

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * 68		SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-4		File No. * SR 2025 - * 40 Amendment No. (req. for Amendments *)	
Filing by NYSE American LLC					
Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934					
Initial * <input checked="" type="checkbox"/>		Amendment * <input type="checkbox"/>		Withdrawal <input type="checkbox"/>	
Section 19(b)(2) * <input type="checkbox"/>		Section 19(b)(3)(A) * <input checked="" 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"/>	
		Rule			
		<input type="checkbox"/> 19b-4(f)(1)		<input type="checkbox"/> 19b-4(f)(4)	
		<input type="checkbox"/> 19b-4(f)(2)		<input type="checkbox"/> 19b-4(f)(5)	
		<input type="checkbox"/> 19b-4(f)(3)		<input checked="" type="checkbox"/> 19b-4(f)(6)	
Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010 Section 806(e)(1) * <input type="checkbox"/>			Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934 Section 3C(b)(2) * <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 action (limit 250 characters, required when Initial is checked *). <div>Proposes a new Section 208 in the NYSE American Company Guide</div>					
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 action. First Name * David Last Name * De Gregorio Title * Associate General Counsel, NYSE Group Inc. E-mail * David.DeGregorio@ice.com Telephone * (212) 656-4166 Fax (212) 656-8101					
Signature Pursuant to the requirements of the Securities Exchange of 1934, NYSE American LLC has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized. Date 07/07/2025 (Title *) By Martha Redding Corporate Secretary (Name *) NOTE: Clicking the signature block at right will initiate digitally signing the form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed. Martha Redding Digitally signed by Martha Redding Date: 2025.07.07 16:32:39 -04'00'					

Required fields are shown with yellow backgrounds and astericks.

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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

Form 19b-4 Information *

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19b-4 of NYSE American Underwriter

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 *

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Ex. 1 NYSE Amex Underwriter Rule .c

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 1A - Notice of Proposed Rule Change, Security-Based Swap Submission, or Advanced Notice by Clearing Agencies *

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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

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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.

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Exhibit Sent As Paper Document

Exhibit 3 - Form, Report, or Questionnaire

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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.

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Exhibit Sent As Paper Document

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

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Ex. 5 of NYSE Amex Underwriter Rule

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 (the “Act”)¹ and Rule 19b-4 thereunder,² NYSE American LLC (“NYSE American” or the “Exchange”) proposes (1) a new Section 208 (“Principal Underwriter”) in the NYSE American Company Guide establishing requirements for the engagement of the principal underwriter by an issuer seeking approval for initial listing in connection with a transaction involving an underwriter; (2) amendments to Rule 2 - Equities and a new Rule 310 - Equities establishing a category of market participant granted access to the Exchange for the limited purpose of performing underwriting activity as a principal underwriter and imposing related requirements for principal underwriting activity; and (3) to delete certain rule references in Section 2.02 of the operating agreement and make related technical, conforming and non-substantive changes.

A notice of the proposed rule change for publication in the Federal Register is attached hereto as Exhibit 1, and the text of the proposed rule change is attached as Exhibit 5.

- (b) The Exchange does not believe that the proposed rule change will have any direct effect, or significant indirect effect, on the application of any other Exchange rule in effect at the time of this filing.
- (c) Not applicable.

2. Procedures of the Self-Regulatory Organization

Senior management has approved the proposed changes to the rules of the Exchange pursuant to authority delegated to it by the Board of the Exchange. NYSE Group, Inc. (“NYSE Group”), as the sole member of the Exchange, approved the proposed change to the operating agreement. 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:

David De Gregorio
Associate General Counsel
NYSE Group, Inc.
(212) 656-4166

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 Exchange proposes a new Section 208 (“Principal Underwriter”) of the NYSE American Company Guide (the “Guide”), requiring that any issuer applying to list in connection with a transaction involving an underwriter must have a principal underwriter that is a member organization as defined in Rule 2 - Equities (“Member,” “Membership,” “Member Firm,” etc.) or a Limited Underwriting Member, as defined in proposed Rule 2(k) - Equities. The Exchange also proposes amendments to Rule 2 - Equities and a new Rule 310 - Equities titled “Limited Underwriting Members and Associated Persons” establishing a category of market participant that is a member of the Financial Industry Regulatory Authority (“FINRA”) and that would qualify as a “Limited Underwriting Member” for purposes of proposed Section 208 of the Guide. Proposed Section 208 is based on Section 108.00 (Principal Underwriter) in the New York Stock Exchange (“NYSE”) Listed Company Manual (“NYSE Manual”) and proposed Rule 310 - Equities is based on NYSE Rule 310 (Limited Underwriting Members and Associated Persons), which in turn were based on Rule 5210 and General 3, Rule 1031 of the rules of The Nasdaq Stock Market LLC (“Nasdaq”), respectively.

Finally, the Exchange proposes to delete certain rule references in Section 2.02 of the Thirteenth Amended and Restated Operating Agreement of the Exchange (the “Operating Agreement”) and make related technical, conforming and non-substantive changes.

Background and Proposed Rule Change

In 2024, Nasdaq created a new, non-trading limited underwriter membership class and imposed related requirements for principal underwriting activity.³ The impetus for the rule change came from the critical role underwriters play as gatekeepers to the capital markets in connection with the trading of newly issued securities.⁴ Generally, exchanges rely on underwriters to select the selling

³ See Securities Exchange Act Release No. 99846 (March 22, 2024), 89 FR 21629 (March 28, 2024) (SR-NASDAQ-2023-022) (Notice of Filing of Amendment No. 3 and Order Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendment Nos. 2 and 3, To Create a New, Non-Trading Limited Underwriter Membership Class and Impose Related Requirements for Principal Underwriting Activity) (“Release No. 99846”).

⁴ See *id.*, 89 FR at 21629-30. In 2022, the Exchange and its affiliate NYSE published a joint regulatory memorandum highlighting the important role of underwriters as gatekeepers in the IPO process and the applicability of market rules and the federal securities laws. See NYSE American RM-22-10 and NYSE RM-22-18, dated November 17, 2022, available at <https://www.nyse.com/publicdocs/nyse/markets/nyse-american/rule->

syndicate and ensure that the shares are placed in a way that is reasonably designed to allow liquid trading, consistent with exchange listing requirements and the successful introduction of the company to the market place.⁵ There is currently no requirement that underwriters of companies going public on the Exchange be NYSE American member organizations and, unless the underwriter is also an Exchange member organization, the Exchange currently does not have authority to require responses to investigative inquiries or to enforce its rules directly against non-member underwriters.

The Exchange's affiliate NYSE recently adopted a new Section 108.00 of the NYSE Manual, requiring that any issuer applying to list in connection with a transaction involving an underwriter must have a principal underwriter that is a member organization as defined in NYSE Rule 2 or a Limited Underwriting Member, as defined in NYSE Rule 2(k), as well as a new NYSE Rule 310 establishing a category of market participant that is a FINRA member and that would qualify as a "Limited Underwriting Member" for purposes of proposed Section 108.00 of the NYSE Manual. Section 108.00 of the NYSE Manual was based on Nasdaq Rule 5210 and NYSE Rule 310 was based on General 3, Nasdaq Rule 1031.⁶

The Exchange similarly proposes to establish a category of market participant known as "Limited Underwriting Member" that would be granted access to the Exchange for the limited purpose of acting as a principal underwriter⁷ (an "Initial Listing Principal Underwriter") of an underwritten public offering in connection with which a company seeks to list on the Exchange. As with the Nasdaq and NYSE rules, access to the Exchange for this limited purpose would not confer trading privileges on Limited Underwriting Members. As a result, this category of market participant would not constitute a traditional Exchange membership under Rule 2(b)(i) - Equities, insofar as only a registered broker or dealer qualified and approved as a "member organization" pursuant to Rule 311 - Equities (Formation and Approval of Member Organizations) can acquire and

[interpretations/2022/NYSE Reg Memo - Regulatory Scrutiny in Connection with IPOs \(2022.11.17 final\).pdf](#). FINRA and Nasdaq published similar bulletins around the same time. See <https://www.finra.org/rules-guidance/notices/22-25>; <https://www.nasdaqtrader.com/MicroNews.aspx?id=ERA2022-9>.

⁵ See Release No. 99846, 89 FR at 21630.

⁶ See Securities Exchange Act Release No. 102877 (April 17, 2025), 90 FR 17107 (April 23, 2025) (SR-NYSE-2025-14) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change of New Section 108.00 in the NYSE Listed Company Manual) ("Release No. 102877").

⁷ "Principal underwriter" will have the same definition used in Rule 405 promulgated under the Securities Act of 1933 ("Securities Act"), i.e., an underwriter in privity of contract with the issuer of the securities as to which he is underwriter. The term "issuer" in the definition of "principal underwriter" has the meaning given in Sections 2(4) and 2(11) of the Securities Act. See 17 CFR 230.405.

hold an Exchange-issued equity trading permit (“ETP”) under Rule 2.2E (Qualification of Applicants).⁸

Rather, Limited Underwriting Members would fall within Rule 2(b)(ii) - Equities, which provides that a member organization also includes any registered broker or dealer which does not own a trading license and agrees to be regulated by the Exchange as a member organization and which the Exchange has agreed to regulate.⁹ For the avoidance of doubt, the Exchange proposes to amend Rule 2(b)(ii) - Equities to make explicit that member organization as defined therein would include a Limited Underwriting Member.¹⁰

To effectuate these changes, the Exchange would amend Rule 2 - Equities as follows. First, the Exchange would add the clause “, including Limited Underwriting Members as defined herein” at the end of Rule 2(b)(ii) - Equities. As amended, Rule 2(b)(ii) - Equities would provide (additions underlined):

The term "member organization" also includes any registered broker or dealer which does not own a trading license and agrees to be regulated by the Exchange as a member organization and which the Exchange has agreed to regulate, including Limited Underwriting Members as defined herein.

⁸ An “ETP Holder” means a member organization that has been issued an ETP. See Rule 1.1E (Definitions). A Limited Underwriting Member cannot be an ETP Holder.

⁹ Because the proposed rules would establish the authority for the Exchange to require responses to investigative inquiries and take appropriate enforcement action when a Limited Underwriting Member violates one of the rules enumerated in proposed Rule 310(c)(1) - Equities, Limited Underwriting Members would be “members” of a national securities exchange under the Act based on their agreement to be regulated by the Exchange in connection with underwriting activity. See 15 U.S.C. 78c(a)(3)(A)(iv) (“The term ‘member’ when used with respect to a national securities exchange means ... any other registered broker or dealer which agrees to be regulated by such exchange and with respect to which the exchange undertakes to enforce compliance with the provisions of this chapter, the rules and regulations thereunder, and its own rules.”). See the discussion of Rule 310 - Equities, Supplementary Material .01, *infra*. Under Rule 2(a) - Equities, a “member,” when used to denote a natural person, means a natural person associated with a member organization who has been approved by the Exchange and designated by such member organization to effect transactions on the floor of the Exchange or any facility thereof.

¹⁰ The Operating Agreement would include Limited Underwriting Members as Member Organizations. See Operating Agreement Article II, Section 2.02 (Rules; Supervision of Member Organizations) (defining “Member Organizations” as “members and member organizations ... of the [Exchange]”). Limited Underwriting Members would therefore have the right to nominate, and vote for, petition candidates for election as Non-Affiliated Directors under the Operating Agreement, as do all other current Member Organizations. See Operating Agreement, Article II, Section 2.03(a) (Board). Given that the existing Operating Agreement provisions apply equally to Limited Underwriting Members, the proposal provides for the fair representation of members in the selection of directors and the administration of the Exchange consistent with the requirements of section 6(b)(3) of the Act. See 15 U.S.C. 78f(b)(6).

Second, the Exchange would add a new subsection (k) that would provide that the term “Limited Underwriting Member” means a registered broker or dealer that is subject to the jurisdiction of the Exchange solely for purposes of Rule 310 - Equities and the rules enumerated in Rule 310(c)(1) - Equities. The proposed definition is the same as NYSE Rule 2(k) and substantially similar to General 1, Nasdaq Rule 1(b)(20) defining a “Limited Underwriting Member” as a broker or dealer admitted to limited underwriting membership in Nasdaq. The Exchange does not propose to adopt language similar to General 3, Nasdaq Rule 1031(c)(1), which provides that for purposes of interpreting and applying its rules relating to Limited Underwriting Members, references to “Member,” “Members,” or “membership” shall be functionally equivalent to “Limited Underwriting Member,” “Limited Underwriting Members,” or “limited underwriting membership” respectively. The Exchange believes that the proposed amendments to Rule 2(b)(ii) - Equities render it unnecessary for the Exchange to adopt the language from the Nasdaq rule.

The Exchange would also add a new Rule 310 - Equities titled “Limited Underwriting Members and Associated Persons” governing eligibility, access and rules applicable to proposed Limited Underwriting Members. As proposed, any registered broker or dealer with a disciplinary history satisfactory to the Exchange would be eligible for approval by the Exchange to operate as a Limited Underwriting Member, except such registered brokers or dealers as are excluded under Rule 342(e) (Association of Members, Member Organizations, and Persons Associated With Member Organizations) of the Office Rules.¹¹ The proposed language is the same as NYSE Rule 310(a)(1) and substantially the same as General 3, Nasdaq Rule 1031(a)(1) and (c)(2) except for the explicit requirement that proposed Limited Underwriting Members have a disciplinary history acceptable to the Exchange.¹² Additionally, the associated persons of Limited Underwriting Members that will be responsible for activity of the Limited Underwriting Member as an Initial Listing Principal Underwriter for purposes of Section 310(b) - Equities must be identified on the application. Like the NYSE and Nasdaq rule, any person shall be eligible to become an Associated Person of a

¹¹ See proposed Rule 310(a)(i) - Equities (Eligibility to Become Limited Underwriting Members and Associated Persons).

¹² In order to make a determination of the firm’s eligibility for purposes of proposed Rule 310(a) - Equities, as part of the application process to become a Limited Underwriting Member, the Exchange would determine whether the Limited Underwriting Member was a FINRA member in good standing and examine the prospective applicant’s relevant regulatory history, which would include an assessment of any open or ongoing disciplinary or other regulatory matters by FINRA, the Commission or any other regulator. Associated persons of Limited Underwriting Members that would be responsible for the Limited Underwriting Member’s activity on the Exchange as an Initial Listing Principal Underwriter for purposes of Rule 310(b) - Equities would be similarly identified and vetted as part of the application process. Pursuant to proposed Rule 310(c)(2) - Equities discussed below, Limited Underwriting Members must at all times be FINRA members and associated persons of Limited Underwriting Members must at all times be properly qualified and registered under FINRA rules.

