SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-80456; File No. SR-NYSE-2017-14)

April 13, 2017

Self-Regulatory Organizations; New York Stock Exchange LLC; Notice of Filing and Immediate Effectiveness of Proposal to Adopt a Fee Schedule for Acquisition Companies

Pursuant to Section 19(b)(1)[1] of the Securities Exchange Act of 1934 (the "Act")[2] and Rule 19b-4 thereunder,[3] notice is hereby given that, on April 4, 2017, 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 adopt a fee schedule for Acquisition Companies. The proposed rule change is available on the Exchange's website at www.nyse.com, at the principal office of the Exchange, and at the Commission's Public Reference Room.

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

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

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

2 15 U.S.C. 78a.

3 17 CFR 240.19b-4.

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 adopt a flat initial listing fee for Acquisition Companies and exempt Acquisition Companies from the Exchange's Initial Application Fee. Acquisition Companies (commonly referred to in the marketplace as "special purpose acquisition companies" or "SPACs") are listed pursuant to Section 102.06 of the NYSE Listed Company Manual (the "Manual"). Currently, Acquisition Companies are subject to the initial listing and annual fee schedule set forth in Section 902.03 of the Manual and applied generally to listed operating companies.

The Exchange proposes to adopt new Section 902.11 of the Manual to establish a separate listing fee schedule for Acquisition Companies. Under proposed Section 902.11, Acquisition Companies would be subject to a flat fee of $85,000 upon initial listing. Proposed Section 902.11 would specify that the common stock and warrants listed by Acquisition Companies would continue to be subject to the annual listing fees set forth for those categories of securities in Section 902.03.

Acquisition Companies typically sell units in their initial public offering, consisting of a common equity security and a whole or fractional warrant to purchase common stock.[4] Holders of Acquisition Company units typically have the right to separate the units shortly after the IPO

[4] The number of warrants included in the units sold in an Acquisition Company IPO varies. Sometimes there is a warrant to purchase one common share included as part of each unit. Recently the units sold in some Acquisition Company IPOs have included a fractional warrant to purchase a share. In order to exercise these fractional warrants or trade them separate from the units, an investor would need to acquire sufficient warrants to be able to exercise them for whole numbers of shares.

and the Exchange lists the common equity securities and the warrants (in addition to the units) upon separation.

The flat initial listing fee in proposed Section 902.11 would be lower than the minimum initial listing fee applicable to Acquisition Companies under Section 902.03.[5] The Exchange notes that Acquisition Companies differ in some important respects from traditional operating companies and believes that these differences make it reasonable to adopt a separate initial listing fee schedule for Acquisition Companies.

An Acquisition Company's listing often lasts for a brief period of time. Under the Acquisition Company structure, the company's charter provides that it must either enter into a business combination within a specified limited period of time (typically two years or less, but no longer than three years is permitted under Section 102.06) or return the funds held in trust to the company's shareholders and dissolve the company.[6] Acquisition Company business combinations do not always result in a continued listing of the post-business combination entity, as the resultant entity may be a private company or list on another exchange or the Acquisition Company may be acquired by another company that is already listed. In contrast to an Acquisition Company, when an operating company lists, it is reasonable to expect that it will

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[5] A new class of common stock listed on the NYSE is subject to a minimum initial listing fee of $125,000 and an additional one-time special charge of $50,000. As such, the minimum aggregate initial listing fees an Acquisition Company must pay in relation to its common stock alone amounts to $175,000. In addition, an Acquisition Company has to pay initial listing fees for its warrants under the schedule set forth for short-term securities (i.e., securities with a maximum life of no more than seven years) in Section 902.06. Consequently, the minimum fees currently charged in connection with an Acquisition Company initial listing far exceed the proposed flat fee of $85,000.

