each Member and collect SLD sufficient to cover such exposures. While standardizing the netting methodology for determining intraday SLD, the Proposed Rule Change would also detail factors considered when making this intraday determination, including a Member's projected trading or settlement activity as communicated to NSCC by various sources, projected netting activity using open positions for that Member, and anticipated deliveries from a Member's free inventory at DTC into the next CNS night cycle.

Moreover, for both SOD and intraday SLD Obligations, the Proposed Rule Change would also provide for adjustments to SLD Obligations in consideration of liquidity risk tolerance. These changes, along with the clarification of Member obligations to provide reporting and information to NSCC regarding anticipated trading and settlement activity that would impact NSCC's liquidity needs, would help NSCC determine with more accuracy its liquidity needs and should help provide NSCC with sufficient resources to cover its regulatory liquidity requirements. Additionally, while limiting liquidity and funding burdens on its Members, the modifications to the pro rata allocation of SLD Obligations and to the process for returning excess SLD amounts to Members should also enable NSCC to collect and retain sufficient funds to cover its liquidity needs and meet its Cover 1 regulatory requirements.

As a result, the Proposed Rule Change should support NSCC's ability to measure, monitor, and manage the liquidity risk borne by NSCC as it relates to SLD Obligations, consistent with Rule 17ad–22(e)(7) under the Act.[44]

V. Conclusion

On the basis of the foregoing, the Commission finds that the Proposed Rule Change is consistent with the requirements of the Act, and in particular, with the requirements of Section 17A of the Act[45] and the rules and regulations promulgated thereunder.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act[46] that proposed rule change SR–NSCC–2026–009, be, and hereby is, *approved.*[47]

[44] *Id.*

[45] 15 U.S.C. 78q–1.

[46] 15 U.S.C. 78s(b)(2).

[47] In approving the Proposed Rule Change, the Commission considered its impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

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

Sherry R. Haywood,

Assistant Secretary.

[FR Doc. 2026–16786 Filed 8–17–26; 8:45 am]

BILLING CODE 8011–01–P

[48] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–106133; File No. SR–NYSE–2025–43]

Self-Regulatory Organizations; New York Stock Exchange LLC; Notice of Filing of Amendment No. 2 and Order Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendment No. 2, To Amend Section 802.01C of the NYSE Listed Company Manual

August 14, 2026.

I. Introduction

On December 3, 2025, New York Stock Exchange LLC (''NYSE'' or the ''Exchange'') filed with the Securities and Exchange Commission (''Commission'' or ''SEC''), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act'')[1] and Rule 19b–4 thereunder,[2] a proposed rule change to amend Section 802.01C of the NYSE Listed Company Manual (''Manual''). The proposed rule change was published for comment in the **Federal Register** on December 17, 2025.[3] On January 22, 2026, the Exchange filed Amendment No. 1 to the proposed rule change, which superseded the original proposed rule change in its entirety.[4] On January 28, 2026, pursuant to Section 19(b)(2) of the Act,[5] the Commission designated a longer period within which to take action on the proposed rule change.[6] On March 17, 2026, the Commission published notice of Amendment No. 1 and instituted proceedings pursuant to Section 19(b)(2)(B) of the Act[7] to determine whether to approve or disapprove the proposed rule change, as modified by Amendment No. 1.[8] On June 11, 2026, the Commission issued a notice of designation of a longer period of time for Commission action on proceedings to determine whether to approve or disapprove the proposed rule change, as modified by Amendment No. 1.[9] On July 15, 2026, the Exchange filed Amendment No. 2 to the proposed rule change, which superseded the proposed rule change, as modified by Amendment No. 1, in its entirety.[10] As of the date of publication of this order, the Commission has not received any comments on the initial rule filing or Amendment No. 1.

The Commission is publishing this notice and order to solicit comments on Amendment No. 2 from interested persons and to approve the proposed rule change, as modified by Amendment No. 2, on an accelerated basis.

II. Description of the Proposed Rule Change, as Modified by Amendment No. 2[11]

Section 802.01 of the Manual sets forth minimum quantitative and qualitative continued listing standards for securities listed on the Exchange.[12] Currently, Section 802.01C of the Manual provides that a company will be considered to be below compliance standards if the average closing price of a security as reported on the consolidated tape is less than $1.00 over

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] *See* Securities Exchange Act Release No. 104385 (Dec. 12, 2025), 90 FR 58669 (''Notice'').

[4] In Amendment No. 1, the Exchange: clarified that a company subject to delisting under the proposal would not be eligible to follow the procedures in Section 802.01C of the Manual; clarified the Exchange's authority to suspend trading in or delist a security; provided additional description of certain aspects of the proposal; and made other technical and non-substantive changes to the proposal. The full text of Amendment No. 1 can be found on the Commission's website at *https://www.sec.gov/comments/sr-nyse-2025-47/srnyse202543-696267-2177015.pdf* (''Amendment No. 1'').

[5] 15 U.S.C. 78s(b)(2).

[6] *See* Securities Exchange Act Release No. 104708, 91 FR 4763 (Feb. 2, 2026). The Commission designated March 17, 2026, as the date by which the Commission shall approve, disapprove, or institute proceedings to determine whether to disapprove the proposed rule change. *See id.*

[7] 15 U.S.C. 78s(b)(2)(B).

[8] *See* Securities Exchange Act Release No. 105035, 91 FR 13683 (Mar. 20, 2026).

