

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * 19		SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-4		File No. * SR 2024 - * 35 Amendment No. (req. for Amendments *)	
Filing by New York Stock Exchange 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 checked="" type="checkbox"/>		Section 19(b)(3)(A) * <input type="checkbox"/>		Section 19(b)(3)(B) * <input type="checkbox"/>	
Pilot <input type="checkbox"/>		Extension of Time Period for Commission Action * <input type="checkbox"/>		Date Expires * <input type="text"/>	
		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 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>Proposed Rule Change proposes to amend Section 302.00 of the NYSE Listed Company Manual to exempt closed-end funds from the requirement to hold annual shareholder meetings.</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 * John Last Name * Carey Title * Senior Director E-mail * John.Carey@ice.com Telephone * (212) 656-5640 Fax					
Signature Pursuant to the requirements of the Securities Exchange of 1934, New York Stock Exchange LLC has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized. Date 06/6/2024 (Title *) By Patrick Troy Associate General Counsel (Name *) <div>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.</div> <div>Patrick TroyDigitally signed by Patrick Troy Date: 2024.06.06 11:22:44 -04'00'</div>					

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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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

Form 19b-4 Information *

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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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SR-NYSE-2024-35 Exhibit 1.docx

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.

☐

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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SR-NYSE-2024-35 Exhibit 5.docx

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 New York Stock Exchange LLC (“NYSE” or the “Exchange”) proposes to amend Section 302.00 of the NYSE Listed Company Manual (“Manual”) to exempt closed-end funds from the requirement to hold annual shareholder meetings.

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 any significant indirect effect, on any other Exchange rule in effect at the time of this filing.

- (c) Not applicable.

2. Procedures of the Self-Regulatory Organization

Senior management has approved the proposed rule change pursuant to authority delegated to it by the Board of the Exchange. 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 persons on the Exchange staff prepared to respond to questions and comments on the proposed rule change are:

John Carey
Senior Director
NYSE Group, Inc.
(212) 656-5640

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

- (a) Purpose

Closed-end funds (“CEFs”) are a category of investment companies that are registered under the Investment Company Act of 1940 (“1940 Act”)³ and listed by the NYSE under Section 102.04 of the Manual. Section 302.00 of the Manual

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 USC 80a-1 et seq.

provides that companies listing common stock or voting preferred stock and their equivalents are required to hold an annual shareholders' meeting for the holders of such securities during each fiscal year.⁴ CEFs are presently required to comply with the annual shareholder meeting requirement. The Exchange now proposes to amend Section 302.00 to include CEFs among the categories of issuers that are exempt from this requirement.

The Exchange notes that there are significant differences between CEFs and listed operating companies that justify exempting CEFs from the Exchange's annual meeting requirement. In particular, the Exchange notes that the 1940 Act includes specific requirements with respect to the election of directors by CEF shareholders, while there is no such requirement under federal law for listed operating companies. Specifically, Section 16(a) of the 1940 Act⁵ specifies the right of CEF shareholders to elect directors as follows:

No person shall serve as a director of a registered investment company unless elected to that office by the holders of the outstanding voting securities of such company, at an annual or a special meeting duly called for that purpose; except that vacancies occurring between such meetings may be filled in any otherwise legal manner if immediately after filling any such vacancy at least two-thirds of the directors then holding office shall have been elected to such office by the holders of the outstanding voting securities of the company at such an annual or special meeting. In the event that at any time less than a majority of the directors of such company holding office at that time were so elected by the holders of the outstanding voting securities, the board of directors or proper officer of such company shall forthwith cause to be held as promptly as possible and in any event within sixty days a meeting of such holders for the purpose of electing directors to fill any existing vacancies in the board of directors unless the Commission shall by order extend such period. The foregoing provisions of this subsection shall not apply to members of an advisory board.