Limited Underwriting Member, except such persons as are excluded under Rule 342(e) of the Office Rules.¹³ Once again, the proposed language is the same as NYSE Rule 310(a)(ii) and substantially the same as General 3, Nasdaq Rule 1031(a)(2) and (c)(2).

Pursuant to proposed Rule 310(b) - Equities (Access to the Exchange), approval by the Exchange to operate as a Limited Underwriting Member provides no rights to transact on the Exchange. As proposed, approval by the Exchange of a firm to operate as a Limited Underwriting Member would solely permit such firm to act as a principal underwriter (an “Initial Listing Principal Underwriter”) of an underwritten public offering in connection with which a company seeks to list on the Exchange. A firm that is not an Exchange member organization cannot act as an Initial Listing Principal Underwriter unless such firm is a Limited Underwriting Member. These requirements are the same as NYSE Rule 310(b) and similar to Nasdaq Rule General 3, Nasdaq Rule 1031(b).

The Exchange proposes to apply a limited ruleset to Limited Underwriting Members and their associated persons aimed at maintaining the fairness and integrity of the underwriting process on the Exchange. Like the NYSE and Nasdaq, the Exchange proposes to apply: (1) conduct rules relevant to underwriting activity; (2) supervision rules; (3) applicable fee-related rules; and (4) disciplinary rules. Finally, although Nasdaq applied certain administrative, business continuity, and registration-related rules (for example, certain rules set forth in Nasdaq General 2 and 4), the Exchange, like its affiliate NYSE, does not propose applying analogous Exchange rules (where such rules exist), because Limited Underwriting Members already would be subject to similar requirements under FINRA rules.

Specifically, the Exchange proposes to provide in proposed Rule 310(c)(1) - Equities (Rules Applicable to Limited Underwriting Members) that Limited Underwriting Members and their associated persons would be subject only to the following rules:

DEFINITIONS AND POWERS OF THE BOARD OF DIRECTORS

General and Floor Rules

Definitions

- Rule 0 (Regulation of the Exchange and its Member Organizations)
- Rule 1 (Affiliation between Exchange and a Member Organization)

Part I - General Rules

- Rule 16 (Business Conduct)

¹³ See proposed Rule 310(a)(ii) - Equities.

- Rule 41 (Collection of and Failure to Pay Exchange Fees)

Office Rules

Section 4. Employees and Admission of Members and Member Organizations

- Rule 342(e) (Association of Members, Member Organizations, and Persons Associated With Member Organizations)

Section 10. Disciplinary Rules

- Rules 8000-8330 (Disciplinary Rules (Investigations and Sanctions)), with the exception of Rule 8211 (Automated Submission of Trading Data Requested by the Exchange)
- Rules 9000-9870 (Disciplinary Rules (Procedural)) with the exception of Rule 9557 (Procedures for Regulating Activities Under Rules 470, 471, 4110 - Equities, 4120 - Equities and 4130 - Equities Regarding a Member or Member Organization Experiencing Financial or Operational Difficulties)

Section 16. Exchange Distributions and Exchange Acquisitions

- Rule 570A (Notification Requirements for Offerings of Listed Securities)

Section 18. Offenses and Sanctions Guidelines

- Rule 600 (Other Offenses)

Equities Rules

- Rule 2B - Equities (No Affiliation between Exchange and any Member Organization)
- Rule 308 - Equities (Acceptability Proceedings)
- Rule 2010 - Equities (Standards of Commercial Honor and Principles of Trade)
- Rule 2020 - Equities (Use of Manipulative, Deceptive or Other Fraudulent Devices)
- Rule 3110 - Equities (Supervision)
- Rule 3120 - Equities (Supervisory Control Systems)
- Rule 3220 - Equities (Influencing or Rewarding Employees of Others)
- Rule 5190 - Equities (Notification Requirements for Offering Participants)
- Rule 6140 - Equities (Other Trading Practices)

Proposed Rules Applicable to Limited Underwriting Members

The Exchange proposes to apply Rule 0 (Regulation of the Exchange and its Member Organizations) to Limited Underwriting Members in order to apply requirements related to the Exchange's Regulatory Services Agreement with FINRA set forth in subsection (a) as well as the requirements in subsection (b) that Exchange Rules apply to all member organizations and persons associated with member organizations, and that persons associated with a member organization have the same duties and obligations as a member organization under Exchange Rules.

The Exchange proposes to apply Rule 1 (Affiliation between Exchange and a Member Organization) in order to apply the limitations on affiliation between the Exchange and a Limited Underwriting Member.

The Exchange proposes to apply Rule 16 (Business Conduct) so that Limited Underwriting Members would be subject at all times to the requirement to adhere to the principles of good business practice in the conduct of business affairs.

The Exchange proposes applying Rule 41 to facilitate the Exchange's ability to collect fees for Limited Underwriting Members.¹⁴

The Exchange would apply Rule 342(e) (Association of Member Organizations, and Persons Associated With Member Organizations) to Limited Underwriting Members and their associated persons. As noted above, under proposed Rule 310(a)(i) - Equities, registered brokers or dealers subject to Rule 342(e) would be ineligible to become a Limited Underwriting Member. Under proposed Rule 310(a)(ii) - Equities, persons subject to Rule 342(e) would similarly be ineligible to be associated with a Limited Underwriting Member. Applying Rule 342(e) to Limited Underwriting Members and their associated persons would cover statutory disqualifications that could arise after a broker or dealer becomes a Limited Underwriting Member.

Rules 8000-8330 and Rules 9000-9870¹⁵ contain the Exchange's disciplinary rules, which would govern the initiation of disciplinary proceedings against

¹⁴ The Exchange proposes to establish fees for Limited Underwriting Members in a separate rule filing once proposed Rule 310 - Equities is operative. Proposed Limited Underwriting Members would be subject to the same requirements of Rule 41(b) of the Office Rules for failure to pay a fee or any other sum due to the Exchange within forty-five days after the same becomes payable, including suspension or denial of access to some or all of the facilities of the Exchange.

¹⁵ These rules, as well as Rule 600 discussed below, also apply to "covered persons." NYSE American Rule 9120(g) defines "covered person" to mean a "member, principal executive, approved person, registered or non-registered employee of a member organization or an ATP Holder, or other person (excluding a member organization) subject to the jurisdiction of the Exchange." The term was drafted to appropriately capture all persons subject to the legacy disciplinary rules and preserve the Exchange's scope of jurisdiction at the time the Rule 8000 and Rule 9000 Series were adopted. See Securities Exchange Act Release No. 77241 (February 26,

proposed Limited Underwriting Members for violations of the rules set forth in proposed Rule 310(c)(1). The Exchange proposes to specifically exclude Rule 8211 and Rule 9557. Rule 8211 relates to members submission of trade data. Rule 9557 relates to procedures for regulating activities under Rules 470, 471, 4110 - Equities, 4120 - Equities and 4130 - Equities. Rules 470 and 4110 - Equities relate to member organizations capital compliance; Rule 471 sets forth restrictions to business expansion while certain net capital conditions continue to exist; and Rules 4120 - Equities and 4130 - Equities relate to carrying or clearing members. Rule 8211 and Rule 9557 are thus not relevant to underwriting activity.

Rule 570A (Notification Requirements for Offerings of Listed Securities) requires a member or member organization that acts as the lead underwriter of any offering in a listed security to make certain notifications to the Exchange within specified timeframes.

Rule 600 (Other Offenses) of the Office Rules provides that a member organization, among others, violates the provisions of the Rule if it commits any of the 10 enumerated offenses which include, among other things, making a material misstatement to the Exchange, failing to observe high standards of commercial honor and just and equitable principles of trade, and committing acts detrimental to the interest or welfare of the Exchange.¹⁶

2016), 81 FR 11311, 11318 (March 3, 2016) (SR-NYSEMKT-2016-30) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change Adopting Investigation, Disciplinary, Sanction, and Other Procedural Rules That Are Modeled on the Rules of the New York Stock Exchange LLC and Certain Conforming and Technical Changes). Under NYSE American Rule 2(a) - Equities, the term “member” means a natural person associated with a member organization who has been approved by the Exchange and designated by such member organization to effect transactions on the floor of the Exchange or any facility thereof. See id.

¹⁶ See Rule 600(4), (6) & (7), respectively. Member organizations also violate Rule 600 if they violate any provision of the Act or any rule or regulation thereunder (id. at (1)); any of its agreements with the Exchange (id. at (2)); any provision of any Rule adopted by the Exchange’s Board of Directors (id. at (3)); effects any transaction in, or induces the purchase or sale of, any security by means of any manipulative, deceptive or other fraudulent device or contrivance (id. at (5)); makes any purchases or sales or offers of purchase or sale of securities for the purpose of upsetting the equilibrium of the market or bringing about a condition in which prices will not fairly reflect market values, or assisting in making any such purchases or sales with knowledge of such purpose, or being, with such knowledge, a party to or assisting in carrying out any plan or scheme for the making of such purchases or sales or offers of purchase or sale (id. at (8)); makes a misstatement or omission of fact on its application for membership or approval, or on any financial statement, report, or other submission filed with the Exchange (id. at (9)); or refuses or fails to comply with a request of the Exchange to submit its books and records (including those books and records with respect to which such member organization or covered person has access and control) to the Exchange, any other self-regulatory organization, any contract market, any registered futures association, or any foreign self-regulatory organization or association with which the Exchange has entered into an agreement or to furnish information to or to appear or testify before the Exchange or such other organization or association, as specified above, or fails to take any of the foregoing actions on the date or within the time period that the Exchange requires (id. at (10)).

Rule 2B - Equities (No Affiliation between Exchange and any Member Organization) in order to apply the limitations on affiliation between the Exchange and a Limited Underwriting Member.

The Exchange proposes to apply Rule 308 - Equities (Acceptability Proceedings) to proposed Limited Underwriting Members in order to permit challenges to Exchange disapprovals of Limited Underwriting Member applications.

The Exchange also proposes to apply certain rules to Limited Underwriting Members and their associated persons that set forth the general standards by which members, member organizations must abide. Specifically, Rule 2010 - Equities requires members and member organizations to observe high standards of commercial honor and just and equitable principles of trade in the conduct of their business. Similarly, Rule 2020 - Equities prohibits members and member organizations from effecting any transaction in, or inducing the purchase or sale of, any security by means of any manipulative, deceptive or other fraudulent device or contrivance.

Rule 3110 - Equities requires each member organization to establish and maintain a system to supervise the activities of each associated person that is reasonably designed to achieve compliance with applicable securities laws and regulations and with applicable Exchange rules. Rule 3120 - Equities requires each member organization to have a system of supervisory control policies and procedures that tests and verifies that member organization's supervisory procedures are reasonably designed with respect to the activities of the member organization and its associated persons, to achieve compliance with applicable securities laws and regulations, and with applicable Exchange rules. The Exchange believes it is important to apply these provisions on supervision as it would provide the Exchange with authority to assess whether a Limited Underwriting Member has adequate supervisory systems and written supervisory procedures in place.

Rule 3220 - Equities prohibits members, member organizations, or persons associated with a member organization from directly or indirectly giving or permitting to be given anything of value, including gratuities, in excess of one hundred dollars per individual per year to any person, principal, proprietor, employee, agent or representative of another person where such payment or gratuity is in relation to the business of the employer of the recipient of the payment or gratuity. Under the rule, a gift of any kind is considered a gratuity. The Exchange believes that applying these provisions against a Limited Underwriting Member would mitigate the risks of bribery and undue influence that the rule was intended to address.

Rule 5190 - Equities sets forth notice requirements applicable to all member organizations participating in offerings of securities for purposes of monitoring compliance with the provisions of SEC Regulation M. In addition to the requirements under Rule 5190 - Equities, member organizations also must comply

with all applicable rules governing the withdrawal of quotations in accordance with SEC Regulation M. The Exchange believes that applying Rule 5190 - Equities to Limited Underwriting Members would be appropriate given the important role Rule 5190 - Equities plays in maintaining the quality of and public confidence in the Exchange's marketplace and the initial public offering ("IPO") process and the prevention of fraudulent and manipulative acts and practices.

Finally, Rule 6140 - Equities prohibits manipulation of NMS securities (a "designated security") involving wash sales, excessive trading or manipulative operations involving a pool, syndicate or joint account as well as the making or circulation and dissemination of any statement or information concerning a designated security that the member or member organization knows or has reasonable grounds for believing is false or misleading or would improperly influence the market price of such security. The Rule further prohibits the holding of any interest or participation in any joint account for buying or selling designated security unless such joint account is promptly reported to the Exchange.

Proposed Rule 310(c)(1) - Equities would provide that these rules would apply to all Limited Underwriting Members and their associated persons in the same manner that these rules apply to member organizations and persons associated with a member organization. Persons associated with a Limited Underwriting Member would also have the same duties and obligations under these rules as a Limited Underwriting Member under these rules.

Finally, proposed Rule 310(c)(2) - Equities would provide that Limited Underwriting Members must at all times be FINRA members in good standing and that associated persons of Limited Underwriting Members must at all times be properly qualified and registered under FINRA rules.

The proposed list of rules applicable to Limited Underwriting Members is not intended to be comprehensive or foreclose the possibility of modifying the list in the future. The Exchange represents that it will consider whether additional existing rules that are not proposed in the limited ruleset for Limited Underwriting Members or new rules are warranted as the Exchange gains more experience in applying the rules proposed.

Like the NYSE and Nasdaq, the Exchange proposes to apply only those rules it deems appropriate to a firm serving as a principal underwriter, including those rules it deems critical to such firms, in an effort to impose minimal burden on Limited Underwriting Members, while still allowing the Exchange to have regulatory authority over such Members.¹⁷ The Exchange acknowledges that there are additional rules that the Exchange does not propose to apply to proposed Limited Underwriting Members. However, since proposed Limited Underwriting

¹⁷

See Release No. 99846, 89 FR at 21631; Release No. 102877, 90 FR at 17111.