[9] *See* Securities Exchange Act Release No. 105665, 91 FR 36178 (June 16, 2026). The Commission designated August 14, 2026, as the date by which the Commission must issue an order approving or disapproving the proposed rule change, as modified by Amendment No. 1. *See id.*

[10] In Amendment No. 2, the Exchange extends the effective date of the proposed rule from October 1, 2026 to July 1, 2027, and does not substantively alter the proposed rule from what was set forth in Amendment No. 1. The full text of Amendment No. 2 can be found on the Commission's website at *https://www.sec.gov/comments/SR-NYSE-2025-43/srnyse202543-961839-2968211.pdf* (''Amendment No. 2'').

[11] All capitalized terms not otherwise defined in this order shall have the meanings set forth in the Manual.

[12] *See* Amendment No. 2, *supra* note 10, at 4. Specifically, Sections 802.01A and B of the Manual require issuers of common stock to maintain certain quantitative minimum standards related to stockholders, stockholders' equity, and global market capitalization. In addition, Section 802.01D of the Manual sets forth qualitative listing standards, related to, among other things, reduction in operating assets, change in primary business focus, and conduct not in keeping with sound public policy. *See id.*

a consecutive 30 trading-day period (''Price Criteria'').[13] Pursuant to Section 802.01C, once notified of its noncompliance with the Price Criteria, a company must bring its share price and average share price back above $1.00 by six months following receipt of the notification.[14] A company must notify the Exchange of its intent to cure the Price Criteria deficiency or will be subject to suspension and delisting procedures.[15] The company can regain compliance at any time during the six-month cure period if on the last trading day of any calendar month during the cure period the company has a closing share price of at least $1.00 and an average closing share price of at least $1.00 over the 30 trading-day period ending on the last trading day of that month.[16] In the event that at the expiration of the six-month cure period, both of these criteria for regaining compliance are not attained, the Exchange will commence suspension and delisting procedures.[17]

The Exchange states that it maintains ongoing dialogue with companies approaching noncompliance with the Price Criteria as well as companies working through a cure period.[18] The Exchange further states that, regardless of where an issuer stands in the Price Criteria cure period, in the event that a stock trades below $0.10 per share, the Exchange promptly initiates suspension and delisting procedures.[19] The Exchange states that it has become aware of a recent increase in exchange trading of companies that have a very low trading price per share,[20] and that a stock that trades at a low price per share is potentially more susceptible to manipulation and more likely to experience trading volatility in its shares.[21] According to the Exchange, at such low prices, less capital is required to undertake manipulative trading activity.[22] Therefore, the Exchange proposes to amend Section 802.01C of the Manual relating to the price criteria for continued listing to increase the price at which the Exchange will take immediate delisting action and codify such price and procedures in Exchange rules.[23]

The Exchange proposes to amend Section 802.01C of the Manual to specify that if a security's closing price per share is less than $0.25 (the ''Minimum Trading Price'') on any trading day, the Exchange shall immediately suspend trading and commence delisting proceedings with respect to such security in accordance with the provisions of Section 804.00 of the Manual.[24] The Exchange states that it believes that securities that trade below the Minimum Trading Price are more susceptible to trading volatility and market manipulation and are unlikely to recover to any meaningful degree.[25] The Exchange also proposes to modify Section 802.01C of the Manual to state that such company will not be entitled to follow the procedures outlined in Sections 802.01C, 802.02, and 802.03 of the Manual with respect to the Minimum Trading Price criteria.[26] The Exchange states that all issuers retain the right to appeal an Exchange delisting decision.[27]

The Exchange proposes that this change will be effective on July 1, 2027.[28] The Exchange states that providing a transition period before the rule is effective will afford issuers time to implement reverse stock splits to increase their share price before the new requirement is in place.[29]

The Exchange also proposes to specify in Section 802.01C of the Manual that, consistent with its general authority under Section 802.01D of the Manual to suspend trading in the event of any condition that makes further dealings on the Exchange unwarranted, it may suspend trading or delist a security where, in the Exchange's opinion, the trading price has experienced a precipitous decline and is at an abnormally low level from which it is unlikely to recover, even if such security has not fallen below the Minimum Trading Price.[30] The Exchange states that, in its experience, under those conditions a security's trading price is generally unable to recover.[31]

III. Discussion and Commission Findings

After careful review, the Commission finds that the proposed rule change, as modified by Amendment No. 2, is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange.[32] In particular, the Commission finds that the proposed rule change, as modified by Amendment No. 2, is consistent with Section 6(b)(5) of the Act,[33] which requires, among other things, that the rules of a national securities exchange be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, 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 not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers. The Commission also finds that the proposed rule change, as modified by Amendment No. 2, is consistent with Section 6(b)(7) of the Act,[34] which requires, among other things, that the rules of an exchange provide fair procedure for the prohibition or limitation by the exchange of any person with respect to access to services offered by the exchange. In addition, the Commission finds that the proposed rule change, as modified by Amendment No. 2, is consistent with Section 6(b)(8) of the Act,[35] which requires that the rules of an exchange do not impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act.

The Commission has consistently recognized that the development and enforcement of meaningful listing standards[36] by an exchange is of critical importance to financial markets and the investing public.[37] Among other things, the Commission has stated that listing standards provide the means for an exchange to screen issuers that seek to become listed, and to provide listed

[13] *See id.*

[14] *See id.* A company is not eligible to follow the procedures outlined in Sections 802.02 and 802.03 of the Manual, including the opportunity to submit a plan to regain compliance, with respect to the Price Criteria. *See* Section 802.01C of the Manual.

[15] *See* Amendment No. 2, *supra* note 10, at 4.

[16] *See id.*

[17] *See id.*

[18] *See id.* at 5.