⁴ Section 302.00 exempts from this requirement companies whose only securities listed on the Exchange are non-voting preferred and debt securities, passive business organizations (such as royalty trusts), or securities listed pursuant to Rule 5.2(j)(2) (Equity Linked Notes), Rule 5.2(j)(3) (Investment Company Units), Rule 5.2(j)(4) (Index-Linked Exchangeable Notes), Rule 5.2(j)(5) (Equity Gold Shares), Rule 5.2(j)(6) (Equity-Index Linked Securities, Commodity- Linked Securities, Currency-Linked Securities, Fixed Income Index-Linked Securities, Futures-Linked Securities and Multifactor Index-Linked Securities), Rule 5.2(j)(8) (Exchange-Traded Fund Shares), Rule 8.100 (Portfolio Depositary Receipts), Rule 8.200 (Trust Issued Receipts), Rule 8.201 (Commodity-Based Trust Shares), Rule 8.202 (Currency Trust Shares), Rule 8.203 (Commodity Index Trust Shares), Rule 8.204 (Commodity Futures Trust Shares), Rule 8.300 (Partnership Units), Rule 8.400 (Paired Trust Shares), Rule 8.600 (Managed Fund Shares), Rule 8.601 (Active Proxy Portfolio Shares), Rule 8.700 (Managed Trust Securities), and 8.900 (Managed Portfolio Shares).

⁵ 15 USC 80a-16(a).

The Exchange also notes that the 1940 Act requires that directors who are not “interested persons” must comprise at least 40% of an investment company’s board.⁶ In the Exchange’s experience, a large majority of listed CEFs exceed this

⁶ 15 USC 80a-2(a)(19). Section 2(a)(19) of the 1940 Act defines an “interested person” as follows:

“Interested person” of another person means— (A) when used with respect to an investment company— (i) any affiliated person of such company, (ii) any member of the immediate family of any natural person who is an affiliated person of such company, (iii) any interested person of any investment adviser of or principal underwriter for such company, (iv) any person or partner or employee of any person who at any time since the beginning of the last two completed fiscal years of such company has acted as legal counsel for such company, (v) any person or any affiliated person of a person (other than a registered investment company) that, at any time during the 6-month period preceding the date of the determination of whether that person or affiliated person is an interested person, has executed any portfolio transactions for, engaged in any principal transactions with, or distributed shares for— (I) the investment company; (II) any other investment company having the same investment adviser as such investment company or holding itself out to investors as a related company for purposes of investment or investor services; or (III) any account over which the investment company’s investment adviser has brokerage placement discretion, (vi) any person or any affiliated person of a person (other than a registered investment company) that, at any time during the 6-month period preceding the date of the determination of whether that person or affiliated person is an interested person, has loaned money or other property to— (I) the investment company; (II) any other investment company having the same investment adviser as such investment company or holding itself out to investors as a related company for purposes of investment or investor services; or (III) any account for which the investment company’s investment adviser has borrowing authority, and (vii) any natural person whom the Commission by order shall have determined to be an interested person by reason of having had, at any time since the beginning of the last two completed fiscal years of such company, a material business or professional relationship with such company or with the principal executive officer of such company or with any other investment company having the same investment adviser or principal underwriter or with the principal executive officer of such other investment company: Provided , That no person shall be deemed to be an interested person of an investment company solely by reason of (aa) his being a member of its board of directors or advisory board or an owner of its securities, or (bb) his membership in the immediate family of any person specified in clause (aa) of this proviso; and (B) when used with respect to an investment adviser of or principal underwriter for any investment company— (i) any affiliated person of such investment adviser or principal underwriter, (ii) any member of the immediate family of any natural person who is an affiliated person of such investment adviser or principal underwriter, (iii) any person who knowingly has any direct or indirect beneficial interest in, or who is designated as trustee, executor, or guardian of any legal interest in, any security issued either by such investment adviser or principal underwriter or by a controlling person or such investment adviser or principal underwriter, (iv) any person or partner or employee of any person who at any time since the beginning of the last two completed fiscal years of such investment company has acted as legal counsel for such investment adviser or principal underwriter, (v) any person or any affiliated person of a person (other than a registered investment company) that, at any time during the 6-month period preceding the date of the determination of whether that person or affiliated person is an interested person, has executed any portfolio transactions for, engaged in any principal transactions with, or distributed shares for— (I) any investment company for which the investment adviser or principal underwriter serves as such; (II) any investment company holding itself out to investors, for purposes of investment or investor services, as a company related to any investment company for which the investment adviser or principal underwriter serves as such; or (III) any account over which the investment adviser has brokerage placement discretion, (vi) any person or any affiliated person of a person (other than a registered investment company) that, at any time during the 6-month period preceding the date of the determination of

