

# NYSE Corporate Governance Listing Requirements Table

A Lexis Practice Advisor® Checklist by Michael Blankenship, Locke Lord LLP



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This checklist provides a summary of the corporate governance listing requirements of the New York Stock Exchange (NYSE). These requirements hold NYSE-listed companies to standards regarding corporate governance, including the composition of the board of directors, board committees, and shareholder approval rights, among other things.

Listed companies must meet these requirements at the time of their initial listing as well as continue meeting certain requirements for the duration of the company's listing on the NYSE, with transition periods built in for companies whose status changes during listing, such as a company that ceases to qualify for an exemption. A listed company's chief executive officer (CEO) must certify annually to the NYSE as to the company's continued compliance with the corporate governance requirements and promptly notify the NYSE as

to any failure to comply during the year. The full text of the corporate governance standards may be found in Section 303A of the NYSE Listed Company Manual.

The corporate governance standards summarized below apply to all U.S. and non-U.S. companies listing common equity securities on the NYSE, with certain exceptions, as noted. The NYSE may issue a letter of public reprimand to any company violating an NYSE listing standard.

For more information on complying with listing requirements generally, see [NYSE and Nasdaq Listing Requirements Compliance](#). Additionally, for further information regarding quantitative listing requirements, see [NYSE Initial Listing Requirements Table](#) and [NYSE Continued Listing Requirements Table](#). For a comparison of NYSE and The Nasdaq Stock Market corporate governance and other requirements, see [Corporate Governance Standards Chart \(New York Stock Exchange vs. Nasdaq\)](#) and [NYSE and Nasdaq Listing Requirements Compliance](#). For a discussion of how the NYSE compares to other international stock exchanges, see [International Stock Exchange Selection for an IPO](#) and [Major International Stock Exchanges Listing Requirements Checklist](#).

Listing Standard	Rules and Notes
<p><b><i>Independent Directors</i></b> <b><i>(Rules 303A.01 and 303A.02)</i></b></p>	<p>RULE: A majority of directors of the company must be independent directors, according to NYSE standards.</p> <p>An independent director is a director who has no material relationship with the company, as affirmatively determined by the board. (Material relationships may include commercial, industrial, banking, consulting, legal, accounting, charitable, and familial relationships, among others.) A director is not an independent director if any one of the following is true:</p> <ul style="list-style-type: none"> <li>• The director is, or has within the last three years been, an employee of the company (except for employment as an interim chairman or CEO or other executive officer, which permits the director to be independent following that employment).</li> <li>• The director has an immediate family member who is, or has within the last three years been, an executive officer of the company.</li> <li>• The director, or an immediate family member, has received more than \$120,000 in compensation from the company over any 12-month period in the last three years (except for fees and other benefits conferred as a result of service on the board, compensation for service as an interim chairman or CEO or other executive officer, and compensation to a family member for service as a non-executive employee).</li> <li>• The director is a current partner or employee of the company's internal or external auditor or has an immediate family member who is a current partner or an employee who personally works on the company's audit.</li> <li>• The director or immediate family member was in the last three years a partner or employee of such audit firm and personally worked on the company's audit during that time.</li> <li>• The director, or an immediate family member, is, or has in the last three years been, an executive officer of a company on whose compensation committee any executive officer of the listed company serves or served simultaneously.</li> <li>• The director is an employee, or an immediate family member is an executive officer, of a company that has engaged in a business transaction or transactions with the listed company, in the last three fiscal years, in which amounts exchanged exceeded \$1 million or 2% of the other company's consolidated gross revenues. (This provision does not apply to tax-exempt charitable contributions, provided that charitable contributions meeting these qualifications are disclosed by the company on its website or in its proxy statement or annual report (with reference to any website disclosure)).</li> </ul> <p>NOTES:</p> <p>1. Newly listed initial public offering (IPO) companies, companies listing in conjunction with a carve-out, or spin-off and companies emerging from bankruptcy must meet this requirement within one year of listing. (Rule 303A.00)</p>
<p><b><i>Executive Sessions</i></b> <b><i>(Rule 303A.03)</i></b></p>	<p>RULE: Non-management directors must meet at regularly scheduled executive sessions without management present.</p> <p>NOTES:</p> <p>1. Non-management directors are directors who are not executive officers of the company. This group may include non-independent directors who lack independence by virtue of circumstances other than being an executive officer of the company.</p> <p>2. Companies may alternatively choose to hold regular independent director executive sessions. If a company chooses to hold non-management director executive sessions, independent director executive sessions should be held at least once a year.</p>