Members do not have trading privileges on the Exchange, the Exchange has sought to avoid applying all those Exchange rules applicable to member organizations that primarily relate to trading activity and thus not relevant to the activities of Limited Underwriting Members or are duplicative of FINRA requirements.

Rules Inapplicable to Limited Underwriting Members

The Exchange does not propose to apply the following Rules to Limited Underwriting Members at this time because they relate to trading, settlement and/or operational matters on the Exchange and/or are otherwise not relevant to underwriting activity:

General and Floor Rules under Definition and Powers of the Board of Directors

- Definitions (Rules 0-37)
- Part I-General Rules (Rules 3-31, 40-41, 50, 60-65)¹⁸

Office Rules

Section 1 (Organizations)

- Rules 300-319

Section 2 (Member Offices)

- Rules 320-324

Section 3 (Fidelity Bonds)

- Rule 330

Section 4 (Employees and Admissions of Members and Member Organizations)

- Rules 340-349

*Section 4A (Registration)*¹⁹

¹⁸ The Rules in Part II were deleted.

¹⁹ Rules 300-319 (Organizations), Rules 320-324 (Member Offices), Rules 340-349 (Employees and Admission of Members and Member Organization), Rules 350-359B (Admission of Members and Member Organizations) and Rules 2.1210-2.1230 (Registration) govern the operation of a member organizations and its offices and employees, including continuing education requirements for registered persons (Rule 341A), that are not relevant to the activities of Limited Underwriting Members and generally duplicative of relevant FINRA membership requirements. See, e.g.,

- Rules 2.1210-2.1230

Section 5 (Joint Accounts)

- Rules 360-365

Section 6 (Collection of Commission and Fees)

- Rules 380-401

Section 7 (Conduct of Accounts)

- Rules 410-432

Section 8 (Reports of Financial Condition)

- Rules 440-449

Section 9 (Margin Rules)

- Rules 460-472

Section 10. Disciplinary Rules

- Rule 8211 (Automated Submission of Trading Data Requested by the Exchange)
- Rule 9557 (Procedures for Regulating Activities Under Rules 470, 471, 4110 - Equities, 4120 - Equities and 4130 - Equities Regarding a Member or Member Organization Experiencing Financial or Operational Difficulties)

Section 11. Advertising

- Rules 480-485

Section 12. Wires and Other Means of Communication

- Rules 500-507

FINRA Rules 1210 (Registration Requirements) and 1240 (Continuing Education). The Exchange has harmonized its continuing education requirements and related registration requirements with FINRA's rules. See Securities Exchange Act Release No. 95061 (June 7, 2022), 87 FR 35806 (June 13, 2022) (SR-NYSE-2022-23).

Section 13. Reports

- Rules 520-521²⁰

Section 14. Secondary Distributions

- Rules 550-552²¹

Section 16. Exchange Distributions and Exchange Acquisitions

- Rule 570A²²

Section 17. Proxies

- Rules 574-585

Rule 6800. Consolidated Audit Trail Compliance Rule

- Rules 6810-6900

Arbitration Rules

- Rules 600-624

Contracts in Securities Rules

Section 1. General Rules on Securities Contracts

- Rules 700-704

Section 2. Exchange of Tickets and Comparisons

- Rules 719-731A

Section 3. Delivery of Securities

- Rules 748-778

Section 4. Closing Contracts

- Rules 780-798

²⁰ Rules 466 - Equities—Rule 471 - Equities are marked “Reserved.”

²¹ Rule 560 under Section 15 (Special Offerings and Special Bids) was rescinded.

²² Rule 570 was rescinded.

Section 5. Marking to the Market and Mutual Deposits

- Rules 810-817

Section 6. Dividends and Interest

- Rules 830-832

Section 7. Reclamation

- Rule 850

Section 7A. Interest—Added to Contract Price

- Rules 858-859

Section 8. Money and Security Loans

- Rules 860-890

Equities Rules

- Rule 0 - Equities (Applicability and Phase-In);
- Rules 1E—13E (Cash Equities Pillar Platform Rules);
- Rule 2 - Equities—Rule 14 - Equities (Definition of Terms);
- Rule 2A - Equities (Jurisdiction);
- Rule 22 - Equities (Disqualification Because of Personal Interest);
- Rule 56 - Equities (Unit of Trading—Rights);
- Rule 63 - Equities—Rule 86 - Equities (Auction Market-Bids and Offers);²³
- Rule 137 - Equities (Written Contracts);
- Rule 137A - Equities (Samples of Written Contracts);
- Rule 138 - Equities (Give-Ups);
- Rule 139 - Equities (Recording);
- Rule 140 - Equities (Members Closing Contracts—Conditions);
- Rule 141 - Equities (Fail to Deliver' Confirmations);
- Rule 142 - Equities (Effect on Contracts of Errors in Comparison, etc.);²⁴
- Rule 165 - Equities—Rule 168 - Equities (Marking to Market);²⁵

²³ Rules 500-507 (Wires and Other Means of Communication) were rescinded.

²⁴ Rule 143- Equities - Rule 164 - Equities are marked "Reserved."

²⁵ Rule 167 - Equities - Rule 174 - Equities are marked "Reserved."

- Rule 175 - Equities—Rule 227 - Equities (Settlement of Contracts);²⁶
- Rules 236 - Equities—251 - Equities (Dividends, Interest, Rights, etc.);
- Rule 255 - Equities—Rule 259 - Equities (Due-Bills);²⁷
- Rule 265 - Equities—Rule 275 - Equities (Reclamation);²⁸
- Rule 280 - Equities—Rule 295 - Equities (Closing Contracts);
- Rule 296 - Equities (Liquidation of Securities Loans and Borrowings);²⁹
- Rule 297 - Equities—Rule 299C - Equities (Miscellaneous Floor Procedure);
- Rule 304 - Equities—Rule 324 - Equities (Admission of Members);
- Rule 341 - Equities—Rule 387 - Equities (Offices and Employees);
- Rule 402 - Equities—Rule 412 - Equities (Conduct of Accounts);³⁰
- Rule 416 - Equities—Rule 422 - Equities (Financial Statements and Reports);
- Rules 430 - Equities—434 - Equities (Margins);
- Rule 435 - Equities (Miscellaneous Prohibitions);³¹
- Rule 440C - Equities (Short Sale Borrowing and Delivery Requirements);
- Rule 450 - Equities—Rule 459 - Equities (Proxies);
- Rule 465 - Equities (Company Report to Stockholders);³²
- Rule 471 - Equities—Rule 496 - Equities (Communications With The Public);³³
- Rule 497 - Equities (Additional Requirements for Listed Securities Issued by ICE or its Affiliates);
- Rule 2040 - Equities (Payments to Unregistered Persons);
- Rule 2070 - Equities (Transactions Involving Exchange Employees);
- Rule 2090 - Equities (Know Your Customer);
- Rule 2111 - Equities (Suitability);

²⁶ Rule 228 - Equities—Rule 234 - Equities are marked “Reserved.”

²⁷ Rule 260 - Equities—Rule 264 - Equities are marked “Reserved.”

²⁸ Rule 274 - Equities and Rule 276 - Equities—Rule 279 - Equities are marked “Reserved.”

²⁹ Rule 295 - Equities and Rule 297 - Equities—Rule 299 - Equities are marked “Reserved.”

³⁰ Rule 403 - Equities is marked “Reserved.”

³¹ Rule 436 - Equities—Rule 437 - Equities are marked “Reserved.”

³² Rules 466 - Equities—Rule 471 - Equities are marked “Reserved.”

³³ It should be noted that Limited Underwriting Members would be subject to similar rules directly by virtue of their FINRA membership. See e.g., FINRA Rule 2210 (Communications with the Public). Note that Rule 473 - Equities -- Rule 496 - Equities are marked “Reserved.”

- Rule 2150 - Equities (Improper Use of Customers' Securities or Funds; Prohibition Against Guarantees and Sharing in Accounts);
- Rule 2210 - Equities (Communications with the Public);
- Rule 2212 - Equities (Use of Investment Companies Rankings in Retail Communications);
- Rule 2232 - Equities (Customer Confirmations);
- Rule 2262 - Equities (Disclosure of Control Relationship with Issuer);
- Rule 2266 - Equities (SIPC Information);
- Rule 2269 - Equities (Disclosure of Participation or Interest in Primary or Secondary Distribution);
- Rule 3130 - Equities (Annual Certification of Compliance and Supervisory Processes);
- Rule 3150 - Equities (Holding of Customer Mail);
- Rule 3170 - Equities (Tape Recording of Registered Persons by Certain Firms);
- Rule 3220 - Equities (Influencing or Rewarding Employees of Others);
- Rule 3230 - Equities (Telemarketing);
- Rule 3240 - Equities (Borrowing From or Lending to Customers);
- Rule 3250 - Equities (Designation of Accounts);
- Rule 3270 - Equities (Outside Business Activities of Registered Persons);
- Rule 3310 - Equities (Anti-Money Laundering Compliance Program);
- Rule 4110 - Equities (Capital Compliance);
- Rule 4120 - Equities (Regulatory Notification and Business Curtailment);
- Rule 4130 - Equities (Regulation of Activities of Section 15C Member Organizations Experiencing Financial and/or Operational Difficulties);
- Rule 4140 - Equities (Audit);
- Rule 4150 - Equities (Guarantees by, or Flow Through Benefits for, Member Organizations);
- Rule 4311 - Equities (Carrying Agreements);
- Rule 4360 - Equities (Fidelity Bonds);
- Rule 4370 - Equities (Business Continuity Plans and Emergency Contact Information);
- Rule 4521 - Equities (Notifications, Questionnaires and Reports);
- Rule 4522 - Equities (Periodic Security Counts, Verifications and Comparisons);
- Rule 4523 - Equities (Assignment of Responsibility for General Ledger Accounts and Identification of Suspense Accounts);
- Rule 4530 - Equities (Reporting Requirements);
- Rule 4560 - Equities (Short-Interest Reporting);

- Rule 5210 - Equities (Publication of Transactions and Quotations);
- Rule 5220 - Equities (Disruptive Quoting and Trading Activity Prohibited);
- Rule 5290 - Equities (Order Entry and Execution Practices); and
- Rule 5320 - Equities (Prohibition Against Trading Ahead of Customer Orders).

Proposed Supplementary Material

Proposed Rule 310 - Equities would include two supplementary material.

First, Rule 310 - Equities, Supplementary Material .01 would provide that, consistent with the definition of “member” in the Securities Exchange Act of 1934, a Limited Underwriting Member agrees to be regulated by the Exchange and is subject to the jurisdiction of the Exchange for purposes of interpreting and applying the above rules to Limited Underwriting Members and their associated persons.

Second, proposed Rule 310 - Equities, Supplementary Material .02 would provide that, for the purposes of this rule, the term “associated person” shall have the same meaning as the terms "person associated with a member" or "associated person of a member" as defined in Article I (rr) of the FINRA ByLaws.

The Exchange would avoid applying any Exchange rules not specified in proposed Rule 310(c)(1) - Equities. As previously noted, the Exchange does not propose to apply rules that would apply to member organizations, such as registration, qualification, and continuing education requirements, including requirements for persons engaged in the securities business of a member, that Nasdaq applies to its Limited Underwriting Members and their associated persons. Further, the Exchange does not propose to apply the Rule 6800 Series of the Office Rules to Limited Underwriting Members because those govern consolidated audit trail compliance and would not apply to underwriting activity. The Exchange’s arbitration rules would apply to Limited Underwriting Members by virtue of their FINRA membership and would thus be duplicative of FINRA requirements. The additional Exchange rules that Limited Underwriting Members would not be subject to under the proposal primarily relate to trading activity and are, therefore, not relevant to the activities of Limited Underwriting Members due to their lack of access to trade on the Exchange. While there are additional rules that it could propose to apply to Limited Underwriting Members, the Exchange only proposes a limited ruleset intended primarily to provide the Exchange with the authority to require information directly from the Limited Underwriting Members and enhance its tools for oversight with respect to the role the underwriter plays in connection with a company listing on the Exchange. The Exchange does not intend to create comprehensive rules to regulate underwriting activity.

In addition, the Exchange would impose a new requirement in its Guide based on Nasdaq Rule 5210(l)(ii) and Section 108 of the NYSE Listed Company Manual in a new Section 208 requiring each Company applying for initial listing in connection with a transaction involving an underwriter to have a principal underwriter that is a member organization as defined in Rule 2 - Equities or a Limited Underwriting Member, as defined in Rule 2(k) - Equities. In proposed Section 208(i), the Exchange would also specify that “principal underwriter” shall have the same definition used in Rule 405 promulgated under the Securities Act of 1933.³⁴ Proposed Section 208(i) would be substantially similar to Nasdaq Rule 5210(l)(i).

The rule would cross reference the definition of “Limited Underwriting Member,” which would be added to Rule 2(k) - Equities and would define Limited Underwriting Member to mean a registered broker or dealer that is subject to the jurisdiction of the Exchange solely for purposes of Rule 310 - Equities and the rules enumerated in Rule 310(c)(1) - Equities.

Proposed Changes to the Operating Agreement

The Exchange would amend Operating Agreement Section 2.02 (Rules; Supervision of Member Organizations) to remove references to Rules 2, 18, 24, and 25.

The first sentence of Section 2.02 provides that the Board shall have general supervision over members and member organizations. Parentheticals in that sentence say that “members” and “member organizations” are defined in Rules 18 and 24, respectively, and “approved persons” is defined in Rule 25. However, Rules 18, 24 and 25 have been deleted. The references are therefore obsolete and are proposed to be deleted and not replaced so that the Operating Agreement would remain correct even if the numbering of the Rules changed.

The second sentence of Section 2.02 sets forth certain powers of the Board. In it, it refers to the definition of a “designated market maker” in “Rule 2 of the Company Rules.” Although the reference is correct, the Exchange would similarly delete it for the sake of consistency and so that the Operating Agreement would remain correct even if the numbering of the Rules changed.

The proposed changes to Section 2.02 of the Operating Agreement would be consistent with the same section in the operating agreement of the New York Stock Exchange LLC, which does not include any references to rules of the New York Stock Exchange.³⁵

³⁴ See note 7, *supra*.