requirement by having boards on which more than 50% of members are not interested persons.

In addition to the director election provisions described above, the 1940 Act requires that a majority of directors who are not interested persons approve significant actions, such as approval of the investment advisory agreement between a CEF and its investment advisor.⁷ Specifically, the following types of actions require approval of a majority of a CEF's directors who are not interested persons: approval of advisory agreements;⁸ approval of underwriting agreements;⁹ selection of independent public accountant;¹⁰ acquisition of securities by a CEF from an underwriting syndicate of which the CEF's advisor or certain other affiliates are members;¹¹ the purchase or sale of securities between CEFs that have the same investment advisor;¹² mergers or asset acquisitions involving CEFs that have the same investment advisor;¹³ use of an affiliate broker-dealer to effect portfolio transactions on a national securities exchange;¹⁴ and approval of the CEF's fidelity bond coverage.¹⁵

There are also a number of material matters with respect to which the 1940 Act requires registered investment companies, including CEFs, to obtain shareholder

whether that person or affiliated person is an interested person, has loaned money or other property to— (I) any investment company for which the investment adviser or principal underwriter serves as such; (II) any investment company holding itself out to investors, for purposes of investment or investor services, as a company related to any investment company for which the investment adviser or principal underwriter serves as such; or (III) any account for which the investment adviser has borrowing authority, and (vii) any natural person whom the Commission by order shall have determined to be an interested person by reason of having had at any time since the beginning of the last two completed fiscal years of such investment company a material business or professional relationship with such investment adviser or principal underwriter or with the principal executive officer or any controlling person of such investment adviser or principal underwriter. For the purposes of this paragraph (19), “member of the immediate family” means any parent, spouse of a parent, child, spouse of a child, spouse, brother, or sister, and includes step and adoptive relationships. The Commission may modify or revoke any order issued under clause (vii) of subparagraph (A) or (B) of this paragraph whenever it finds that such order is no longer consistent with the facts. No order issued pursuant to clause (vii) of subparagraph (A) or (B) of this paragraph shall become effective until at least sixty days after the entry thereof, and no such order shall affect the status of any person for the purposes of this subchapter or for any other purpose for any period prior to the effective date of such order.

⁷ See Section 15 of the 1940 Act. 15 USC 80a-15.

⁸ Ibid.

⁹ Ibid.

¹⁰ See Section 32 of the 1940 Act. 15 USC 80a-32.

¹¹ See 1940 Act Rule 10f-3(h).

¹² See 1940 Act Rule 17a-7(e).

¹³ See 1940 Act Rule 17a-8(e).

¹⁴ See 1940 Act Rule 17e-1(b).

¹⁵ See 1940 Act Rule 17g-1(d).

approval. These matters include: a new investment management agreement or a material amendment to an investment management agreement;¹⁶ a change from closed-end to open-end status or vice versa;¹⁷ a change from diversified company to non-diversified company;¹⁸ a change in a policy with respect to borrowing money, issuing senior securities; underwriting securities that other persons issue, purchasing or selling real estate or commodities or making loans to other persons, except in each case in accordance with the recitals of policy contained in its registration statement in respect thereto;¹⁹ a deviation from a policy in respect of concentration of investments in any particular industry or fundamental investment policy;²⁰ and a change in the nature of the investment company's business so as to cease to be an investment company.²¹

In light of the above-described significant statutory protections under the 1940 Act provided to the shareholders of CEFs, for which there are no parallel legal protections for the shareholders of public operating companies, the Exchange believes that it is appropriate to exempt CEFs from the annual shareholder meeting requirements of Section 302.00. The Exchange notes that all of the categories of investment companies for which the Exchange has listing standards other than CEFs are already explicitly exempt from the annual shareholder meeting requirement of Section 302.00.