Listing Standard	Rules and Notes
<p><b>Executive Sessions</b> <b>(Rule 303A.03)</b></p>	<p>3. The name of the director presiding over executive sessions, or the procedure used for selecting the director who presides over executive sessions, and the method for communicating concerns to such presiding director should be disclosed by the company on its website or in its proxy statement or annual report (with reference to any website disclosure).</p>
<p><b>Audit Committee</b> <b>(Rules 303A.06 and 303A.07)</b></p>	<p>RULE: Listed companies must have an audit committee of at least three members who are all (i) independent directors; (ii) independent under the definition in Securities and Exchange Commission (SEC) Rule 10A-3 (17 CFR 240.10A-3), and (iii) financially literate (or become financially literate within a reasonable period of time after appointment), as such term is interpreted by the board in its business judgment. In addition, at least one member must have accounting or financial management expertise (a financial expert), as such qualification is interpreted by the board in its business judgment.</p> <p>The audit committee must have a written charter that sets out the committee's purposes, including:</p> <ul style="list-style-type: none"> <li>• Assisting the board in oversight of financial statement integrity, compliance with regulatory requirements, auditor qualifications and independence, and performance of the company's internal audit function as well as independent auditor function</li> <li>• Preparing the disclosures required by Item 407(d)(3)(1) (17 C.F.R. § 229.407) of Regulation S-K</li> <li>• Conducting an annual performance review of the committee</li> <li>• Fulfilling the duties and responsibilities of the committee, which at a minimum should include those set out in Rule 10A-3 of the Securities Exchange Act of 1934, as amended (Exchange Act), as well as: <ul style="list-style-type: none"> <li>o Reviewing the annual report of the independent auditor</li> <li>o Evaluating the auditor's qualifications, performance, and independence</li> <li>o Discussing the annual audited financial statements and quarterly financial statements (including management's discussion and analysis of financial condition and results of operations), and earnings press releases</li> <li>o Discussing risk management policies</li> <li>o Periodically meeting separately with management, internal auditors, and independent auditors</li> <li>o Reviewing any audit problems with independent auditor</li> <li>o Setting clear hiring policies for employees or former employees of the independent auditor and reporting regularly to the board</li> </ul> </li> </ul> <p>Each listed company must have an internal audit function.</p> <p>NOTES:</p> <ol style="list-style-type: none"> <li>1. The board may assume that a director who qualifies as an audit committee financial expert under Item 407(d)(5)(ii) of Regulation S-K is a financial expert for purposes of this rule.</li> <li>2. If an audit committee member simultaneously serves on the audit committees of more than three public companies, the board must determine that such simultaneous service would not impair the member's ability to effectively serve on the listed company's audit committee. Such a determination must be disclosed on the company website (the location of which must be disclosed in the company's proxy statement or annual report) or in the company's proxy statement or annual report.</li> </ol>