³⁵ See Fourteenth Amended and Restated Operating Agreement of New York Stock Exchange LLC, Section 2.02.

The Exchange proposes to make the following non-substantive technical and conforming changes to the title, recitals, and signature page of the Operating Agreement:³⁶

- Update references to the “Thirteenth Amended and Restated Operating Agreement” to the “Fourteenth Amended and Restated Operating Agreement.”
- Update the dates in the introduction and signature line.
- Update the recitals.

Implementation

The Exchange would establish fees for Limited Underwriting Members pursuant to a separate fee filing. The Exchange proposes that the instant filing would become operative 30 days following the effective day of the fee filing. The Exchange will announce the implementation date by Trader Update.

(b) Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,³⁷ in general, and furthers the objectives of Section 6(b)(5) of the Act,³⁸ in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in 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 by strengthening the Exchange’s ability to oversee and police its marketplace. In addition, the Exchange believes that the proposed rule change is designed to provide a fair procedure for prohibiting or limiting any person with respect to access to services offered by the Exchange or a member thereof consistent with the objectives of Section 6(b)(7).³⁹

As discussed above, the proposal would create a new category of market participant for registered broker-dealers with a disciplinary history satisfactory to the Exchange that seek to act as a principal underwriter of a transaction in connection with which an issuer seeks to be admitted to listing on the Exchange. Firms approved by the Exchange to operate as Limited Underwriting Members on the Exchange would not have rights to transact on the Exchange. Rather, such

³⁶ See Securities Exchange Act Release No. 97057 (March 7, 2023), 88 FR 15484 (March 13, 2023) (SR-NYSEAMER-2023-15) (Notice of Filing and Immediate Effectiveness of Proposed Change To Amend Article II, Section 2.03(b) of Its Operating Agreement).

³⁷ 15 U.S.C. 78f(b).

³⁸ 15 U.S.C. 78f(b)(5).

³⁹ 15 U.S.C. 78f(b)(7).

firms would submit to limited Exchange jurisdiction for the purpose of acting as an underwriter on the Exchange. The Exchange believes that this is reasonable because proposed Limited Underwriting Members would not be admitted to the Exchange for trading or any other purpose than acting as an Initial Listing Principal Underwriter.

As proposed, the Exchange would apply only those rules specified in proposed Rule 310(c)(1) - Equities to Limited Underwriting FINRA Members, which would include fees, business conduct standards, supervision, notification requirements for offering participants and disciplinary rules. The Exchange believes that subjecting the proposed new category of principal underwriters to Exchange jurisdiction for such specified rules supports fair and orderly markets, which protects investors and the public interest, consistent with Section 6(b)(5) of the Act.⁴⁰ In this regard, the proposal would subject Limited Underwriting Members to the Exchange's disciplinary rules, which would provide the Exchange with the authority to require documents and information from such underwriters. In addition, these underwriters would be subject to various conduct rules governing their activities on the Exchange, including the requirements to observe just and equitable principles of trade, establish and maintain a system to supervise the activities of associated persons, and to test and verify that the system is reasonably designed. The Exchange believes that imposing these rules, as well as the other rules included in proposed Rule 310 - Equities, on principal underwriters will strengthen the Exchange's ability to carry out its oversight responsibilities and deter potential violative conduct, such as fraud or manipulation, thereby protecting investors and the public interest. Further, the Exchange believes that it is appropriate and consistent with the protection of investors and the public interest that the rules specifically excluded from proposed Rule 310 - Equities not be imposed on proposed Limited Underwriting Members because those rules are, as discussed above, either inapplicable to the activities a principal underwriter would be permitted to conduct on the Exchange and/or proposed Limited Underwriting Members would be subject to similar rules by virtue of their FINRA membership. As noted above, proposed Limited Underwriting Members must at all times be FINRA members in good standing, and their associated persons must at all times properly qualified and registered under FINRA rules, rendering them at all times subject to FINRA rules, all applicable rules of the Commission and the rules of any other self-regulatory organization of which it is a member.

The Exchange believes that the proposed rule change is not designed to permit unfair discrimination between customers, issuers, brokers and dealers, consistent with Section 6(b)(5)⁴¹ of the Act. The Exchange's proposal to subject Limited Underwriting Members to a limited set of rules and exclude certain rules applicable to member organizations is not designed to permit unfair

⁴⁰ 15 U.S.C. 78f(b)(5).

⁴¹ 15 U.S.C. 78f(b)(5).

discrimination between brokers and dealers because being permitted to act as an underwriter on the Exchange under the proposed arrangement does not confer the same benefits as a traditional Exchange membership under Rule 2(b)(i) - Equities, and, therefore, does not warrant application of the same ruleset. Moreover, all Limited Underwriting Members would be subject to the same specified rules set forth in proposed Rule 310 - Equities (c)(1). In addition, the proposed changes will apply equally to all similarly situated Limited Underwriting Members, and therefore are not designed to permit unfair discrimination. Similarly, the proposed changes to the Guide will apply equally to all similarly situated companies applying for initial listing in connection with a transaction involving an underwriter on the Exchange and therefore, are thus not designed to permit unfair discrimination.

Finally, the proposed changes to the Operating Agreement would remove impediments to and perfect the mechanism of a free and open market by removing obsolete references, ensuring that the Operating Agreement remained correct even if there was a change in the rule number for the definition of designated market maker, and making non-substantive technical and conforming changes to the title, recitals and signature page of the Operating Agreement, thereby ensuring that persons subject to the Exchange's jurisdiction, regulators, and the investing public can more easily navigate and understand the governing documents. The proposed changes to the Operating Agreement also would not be inconsistent with the public interest and the protection of investors because investors will not be harmed and in fact would benefit from increased transparency and clarity, thereby reducing potential confusion.

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 purposes of the Act. The proposed rule change is not intended to address competitive issues but rather is intended to apply standards and qualifications to permit certain principal underwriters to access to the Exchange for the sole purpose of acting as a principal underwriter of an underwritten public offering in connection with which a company seeks to list on the Exchange and to apply a limited ruleset consistent with the purpose of a limited underwriting membership that does not confer any access to trading on the Exchange and only permits such member to act as a principal underwriter for a company applying to initially list on the Exchange. As noted above, although the Exchange proposes to subject Limited Underwriting Members to a limited set of rules, being permitted to act as an underwriter on the Exchange under the proposed arrangement and for no other purpose does not confer the same benefits as a standard Exchange membership and does not warrant application of the same ruleset. Applying a limited ruleset to proposed Limited Underwriting Members is therefore justified. All Limited Underwriting Members would be subject to the same specified rules. Likewise, the proposed changes to the Guide will apply equally to all similarly situated companies applying for initial listing in connection with a transaction involving

an underwriter on the Exchange.

The proposed changes to the Operating Agreement are not meant to have an impact on competition. They are meant solely to remove obsolete references, ensure that the Operating Agreement remains correct even if there is a change in the rule number for the definition of designated market maker, and make non-substantive technical and conforming changes to the title, recitals, and signature page.

Moreover, the Exchange does not expect that its proposal will have an adverse impact on competition among exchanges for members. The Exchange believes the proposed rule changes, taken together, will strengthen the Exchange's ability to carry out its role and responsibilities as a self-regulatory organization and deter potential violative conduct. As such, the Exchange does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes 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

Not applicable.

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 the proposal qualifies for immediate effectiveness upon filing as a "non-controversial" rule change in accordance with Section 19(b)(3)(A) of the Act⁴² and Rule 19b-4(f)(6) thereunder.⁴³

The Exchange asserts that the proposed rule change (i) will not significantly affect the protection of investors or the public interest, (ii) will not impose any significant burden on competition, and (iii) by its terms, will not become operative for 30 days after the date of this filing, or such shorter time as the Commission may designate, if consistent with the protection of investors and the public interest. In addition, the Exchange provided the Commission with written notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change, at least five business days prior to the date of filing, or such shorter time as the Commission may designate.

⁴² 15 U.S.C. 78s(b)(3)(A).

⁴³ 17 CFR 240.19b-4(f)(6).

The Exchange believes that the proposed rule change is non-controversial and eligible to become effective immediately because it would enhance the Exchange's oversight and deter potential violative conduct. The proposal would create a type of market participant granted access to the Exchange for the limited purpose of acting as an Initial Listing Principal Underwriter that would agree to be regulated by the Exchange in connection with those activities, which would contribute to the orderly operation of the Exchange and enable the Exchange to continue to comply with the provisions of the Act by its member organizations and persons associated with member organizations. Moreover, the proposed change would promote the maintenance of a fair and orderly market and the protection of investors and the public interest by subjecting principal underwriters to Exchange jurisdiction for the rules specified in proposed Rule 310 - Equities, which include business conduct standards, including the requirement to observe just and equitable principles of trade, as well as the requirement to have an adequate supervisory system and written supervisory procedures in place. As noted above, the proposal to subject Limited Underwriting Members to a limited set of rules and exclude certain rules applicable to member organizations is not designed to permit unfair discrimination between brokers and dealers because being permitted to act as an underwriter on the Exchange under the proposed arrangement does not confer the same benefits as a standard Exchange membership and does not warrant application of the same ruleset. In addition, the proposed changes will apply equally to all similarly situated Limited Underwriting Members, and the proposed changes to the Guide will apply equally to all similarly situated companies applying for initial listing in connection with a transaction involving an underwriter on the Exchange. The proposal therefore is not designed to permit unfair discrimination.

The Exchange also believes that the proposed rule change would not significantly affect the protection of investors or the public interest or impose any significant burden on competition because the changes are based on the approved rules of another national securities exchange that the Exchange proposes to adopt in substantially similar form. The proposed rules align with the rules adopted by the Exchange's affiliate NYSE. The primary differences between the proposed rules and Nasdaq's rules described above is that Nasdaq applies to Limited Underwriting Members certain administrative rules for which there is no Exchange equivalent, as well as certain rules that are equivalent to FINRA rules to which Limited Underwriting Members would be subject to by virtue of their FINRA membership. The Exchange does not believe that any regulatory or other purpose would be served by rendering these firms subject to Exchange rules that are equivalent to FINRA rules. The Exchange thus believes that it is appropriate and consistent with the protection of investors and the public interest that those rules excluded from proposed Rule 310(c)(1) - Equities not be imposed on Limited Underwriting Members because the rules are (i) not directly applicable to the activities a Limited Underwriting Member is permitted to conduct on the Exchange, and/or (ii) duplicative of FINRA rules to which Limited Underwriting Members would be subject by virtue of their FINRA membership. Finally, the

proposed rule change is not intended to address competitive issues but rather is solely concerned with permitting FINRA members acceptable to the Exchange to act as principal underwriters on the Exchange. Accordingly, for all the foregoing reasons, the Exchange believes that these proposed rule changes are eligible for immediately effective treatment under the Commission's current procedures for processing rule filings.⁴⁴

Similarly, the proposed changes to the Operating Agreement will not significantly affect the protection of investors or the public interest and will not impose any significant burden on competition. They are meant solely to remove obsolete references, ensure that the Operating Agreement remains correct even if there is a change in the rule number for the definition of designated market maker, and make non-substantive technical and conforming changes to the title, recitals, and signature page.

For the foregoing reasons, this rule filing qualifies for immediate effectiveness as a "non-controversial" rule change under paragraph (f)(6) of Rule 19b-4.⁴⁵ At any time within 60 days of the filing of the 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.

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

The proposed rule change is based on NYSE Rule 310; Section 108.00 of the NYSE Manual; Nasdaq Rule 5210(m); General 1, Nasdaq Rule 1(b)(20); and General 3, Nasdaq Rule 1031. Except for the changes noted above, the proposed rules and the counterpart NYSE rules are identical, and the proposed rules and Nasdaq counterpart rules are substantially the same.

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

Not applicable.

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

Not applicable.

11. Exhibits

⁴⁴ 17 CFR 240.19b-4(f)(6).

⁴⁵ 17 CFR 240.19b-4(f)(6).

- Exhibit 1 Completed Notice of Proposed Rule Change for publication in the Federal Register.
- Exhibit 5 Text of Proposed Rule Change.

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34- ; File No. SR-NYSEAMER-2025-40)

[Date]

Self-Regulatory Organizations; NYSE American LLC; Notice of Filing and Immediate Effectiveness of Proposed Change a New Section 208 in the NYSE American Company Guide

Pursuant to Section 19(b)(1)¹ of the Securities Exchange Act of 1934 (“Act”)² and Rule 19b-4 thereunder,³ notice is hereby given that, on July 7, 2025, NYSE American LLC (“NYSE American” 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 self-regulatory organization. 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 (1) a new Section 208 (“Principal Underwriter”) in the NYSE American Company Guide establishing requirements for the engagement of the principal underwriter by an issuer seeking approval for initial listing in connection with a transaction involving an underwriter; (2) amendments to Rule 2 - Equities and a new Rule 310 - Equities establishing a category of market participant granted access to the Exchange for the limited purpose of performing underwriting activity as a principal underwriter and imposing related requirements for principal underwriting activity; and (3) to delete certain rule references in Section 2.02 of the operating agreement and make related technical, conforming and non-

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78a.

³ 17 CFR 240.19b-4.

substantive changes. 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.

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 the Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange proposes a new Section 208 ("Principal Underwriter") of the NYSE American Company Guide (the "Guide"), requiring that any issuer applying to list in connection with a transaction involving an underwriter must have a principal underwriter that is a member organization as defined in Rule 2 - Equities ("Member," "Membership," "Member Firm," etc.) or a Limited Underwriting Member, as defined in proposed Rule 2(k) - Equities. The Exchange also proposes amendments to Rule 2 - Equities and a new Rule 310 - Equities titled "Limited Underwriting Members and Associated Persons" establishing a category of market participant that is a member of the Financial Industry Regulatory Authority ("FINRA") and that would qualify as a "Limited Underwriting Member" for purposes of proposed Section 208 of the Guide. Proposed Section 208 is based on Section 108.00 (Principal Underwriter) in the New York Stock Exchange ("NYSE") Listed Company Manual ("NYSE Manual") and proposed Rule 310 -

Equities is based on NYSE Rule 310 (Limited Underwriting Members and Associated Persons), which in turn were based on Rule 5210 and General 3, Rule 1031 of the rules of The Nasdaq Stock Market LLC (“Nasdaq”), respectively.