[6] An Acquisition Company which remains listed upon consummation of its business combination is not subject to additional initial listing fees at that time, although it must pay supplemental listing fees with respect to any additional shares of common stock issued in connection with the business combination. An Acquisition Company transferring from another national securities exchange is not required to pay initial listing fees.

likely remain listed for many years. A listed operating company can therefore view the upfront cost of paying initial listing fees as relating to the benefits it receives from its NYSE listing over an extended period, including such things as the prestige associated with a listing, the liquid trading market, access to the NYSE's physical facilities, the NYSE's technological infrastructure, and the Exchange's regulatory program. Acquisition Companies, on the other hand, must assess the economic value of a listing on the basis of a potentially very brief period of listing. Given the much shorter average length of an Acquisition Company's listing, the Exchange believes it is reasonable to charge Acquisition Companies lower initial listing fees than operating companies.

Proposed Section 902.11 would make clear that Acquisition Companies would not be subject to the $25,000 Initial Application Fee charged to applicants under Section 902.03. Given the significantly lower initial listing fees that would be charged to Acquisition Company applicants under proposed Section 902.11, a $25,000 Initial Application Fee would represent a much higher percentage of the initial listing fees payable upon listing than it would for an operating company applicant. In addition, the Initial Application Fee is used to reduce the initial listing fees an applicant pays upon listing. The Exchange has also observed that Acquisition Company IPOs are significantly more likely to be completed than proposed operating company IPOs, so the likelihood that the Exchange will forego revenue if it does not charge the Initial Application Fee to Acquisition Companies is significantly reduced.

The Exchange does not expect the financial impact of these two proposed amendments to be material in terms of the level of listing fees collected from issuers on the Exchange. Specifically, the Exchange notes that Acquisition Companies represent a relatively small number of potential listings and therefore anticipates that only a limited number of Acquisition

Companies will list. Accordingly, the Exchange believes that the proposed rule change will not impact the Exchange's resource commitment to its regulatory oversight of the listing process or its regulatory programs.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Exchange Act,[7] in general, and furthers the objectives of Sections 6(b)(4)[8] of the Exchange Act, in particular, in that it is designed to provide for the equitable allocation of reasonable dues, fees, and other charges and is not designed to permit unfair discrimination among its members and issuers and other persons using its facilities. The Exchange also believes that the proposed rule change is consistent with Section 6(b)(5) of the Exchange Act, in particular in that it is designed to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest.

The Exchange believes that the proposed rule change is consistent with Sections 6(b)(4) and 6(b)(5) of the Exchange Act in that it represents an equitable allocation of fees and does not unfairly discriminate among listed companies. In particular, the Exchange notes that the proposed amendment is not unfairly discriminatory as Acquisition Companies frequently have a much shorter period of listing on the Exchange than operating companies. It is not unfairly discriminatory to exempt Acquisition Companies from the Initial Application Fee because the Initial Application Fee would represent a significantly larger percentage of the initial listing fees

7 15 U.S.C. 78f(b).

8 15 U.S.C. 78f(b)(4).

payable by an Acquisition Company upon listing and Acquisition Companies are more likely than operating companies to successful complete their IPO so the Exchange is less likely to forego revenue if they do not pay the Initial Application Fee.

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

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule change is designed to adopt reduced initial listing fees for Acquisition Companies and will therefore increase the competition for the listing of those companies by making the NYSE a more attractive listing venue for them.

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

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

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

The foregoing rule change is effective upon filing pursuant to Section 19(b)(3)(A)[9] of the Act and subparagraph (f)(2) of Rule 19b-4[10] thereunder, because it establishes a due, fee, or other charge imposed by the Exchange.

At any time within 60 days of the filing of such proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings under Section 19(b)(2)(B)[11] of the Act to determine

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9 15 U.S.C. 78s(b)(3)(A).

10 17 CFR 240.19b-4(f)(2).

11 15 U.S.C. 78s(b)(2)(B).

whether the proposed rule change should be approved or disapproved.

IV. Solicitation of Comments

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

Electronic comments:

- Use the Commission's Internet comment form (http://www.sec.gov/rules/sro.shtml); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-NYSE-2017-14 on the subject line.

Paper comments:

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

All submissions should refer to File Number SR-NYSE-2017-14. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet website (http://www.sec.gov/rules/sro.shtml). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street, NE, Washington, DC 20549 on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of the filing also will be available for inspection and copying at the

principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-NYSE-2017-14 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[12]

Brent J. Fields
Secretary

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