[19] *See id.*

[20] *See id.*

[21] *See id.*

[22] *See id.*

[23] *See id.*

[24] *See id. See also* proposed Section 802.01C of the Manual.

[25] *See* Amendment No. 2, *supra* note 10, at 6.

[26] *See id.* at 5. *See also* proposed Section 802.01C of the Manual.

[27] *See* Amendment No. 2, *supra* note 10, at 5. The procedures for appealing an Exchange delisting decision are set forth in Section 804.00 of the Manual. *See id.* at 5 n.7.

[28] *See id.* at 5.

[29] *See id.* The Exchange also states that its rules prohibiting one or more reverse stock splits with a cumulative ratio of 200 shares or more to one in a two-year period and a reverse stock split that results in a company becoming non-compliant with any of the requirements of Section 802.01A of the Manual will remain in place. *See id.*

[30] *See id.*

[31] *See id.*

[32] In approving this proposed rule change, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. *See* 15 U.S.C. 78c(f).

[33] 15 U.S.C. 78f(b)(5).

[34] 15 U.S.C. 78f(b)(7).

[35] 15 U.S.C. 78f(b)(8).

[36] This reference to ''listing standards'' refers to both initial and continued listing standards.

[37] *See, e.g.,* Securities Exchange Act Release No. 57785 (May 6, 2008), 73 FR 27597 (May 13, 2008) (SR–NYSE–2008–17).

status only to bona fide companies that have or will have sufficient public float, investor base, and trading interest to provide the depth and liquidity to promote fair and orderly markets.[38] Those listing standards are informed by an exchange's regulatory and commercial considerations and the Act provides exchanges with discretion, subject to the requirements of the Act, to set those standards as they see fit with the understanding that not all companies will be able to meet those standards initially or over time. Meaningful listing standards also are important given investor expectations regarding the nature of securities that have achieved an exchange listing, and the role of an exchange in overseeing its market and assuring compliance with its listing standards.[39] The imprimatur of listing on a particular exchange correlates to investors' expectations that the listed issuer meets the standards set by the exchange and that the exchange has used its judgment regarding the level at which to set those standards.[40]

Minimum Trading Price, Immediate Trading Suspension, and Delisting

The Exchange's proposal is reasonably designed to enhance the Exchange's continued listing standards. The Exchange states that it has increased the price at which it will take immediate delisting action in response to its observations that there is an industry-wide trend of low-priced stocks trading on national securities exchanges.[41] The Exchange also states that shares with a very low trading price are potentially susceptible to manipulation and more likely to experience trading volatility, and securities that fall below the Minimum Trading Price are generally unlikely to recover to any meaningful degree.[42]

The Commission agrees that securities with low trading prices may be more prone to manipulation because when a security has a low trading price, the cost required to accumulate a position from the public float that is large enough to influence the price of the security is reduced. Accordingly, a would-be manipulator would find it less costly to manipulate the price of the low-priced security. Thus, the continued listing of companies with low trading price raises concerns that these securities may have heightened susceptibility to manipulation. As such, the immediate suspension and delisting of these very low-priced securities is designed to prevent fraudulent and manipulative acts and practices, and more broadly, the rule is reasonably designed to protect investors and the public interest from potential harm. Moreover, the Minimum Trading Price requirement is not unfairly discriminatory because the proposed standard is reasonably designed to the Exchange's goal of addressing the risks with respect to very low-priced securities, including a heightened susceptibility to manipulation and difficulties maintaining fair and orderly markets in these securities.[43]

The Exchange's proposal to immediately suspend trading and commence delisting proceedings for a security that falls below the Minimum Trading Price is consistent with the Act's requirement that rules be, among other things, designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, 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 not permit unfair discrimination between customers, issuers, brokers, or dealers.[44]

The Commission's data analysis supports the Exchange's proposal. Specifically, the Commission's analysis supports the Exchange's statement that there is an increasing trend of low-priced stocks and demonstrates that stocks trading below the Minimum Trading Price are likely to stay under this threshold for a significant period of time. As discussed further below, low priced securities may be more susceptible to manipulation. The continued listing of securities trading below the Minimum Trading Price raises concerns that these securities may have heightened susceptibility to manipulation while trading on the Exchange for an extended period. Accordingly, the immediate suspension and delisting of these securities is reasonably designed to prevent fraudulent and manipulative acts and practices, and to protect investors and the public interest, consistent with Section 6(b)(5) of the Act.[45]

As part of the Commission's consideration of the proposed Minimum Trading Price, the Commission analyzed stock prices and delisting data for companies listed on NYSE and NYSE American.[46] The results of the Commission's analysis show that the number of securities that would have fallen below the Minimum Trading Price from 2006 to 2025 were at or above the average of 26 securities in 8 out of the 20 years, and were noticeably higher in 2008, 2009, 2015, and 2023, at 125 securities, 46 securities, 43 securities and 40 securities, respectively.[47]

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[38] *See, e.g.,* Securities Exchange Act Release Nos. 81856 (Oct. 11, 2017), 82 FR 48296, 48298 (Oct. 17, 2017) (SR–NYSE–2017–31); 81079 (July 5, 2017), 82 FR 32022, 32023 (July 11, 2017) (SR–NYSE–2017–11); 65708 (Nov. 8, 2011), 76 FR 70799, 70802 (Nov. 15, 2011) (SR–NASDAQ–2011–073); 63607 (Dec. 23, 2010); 75 FR 82420, 82422 (Dec. 30, 2010) (SR–NASDAQ–2010–137); and 57785 (May 6, 2008), 73 FR 27597, 27599 (May 13, 2008) (SR–NYSE–2008–17). The Commission has stated that adequate listing standards, by promoting fair and orderly markets, are consistent with Section 6(b)(5) of the Act, in that they are, among other things, designed to prevent fraudulent and manipulative acts and practices, promote just and equitable principles of trade, and protect investors and the public interest. *See, e.g.,* Securities Exchange Act Release Nos. 82627 (Feb. 2, 2018), 83 FR 5650, 5633, n.53 (Feb. 8, 2018) (SR–NYSE–2017–30); 87648 (Dec. 3, 2019), 84 FR 67308, 67314, n.42 (Dec. 9, 2019) (SR–NASDAQ–2019–059); and 88716 (Apr. 21, 2020), 85 FR 23393, 23395, n.22 (Apr. 27, 2020) (SR–NASDAQ–2020–001).