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<p><b>Audit Committee</b> <b>(Rules 303A.06 and 303A.07)</b></p>	<p>3. NYSE notes that, in addition to the responsibilities required to be set forth in the audit committee charter, the audit committee should also review (a) major issues regarding accounting principles and financial statement presentations, including significant changes in selection or application, (b) major issues regarding adequacy of internal controls and audit steps adopted in light of control deficiencies, (c) analyses prepared by management or the independent auditor regarding significant financial reporting issues and judgments, including the effects of generally accepted accounting principles (GAAP) methods, (d) the effect of regulatory accounting initiatives, as well as off-balance sheet structures, (e) the type and presentation of information to be included in earnings press releases (especially regarding pro forma or adjusted presentations), and (f) any financial information and earnings guidance provided to analysts and rating agencies.</p> <p>4. The audit committee charter (and any delegate committees' charters) must be available on the company website, the location of which must be disclosed in the company's proxy statement or annual report. (Posting requirement not applicable to closed-end funds.)</p> <p>5. Newly listed IPO companies and companies listing in conjunction with a carve-out or spin-off must (1) have the charter posted on the company's website by the date of closing (or within 5 days of listing for an IPO, if earlier), (2) comply with the internal audit function requirements within one year after listing, and (3) have an audit committee that has:</p> <ul style="list-style-type: none"> <li>• At least one independent audit committee member at listing</li> <li>• At least two members within 90 days of the listing date</li> <li>• A majority of independent members on the committee within 90 days after the effective date of its SEC registration statement</li> <li>• At least three members within one year of the listing date</li> <li>• An entirely independent committee within one year after effectiveness of its SEC registration statement. (Rule 303A.00).</li> </ul> <p>The newly listed IPO companies and companies listing in conjunction with a carve-out or spin-off may only have a non-independent director on the audit committee if they were not required to file periodic reports with the SEC prior to listing.</p>
<p><b>Compensation Committee</b> <b>(Rule 303A.05)</b></p>	<p>RULE: Listed companies must have a compensation committee composed entirely of independent directors that also satisfy additional independence standards specific to service on the compensation committee:</p> <ul style="list-style-type: none"> <li>• The board must determine that the director has no relationships that materially affect his or her ability to make decisions independent from management in connection with the duties of the compensation committee, after consideration of all factors the board deems specifically relevant to such a determination. Factors considered may include the sources of compensation of a director (including any compensation paid by the company) and whether the director is affiliated with the company (or any subsidiary). Ownership of significant equity in the company does not, itself, preclude a finding of independence from management. (Rule 303A.02).</li> </ul> <p>The compensation committee must have a written charter that addresses:</p> <ul style="list-style-type: none"> <li>• The committee's responsibilities, including (a) reviewing and approving goals for CEO compensation, and evaluating CEO performance relative to these goals, (b) making recommendations to the board regarding compensation of other executive officers, and (c) preparing the disclosure required by Item 407(e)(5) of Regulation S-K</li> <li>• An annual performance evaluation of the committee</li> </ul>

Listing Standard	Rules and Notes
<p><b>Compensation Committee</b> <b>(Rule 303A.05)</b></p>	<ul style="list-style-type: none"> <li>• The right of the committee to retain or obtain the advice of a compensation consultant, independent legal advisor, or other advisor (after taking into consideration the independence of such consultant), and that the company will provide reasonable funding for such consultant</li> <li>• Committee member qualifications, appointment, and removal</li> <li>• Committee structure and operations</li> <li>• Committee reports to the board</li> </ul> <p>The compensation committee must also be allocated the authority to retain or obtain the advice of a consultant or advisor, after taking into consideration all relevant factors establishing such consultant's independence from management, including certain extensive factors enumerated at Rule 303A.05(c)(iv). The requirement to assess the independence of the consultant does not also require the committee to select an independent consultant.</p> <p>NOTES:</p> <ol style="list-style-type: none"> <li>1. NYSE states that the compensation committee should consider company performance and shareholder return, the value of similar incentive awards to CEOs at other companies, and the awards given to the company's CEO in the past years, when determining long-term incentive compensation for the CEO.</li> <li>2. The compensation committee charter (and any delegate committees' charters) must be available on the company website, the location of which must be disclosed in the company's proxy statement or annual report.</li> <li>3. Newly listed IPO companies, companies listing in conjunction with a carve-out or spin-off, and companies emerging from bankruptcy must have the charter posted on the company website by the date of closing (or within 5 days of listing for an IPO, if earlier), and: <ul style="list-style-type: none"> <li>• At least one independent compensation committee member at closing (or within 5 days of listing, if earlier)</li> <li>• A majority of the committee independent within 90 days after the listing date</li> <li>• An entirely independent committee within one year after listing (Rule 303A.00)</li> </ul> </li> <li>4. If a company fails to comply with the compensation committee requirements because a member ceases to be independent for reasons outside of the member's reasonable control, as long as a majority of the members of the committee remain independent, the non-compliant member may remain on the committee until the next shareholders meeting (or one year, if earlier). (Rule 303A.00).</li> </ol>
<p><b>Nominating/Corporate Governance Committee</b> <b>(Rule 303A.04)</b></p>	<p>RULE: Listed companies must have a nominating or corporate governance committee composed entirely of independent directors. The nominating committee must have a written charter that addresses:</p> <ul style="list-style-type: none"> <li>• The committee's purpose and responsibilities, which, at minimum, must be to (a) identify individuals qualified to become board members, (b) select, or recommend that the board select, the board nominees, (c) develop and recommend to the board corporate governance guidelines, and (d) oversee the evaluation of the board and management</li> <li>• Committee member qualifications, appointment, and removal</li> <li>• Committee structure and operations, including reporting to the board</li> <li>• Authority to retain a search firm to assist in identifying director candidates, including related fees and terms of engagement</li> <li>• An annual performance evaluation of the committee</li> </ul>