Finally, the Exchange proposes to delete certain rule references in Section 2.02 of the Thirteenth Amended and Restated Operating Agreement of the Exchange (the “Operating Agreement”) and make related technical, conforming and non-substantive changes.

Background and Proposed Rule Change

In 2024, Nasdaq created a new, non-trading limited underwriter membership class and imposed related requirements for principal underwriting activity.⁴ The impetus for the rule change came from the critical role underwriters play as gatekeepers to the capital markets in connection with the trading of newly issued securities.⁵ Generally, exchanges rely on underwriters to select the selling syndicate and ensure that the shares are placed in a way that is reasonably designed to allow liquid trading, consistent with exchange listing requirements and the successful introduction of the company to the market place.⁶ There is currently no requirement that underwriters of companies going public on the Exchange be NYSE American member organizations and, unless the underwriter is also an Exchange member organization, the

⁴ See Securities Exchange Act Release No. 99846 (March 22, 2024), 89 FR 21629 (March 28, 2024) (SR-NASDAQ-2023-022) (Notice of Filing of Amendment No. 3 and Order Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendment Nos. 2 and 3, To Create a New, Non-Trading Limited Underwriter Membership Class and Impose Related Requirements for Principal Underwriting Activity) (“Release No. 99846”).

⁵ See *id.*, 89 FR at 21629-30. In 2022, the Exchange and its affiliate NYSE published a joint regulatory memorandum highlighting the important role of underwriters as gatekeepers in the IPO process and the applicability of market rules and the federal securities laws. See NYSE American RM-22-10 and NYSE RM-22-18, dated November 17, 2022, available at [https://www.nyse.com/publicdocs/nyse/markets/nyse-american/rule-interpretations/2022/NYSER_Reg_Memo_-_Regulatory_Scrutiny_in_Connection_with_IPOs_\(2022.11.17_final\).pdf](https://www.nyse.com/publicdocs/nyse/markets/nyse-american/rule-interpretations/2022/NYSER_Reg_Memo_-_Regulatory_Scrutiny_in_Connection_with_IPOs_(2022.11.17_final).pdf). FINRA and Nasdaq published similar bulletins around the same time. See <https://www.finra.org/rules-guidance/notices/22-25>; <https://www.nasdaqtrader.com/MicroNews.aspx?id=ERA2022-9>.

⁶ See Release No. 99846, 89 FR at 21630.

Exchange currently does not have authority to require responses to investigative inquiries or to enforce its rules directly against non-member underwriters.

The Exchange's affiliate NYSE recently adopted a new Section 108.00 of the NYSE Manual, requiring that any issuer applying to list in connection with a transaction involving an underwriter must have a principal underwriter that is a member organization as defined in NYSE Rule 2 or a Limited Underwriting Member, as defined in NYSE Rule 2(k), as well as a new NYSE Rule 310 establishing a category of market participant that is a FINRA member and that would qualify as a "Limited Underwriting Member" for purposes of proposed Section 108.00 of the NYSE Manual. Section 108.00 of the NYSE Manual was based on Nasdaq Rule 5210 and NYSE Rule 310 was based on General 3, Nasdaq Rule 1031.⁷

The Exchange similarly proposes to establish a category of market participant known as "Limited Underwriting Member" that would be granted access to the Exchange for the limited purpose of acting as a principal underwriter⁸ (an "Initial Listing Principal Underwriter") of an underwritten public offering in connection with which a company seeks to list on the Exchange. As with the Nasdaq and NYSE rules, access to the Exchange for this limited purpose would not confer trading privileges on Limited Underwriting Members. As a result, this category of market participant would not constitute a traditional Exchange membership under Rule 2(b)(i) - Equities, insofar as only a registered broker or dealer qualified and approved as a "member organization" pursuant to Rule 311 - Equities (Formation and Approval of Member

⁷ See Securities Exchange Act Release No. 102877 (April 17, 2025), 90 FR 17107 (April 23, 2025) (SR-NYSE-2025-14) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change of New Section 108.00 in the NYSE Listed Company Manual) ("Release No. 102877").

⁸ "Principal underwriter" will have the same definition used in Rule 405 promulgated under the Securities Act of 1933 ("Securities Act"), i.e., an underwriter in privity of contract with the issuer of the securities as to which he is underwriter. The term "issuer" in the definition of "principal underwriter" has the meaning given in Sections 2(4) and 2(11) of the Securities Act. See 17 CFR 230.405.

Organizations) can acquire and hold an Exchange-issued equity trading permit (“ETP”) under Rule 2.2E (Qualification of Applicants).⁹

Rather, Limited Underwriting Members would fall within Rule 2(b)(ii) - Equities, which provides that a member organization also includes any registered broker or dealer which does not own a trading license and agrees to be regulated by the Exchange as a member organization and which the Exchange has agreed to regulate.¹⁰ For the avoidance of doubt, the Exchange proposes to amend Rule 2(b)(ii) - Equities to make explicit that member organization as defined therein would include a Limited Underwriting Member.¹¹

To effectuate these changes, the Exchange would amend Rule 2 - Equities as follows. First, the Exchange would add the clause “, including Limited Underwriting Members as defined herein” at the end of Rule 2(b)(ii) - Equities. As amended, Rule 2(b)(ii) - Equities would provide (additions underlined):

⁹ An “ETP Holder” means a member organization that has been issued an ETP. See Rule 1.1E (Definitions). A Limited Underwriting Member cannot be an ETP Holder.

¹⁰ Because the proposed rules would establish the authority for the Exchange to require responses to investigative inquiries and take appropriate enforcement action when a Limited Underwriting Member violates one of the rules enumerated in proposed Rule 310(c)(1) - Equities, Limited Underwriting Members would be “members” of a national securities exchange under the Act based on their agreement to be regulated by the Exchange in connection with underwriting activity. See 15 U.S.C. 78c(a)(3)(A)(iv) (“The term ‘member’ when used with respect to a national securities exchange means ... any other registered broker or dealer which agrees to be regulated by such exchange and with respect to which the exchange undertakes to enforce compliance with the provisions of this chapter, the rules and regulations thereunder, and its own rules.”). See the discussion of Rule 310 - Equities, Supplementary Material .01, infra. Under Rule 2(a) - Equities, a “member,” when used to denote a natural person, means a natural person associated with a member organization who has been approved by the Exchange and designated by such member organization to effect transactions on the floor of the Exchange or any facility thereof.

¹¹ The Operating Agreement would include Limited Underwriting Members as Member Organizations. See Operating Agreement Article II, Section 2.02 (Rules; Supervision of Member Organizations) (defining “Member Organizations” as “members and member organizations ... of the [Exchange]”). Limited Underwriting Members would therefore have the right to nominate, and vote for, petition candidates for election as Non-Affiliated Directors under the Operating Agreement, as do all other current Member Organizations. See Operating Agreement, Article II, Section 2.03(a) (Board). Given that the existing Operating Agreement provisions apply equally to Limited Underwriting Members, the proposal provides for the fair representation of members in the selection of directors and the administration of the Exchange consistent with the requirements of section 6(b)(3) of the Act. See 15 U.S.C. 78f(b)(6).

The term "member organization" also includes any registered broker or dealer which does not own a trading license and agrees to be regulated by the Exchange as a member organization and which the Exchange has agreed to regulate, including Limited Underwriting Members as defined herein.

Second, the Exchange would add a new subsection (k) that would provide that the term "Limited Underwriting Member" means a registered broker or dealer that is subject to the jurisdiction of the Exchange solely for purposes of Rule 310 - Equities and the rules enumerated in Rule 310(c)(1) - Equities. The proposed definition is the same as NYSE Rule 2(k) and substantially similar to General 1, Nasdaq Rule 1(b)(20) defining a "Limited Underwriting Member" as a broker or dealer admitted to limited underwriting membership in Nasdaq. The Exchange does not propose to adopt language similar to General 3, Nasdaq Rule 1031(c)(1), which provides that for purposes of interpreting and applying its rules relating to Limited Underwriting Members, references to "Member," "Members," or "membership" shall be functionally equivalent to "Limited Underwriting Member," "Limited Underwriting Members," or "limited underwriting membership" respectively. The Exchange believes that the proposed amendments to Rule 2(b)(ii) - Equities render it unnecessary for the Exchange to adopt the language from the Nasdaq rule.

The Exchange would also add a new Rule 310 - Equities titled "Limited Underwriting Members and Associated Persons" governing eligibility, access and rules applicable to proposed Limited Underwriting Members. As proposed, any registered broker or dealer with a disciplinary history satisfactory to the Exchange would be eligible for approval by the Exchange to operate as a Limited Underwriting Member, except such registered brokers or dealers as are

excluded under Rule 342(e) (Association of Members, Member Organizations, and Persons Associated With Member Organizations) of the Office Rules.¹² The proposed language is the same as NYSE Rule 310(a)(1) and substantially the same as General 3, Nasdaq Rule 1031(a)(1) and (c)(2) except for the explicit requirement that proposed Limited Underwriting Members have a disciplinary history acceptable to the Exchange.¹³ Additionally, the associated persons of Limited Underwriting Members that will be responsible for activity of the Limited Underwriting Member as an Initial Listing Principal Underwriter for purposes of Section 310(b) - Equities must be identified on the application. Like the NYSE and Nasdaq rule, any person shall be eligible to become an Associated Person of a Limited Underwriting Member, except such persons as are excluded under Rule 342(e) of the Office Rules.¹⁴ Once again, the proposed language is the same as NYSE Rule 310(a)(ii) and substantially the same as General 3, Nasdaq Rule 1031(a)(2) and (c)(2).

Pursuant to proposed Rule 310(b) - Equities (Access to the Exchange), approval by the Exchange to operate as a Limited Underwriting Member provides no rights to transact on the Exchange. As proposed, approval by the Exchange of a firm to operate as a Limited Underwriting Member would solely permit such firm to act as a principal underwriter (an “Initial

¹² See proposed Rule 310(a)(i) - Equities (Eligibility to Become Limited Underwriting Members and Associated Persons).

¹³ In order to make a determination of the firm’s eligibility for purposes of proposed Rule 310(a) - Equities, as part of the application process to become a Limited Underwriting Member, the Exchange would determine whether the Limited Underwriting Member was a FINRA member in good standing and examine the prospective applicant’s relevant regulatory history, which would include an assessment of any open or ongoing disciplinary or other regulatory matters by FINRA, the Commission or any other regulator. Associated persons of Limited Underwriting Members that would be responsible for the Limited Underwriting Member’s activity on the Exchange as an Initial Listing Principal Underwriter for purposes of Rule 310(b) - Equities would be similarly identified and vetted as part of the application process. Pursuant to proposed Rule 310(c)(2) - Equities discussed below, Limited Underwriting Members must at all times be FINRA members and associated persons of Limited Underwriting Members must at all times be properly qualified and registered under FINRA rules.

¹⁴ See proposed Rule 310(a)(ii) - Equities.

Listing Principal Underwriter”) of an underwritten public offering in connection with which a company seeks to list on the Exchange. A firm that is not an Exchange member organization cannot act as an Initial Listing Principal Underwriter unless such firm is a Limited Underwriting Member. These requirements are the same as NYSE Rule 310(b) and similar to Nasdaq Rule General 3, Nasdaq Rule 1031(b).

The Exchange proposes to apply a limited ruleset to Limited Underwriting Members and their associated persons aimed at maintaining the fairness and integrity of the underwriting process on the Exchange. Like the NYSE and Nasdaq, the Exchange proposes to apply: (1) conduct rules relevant to underwriting activity; (2) supervision rules; (3) applicable fee-related rules; and (4) disciplinary rules. Finally, although Nasdaq applied certain administrative, business continuity, and registration-related rules (for example, certain rules set forth in Nasdaq General 2 and 4), the Exchange, like its affiliate NYSE, does not propose applying analogous Exchange rules (where such rules exist), because Limited Underwriting Members already would be subject to similar requirements under FINRA rules.

Specifically, the Exchange proposes to provide in proposed Rule 310(c)(1) - Equities (Rules Applicable to Limited Underwriting Members) that Limited Underwriting Members and their associated persons would be subject only to the following rules:

DEFINITIONS AND POWERS OF THE BOARD OF DIRECTORS

General and Floor Rules

Definitions

- Rule 0 (Regulation of the Exchange and its Member Organizations)
- Rule 1 (Affiliation between Exchange and a Member Organization)

Part I - General Rules

- Rule 16 (Business Conduct)
- Rule 41 (Collection of and Failure to Pay Exchange Fees)

Office Rules

Section 4. Employees and Admission of Members and Member Organizations

- Rule 342(e) (Association of Members, Member Organizations, and Persons Associated With Member Organizations)

Section 10. Disciplinary Rules

- Rules 8000-8330 (Disciplinary Rules (Investigations and Sanctions)), with the exception of Rule 8211 (Automated Submission of Trading Data Requested by the Exchange)
- Rules 9000-9870 (Disciplinary Rules (Procedural)) with the exception of Rule 9557 (Procedures for Regulating Activities Under Rules 470, 471, 4110 - Equities, 4120 - Equities and 4130 - Equities Regarding a Member or Member Organization Experiencing Financial or Operational Difficulties)

Section 16. Exchange Distributions and Exchange Acquisitions

- Rule 570A (Notification Requirements for Offerings of Listed Securities)

Section 18. Offenses and Sanctions Guidelines

- Rule 600 (Other Offenses)

Equities Rules

- Rule 2B - Equities (No Affiliation between Exchange and any Member Organization)
- Rule 308 - Equities (Acceptability Proceedings)

- Rule 2010 - Equities (Standards of Commercial Honor and Principles of Trade)
- Rule 2020 - Equities (Use of Manipulative, Deceptive or Other Fraudulent Devices)
- Rule 3110 - Equities (Supervision)
- Rule 3120 - Equities (Supervisory Control Systems)
- Rule 3220 - Equities (Influencing or Rewarding Employees of Others)
- Rule 5190 - Equities (Notification Requirements for Offering Participants)
- Rule 6140 - Equities (Other Trading Practices)

Proposed Rules Applicable to Limited Underwriting Members

The Exchange proposes to apply Rule 0 (Regulation of the Exchange and its Member Organizations) to Limited Underwriting Members in order to apply requirements related to the Exchange's Regulatory Services Agreement with FINRA set forth in subsection (a) as well as the requirements in subsection (b) that Exchange Rules apply to all member organizations and persons associated with member organizations, and that persons associated with a member organization have the same duties and obligations as a member organization under Exchange Rules.