(b) Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,²² in general, and furthers the objectives of Section 6(b)(5) of the Act,²³ in particular, because 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 regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest and because it is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

The Exchange believes that the proposed exemption of CEFs from the annual shareholder meeting requirement of Section 302.00 is consistent with the

¹⁶ See U.S.C. 80a-15.

¹⁷ See U.S.C. 80a-13.

¹⁸ Ibid.

¹⁹ Ibid.

²⁰ Ibid.

²¹ Ibid.

²² 15 U.S.C. 78f(b).

²³ 15 U.S.C. 78f(b)(5).

protection of investors and the public interest because of the provisions in the 1940 Act providing significant protection of CEF shareholders, including by requiring: (i) the election of directors by the CEF's shareholders when the number of interested persons on the board exceed specified levels; (ii) the approval of certain specified material matters by a majority of the directors who are not interested persons; and (ii) the approval of certain specified material matters by the shareholders.

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

The Exchange believes that the proposal will not impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

The Exchange believes that the proposal will not impose a burden on either intramarket or intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule change is designed to permit CEFs to rely on the shareholder voting requirements under the 1940 Act rather than complying with the annual meeting requirement of Section 302.00. As all CEFs listed on the NYSE would be treated the same under the proposed amended rule, the Exchange does not believe that the proposal would impose any burden on intramarket competition. Any other market that lists CEFs could seek to amend its own annual meeting requirements applicable to CEFs and, as such, the Exchange does not believe that the proposal places any undue burden on intermarket competition.

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)

Not applicable.

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

Not applicable.

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

Not applicable.

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

Not applicable.

11. Exhibits

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

Exhibit 5 – Text of the Proposed Rule Change

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34- ; File No. SR-NYSE-2024-35)

[Date]

Self-Regulatory Organizations; New York Stock Exchange LLC; Notice of Filing of Proposed Rule Change proposes to amend Section 302.00 of the NYSE Listed Company Manual to exempt closed-end funds from the requirement to hold annual shareholder meeting.

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 June 6, 2024, New York Stock Exchange LLC (“NYSE” or the “Exchange”) filed with the Securities and Exchange Commission (the “Commission”) the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the 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 to amend Section 302.00 of the NYSE Listed Company Manual (“Manual”) to exempt closed-end funds from the requirement to hold annual shareholder meetings. 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

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78a.

³ 17 CFR 240.19b-4.

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

Closed-end funds ("CEFs") are a category of investment companies that are registered under the Investment Company Act of 1940 ("1940 Act")⁴ and listed by the NYSE under Section 102.04 of the Manual. Section 302.00 of the Manual provides that companies listing common stock or voting preferred stock and their equivalents are required to hold an annual shareholders' meeting for the holders of such securities during each fiscal year.⁵ CEFs are presently required to comply with the annual shareholder meeting requirement. The Exchange now proposes to amend Section 302.00 to include CEFs among the categories of issuers that are exempt from this requirement.

The Exchange notes that there are significant differences between CEFs and listed operating companies that justify exempting CEFs from the Exchange's annual meeting requirement. In particular, the Exchange notes that the 1940 Act includes specific requirements

⁴ 15 USC 80a-1 et seq.