Listing Standard	Rules and Notes
<p><b>Nominating/Corporate Governance Committee</b> <b>(Rule 303A.04)</b></p>	<p>NOTES:</p> <ol style="list-style-type: none"> <li>1. The nominating process set forth in the committee charter does not need to be applied where third parties have a legal or contractual right to select nominees to the board.</li> <li>2. The nominating committee charter (and any delegate committees' charters) must be available on the company website, the location of which must be disclosed in the company's proxy statement or annual report.</li> <li>3. Newly listed IPO companies, companies listing in conjunction with a carve-out or spin-off, and companies emerging from bankruptcy must have the charter posted on the company website by the date of closing (or within 5 days of listing for an IPO, if earlier), and: <ul style="list-style-type: none"> <li>• At least one independent nominating committee member at closing (or within 5 days of listing, if earlier)</li> <li>• A majority of the committee independent within 90 days after the listing date</li> <li>• An entirely independent committee within one year after listing (Rule 303A.00)</li> </ul> </li> </ol>
<p><b>Corporate Governance Guidelines and Code of Business Ethics</b> <b>(Rules 303A.09 and 303A.10)</b></p>	<p>RULE: A listed company must adopt corporate governance guidelines that address</p> <ul style="list-style-type: none"> <li>• <b>Director qualification standards.</b> These should at least reflect the NYSE independent director standards and may also address, but are not limited to, limits on the number of boards on which a director may simultaneously sit, director tenure, retirement, and succession.</li> <li>• <b>Director responsibilities.</b> Clearly articulated basic duties, including with respect to attendance and advance preparation for meetings, should be included.</li> <li>• <b>Director access to management and independent advisors.</b></li> <li>• <b>Director compensation.</b> This should include principles for determining form and amount of compensation (and reviewing such principles).</li> <li>• <b>Director orientation and continuing education.</b></li> <li>• <b>Management succession.</b> There should be policies for CEO selection and performance review and succession planning.</li> <li>• <b>Annual performance self-evaluation of the board.</b></li> </ul> <p>It must also adopt a code of business ethics applicable to all directors, officers, and employees that addresses all important policies identified by the board, including:</p> <ul style="list-style-type: none"> <li>• Conflicts of interest</li> <li>• Corporate opportunities</li> <li>• Confidentiality</li> <li>• Fair dealing</li> <li>• Protection and proper use of company assets</li> <li>• Compliance with laws, rules, and regulations (including insider trading laws)</li> <li>• Encouraging the reporting of illegal or unethical behavior. The code of ethics may be subject to waiver for executive officers and directors only by the board, or a committee of the board. It must also contain provisions for compliance standards and provisions that facilitate the execution of the code and ensure prompt, consistent action against violations.</li> </ul> <p>NOTES:</p> <ol style="list-style-type: none"> <li>1. The corporate governance guidelines and the code of ethics must be available on the company website, the location of which must be disclosed in the company's proxy statement or annual report.</li> <li>2. Any waivers of the code of ethics for directors or executive officers must be disclosed to shareholders within four business days via press release, website disclosure, or Form 8-K, as appropriate.</li> </ol>