[39] *See, e.g.,* Securities Exchange Act Release Nos. 88716 (Apr. 21, 2020), 85 FR 23393 (Apr. 27, 2020) (SR–NASDAQ–2020–001); 88389 (Mar. 16, 2020), 85 FR 16163 (Mar. 20, 2020) (SR–NASDAQ–2019–089). *See also* Securities Exchange Act Release No. 81856 (Oct. 11, 2017), 82 FR 48296, 48298 (Oct. 17, 2017) (SR–NYSE–2017–31) (stating that ''[a]dequate standards are especially important given the expectations of investors regarding exchange trading and the imprimatur of listing on a particular market'' and that ''[o]nce a security has been approved for initial listing, maintenance criteria allow an exchange to monitor the status and trading characteristics of that issue . . . so that fair and orderly markets can be maintained'').

[40] *See* Securities Exchange Act Release No. 38961 (Aug. 22, 1997), 62 FR 45895, 45899 (Aug. 29, 1997) (SR–NASD–97–16) (finding Nasdaq's proposal to raise its listing standards consistent with the Act because the proposal ''reflects the NASD's judgment that it wants only higher quality companies to avail themselves of the Nasdaq marketplace, and the imprimatur that such inclusion confers'' and the increased standards ''are directly related to the NASD's intended goals of enhancing its listing standards'').

[41] *See* Amendment No. 2, *supra* note 10, at 5.

[42] *See supra* notes 20–22 and 25 and accompanying text.

[43] 15 U.S.C. 78f(b)(5).

[44] *Id.*

[45] *Id.*

[46] The stock price data, which is at the security level, was sourced from Center for Research in Security Prices (''CRSP'') and accessed through Wharton Research Data Services (''WRDS''). This data covers the time period from 2006 to 2025. The database provides the closing price of the security. If a closing trade was not available, the closing price was calculated as the midpoint of the best bid and ask quotes at the end of the regular trading session. The Commission analyzed the stock price data at the stock level, excluded stocks from non-corporate issuers, and only kept securities of common equity (including American Depositary Receipts). The delistings data was sourced from CRSP. The delisting analysis included only cases where the listing exchange dropped the security (*i.e.,* it excluded cases where a security was delisted due to a merger, acquisition, exchange, or liquidation). If a company was delisted from an exchange, re-listed, and then was delisted again, only the first delisting event for the company was included in the analysis.

[47] Figure 1 and Figure 2 compare the number of securities listed on NYSE and NYSE American, and only NYSE, respectively, that would have been delisted pursuant to the Minimum Trading Price

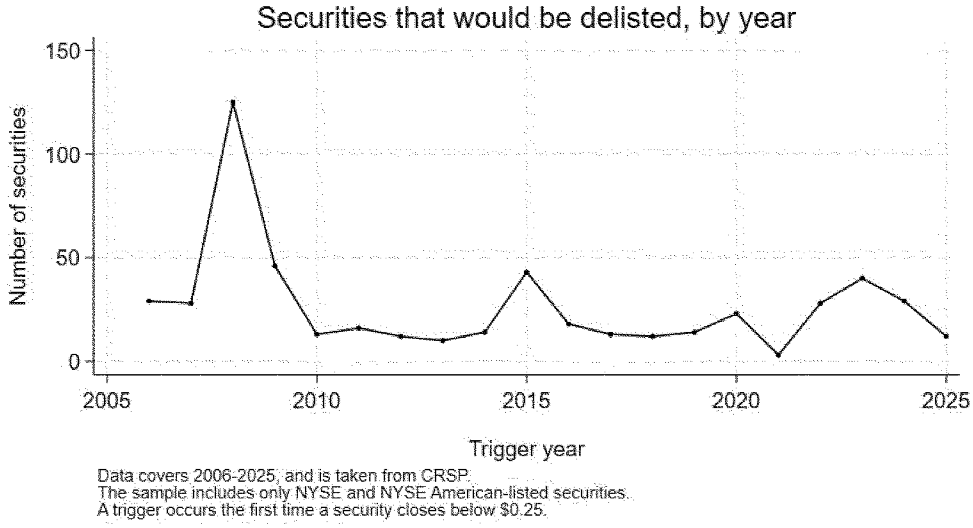

Figure 1. Number of Securities That Would Have Been Delisted Pursuant to the Proposed Minimum Trading Price Threshold From 2006 to 2025

