies

Listed companies that satisfy the definition of smaller reporting company in Exchange Act Rule 12b-2 are not required to comply with Section 303A.02(a)(ii) and the second paragraph of the Commentary to Section 303A.02(a). However, smaller reporting companies must comply with all applicable requirements under Section 303A.05, with the exception of Section 303A.05(c)(iv).

* * * * *

Transition Periods for Compensation Committee Requirements

Listed companies will have until the earlier of their first annual meeting after January 15, 2014, or October 31, 2014, to comply with the new director independence standards with respect to compensation committees contained in Sections 303A.02(a)(ii) and the second paragraph of the Commentary to Section 303A.02(a).

Compliance Dates

Companies listing on the NYSE are required to comply with all applicable requirements of Section 303A as of the date that the company's securities first trade on the NYSE (the "listing date") unless otherwise provided below.

* * * * *

A Company Ceases to Qualify as a Foreign Private Issuer

To the extent a foreign private issuer ceases to qualify as such under SEC rules (so that it is required to file on domestic forms with the SEC), such company is required to comply with the Section 303A domestic company requirements as follows:

- The company must satisfy the majority independent board requirement of Section 303A.01, if applicable, within six months of the date as of which it fails to qualify for foreign private issuer status pursuant to SEC Rule 240.3b-4. Under SEC Rule 240.3b-4, a company tests its status as a foreign private issuer on an annual basis at the end of its most recently completed second fiscal quarter (hereinafter, for purposes of this subsection, the "Foreign Private Issuer Determination Date").
- The company must satisfy the website posting requirements of Sections 303A.04, 303A.05, 303A.07(b), 303A.09 and 303A.10, to the extent such sections are applicable, within six months of the Foreign Private Issuer Determination Date.
- The company must have fully independent nominating and compensation committees as required by Sections 303A.04 and 303A.05, if applicable, within six months of the Foreign Private Issuer Determination Date.
- The company's audit committee members must comply with the independence requirements of Section 303A.02, if applicable, within six months of the Foreign Private Issuer Determination Date.
- The company must comply with the three-person audit committee requirement of Section 303A.07(a) within six months of the Foreign Private Issuer Determination Date.
- The company must comply with the shareholder approval requirements of Section 303A.08 by the Foreign Private Issuer Determination Date, subject to the provisions in Section 303A.08 under the heading "Ongoing Transition Period for a Foreign Private Issuer Whose Status Changes."

A Company Ceases to Qualify as a Smaller Reporting Company

Under Exchange Act Rule 12b-2, a company tests its status as a smaller reporting company on an annual basis at the end of its most recently completed second fiscal quarter (hereinafter, for purposes of this subsection, the "Smaller Reporting Company Determination Date"). A smaller reporting company with a public float of \$75 million or more as of the last business day of its second fiscal quarter will cease to be a smaller reporting company as of the beginning of the fiscal year following the Smaller Reporting Company Determination Date. The compensation committee of a company that has ceased to be a smaller reporting company shall be required to comply with Section 303A.05(c)(iv) as of six months from the date it ceases to be a smaller reporting company and must have:

- one member of its compensation committee that meets the independence standard of Section 303A.02(a)(ii) and the second paragraph of the commentary to Section 303A.02(a) within six months of that date;
- a majority of directors on its compensation committee meeting those requirements within nine months of that date; and
- a compensation committee comprised solely of members that meet those requirements within twelve months of that date.

* * * * *

Cure Period for Compensation Committee Independence Non-Compliance

If a listed company fails to comply with the compensation committee composition requirements because a member of the compensation committee ceases to be independent for reasons outside the member's reasonable control, that person, with prompt notice to the Exchange and only so long as a majority of the members of the compensation committee continue to be independent, may remain a member of the compensation committee until the earlier of the next annual shareholders' meeting of the listed company or one year from the occurrence of the event that caused the member to be no longer independent.

Disclosure Requirements

* * * * *

303A.02 Independence Tests

The following will be the operative text of Section 303A.02 effective commencing July 1, 2013:

In order to tighten the definition of "independent director" for purposes of these standards:

(a) (i) No director qualifies as "independent" unless the board of directors affirmatively determines that the director has no material relationship with the listed company (directly or as a partner, shareholder or officer of an organization that has a relationship with the company).

(ii) In addition, in affirmatively determining the independence of any director who will serve on the compensation committee of the listed company's board of directors, the board of directors must consider all factors specifically relevant to determining whether a director has a relationship to the listed company which is material to that director's ability to be independent from management in connection with the duties of a compensation committee member, including, but not limited to:

(A) the source of compensation of such director, including any consulting, advisory or other compensatory fee paid by the listed company to such director; and

(B) whether such director is affiliated with the listed company, a subsidiary of the listed company or an affiliate of a subsidiary of the listed company.

Commentary: It is not possible to anticipate, or explicitly to provide for, all circumstances that might signal potential conflicts of interest, or that might bear on the materiality of a director's relationship to a listed company (references to "listed company" would include any parent or subsidiary in a consolidated group with the listed company). Accordingly, it is best that boards making "independence" determinations broadly consider all relevant facts and circumstances. In particular, when assessing the materiality of a director's relationship with the listed company, the board should consider the issue not merely from the standpoint of the director, but also from that of persons or organizations with which the director has an affiliation. Material relationships can include commercial, industrial, banking, consulting, legal, accounting, charitable and familial relationships, among others. However, as the concern is independence from management, the Exchange does not view ownership of even a significant amount of stock, by itself, as a bar to an independence finding.