⁵ Section 302.00 exempts from this requirement companies whose only securities listed on the Exchange are non-voting preferred and debt securities, passive business organizations (such as royalty trusts), or securities listed pursuant to Rule 5.2(j)(2) (Equity Linked Notes), Rule 5.2(j)(3) (Investment Company Units), Rule 5.2(j)(4) (Index-Linked Exchangeable Notes), Rule 5.2(j)(5) (Equity Gold Shares), Rule 5.2(j)(6) (Equity-Index Linked Securities, Commodity- Linked Securities, Currency-Linked Securities, Fixed Income Index-Linked Securities, Futures-Linked Securities and Multifactor Index-Linked Securities), Rule 5.2(j)(8) (Exchange-Traded Fund Shares), Rule 8.100 (Portfolio Depositary Receipts), Rule 8.200 (Trust Issued Receipts), Rule 8.201 (Commodity-Based Trust Shares), Rule 8.202 (Currency Trust Shares), Rule 8.203 (Commodity Index Trust Shares), Rule 8.204 (Commodity Futures Trust Shares), Rule 8.300 (Partnership Units), Rule 8.400 (Paired Trust Shares), Rule 8.600 (Managed Fund Shares), Rule 8.601 (Active Proxy Portfolio Shares), Rule 8.700 (Managed Trust Securities), and 8.900 (Managed Portfolio Shares).

with respect to the election of directors by CEF shareholders, while there is no such requirement under federal law for listed operating companies. Specifically, Section 16(a) of the 1940 Act⁶ specifies the right of CEF shareholders to elect directors as follows:

No person shall serve as a director of a registered investment company unless elected to that office by the holders of the outstanding voting securities of such company, at an annual or a special meeting duly called for that purpose; except that vacancies occurring between such meetings may be filled in any otherwise legal manner if immediately after filling any such vacancy at least two-thirds of the directors then holding office shall have been elected to such office by the holders of the outstanding voting securities of the company at such an annual or special meeting. In the event that at any time less than a majority of the directors of such company holding office at that time were so elected by the holders of the outstanding voting securities, the board of directors or proper officer of such company shall forthwith cause to be held as promptly as possible and in any event within sixty days a meeting of such holders for the purpose of electing directors to fill any existing vacancies in the board of directors unless the Commission shall by order extend such period. The foregoing provisions of this subsection shall not apply to members of an advisory board.

The Exchange also notes that the 1940 Act requires that directors who are not “interested persons” must comprise at least 40% of an investment company’s board.⁷ In the Exchange’s

⁶ 15 USC 80a-16(a).

⁷ 15 USC 80a-2(a)(19). Section 2(a)(19) of the 1940 Act defines an “interested person” as follows:

“Interested person” of another person means— (A) when used with respect to an investment company— (i) any affiliated person of such company, (ii) any member of the immediate family of any natural person who is an affiliated person of such company, (iii) any interested person of any investment adviser of or principal underwriter for such company, (iv) any person or partner or employee of any person who at any time since the beginning of the last two completed fiscal years of such company has acted as legal counsel for such company, (v) any person or any affiliated person of a person (other than a registered investment company) that, at any time during the 6-month period preceding the date of the determination of whether that person or affiliated person is an interested person, has executed any portfolio transactions for, engaged in any