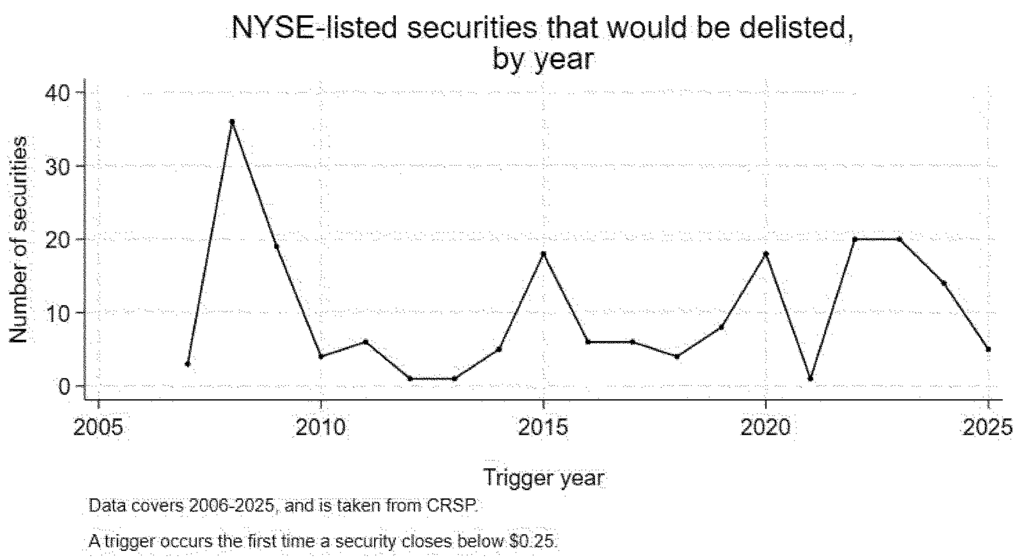

Figure 2. Number of NYSE Securities That Would Have Been Delisted Pursuant to the Proposed Minimum Trading Price Threshold From 2006 to 2025

In addition, the Commission analyzed the relationship of securities that crossed specific closing price thresholds between $0.10 and $0.50, and their closing prices after 180 calendar days of first crossing a specific closing price threshold.[48] According to the analysis, regardless of the closing price threshold selected, the median closing price after 180 days is below the specific closing price threshold. This result generally holds true for the Minimum Trading Price (*i.e.,* $0.25) over the sample period.[49] 55% of the securities that fell below the Minimum Trading Price had a closing price under $0.25 after 180 days, with the median closing price at $0.23. The results also show significant volatility in securities after trading below the Minimum Trading Price. 25% of the securities closed below $0.15, representing a loss of at least 40% from

criteria (number of securities) against the year such securities would have been delisted pursuant to the Minimum Trading Price criteria (trigger year). If a security fell below the Minimum Trading Price multiple times during the sample period, the analysis kept only the first of such dates.

[48] Table 1 analyzes the closing price thresholds ranging from $0.10 to $0.50. Table 1 shows the corresponding number of securities that would have been delisted based on the specific closing price threshold, number of securities that would have increased above the specific closing price threshold, and their average and percentile distribution of closing price after 180 calendar days. For example, the sample for the first row includes the 875 securities that would have been delisted under a rule with a closing price threshold of $0.50. The 180-day window reflects the approximate length of a cure period that may be available for many failures to satisfy continued listing requirements, including under Section 802.01C of the Manual. If the closing price for a security is not available at the end of the 180-day window—either because the security ceased trading or because the security first crossed the threshold in the second half of 2025—then the last closing price in the window is used.

[49] Figure 3 shows the median closing price 180 days after securities first crossed the proposed Minimum Trading Price against the year such securities first crossed the Minimum Trading Price.

the $0.25 threshold after 180 days, while 25% of the securities closed above $0.45, representing a gain of 80%.

while 25% of the securities closed above $0.45, representing a gain of 80%.

Price threshold	Securities that would be delisted	Securities above threshold after 180 days	Closing price of securities 180 calendar days after crossing the threshold Sample statistics:				
			Average	P25	P50	P75	P90
$0.50	875	391	$1.38	$0.26	$0.46	$1.01	$3.05
$0.40	775	362	$1.32	$0.23	$0.38	$0.78	$3.03
$0.35	704	327	$1.14	$0.20	$0.33	$0.67	$2.65
$0.30	631	298	$1.03	$0.17	$0.29	$0.54	$2.13
$0.25	528	236	$0.88	$0.15	$0.23	$0.45	$1.64
$0.20	434	194	$0.65	$0.14	$0.19	$0.35	$1.25
$0.15	305	147	$ 0.67	$0.09	$0.15	$0.33	$1.46
$0.10	180	79	$0.53	$0.06	$0.10	$0.20	$0.95

Table 1. Closing price of securities 180 calendar days after crossing the various closing price thresholds.