When considering the sources of a director's compensation in determining his independence for purposes of compensation committee service, the board should consider whether the director receives compensation from any person or entity that would impair his ability to make independent judgments about the listed company's executive compensation. Similarly, when considering any affiliate relationship a director has with the company, a subsidiary of the company, or an affiliate of a subsidiary of the company, in determining his independence for purposes of compensation committee service, the board should consider whether the affiliate relationship places the director under the direct or indirect control of the listed company or its senior management, or creates a direct relationship between the director and members of senior management, in each case of a nature that would impair his ability to make independent judgments about the listed company's executive compensation.

(b) NO CHANGE

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303A.05 Compensation Committee

The following will be the operative text of Section 303A.05 effective commencing July 1, 2013:

(a) Listed companies must have a compensation committee composed entirely of independent directors. Compensation committee members must satisfy the additional independence requirements specific to compensation committee membership set forth in Section 303A.02(a)(ii).

(b) The compensation committee must have a written charter that addresses:

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(ii) an annual performance evaluation of the compensation committee.

(iii) The rights and responsibilities of the compensation committee set forth in Section 303A.05(c).

Commentary: In determining the long-term incentive component of CEO compensation, the committee should consider the listed company's performance and relative shareholder return, the value of similar incentive awards to CEOs at comparable companies, and the awards given to the listed company's CEO in past years. To avoid confusion, note that the compensation committee is not precluded from approving awards (with or without ratification of the board) as may be required to comply with applicable tax laws (i.e., Rule 162(m)). Note also that nothing in Section 303A.05(b)(i)(B) is intended to preclude the board from delegating its authority over such matters to the compensation committee.

The compensation committee charter should also address the following items: committee member qualifications; committee member appointment and removal; committee structure and operations (including authority to delegate to subcommittees); and committee reporting to the board.

[Additionally, if a compensation consultant is to assist in the evaluation of director, CEO or executive officer compensation, the compensation committee charter should give that committee sole authority to retain and terminate the consulting firm, including sole authority to approve the firm's fees and other retention terms.]

Boards may allocate the responsibilities of the compensation committee to committees of their own denomination, provided that the committees are composed entirely of independent directors. Any such committee must have a committee charter.

Nothing in this provision should be construed as precluding discussion of CEO compensation with the board generally, as it is not the intent of this standard to impair communication among members of the board.

Website Posting Requirement: A listed company must make its compensation committee charter available on or through its website. If any function of the compensation committee has been delegated to another committee, the charter of that committee must also be made available on or through the listed company's website.

Disclosure Requirements: A listed company must disclose in its annual proxy statement or, if it does not file an annual proxy statement, in its annual report on Form 10-K filed with the SEC that its compensation committee charter is available on or through its website and provide the website address.

(c) (i) The compensation committee may, in its sole discretion, retain or obtain the advice of a compensation consultant, independent legal counsel or other adviser.

(ii) The compensation committee shall be directly responsible for the appointment, compensation and oversight of the work of any compensation consultant, independent legal counsel or other adviser retained by the compensation committee.

(iii) The listed company must provide for appropriate funding, as determined by the compensation committee, for payment of reasonable compensation to a compensation consultant, independent legal counsel or any other adviser retained by the compensation committee.

(iv) The compensation committee may select a compensation consultant, legal counsel or other adviser to the compensation committee only after taking into consideration, all factors relevant to that person's independence from management, including the following:

(A) The provision of other services to the listed company by the person that employs the compensation consultant, legal counsel or other adviser;

(B) The amount of fees received from the listed company by the person that employs the compensation consultant, legal counsel or other adviser, as a percentage of the total revenue of the person that employs the compensation consultant, legal counsel or other adviser;

(C) The policies and procedures of the person that employs the compensation consultant, legal counsel or other adviser that are designed to prevent conflicts of interest;

(D) Any business or personal relationship of the compensation consultant, legal counsel or other adviser with a member of the compensation committee;

(E) Any stock of the listed company owned by the compensation consultant, legal counsel or other adviser; and

(F) Any business or personal relationship of the compensation consultant, legal counsel, other adviser or the person employing the adviser with an executive officer of the listed company.

Commentary: Nothing in this Section 303A.05(c) shall be construed: (A) to require the compensation committee to implement or act consistently with the advice or recommendations of the compensation consultant, independent legal counsel or other adviser to the compensation committee; or (B) to affect the ability or obligation of the compensation committee to exercise its own judgment in fulfillment of the duties of the compensation committee.

The compensation committee is required to conduct the independence assessment outlined in Section 303A.05(c)(iv) with respect to any compensation consultant, legal counsel or other adviser that provides advice to the compensation committee, other than: (i) in-house legal counsel; and (ii) any compensation consultant, legal counsel or other adviser whose role is limited to the following activities for which no disclosure would be required under Item 407(e)(3)(iii) of Regulation S-K: consulting on any broad-based plan that does not discriminate in scope, terms, or operation, in favor of executive officers or directors of the listed company, and that is available generally to all salaried employees; or providing information that either is not customized for a particular company or that is customized based on parameters that are not developed by the compensation consultant, and about which the compensation consultant does not provide advice.

Nothing in this Section 303A.05(c) requires a compensation consultant, legal counsel or other compensation adviser to be independent, only that the compensation committee consider the enumerated independence factors before selecting or receiving advice from a compensation adviser. The compensation committee may select or receive advice from any compensation adviser they prefer including ones that are not independent, after considering the six independence factors outlined in Section 303A.05(c)(iv)(A)—(F).

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