The Exchange proposes to apply Rule 1 (Affiliation between Exchange and a Member Organization) in order to apply the limitations on affiliation between the Exchange and a Limited Underwriting Member.

The Exchange proposes to apply Rule 16 (Business Conduct) so that Limited Underwriting Members would be subject at all times to the requirement to adhere to the principles of good business practice in the conduct of business affairs.

The Exchange proposes applying Rule 41 to facilitate the Exchange's ability to collect fees for Limited Underwriting Members.¹⁵

The Exchange would apply Rule 342(e) (Association of Member Organizations, and Persons Associated With Member Organizations) to Limited Underwriting Members and their associated persons. As noted above, under proposed Rule 310(a)(i) - Equities, registered brokers or dealers subject to Rule 342(e) would be ineligible to become a Limited Underwriting Member. Under proposed Rule 310(a)(ii) - Equities, persons subject to Rule 342(e) would similarly be ineligible to be associated with a Limited Underwriting Member. Applying Rule 342(e) to Limited Underwriting Members and their associated persons would cover statutory disqualifications that could arise after a broker or dealer becomes a Limited Underwriting Member.

Rules 8000-8330 and Rules 9000-9870¹⁶ contain the Exchange's disciplinary rules, which would govern the initiation of disciplinary proceedings against proposed Limited Underwriting Members for violations of the rules set forth in proposed Rule 310(c)(1). The Exchange proposes to specifically exclude Rule 8211 and Rule 9557. Rule 8211 relates to

¹⁵ The Exchange proposes to establish fees for Limited Underwriting Members in a separate rule filing once proposed Rule 310 - Equities is operative. Proposed Limited Underwriting Members would be subject to the same requirements of Rule 41(b) of the Office Rules for failure to pay a fee or any other sum due to the Exchange within forty-five days after the same becomes payable, including suspension or denial of access to some or all of the facilities of the Exchange.

¹⁶ These rules, as well as Rule 600 discussed below, also apply to "covered persons." NYSE American Rule 9120(g) defines "covered person" to mean a "member, principal executive, approved person, registered or non-registered employee of a member organization or an ATP Holder, or other person (excluding a member organization) subject to the jurisdiction of the Exchange." The term was drafted to appropriately capture all persons subject to the legacy disciplinary rules and preserve the Exchange's scope of jurisdiction at the time the Rule 8000 and Rule 9000 Series were adopted. See Securities Exchange Act Release No. 77241 (February 26, 2016), 81 FR 11311, 11318 (March 3, 2016) (SR-NYSEMKT-2016-30) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change Adopting Investigation, Disciplinary, Sanction, and Other Procedural Rules That Are Modeled on the Rules of the New York Stock Exchange LLC and Certain Conforming and Technical Changes). Under NYSE American Rule 2(a) - Equities, the term "member" means a natural person associated with a member organization who has been approved by the Exchange and designated by such member organization to effect transactions on the floor of the Exchange or any facility thereof. See id.

members submission of trade data. Rule 9557 relates to procedures for regulating activities under Rules 470, 471, 4110 - Equities, 4120 - Equities and 4130 - Equities. Rules 470 and 4110 - Equities relate to member organizations capital compliance; Rule 471 sets forth restrictions to business expansion while certain net capital conditions continue to exist; and Rules 4120 - Equities and 4130 - Equities relate to carrying or clearing members. Rule 8211 and Rule 9557 are thus not relevant to underwriting activity.

Rule 570A (Notification Requirements for Offerings of Listed Securities) requires a member or member organization that acts as the lead underwriter of any offering in a listed security to make certain notifications to the Exchange within specified timeframes.

Rule 600 (Other Offenses) of the Office Rules provides that a member organization, among others, violates the provisions of the Rule if it commits any of the 10 enumerated offenses which include, among other things, making a material misstatement to the Exchange, failing to observe high standards of commercial honor and just and equitable principles of trade, and committing acts detrimental to the interest or welfare of the Exchange.¹⁷

¹⁷ See Rule 600(4), (6) & (7), respectively. Member organizations also violate Rule 600 if they violate any provision of the Act or any rule or regulation thereunder (id. at (1)); any of its agreements with the Exchange (id. at (2)); any provision of any Rule adopted by the Exchange's Board of Directors (id. at (3)); effects any transaction in, or induces the purchase or sale of, any security by means of any manipulative, deceptive or other fraudulent device or contrivance (id. at (5)); makes any purchases or sales or offers of purchase or sale of securities for the purpose of upsetting the equilibrium of the market or bringing about a condition in which prices will not fairly reflect market values, or assisting in making any such purchases or sales with knowledge of such purpose, or being, with such knowledge, a party to or assisting in carrying out any plan or scheme for the making of such purchases or sales or offers of purchase or sale (id. at (8)); makes a misstatement or omission of fact on its application for membership or approval, or on any financial statement, report, or other submission filed with the Exchange (id. at (9)); or refuses or fails to comply with a request of the Exchange to submit its books and records (including those books and records with respect to which such member organization or covered person has access and control) to the Exchange, any other self-regulatory organization, any contract market, any registered futures association, or any foreign self-regulatory organization or association with which the Exchange has entered into an agreement or to furnish information to or to appear or testify before the Exchange or such other organization or association, as specified above, or fails to take any of the foregoing actions on the date or within the time period that the Exchange requires (id. at (10)).

Rule 2B - Equities (No Affiliation between Exchange and any Member Organization) in order to apply the limitations on affiliation between the Exchange and a Limited Underwriting Member.

The Exchange proposes to apply Rule 308 - Equities (Acceptability Proceedings) to proposed Limited Underwriting Members in order to permit challenges to Exchange disapprovals of Limited Underwriting Member applications.

The Exchange also proposes to apply certain rules to Limited Underwriting Members and their associated persons that set forth the general standards by which members, member organizations must abide. Specifically, Rule 2010 - Equities requires members and member organizations to observe high standards of commercial honor and just and equitable principles of trade in the conduct of their business. Similarly, Rule 2020 - Equities prohibits members and member organizations from effecting any transaction in, or inducing the purchase or sale of, any security by means of any manipulative, deceptive or other fraudulent device or contrivance.

Rule 3110 - Equities requires each member organization to establish and maintain a system to supervise the activities of each associated person that is reasonably designed to achieve compliance with applicable securities laws and regulations and with applicable Exchange rules. Rule 3120 - Equities requires each member organization to have a system of supervisory control policies and procedures that tests and verifies that member organization's supervisory procedures are reasonably designed with respect to the activities of the member organization and its associated persons, to achieve compliance with applicable securities laws and regulations, and with applicable Exchange rules. The Exchange believes it is important to apply these provisions on supervision as it would provide the Exchange with authority to assess whether a Limited Underwriting Member has adequate supervisory systems and written supervisory procedures in

place.

Rule 3220 - Equities prohibits members, member organizations, or persons associated with a member organization from directly or indirectly giving or permitting to be given anything of value, including gratuities, in excess of one hundred dollars per individual per year to any person, principal, proprietor, employee, agent or representative of another person where such payment or gratuity is in relation to the business of the employer of the recipient of the payment or gratuity. Under the rule, a gift of any kind is considered a gratuity. The Exchange believes that applying these provisions against a Limited Underwriting Member would mitigate the risks of bribery and undue influence that the rule was intended to address.

Rule 5190 - Equities sets forth notice requirements applicable to all member organizations participating in offerings of securities for purposes of monitoring compliance with the provisions of SEC Regulation M. In addition to the requirements under Rule 5190 - Equities, member organizations also must comply with all applicable rules governing the withdrawal of quotations in accordance with SEC Regulation M. The Exchange believes that applying Rule 5190 - Equities to Limited Underwriting Members would be appropriate given the important role Rule 5190 - Equities plays in maintaining the quality of and public confidence in the Exchange's marketplace and the initial public offering ("IPO") process and the prevention of fraudulent and manipulative acts and practices.

Finally, Rule 6140 - Equities prohibits manipulation of NMS securities (a "designated security") involving wash sales, excessive trading or manipulative operations involving a pool, syndicate or joint account as well as the making or circulation and dissemination of any statement or information concerning a designated security that the member or member organization knows or has reasonable grounds for believing is false or misleading or would

improperly influence the market price of such security. The Rule further prohibits the holding of any interest or participation in any joint account for buying or selling designated security unless such joint account is promptly reported to the Exchange.

Proposed Rule 310(c)(1) - Equities would provide that these rules would apply to all Limited Underwriting Members and their associated persons in the same manner that these rules apply to member organizations and persons associated with a member organization. Persons associated with a Limited Underwriting Member would also have the same duties and obligations under these rules as a Limited Underwriting Member under these rules.

Finally, proposed Rule 310(c)(2) - Equities would provide that Limited Underwriting Members must at all times be FINRA members in good standing and that associated persons of Limited Underwriting Members must at all times be properly qualified and registered under FINRA rules.

The proposed list of rules applicable to Limited Underwriting Members is not intended to be comprehensive or foreclose the possibility of modifying the list in the future. The Exchange represents that it will consider whether additional existing rules that are not proposed in the limited ruleset for Limited Underwriting Members or new rules are warranted as the Exchange gains more experience in applying the rules proposed.

Like the NYSE and Nasdaq, the Exchange proposes to apply only those rules it deems appropriate to a firm serving as a principal underwriter, including those rules it deems critical to such firms, in an effort to impose minimal burden on Limited Underwriting Members, while still allowing the Exchange to have regulatory authority over such Members.¹⁸ The Exchange acknowledges that there are additional rules that the Exchange does not propose to apply to

¹⁸ See Release No. 99846, 89 FR at 21631; Release No. 102877, 90 FR at 17111.

proposed Limited Underwriting Members. However, since proposed Limited Underwriting Members do not have trading privileges on the Exchange, the Exchange has sought to avoid applying all those Exchange rules applicable to member organizations that primarily relate to trading activity and thus not relevant to the activities of Limited Underwriting Members or are duplicative of FINRA requirements.

Rules Inapplicable to Limited Underwriting Members

The Exchange does not propose to apply the following Rules to Limited Underwriting Members at this time because they relate to trading, settlement and/or operational matters on the Exchange and/or are otherwise not relevant to underwriting activity:

General and Floor Rules under Definition and Powers of the Board of Directors

- Definitions (Rules 0-37)
- Part I-General Rules (Rules 3-31, 40-41, 50, 60-65)¹⁹

Office Rules

Section 1 (Organizations)

- Rules 300-319

Section 2 (Member Offices)

- Rules 320-324

Section 3 (Fidelity Bonds)

- Rule 330

Section 4 (Employees and Admissions of Members and Member Organizations)

- Rules 340-349

¹⁹ The Rules in Part II were deleted.

*Section 4A (Registration)*²⁰

- Rules 2.1210-2.1230

Section 5 (Joint Accounts)

- Rules 360-365

Section 6 (Collection of Commission and Fees)

- Rules 380-401

Section 7 (Conduct of Accounts)

- Rules 410-432

Section 8 (Reports of Financial Condition)

- Rules 440-449

Section 9 (Margin Rules)

- Rules 460-472

Section 10. Disciplinary Rules

- Rule 8211 (Automated Submission of Trading Data Requested by the Exchange)
- Rule 9557 (Procedures for Regulating Activities Under Rules 470, 471, 4110 - Equities, 4120 - Equities and 4130 - Equities Regarding a Member or Member Organization Experiencing Financial or Operational Difficulties)

Section 11. Advertising

- Rules 480-485

²⁰

Rules 300-319 (Organizations), Rules 320-324 (Member Offices), Rules 340-349 (Employees and Admission of Members and Member Organization), Rules 350-359B (Admission of Members and Member Organizations) and Rules 2.1210-2.1230 (Registration) govern the operation of a member organizations and its offices and employees, including continuing education requirements for registered persons (Rule 341A), that are not relevant to the activities of Limited Underwriting Members and generally duplicative of relevant FINRA membership requirements. See, e.g., FINRA Rules 1210 (Registration Requirements) and 1240 (Continuing Education). The Exchange has harmonized its continuing education requirements and related registration requirements with FINRA's rules. See Securities Exchange Act Release No. 95061 (June 7, 2022), 87 FR 35806 (June 13, 2022) (SR-NYSE-2022-23).

Section 12. Wires and Other Means of Communication

- Rules 500-507

Section 13. Reports

- Rules 520-521²¹

Section 14. Secondary Distributions

- Rules 550-552²²

Section 16. Exchange Distributions and Exchange Acquisitions

- Rule 570A²³

Section 17. Proxies

- Rules 574-585

Rule 6800. Consolidated Audit Trail Compliance Rule

- Rules 6810-6900

Arbitration Rules

- Rules 600-624

Contracts in Securities Rules

Section 1. General Rules on Securities Contracts

- Rules 700-704

Section 2. Exchange of Tickets and Comparisons

- Rules 719-731A

Section 3. Delivery of Securities

- Rules 748-778

²¹ Rules 466 - Equities—Rule 471 - Equities are marked “Reserved.”

²² Rule 560 under Section 15 (Special Offerings and Special Bids) was rescinded.

²³ Rule 570 was rescinded.

Section 4. Closing Contracts

- Rules 780-798

Section 5. Marking to the Market and Mutual Deposits

- Rules 810-817

Section 6. Dividends and Interest

- Rules 830-832

Section 7. Reclamation

- Rule 850

Section 7A. Interest—Added to Contract Price

- Rules 858-859

Section 8. Money and Security Loans

- Rules 860-890

Equities Rules

- Rule 0 - Equities (Applicability and Phase-In);
- Rules 1E—13E (Cash Equities Pillar Platform Rules);
- Rule 2 - Equities—Rule 14 - Equities (Definition of Terms);
- Rule 2A - Equities (Jurisdiction);
- Rule 22 - Equities (Disqualification Because of Personal Interest);
- Rule 56 - Equities (Unit of Trading—Rights);
- Rule 63 - Equities—Rule 86 - Equities (Auction Market-Bids and Offers);²⁴
- Rule 137 - Equities (Written Contracts);

²⁴

Rules 500-507 (Wires and Other Means of Communication) were rescinded.