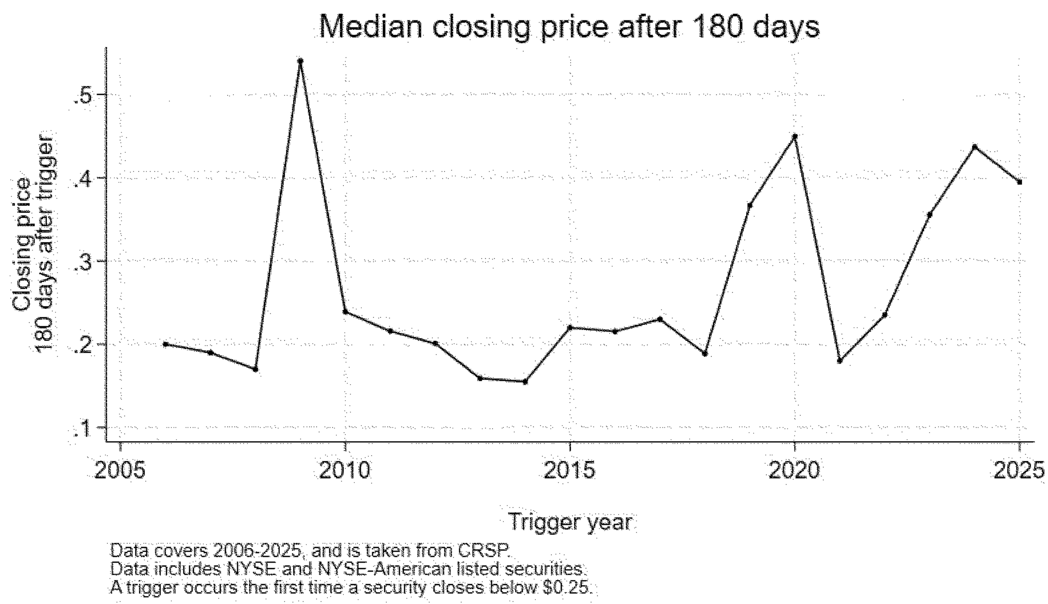

Figure 3. Median Closing Price 180 Days After Securities First Crossed the Minimum Trading Price

The Commission's analysis also shows that securities that would have fallen below the Minimum Trading Price had a high likelihood of being delisted for reasons that indicate a failure to comply with other quantitative continued listing requirements.[50] Historically, when a security fell under the Minimum Trading Price and was later delisted, such delisting, at the median, occurred 129 days later, and at the 75th percentile, 433 days later.

[50] The analysis, as shown in Figure 4, compared the fraction of securities on NYSE and NYSE American that were subsequently delisted after failing to comply with the Minimum Trading Price criteria against the year such securities failed to comply with the Minimum Trading Price criteria. The analysis only took into account delistings by the Exchange, and excluded delistings by mergers and acquisitions, liquidations, and exchanges. *See* CRSP US DATABASES DATA DESCRIPTIONS GUIDE FOR CRSPACCESS (FIZ) (2026) at 247–250, available at *https://indexes.morningstar.com/docs/guide/crsp-us-stock-databases-data-descriptions-guide-for-crspaccess-fiz?isRdp=true* for the available delisting codes. In the sample described in note 45, *supra,* the following five codes represent over 78% of delistings that occurred after failing to comply with the Minimum Trading Price requirement: "does not meet exchange's financial guidelines for continued listing," "insufficient capital, surplus, and/or equity," "price fell below acceptable level," "bankruptcy, declared insolvent," and "delinquent in filing, non-payment of fees." Approximately 16% of the delistings occurred at the request of the issuer—*e.g.,* the issue moved to the OTC market voluntarily—and the delisting code does not indicate whether or not the issuer was in compliance with listing requirements at the time of delisting; however, over 90% of the delistings in the sample occurred when the stock price was below $1, indicating difficulty complying with minimum price standards.

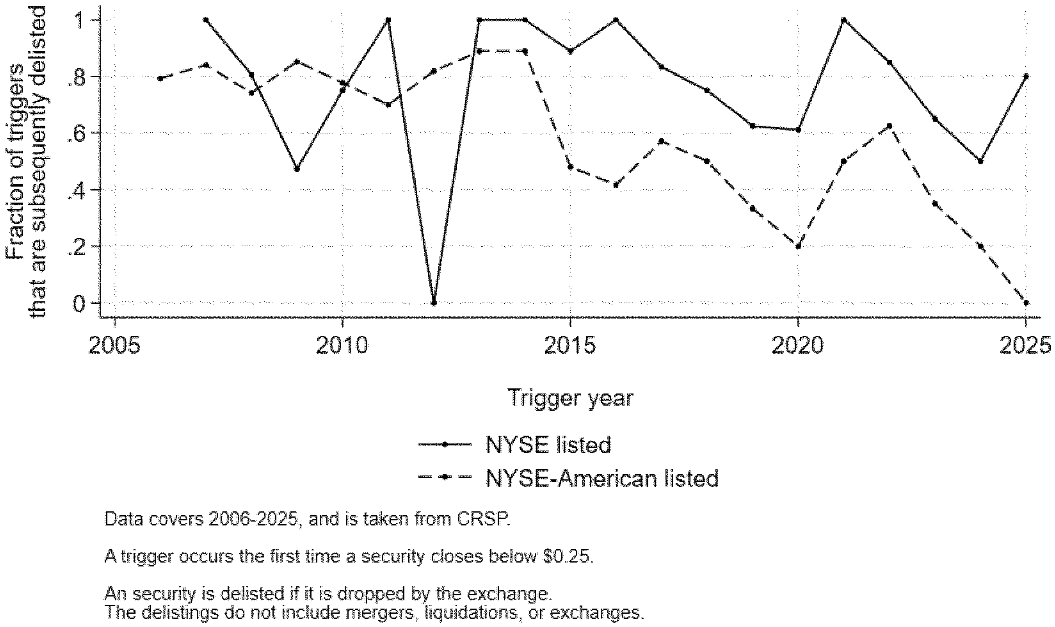

Figure 4. Fraction of NYSE and NYSE American securities that were subsequently delisted after first crossing the Minimum Trading Price.

Finally, the Commission's analysis indicates a fundamental tradeoff inherent in selecting a threshold for delisting: a more stringent threshold (*i.e.,* higher minimum trading price) would capture stocks that will eventually be delisted for other reasons, but also implicate stocks that otherwise would have remained above the threshold and stayed listed.[51]

Price threshold	Securities that would be delisted	Expedited delistings	False positives	False negatives	False positives as a fraction of securities that would have been delisted
$0.50	875	530	345	356	39%
$0.40	775	490	285	396	37%
$0.35	704	456	248	430	35%
$0.30	631	414	217	472	34%
$0.25	528	360	168	526	32%
$0.20	434	303	131	583	30%
$0.15	305	220	85	666	28%
$0.10	180	140	40	746	22%

Table 2. Delisting outcomes of securities crossing various closing price thresholds between 2006 and 2025.