principal transactions with, or distributed shares for— (I) the investment company; (II) any other investment company having the same investment adviser as such investment company or holding itself out to investors as a related company for purposes of investment or investor services; or (III) any account over which the investment company's investment adviser has brokerage placement discretion, (vi) any person or any affiliated person of a person (other than a registered investment company) that, at any time during the 6-month period preceding the date of the determination of whether that person or affiliated person is an interested person, has loaned money or other property to— (I) the investment company; (II) any other investment company having the same investment adviser as such investment company or holding itself out to investors as a related company for purposes of investment or investor services; or (III) any account for which the investment company's investment adviser has borrowing authority, and (vii) any natural person whom the Commission by order shall have determined to be an interested person by reason of having had, at any time since the beginning of the last two completed fiscal years of such company, a material business or professional relationship with such company or with the principal executive officer of such company or with any other investment company having the same investment adviser or principal underwriter or with the principal executive officer of such other investment company: Provided, That no person shall be deemed to be an interested person of an investment company solely by reason of (aa) his being a member of its board of directors or advisory board or an owner of its securities, or (bb) his membership in the immediate family of any person specified in clause (aa) of this proviso; and (B) when used with respect to an investment adviser of or principal underwriter for any investment company— (i) any affiliated person of such investment adviser or principal underwriter, (ii) any member of the immediate family of any natural person who is an affiliated person of such investment adviser or principal underwriter, (iii) any person who knowingly has any direct or indirect beneficial interest in, or who is designated as trustee, executor, or guardian of any legal interest in, any security issued either by such investment adviser or principal underwriter or by a controlling person or such investment adviser or principal underwriter, (iv) any person or partner or employee of any person who at any time since the beginning of the last two completed fiscal years of such investment company has acted as legal counsel for such investment adviser or principal underwriter, (v) any person or any affiliated person of a person (other than a registered investment company) that, at any time during the 6-month period preceding the date of the determination of whether that person or affiliated person is an interested person, has executed any portfolio transactions for, engaged in any principal transactions with, or distributed shares for— (I) any investment company for which the investment adviser or principal underwriter serves as such; (II) any investment company holding itself out to investors, for purposes of investment or investor services, as a company related to any investment company for which the investment adviser or principal underwriter serves as such; or (III) any account over which the investment adviser has brokerage placement discretion, (vi) any person or any affiliated person of a person (other than a registered investment company) that, at any time during the 6-month period preceding the date of the determination of whether that person or affiliated person is an interested person, has loaned money or other property to— (I) any investment company for which the investment adviser or principal underwriter serves as such; (II) any investment company holding itself out to investors, for purposes of investment or investor services, as a company related to any investment company for which the investment adviser or principal underwriter serves as such; or (III) any account for which the investment adviser has borrowing authority, and (vii) any natural person whom the Commission by order shall have determined to be an interested person by reason of having had at any time since the beginning of the last two completed fiscal years of such investment company a material business or professional relationship with such investment adviser or principal underwriter or with the principal executive officer or any controlling person of such investment adviser or principal underwriter. For the purposes of this paragraph (19), "member of the immediate family" means any parent, spouse of a parent, child, spouse of a child, spouse, brother, or sister, and includes step and adoptive relationships. The Commission may modify or revoke any order issued under clause (vii) of subparagraph (A) or (B) of this paragraph whenever it finds that such order is no longer consistent with the facts. No order issued pursuant to clause (vii) of subparagraph (A) or (B) of this paragraph shall become effective until at least sixty days after the entry thereof, and no such order shall affect the status of any person for the purposes of this subchapter or for any other purpose for any period prior to the effective date of such order.

experience, a large majority of listed CEFs exceed this requirement by having boards on which more than 50% of members are not interested persons.

In addition to the director election provisions described above, the 1940 Act requires that a majority of directors who are not interested persons approve significant actions, such as approval of the investment advisory agreement between a CEF and its investment advisor.⁸ Specifically, the following types of actions require approval of a majority of a CEF's directors who are not interested persons: approval of advisory agreements;⁹ approval of underwriting agreements;¹⁰ selection of independent public accountant;¹¹ acquisition of securities by a CEF from an underwriting syndicate of which the CEF's advisor or certain other affiliates are members;¹² the purchase or sale of securities between CEFs that have the same investment advisor;¹³ mergers or asset acquisitions involving CEFs that have the same investment advisor;¹⁴ use of an affiliate broker-dealer to effect portfolio transactions on a national securities exchange;¹⁵ and approval of the CEF's fidelity bond coverage.¹⁶

There are also a number of material matters with respect to which the 1940 Act requires registered investment companies, including CEFs, to obtain shareholder approval. These matters include: a new investment management agreement or a material amendment to an

⁸ See Section 15 of the 1940 Act. 15 USC 80a-15.

⁹ Ibid.

¹⁰ Ibid.

¹¹ See Section 32 of the 1940 Act. 15 USC 80a-32.

¹² See 1940 Act Rule 10f-3(h).

¹³ See 1940 Act Rule 17a-7(e).

¹⁴ See 1940 Act Rule 17a-8(e).

¹⁵ See 1940 Act Rule 17e-1(b).