- Rule 137A - Equities (Samples of Written Contracts);
- Rule 138 - Equities (Give-Ups);
- Rule 139 - Equities (Recording);
- Rule 140 - Equities (Members Closing Contracts—Conditions);
- Rule 141 - Equities (Fail to Deliver’ Confirmations);
- Rule 142 - Equities (Effect on Contracts of Errors in Comparison, etc.);²⁵
- Rule 165 - Equities—Rule 168 - Equities (Marking to Market);²⁶
- Rule 175 - Equities—Rule 227 - Equities (Settlement of Contracts);²⁷
- Rules 236 - Equities—251 - Equities (Dividends, Interest, Rights, etc.);
- Rule 255 - Equities—Rule 259 - Equities (Due-Bills);²⁸
- Rule 265 - Equities—Rule 275 - Equities (Reclamation);²⁹
- Rule 280 - Equities—Rule 295 - Equities (Closing Contracts);
- Rule 296 - Equities (Liquidation of Securities Loans and Borrowings);³⁰
- Rule 297 - Equities—Rule 299C - Equities (Miscellaneous Floor Procedure);
- Rule 304 - Equities—Rule 324 - Equities (Admission of Members);
- Rule 341 - Equities—Rule 387 - Equities (Offices and Employees);
- Rule 402 - Equities—Rule 412 - Equities (Conduct of Accounts);³¹

²⁵ Rule 143- Equities - Rule 164 - Equities are marked “Reserved.”

²⁶ Rule 167 - Equities - Rule 174 - Equities are marked “Reserved.”

²⁷ Rule 228 - Equities—Rule 234 - Equities are marked “Reserved.”

²⁸ Rule 260 - Equities—Rule 264 - Equities are marked “Reserved.”

²⁹ Rule 274 - Equities and Rule 276 - Equities—Rule 279 - Equities are marked “Reserved.”

³⁰ Rule 295 - Equities and Rule 297 - Equities—Rule 299 - Equities are marked “Reserved.”

³¹ Rule 403 - Equities is marked “Reserved.”

- Rule 416 - Equities—Rule 422 - Equities (Financial Statements and Reports);
- Rules 430 - Equities—434 - Equities (Margins);
- Rule 435 - Equities (Miscellaneous Prohibitions);³²
- Rule 440C - Equities (Short Sale Borrowing and Delivery Requirements);
- Rule 450 - Equities—Rule 459 - Equities (Proxies);
- Rule 465 - Equities (Company Report to Stockholders);³³
- Rule 471 - Equities—Rule 496 - Equities (Communications With The Public);³⁴
- Rule 497 - Equities (Additional Requirements for Listed Securities Issued by ICE or its Affiliates);
- Rule 2040 - Equities (Payments to Unregistered Persons);
- Rule 2070 - Equities (Transactions Involving Exchange Employees);
- Rule 2090 - Equities (Know Your Customer);
- Rule 2111 - Equities (Suitability);
- Rule 2150 - Equities (Improper Use of Customers' Securities or Funds; Prohibition Against Guarantees and Sharing in Accounts);
- Rule 2210 - Equities (Communications with the Public);
- Rule 2212 - Equities (Use of Investment Companies Rankings in Retail Communications);
- Rule 2232 - Equities (Customer Confirmations);

³² Rule 436 - Equities—Rule 437 - Equities are marked “Reserved.”

³³ Rules 466 - Equities—Rule 471 - Equities are marked “Reserved.”

³⁴ It should be noted that Limited Underwriting Members would be subject to similar rules directly by virtue of their FINRA membership. See e.g., FINRA Rule 2210 (Communications with the Public). Note that Rule 473 - Equities -- Rule 496 - Equities are marked “Reserved.”

- Rule 2262 - Equities (Disclosure of Control Relationship with Issuer);
- Rule 2266 - Equities (SIPC Information);
- Rule 2269 - Equities (Disclosure of Participation or Interest in Primary or Secondary Distribution);
- Rule 3130 - Equities (Annual Certification of Compliance and Supervisory Processes);
- Rule 3150 - Equities (Holding of Customer Mail);
- Rule 3170 - Equities (Tape Recording of Registered Persons by Certain Firms);
- Rule 3220 - Equities (Influencing or Rewarding Employees of Others);
- Rule 3230 - Equities (Telemarketing);
- Rule 3240 - Equities (Borrowing From or Lending to Customers);
- Rule 3250 - Equities (Designation of Accounts);
- Rule 3270 - Equities (Outside Business Activities of Registered Persons);
- Rule 3310 - Equities (Anti-Money Laundering Compliance Program);
- Rule 4110 - Equities (Capital Compliance);
- Rule 4120 - Equities (Regulatory Notification and Business Curtailment);
- Rule 4130 - Equities (Regulation of Activities of Section 15C Member Organizations Experiencing Financial and/or Operational Difficulties);
- Rule 4140 - Equities (Audit);
- Rule 4150 - Equities (Guarantees by, or Flow Through Benefits for, Member Organizations);
- Rule 4311 - Equities (Carrying Agreements);
- Rule 4360 - Equities (Fidelity Bonds);

- Rule 4370 - Equities (Business Continuity Plans and Emergency Contact Information);
- Rule 4521 - Equities (Notifications, Questionnaires and Reports);
- Rule 4522 - Equities (Periodic Security Counts, Verifications and Comparisons);
- Rule 4523 - Equities (Assignment of Responsibility for General Ledger Accounts and Identification of Suspense Accounts);
- Rule 4530 - Equities (Reporting Requirements);
- Rule 4560 - Equities (Short-Interest Reporting);
- Rule 5210 - Equities (Publication of Transactions and Quotations);
- Rule 5220 - Equities (Disruptive Quoting and Trading Activity Prohibited);
- Rule 5290 - Equities (Order Entry and Execution Practices); and
- Rule 5320 - Equities (Prohibition Against Trading Ahead of Customer Orders).

Proposed Supplementary Material

Proposed Rule 310 - Equities would include two supplementary material.

First, Rule 310 - Equities, Supplementary Material .01 would provide that, consistent with the definition of “member” in the Securities Exchange Act of 1934, a Limited Underwriting Member agrees to be regulated by the Exchange and is subject to the jurisdiction of the Exchange for purposes of interpreting and applying the above rules to Limited Underwriting Members and their associated persons.

Second, proposed Rule 310 - Equities, Supplementary Material .02 would provide that, for the purposes of this rule, the term “associated person” shall have the same meaning as the terms "person associated with a member" or "associated person of a member" as defined in Article I (rr) of the FINRA ByLaws.

The Exchange would avoid applying any Exchange rules not specified in proposed Rule 310(c)(1) - Equities. As previously noted, the Exchange does not propose to apply rules that would apply to member organizations, such as registration, qualification, and continuing education requirements, including requirements for persons engaged in the securities business of a member, that Nasdaq applies to its Limited Underwriting Members and their associated persons. Further, the Exchange does not propose to apply the Rule 6800 Series of the Office Rules to Limited Underwriting Members because those govern consolidated audit trail compliance and would not apply to underwriting activity. The Exchange's arbitration rules would apply to Limited Underwriting Members by virtue of their FINRA membership and would thus be duplicative of FINRA requirements. The additional Exchange rules that Limited Underwriting Members would not be subject to under the proposal primarily relate to trading activity and are, therefore, not relevant to the activities of Limited Underwriting Members due to their lack of access to trade on the Exchange. While there are additional rules that it could propose to apply to Limited Underwriting Members, the Exchange only proposes a limited ruleset intended primarily to provide the Exchange with the authority to require information directly from the Limited Underwriting Members and enhance its tools for oversight with respect to the role the underwriter plays in connection with a company listing on the Exchange. The Exchange does not intend to create comprehensive rules to regulate underwriting activity.

In addition, the Exchange would impose a new requirement in its Guide based on Nasdaq Rule 5210(l)(ii) and Section 108 of the NYSE Listed Company Manual in a new Section 208 requiring each Company applying for initial listing in connection with a transaction involving an underwriter to have a principal underwriter that is a member organization as defined in Rule 2 - Equities or a Limited Underwriting Member, as defined in Rule 2(k) - Equities. In proposed

Section 208(i), the Exchange would also specify that “principal underwriter” shall have the same definition used in Rule 405 promulgated under the Securities Act of 1933.³⁵ Proposed Section 208(i) would be substantially similar to Nasdaq Rule 5210(l)(i).

The rule would cross reference the definition of “Limited Underwriting Member,” which would be added to Rule 2(k) - Equities and would define Limited Underwriting Member to mean a registered broker or dealer that is subject to the jurisdiction of the Exchange solely for purposes of Rule 310 - Equities and the rules enumerated in Rule 310(c)(1) - Equities.

Proposed Changes to the Operating Agreement

The Exchange would amend Operating Agreement Section 2.02 (Rules; Supervision of Member Organizations) to remove references to Rules 2, 18, 24, and 25.

The first sentence of Section 2.02 provides that the Board shall have general supervision over members and member organizations. Parentheticals in that sentence say that “members” and “member organizations” are defined in Rules 18 and 24, respectively, and “approved persons” is defined in Rule 25. However, Rules 18, 24 and 25 have been deleted. The references are therefore obsolete and are proposed to be deleted and not replaced so that the Operating Agreement would remain correct even if the numbering of the Rules changed.

The second sentence of Section 2.02 sets forth certain powers of the Board. In it, it refers to the definition of a “designated market maker” in “Rule 2 of the Company Rules.” Although the reference is correct, the Exchange would similarly delete it for the sake of consistency and so that the Operating Agreement would remain correct even if the numbering of the Rules changed.

The proposed changes to Section 2.02 of the Operating Agreement would be consistent with the same section in the operating agreement of the New York Stock Exchange LLC, which

³⁵ See note 8, supra.

does not include any references to rules of the New York Stock Exchange.³⁶

The Exchange proposes to make the following non-substantive technical and conforming changes to the title, recitals, and signature page of the Operating Agreement:³⁷

- Update references to the “Thirteenth Amended and Restated Operating Agreement” to the “Fourteenth Amended and Restated Operating Agreement.”
- Update the dates in the introduction and signature line.
- Update the recitals.

Implementation

The Exchange would establish fees for Limited Underwriting Members pursuant to a separate fee filing. The Exchange proposes that the instant filing would become operative 30 days following the effective day of the fee filing. The Exchange will announce the implementation date by Trader Update.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,³⁸ in general, and furthers the objectives of Section 6(b)(5) of the Act,³⁹ in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in 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

³⁶ See Fourteenth Amended and Restated Operating Agreement of New York Stock Exchange LLC, Section 2.02.

³⁷ See Securities Exchange Act Release No. 97057 (March 7, 2023), 88 FR 15484 (March 13, 2023) (SR-NYSEAMER-2023-15) (Notice of Filing and Immediate Effectiveness of Proposed Change To Amend Article II, Section 2.03(b) of Its Operating Agreement).

³⁸ 15 U.S.C. 78f(b).

³⁹ 15 U.S.C. 78f(b)(5).

interest by strengthening the Exchange's ability to oversee and police its marketplace. In addition, the Exchange believes that the proposed rule change is designed to provide a fair procedure for prohibiting or limiting any person with respect to access to services offered by the Exchange or a member thereof consistent with the objectives of Section 6(b)(7).⁴⁰

As discussed above, the proposal would create a new category of market participant for registered broker-dealers with a disciplinary history satisfactory to the Exchange that seek to act as a principal underwriter of a transaction in connection with which an issuer seeks to be admitted to listing on the Exchange. Firms approved by the Exchange to operate as Limited Underwriting Members on the Exchange would not have rights to transact on the Exchange. Rather, such firms would submit to limited Exchange jurisdiction for the purpose of acting as an underwriter on the Exchange. The Exchange believes that this is reasonable because proposed Limited Underwriting Members would not be admitted to the Exchange for trading or any other purpose than acting as an Initial Listing Principal Underwriter.

As proposed, the Exchange would apply only those rules specified in proposed Rule 310(c)(1) - Equities to Limited Underwriting FINRA Members, which would include fees, business conduct standards, supervision, notification requirements for offering participants and disciplinary rules. The Exchange believes that subjecting the proposed new category of principal underwriters to Exchange jurisdiction for such specified rules supports fair and orderly markets, which protects investors and the public interest, consistent with Section 6(b)(5) of the Act.⁴¹ In this regard, the proposal would subject Limited Underwriting Members to the Exchange's disciplinary rules, which would provide the Exchange with the authority to require documents

⁴⁰ 15 U.S.C. 78f(b)(7).

⁴¹ 15 U.S.C. 78f(b)(5).

and information from such underwriters. In addition, these underwriters would be subject to various conduct rules governing their activities on the Exchange, including the requirements to observe just and equitable principles of trade, establish and maintain a system to supervise the activities of associated persons, and to test and verify that the system is reasonably designed. The Exchange believes that imposing these rules, as well as the other rules included in proposed Rule 310 - Equities, on principal underwriters will strengthen the Exchange's ability to carry out its oversight responsibilities and deter potential violative conduct, such as fraud or manipulation, thereby protecting investors and the public interest. Further, the Exchange believes that it is appropriate and consistent with the protection of investors and the public interest that the rules specifically excluded from proposed Rule 310 - Equities not be imposed on proposed Limited Underwriting Members because those rules are, as discussed above, either inapplicable to the activities a principal underwriter would be permitted to conduct on the Exchange and/or proposed Limited Underwriting Members would be subject to similar rules by virtue of their FINRA membership. As noted above, proposed Limited Underwriting Members must at all times be FINRA members in good standing, and their associated persons must at all times properly qualified and registered under FINRA rules, rendering them at all times subject to FINRA rules, all applicable rules of the Commission and the rules of any other self-regulatory organization of which it is a member.

The Exchange believes that the proposed rule change is not designed to permit unfair discrimination between customers, issuers, brokers and dealers, consistent with Section 6(b)(5)⁴² of the Act. The Exchange's proposal to subject Limited Underwriting Members to a limited set of rules and exclude certain rules applicable to member organizations is not designed to permit

⁴² 15 U.S.C. 78f(b)(5).

unfair discrimination between brokers and dealers because being permitted to act as an underwriter on the Exchange under the proposed arrangement does not confer the same benefits as a traditional Exchange membership under Rule 2(b)(i) - Equities, and, therefore, does not warrant application of the same ruleset. Moreover, all Limited Underwriting Members would be subject to the same specified rules set forth in proposed Rule 310 - Equities (c)(1). In addition, the proposed changes will apply equally to all similarly situated Limited Underwriting Members, and therefore are not designed to permit unfair discrimination. Similarly, the proposed changes to the Guide will apply equally to all similarly situated companies applying for initial listing in connection with a transaction involving an underwriter on the Exchange and therefore, are thus not designed to permit unfair discrimination.