The Exchange has identified risks pertaining to securities that trade below the Minimum Trading Price, including a heightened susceptibility to manipulation. The results of the Commission's analysis support the approval of the Exchange's proposal to impose the Minimum Trading Price requirement. The notable number of securities trading below the Minimum Trading Price in recent years, along with the significant likelihood that such securities will eventually be delisted, warrants the Exchange's consideration of the continued listing of securities with very low trading prices.[52] Moreover, when securities fall below the Minimum Trading Price, there is a significant likelihood that they will continue to have a closing price below

[51] The Commission conducted analysis on false positives (securities falling below the Minimum Trading Price, but were never delisted), and false negatives (securities never falling below the Minimum Trading Price, but were delisted), as shown in Table 2. Similar to Table 1, Table 2 analyzes a closing price threshold ranging from $0.10 to $0.50. Table 2 shows the corresponding number of securities that would have been delisted based on the specific closing prices, securities that would have fallen below the Minimum Trading Price and were subsequently delisted (*i.e.,* expedited delistings), false positives, and false negatives. Table 2 shows a mechanical inverse relationship between false positives and false negatives. As the thresholds become more stringent (*i.e.,* higher minimum trading price), the number of false positives generally increases.

[52] *See supra* note 20 and accompanying text. *See* Figures 1, 2 and 3.

$0.25 for another 180 calendar days, which is a significant period of time.[53]

While the Exchange rules provide for an opportunity to submit a plan to come back into compliance with certain other continued listing standards,[54] no such opportunity will be afforded for a company's failure to comply with the Minimum Trading Price. This approach is reasonably designed to be consistent with the protection of investors and the public interest because trading below this threshold is likely indicative of serious difficulties within such company and a likelihood that the company would not regain compliance within a compliance period. As discussed above, and according to the Commission's analysis, 55% of the securities that failed to meet the Minimum Trading Price had a closing price under $0.25 after 180 days, with the median closing price under $0.23. The Commission's analysis supports a conclusion that the ability of companies to regain compliance with the Minimum Trading Price within 180 days is limited.[55] Securities that fall below the Minimum Trading Price may have heightened susceptibility to manipulative trading activity, contrary to the goal of protecting investors and the public interest. Thus, the Exchange's proposal is reasonably designed to protect investors by preventing the prolonged trading of very low-priced securities and seeks to provide meaningful assurance that only financially sound and quality issuers remain listed on the Exchange.

In conclusion, the Commission finds that the Exchange's proposal, as set forth in Amendment No. 2, to immediately suspend trading and commence delisting proceedings for securities that fail to comply with the Minimum Trading Price requirement is reasonably designed and consistent with the requirements of Section 6(b)(5) of the Act that the rules of the Exchange be designed to prevent fraudulent and manipulative acts and practices, promote just and equitable principles of trade, and protect investors and public interest. The Exchange's proposal is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers, consistent with Section 6(b)(5) of the Act; and will not impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, consistent with Section 6(b)(8) of the Act.

The proposal is also consistent with Section 6(b)(7) of the Act in that it provides a fair procedure for the prohibition or limitation by the Exchange of any person with respect to access to services offered. A listed company whose security is subject to immediate suspension of trading and the commencement of delisting proceedings under the proposal after failing to comply with the Minimum Trading Price requirement will be able to appeal the delisting decision in accordance with Section 804.00 of the Manual.[56]

Further, the Commission finds that the proposed effective date of July 1, 2027 is appropriate and consistent with the requirements of the Act and should provide a sufficient transition period before the rule is effective for affected issuers to take steps to bring their trading price above $0.25, including by implementing reverse stock splits to increase share prices, while helping ensure the timely implementation of the Minimum Trading Price to address the risks of very low-priced securities.

Discretionary Authority

As discussed above, the Exchange proposes to specify that, consistent with its general authority under Section 802.01D of the Manual to suspend trading in the event of any condition that makes further dealings on the Exchange unwarranted, it may suspend trading or delist a security where, in the Exchange's opinion, the trading price has experienced a precipitous decline and is at an abnormally low level from which it is unlikely to recover, even if such security has not fallen below the Minimum Trading Price.[57] The Exchange states that, in its experience, under those conditions, a security's trading price is generally unable to recover and it is appropriate for the Exchange to take action.[58]

The proposal is consistent with Section 6(b)(5) of the Act because it is reasonably designed to promote just and equitable principles of trade and to protect investors and the public interest.[59] The Exchange has the authority under existing Section 802.01D of the Manual to suspend trading in securities when an event or condition exists or occurs that makes further dealings or listing of the securities on the Exchange unwarranted in the opinion of the Exchange, including where a security's trading price has experienced a precipitous decline and is at an abnormally low level from which it is unlikely to recover. The proposal provides transparency in the application of such authority and avoids any confusion about how the Exchange's general discretionary authority intersects with the Minimum Trading Price requirement. Thus, the proposal is reasonably designed to promote just and equitable principles of trade and to protect investors and the public interest, consistent with Section 6(b)(5) of the Act, because it will maintain the Exchange's authority to exercise its discretion and delist a security that has experienced a precipitous price decline, without being required to wait until the security's trading price falls below $0.25.