¹⁶ See 1940 Act Rule 17g-1(d).

investment management agreement;¹⁷ a change from closed-end to open-end status or vice versa;¹⁸ a change from diversified company to non-diversified company;¹⁹ a change in a policy with respect to borrowing money, issuing senior securities; underwriting securities that other persons issue, purchasing or selling real estate or commodities or making loans to other persons, except in each case in accordance with the recitals of policy contained in its registration statement in respect thereto;²⁰ a deviation from a policy in respect of concentration of investments in any particular industry or fundamental investment policy;²¹ and a change in the nature of the investment company's business so as to cease to be an investment company.²²

In light of the above-described significant statutory protections under the 1940 Act provided to the shareholders of CEFs, for which there are no parallel legal protections for the shareholders of public operating companies, the Exchange believes that it is appropriate to exempt CEFs from the annual shareholder meeting requirements of Section 302.00. The Exchange notes that all of the categories of investment companies for which the Exchange has listing standards other than CEFs are already explicitly exempt from the annual shareholder meeting requirement of Section 302.00.

¹⁷ See U.S.C. 80a-15.

¹⁸ See U.S.C. 80a-13.

¹⁹ Ibid.

²⁰ Ibid.

²¹ Ibid.

²² Ibid.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,²³ in general, and furthers the objectives of Section 6(b)(5) of the Act,²⁴ in particular, because 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 regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest and because it is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

The Exchange believes that the proposed exemption of CEFs from the annual shareholder meeting requirement of Section 302.00 is consistent with the protection of investors and the public interest because of the provisions in the 1940 Act providing significant protection of CEF shareholders, including by requiring: (i) the election of directors by the CEF's shareholders when the number of interested persons on the board exceed specified levels; (ii) the approval of certain specified material matters by a majority of the directors who are not interested persons; and (ii) the approval of certain specified material matters by the shareholders.

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

The Exchange believes that the proposal will not impose any burden on competition that is 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.

²³ 15 U.S.C. 78f(b).

²⁴ 15 U.S.C. 78f(b)(5).

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

Within 45 days of the date of publication of this notice in the Federal Register or within such longer period up to 90 days (i) as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

- (A) by order approve or disapprove the proposed rule change, or
- (B) institute proceedings to determine whether the proposed rule change should be 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-NYSE-2024-35 on the subject line.

Paper Comments:

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

All submissions should refer to file number SR-NYSE-2024-35. 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 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-NYSE-2024-35 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.²⁵

Sherry R. Haywood,

Assistant Secretary.

²⁵

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

Additions underlined
Deletions [bracketed].

NYSE Listed Company Manual

* * * * *

302.00 Annual Meetings

Companies listing common stock or voting preferred stock and their equivalents are required to hold an annual shareholders' meeting for the holders of such securities during each fiscal year.

This Section 302 is not applicable to closed end management investment companies listed under Section 102.04 or to companies whose only securities listed on the Exchange are non-voting preferred and debt securities, passive business organizations (such as royalty trusts), or securities listed pursuant to 5.2(j)(2) (Equity Linked Notes), 5.2(j)(3) (Investment Company Units), 5.2(j)(4) (Index-Linked Exchangeable Notes), 5.2(j)(5) (Equity Gold Shares), 5.2(j)(6) (Equity-Index Linked Securities, Commodity- Linked Securities, Currency-Linked Securities, Fixed Income Index-Linked Securities, Futures-Linked Securities and Multifactor Index-Linked Securities), Rule 5.2(j)(8) (Exchange-Traded Fund Shares), Rule 8.100 (Portfolio Depositary Receipts), 8.200 (Trust Issued Receipts), 8.201 (Commodity-Based Trust Shares), 8.202 (Currency Trust Shares), 8.203 (Commodity Index Trust Shares), 8.204 (Commodity Futures Trust Shares), 8.300 (Partnership Units), 8.400 (Paired Trust Shares), 8.600 (Managed Fund Shares), 8.601 (Active Proxy Portfolio Shares), 8.700 (Managed Trust Securities), and 8.900 (Managed Portfolio Shares).

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