Finally, the proposed changes to the Operating Agreement would remove impediments to and perfect the mechanism of a free and open market by removing obsolete references, ensuring that the Operating Agreement remained correct even if there was a change in the rule number for the definition of designated market maker, and making non-substantive technical and conforming changes to the title, recitals and signature page of the Operating Agreement, thereby ensuring that persons subject to the Exchange's jurisdiction, regulators, and the investing public can more easily navigate and understand the governing documents. The proposed changes to the Operating Agreement also would not be inconsistent with the public interest and the protection of investors because investors will not be harmed and in fact would benefit from increased transparency and clarity, thereby reducing potential confusion.

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 not intended to address competitive issues but rather is intended to apply standards and qualifications to permit certain principal underwriters to access to the Exchange for the sole purpose of acting as a principal underwriter of an underwritten public offering in connection with which a company seeks to list on the Exchange and to apply a limited ruleset consistent with the purpose of a limited underwriting membership that does not confer any access to trading on the Exchange and only permits such member to act as a principal underwriter for a company applying to initially list on the Exchange. As noted above, although the Exchange proposes to subject Limited Underwriting Members to a limited set of rules, being permitted to act as an underwriter on the Exchange under the proposed arrangement and for no other purpose does not confer the same benefits as a standard Exchange membership and does not warrant application of the same ruleset. Applying a limited ruleset to proposed Limited Underwriting Members is therefore justified. All Limited Underwriting Members would be subject to the same specified rules. Likewise, the proposed changes to the Guide will apply equally to all similarly situated companies applying for initial listing in connection with a transaction involving an underwriter on the Exchange.

The proposed changes to the Operating Agreement are not meant to have an impact on competition. They are meant solely to remove obsolete references, ensure that the Operating Agreement remains correct even if there is a change in the rule number for the definition of designated market maker, and make non-substantive technical and conforming changes to the title, recitals, and signature page.

Moreover, the Exchange does not expect that its proposal will have an adverse impact on competition among exchanges for members. The Exchange believes the proposed rule changes, taken together, will strengthen the Exchange's ability to carry out its role and responsibilities as a

self-regulatory organization and deter potential violative conduct. As such, the Exchange does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act.

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 Exchange has filed the proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act⁴³ and Rule 19b-4(f)(6) thereunder.⁴⁴ Because the proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative prior to 30 days from the date on which it was filed, or such shorter time as the Commission may designate, if consistent with the protection of investors and the public interest, the proposed rule change has become effective pursuant to Section 19(b)(3)(A) of the Act and Rule 19b-4(f)(6)(iii) thereunder.

A proposed rule change filed under Rule 19b-4(f)(6)⁴⁵ normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b-4(f)(6)(iii),⁴⁶ the Commission may designate a shorter time if such action is consistent with the protection of investors and the public interest.

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

⁴³ 15 U.S.C. 78s(b)(3)(A)(iii).

⁴⁴ 17 CFR 240.19b-4(f)(6).

⁴⁵ 17 CFR 240.19b-4(f)(6).

⁴⁶ 17 CFR 240.19b-4(f)(6)(iii).

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)⁴⁷ 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 (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to rule-comments@sec.gov. Please include file number SR-NYSEAMER-2025-40 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-NYSEAMER-2025-40. This file number should be included on the subject line if email 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 (<https://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

⁴⁷ 15 U.S.C. 78s(b)(2)(B).

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 a.m. and 3 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR-NYSEAMER-2025-40 and should be submitted on or before [INSERT DATE 21 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁴⁸

Sherry R. Haywood,

Assistant Secretary.

⁴⁸

17 CFR 200.30-3(a)(12).

Additions underlined.
Deletions [bracketed].

Rules of NYSE American LLC

* * * * *

Equities Rules

* * * * *

General Rules

Definition of Terms

* * * * *

Rule 2 - Equities. "Member," "Membership," "Member Firm," etc.

* * * * *

(b)(i) The term "member organization" means a registered broker or dealer (unless exempt pursuant to the Securities Exchange Act of 1934) (the "Act") that is a member of the Financial Industry Regulatory Authority, Inc. ("FINRA") or another registered securities exchange. Member organizations that transact business with public customers or conduct business on the Floor of the Exchange shall at all times be members of FINRA. A registered broker or dealer must also be approved by the Exchange and authorized to designate an associated natural person to effect transactions on the floor of the Exchange or any facility thereof. This term shall include a natural person so registered, approved and licensed who directly effects transactions on the floor of the Exchange or any facility thereof.

(ii) The term "member organization" also includes any registered broker or dealer that is a member of FINRA or a registered securities exchange, consistent with the requirements of section 2(b)(i) of this Rule, which does not own a trading license and agrees to be regulated by the Exchange as a member organization and which the Exchange has agreed to regulate, including Limited Underwriting Members as defined herein.

* * * * *

(k) The term "Limited Underwriting Member" means a registered broker or dealer that is subject to the jurisdiction of the Exchange solely for purposes of Rule 310 - Equities and the rules enumerated in Rule 310(c)(1) - Equities.

* * * * *

Admission of Members

* * * * *

Rule 310 - Equities. [Reserved]Limited Underwriting Members and Associated Persons.

[Reserved](a) Eligibility to Become Limited Underwriting Members and Associated Persons.

- (i) Any registered broker or dealer with a disciplinary history satisfactory to the Exchange shall be eligible for approval by the Exchange to operate as a Limited Underwriting Member as described below, except such registered brokers or dealers as are excluded under Rule 342(e) of the Office Rules.
- (ii) Associated persons of Limited Underwriting Members that will be responsible for activity of the Limited Underwriting Member as an Initial Listing Principal Underwriter for purposes of Rule 310(b) - Equities shall be identified on the application. Any person shall be eligible to become an Associated Person of a Limited Underwriting Member, except such persons as are excluded under Rule 342(e) of the Office Rules.

(b) Access to the Exchange

Approval by the Exchange to operate as a Limited Underwriting Member provides no rights to transact on the Exchange. Approval by the Exchange of a firm to operate as a Limited Underwriting Member solely allows such firm to act as a principal underwriter of an underwritten public offering in connection with which a company seeks to list on the Exchange (an "Initial Listing Principal Underwriter"). A firm that is not an Exchange member organization cannot act as an Initial Listing Principal Underwriter unless such firm is a Limited Underwriting Member.

(c) Rules Applicable to Limited Underwriting Members

(1) In addition to this rule, Limited Underwriting Members and their associated persons shall only be subject to the following rules:

DEFINITIONS AND POWERS OF THE BOARD OF DIRECTORS

General and Floor Rules

Definitions

- Rule 0 (Regulation of the Exchange and its Member Organizations)
- Rule 1 (Affiliation between Exchange and a Member Organization)

Part I - General Rules

- Rule 16 (Business Conduct)
- Rule 41 (Collection of and Failure to Pay Exchange Fees)

Office Rules

Section 4. Employees and Admission of Members and Member Organizations

- Rule 342(e) (Association of Members, Member Organizations, and Persons Associated With Member Organizations)

Section 10. Disciplinary Rules

- Rules 8000-8330 (Disciplinary Rules (Investigations and Sanctions)), with the exception of Rule 8211 (Automated Submission of Trading Data Requested by the Exchange)
- Rules 9000-9870 (Disciplinary Rules (Procedural)) with the exception of Rule 9557 (Procedures for Regulating Activities Under Rules 470, 471, 4110 - Equities, 4120 - Equities and 4130 - Equities Regarding a Member or Member Organization Experiencing Financial or Operational Difficulties)

Section 16. Exchange Distributions and Exchange Acquisitions

- Rule 570A (Notification Requirements for Offerings of Listed Securities)

Section 18. Offenses and Sanctions Guidelines

- Rule 600 (Other Offenses)

Equities Rules

- Rule 2B - Equities (No Affiliation between Exchange and any Member Organization)
- Rule 308 - Equities (Acceptability Proceedings)
- Rule 2010 - Equities (Standards of Commercial Honor and Principles of Trade)
- Rule 2020 - Equities (Use of Manipulative, Deceptive or Other Fraudulent Devices)
- Rule 3110 - Equities (Supervision)
- Rule 3120 - Equities (Supervisory Control Systems)
- Rule 3220 - Equities (Influencing or Rewarding Employees of Others)

- Rule 5190 - Equities (Notification Requirements for Offering Participants)
- Rule 6140 - Equities (Other Trading Practices)

These rules shall apply to all Limited Underwriting Members and their associated persons in the same manner that these rules apply to member organizations and persons associated with a member organization. Persons associated with a Limited Underwriting Member shall have the same duties and obligations under these rules as a Limited Underwriting Member under these rules.

(2) Limited Underwriting Members must at all times be FINRA members in good standing and associated persons of Limited Underwriting Members shall at all times be properly qualified and registered under FINRA rules.

• • Supplementary Material:

.01 Consistent with the definition of "member" in the Securities Exchange Act of 1934, a Limited Underwriting Member agrees to be regulated by the Exchange and is subject to the jurisdiction of the Exchange for purposes of interpreting and applying the above rules to Limited Underwriting Members and their associated persons.

.02 For the purposes of this rule, the term "associated person" shall have the same meaning as the terms "person associated with a member" or "associated person of a member" as defined in Article I (rr) of the FINRA ByLaws.

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NYSE American LLC Company Guide

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PART 2. Original Listing Procedures (§§201-222)

* * * * *

Sec. 207. Listing Qualifications Analyst

Each company is assigned to a Listing Qualifications Analyst, who serves as the principal liaison between the Exchange and the company on all regulatory and disclosure-related matters.

Sec. 208 Principal Underwriter

(i) “Principal underwriter” shall have the same definition used in Rule 405 promulgated under the Securities Act of 1933.

(ii) Each Company applying for initial listing in connection with a transaction involving an underwriter must have a principal underwriter that is a member organization as defined in Rule 2 - Equities or a Limited Underwriting Member, as defined in Rule 2(k) - Equities.

* * * * *

[THIRTEENTH]~~FOURTEENTH~~ AMENDED AND RESTATED
OPERATING AGREEMENT
OF
NYSE AMERICAN LLC

This [Thirteenth]~~Fourteenth~~ Amended and Restated Operating Agreement (this “Agreement”) of NYSE American LLC, previously named NYSE MKT LLC, American Stock Exchange 2, LLC, NYSE Alternext US LLC and NYSE Amex LLC (the “Company”), dated and effective as of [March 29, 2023]~~●, 2025~~, is entered into by NYSE Group, Inc. (the “Member”), a Delaware corporation and an indirect wholly owned subsidiary of Intercontinental Exchange, Inc. (“ICE”), under the Delaware Limited Liability Company Act, 6 Del. C. §18-101, *et seq.* (as amended from time to time and any successor statute thereto, the “Act”).

* * * * *

WHEREAS, this Agreement was further amended and restated as of December 17, 2018, in connection with amendments to Article II, Section 2.03(h)(ii) and Article VI, Section 6.02 and Section 6.03 hereof;

WHEREAS, [the Member has determined to]~~this Agreement was further amended and restated [this Agreement] as of March 29, 2023,~~ in connection with amendments to Article II, Section 2.03(b)[,];

WHEREAS, the Member has determined to amend and restate this Agreement in connection to amendments to Article II, Section 2.02; and

NOW, THEREFORE, the Member hereby amends and restates in its entirety the Original Operating Agreement, as previously amended and restated as of October 1, 2008, March 18, 2009, May 14, 2012, August 23, 2012, November 13, 2013, June 2, 2014, December 29, 2014, June 12, 2015, February 16, 2016, May 25, 2016, November 7, 2016, March 15, 2018, [and] December 17, 2018 and March 29, 2023; and adopts the following as the operating agreement of the Company within the meaning of the Act:

* * * * *

ARTICLE II

MANAGEMENT

* * * * *

SECTION 2.02. Rules; Supervision of Member Organizations. In furtherance and not in limitation of the foregoing, the Board shall have general supervision over members and member organizations [(as defined in Rules 18 and 24 of the Company, respectively)]of the Company (collectively, “Member Organizations”) and

over approved persons [(as defined in Rule 25 of the Company)]in connection with their conduct with or affecting Member Organizations. The Board may examine into the business conduct and financial condition of Member Organizations, shall have supervision over partnership and corporate arrangements and over all offices of Member Organizations, whether foreign or domestic, and over all persons employed by such Member Organizations (and may, by affirmative vote of a majority of the Directors then in office, adopt, amend or repeal rules with respect to the employment, compensation and duties of such employees), shall have supervision relating to the collection, dissemination and use of quotations and of reports of prices on the exchange operated by the Company, shall have the power to approve or disapprove of any connection or means of communication with the floor and may require the discontinuance of any such connection or means of communication, may disapprove of any member acting as a specialist, designated market maker [(as defined in Rule 2 of the Company Rules)](“DMM”) or odd lot dealer, and may, by affirmative vote of a majority of the Directors then in office, adopt, amend or repeal any rules as it may deem necessary or appropriate in connection with any of the foregoing, including, without limitation, rules relating to: the discipline of Member Organizations, approved persons and registered and non-registered employees of Member Organizations for the violation of applicable law or the rules of the Company; and the arbitration of any controversy between parties who are Member Organizations and any controversy between a Member Organization and any other person arising out of the business of such Member Organization. For purposes of clarity, each reference to a “member” in this Section 2.02 shall refer to a member of the Company as a self-regulatory organization under the Exchange Act, and not as a member of the Company under the Act.

* * * * *

IN WITNESS WHEREOF, the undersigned, intending to be legally bound hereby, has duly executed this [Thirteenth]Fourteenth Amended and Restated Operating Agreement of NYSE American LLC as of the [29th] day of [March, 2023] , 2025.

NYSE GROUP, INC.

By: _____

Name:

Title:

* * * * *