The proposal is also consistent with Section 6(b)(7) of the Act in that it provides a fair procedure for the prohibition or limitation by the Exchange of any person with respect to access to services offered. Pursuant to the Exchange's proposal, the Exchange may exercise discretion to determine if a listed company's security is experiencing a precipitous decline and is at an abnormally low level from which it is unlikely to recover, and accordingly suspend trading and commence delisting proceedings for the security. Such company will be able to appeal the delisting decision in accordance with the provisions in Section 804.00 of the Manual, as described above.[60]

Based on the foregoing, the Commission finds that the proposed rule change, as modified by Amendment No. 2, is consistent with the Act.

[53] *See* Table 1. In addition, the Commission's analysis demonstrates that there is an inherent tradeoff to be made when selecting a numerical threshold for continued listing between eliminating those companies that are the intended target and providing increased flexibility for listed issuers. *See* Table 2 and Figure 3.

[54] *See* Section 802.02 of the Manual.

[55] *See supra* notes 47–48 and accompanying text.

[56] *See supra* note 27 and accompanying text. Under existing Exchange rules, a request for a review will ordinarily stay the suspension of an issuer's securities in accordance with Section 804.00 of the Manual, but the Exchange staff may immediately suspend trading in any security or securities pending review should it determine that such immediate suspension of trading is necessary or appropriate in the public interest, for the protection of investors, or to promote just and equitable principles of trade. *See* Section 804.00 of the Manual. The Exchange has not proposed any changes to these provisions.

[57] *See* proposed Section 802.01C of the Manual. Section 802.01D of the Manual provides that the Exchange may make an appraisal of, and determine on an individual basis, the suitability for continued listing of an issue in light of all pertinent facts whenever it deems such action appropriate, including if any event or condition exists or occurs that makes further dealings or listing of the securities on the Exchange unwarranted in the opinion of the Exchange.

[58] *See* Amendment No. 2, *supra* note 10, at 5.

[59] 15 U.S.C. 78f(b)(5).

[60] *See supra* note 27 and accompanying text.

IV. Solicitation of Comments on Amendment No. 2 to the Proposed Rule Change

Interested persons are invited to submit written data, views, and arguments concerning whether the proposed rule change, as modified by Amendment No. 2, 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–2025–43 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–2025–43. 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 filing 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–2025–43 and should be submitted on or before September 8, 2026.

V. Accelerated Approval of the Proposed Rule Change, as Modified by Amendment No. 2

The Commission finds good cause to approve the proposed rule change, as modified by Amendment No. 2, prior to the thirtieth day after the date of publication of Amendment No. 2 in the **Federal Register**. Amendment No. 2 does not alter any substantive provisions of the proposed rule change or raise any regulatory issues substantially different from what is set forth in the Notice, which was subject to public comment. Amendment No. 2 extends the effective date of the proposed rule to July 1, 2027. This limited change is consistent with the original proposal's intent to provide additional time to implement reverse stocks splits to increase share prices. For these reasons, the Commission finds good cause, pursuant to Section 19(b)(2) of the Act,[61] to approve the proposed rule change, as modified by Amendment No. 2, on an accelerated basis.

VI. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,[62] that the proposed rule change (SR–NYSE–2025–43), as modified by Amendment No. 2, be and hereby is, approved on an accelerated basis.

By the Commission.

Vanessa A. Countryman,

Secretary.

[FR Doc. 2026–16831 Filed 8–17–26; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–106126; File No. SR–NYSE–2026–36]

Self-Regulatory Organizations; New York Stock Exchange LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change of Amendments to Rules 7.31, 7.35, and 7.35B

August 13, 2026.

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 31, 2026, 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 amendments to Rules 7.31, 7.35, and 7.35B regarding Discretionary Orders and the Closing Auction. The proposed rule change is available on the Exchange's website at *www.nyse.com* and at the principal office of the Exchange.

[61] 15 U.S.C. 78s(b)(2).

[62] *Id.*

[1] 15 U.S.C. 78s(b)(1).

[2] 15 U.S.C. 78a.

[3] 17 CFR 240.19b–4.

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

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

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

1. Purpose

The Exchange proposes to amend Rules 7.31 (Orders and Modifiers), 7.35 (General), and 7.35B (DMM-Facilitated Closing Auctions) to (1) enhance auction imbalance information disseminated in connection with Closing Auctions and (2) make associated changes reflecting Exchange processing of Discretionary Orders (''D Orders'') in UTP Securities.

Background

Rule 7.31(c) describes the Auction-Only Orders offered by the Exchange. An Auction-Only Order is a Limit or Market Order that is to be traded only in an auction pursuant to the Rule 7.35 Series (for Auction-Eligible Securities) or routed pursuant to Rule 7.34 (for UTP Securities). Rule 7.31(c)(1) and the paragraphs thereunder describe the types of Auction-Only Orders that the Exchange accepts for participation in an opening or reopening auction: Limit-on Open (''LOO'') Orders, Market-on-Open (''MOO'') Orders, and Opening D Orders. Rule 7.31(c)(2) and the paragraphs thereunder describe the types of Auction-Only Orders that the Exchange accepts for participation in the closing auction: Limit-on-Close (''LOC'') Orders, Market-on-Close (''MOC'') Orders and Closing D Orders.

The Rule 7.35 Series sets forth rules for Exchange auctions. Rule 7.35 sets forth general rules governing auctions on the Exchange, including definitions for terms used in the Rule 7.35 Series.

Rule 7.35B sets forth the process for Closing Auctions facilitated by a Designated Market Maker (''DMM''). Rule 7.35B(a) sets forth both the DMM and Floor broker responsibilities for the closing of securities, and specifically provides that it is the responsibility of each DMM to ensure that registered