<b>Listing Standard</b>	<b>Rules and Notes</b>
<b>Classified Board of Directors (Rule 304.00)</b>	RULE: NYSE prohibits boards divided into more than three classes. Where classes are used, they should each be of approximately equal size and tenure, with terms not exceeding three years. All directors, except those selected by third parties (such as classes of preferred stock), should be elected by all shareholders entitled to vote.
<b>Consents (Rule 306.00)</b>	RULE: Companies may use consents in lieu of special meetings, but must comply with applicable federal and state laws regarding shareholder consents.
<b>Websites (Rule 307.00)</b>	RULE: Each listed company must have and maintain a publicly accessible website. The website must be available in English, including with regard to any material required by NYSE to be posted on the website. (If a closed-end fund does not have its own website, it may use any website it is allowed to use to satisfy posting requirements.)
<b>Purchases of Company Stock by Directors and Officers (Rule 309.00)</b>	<p>POLICY: NYSE acknowledges that shareholders may benefit if executive officers and directors have a meaningful ownership interest in the listed company. Accordingly, NYSE has suggested guidelines for determining when and how purchases (by executive officers, directors, and their families) of company securities are appropriately made, such as:</p> <ul style="list-style-type: none"> <li>• Periodic investment programs, where the timing of purchases is outside the control of the individual</li> <li>• Periods of purchase and sale activity for 30 days commencing one week after the circulation of an annual report</li> <li>• Purchases at times when no important developments are pending that would draw insider trading concerns, such as following the release of quarterly results or the wide dissemination of company information and current results and times of relative stability for the company's operations and market for its securities.</li> </ul>
<b>Conflicts of Interest</b>	A listed company must conduct a review and evaluation of all related party transactions. (Rule 314.00).
<b>Quorums (Rule 310.00)</b>	<p>RULE: For common equity, if less than a majority of the outstanding stock of the company is required for a quorum, then such quorum must be reasonable, and the company must make general proxy solicitations for shareholder meetings. In any case, the quorum must ensure a representative vote.</p> <p>For preferred equity, NYSE prefers that no quorum be set with respect to the election of directors when dividends are in default. And, NYSE will object to any quorum in such a case that is higher than the quorum for common equity for the election of directors.</p>
<b>Shareholder Approval of Equity Compensation Plans (Rule 303A.08)</b>	<p>RULE: Shareholders must be given the opportunity to vote on all equity-compensation plans and material revisions thereto.</p> <p>NOTES:</p> <p>1. Equity-compensation plans provide for the delivery of equity securities to employees, directors, and other service providers as compensation, including those not made under any established plan. The following, however, are not equity-compensation plans:</p> <ul style="list-style-type: none"> <li>• Plans that are available to all shareholders generally</li> <li>• Plans that allow employees, directors, or service providers to buy shares on the open market or for fair market value (even where shares are paid for with compensation and whether shares are delivered immediately or on a deferred basis)</li> <li>• Employment inducement awards</li> <li>• Certain plans and amendments in the context of mergers and acquisitions (which may or may not require approval)</li> <li>• Certain plans that are tax qualified and non-discriminatory or are parallel excess plans</li> </ul>

Listing Standard	Rules and Notes
<p><b>Shareholder Approval of Equity Compensation Plans</b> (Rule 303A.08)</p>	<p>2. Material revisions include expansions of the number of shares or types of awards available, material changes to the group of individuals eligible to participate, material extension of the term of the plan, changes to the method of determining strike prices (although a change from closing price to average of the high and low on the grant date is not material), repricings (if not expressly allowed by the plan), the deletion or limiting of any provision prohibiting repricings, or other expansions to scope of the plan.</p>
<p><b>Shareholder Approval</b> (Rule 312.03)</p>	<p>RULE: A listed company must obtain shareholder approval for certain issuances of securities, including:</p> <ul style="list-style-type: none"> <li>• Equity-compensation plans (discussed above)</li> <li>• Issuances of common stock (or securities convertible into common stock) to a <ul style="list-style-type: none"> <li>o Related party (director, officer, or substantial securityholder (generally, a holder of greater than 5% of voting equity);</li> <li>o Subsidiary, affiliate, or closely related person to a related party; or</li> <li>o Entity in which a related party has substantial direct or indirect interest, where the interests to be issued exceed 1% of the pre-issuance outstanding number of securities or voting power (except, for substantial securityholders, if issued at fair market price, interests are not to exceed 5% of the pre-issuance outstanding voting equity).</li> </ul> </li> </ul> <p>An early stage company may make such issuances without shareholder approval if approved by the audit (or similar) independent committee.</p> <ul style="list-style-type: none"> <li>• Issuances of common stock (or securities convertible into common stock) where the shares issued (or the voting power of the shares issued) equal 20% or more of the pre-transaction outstanding voting equity</li> <li>• Issuances that will result in a change of control of the issuer</li> </ul> <p>NOTES:</p> <p>1. Shareholder approval is not required for either of the following:</p> <ul style="list-style-type: none"> <li>• Public offerings for cash</li> <li>• Bona fide private financings involving a sale of common stock, for cash, at a price at least as great as the minimum price, which is defined as the lower of: (i) the official closing price immediately preceding the signing of the binding agreement, or (ii) the average official closing price for the five trading days immediately preceding the signing of the binding agreement (or securities convertible into commons stock, for cash, if the conversion or exercise price is at least as great as the minimum price as defined above).</li> </ul>
<p><b>Voting Rights</b> (Rule 313.00)</p>	<p>RULE: Voting rights of existing shareholders cannot be disparately reduced or restricted through any corporate action or issuance, including through the use of time-based voting plans, capped voting rights plans, issuance of super-voting stock, or the exchange of common stock for stock with less than per-share voting rights. Preferred stock, voting as a class, should have the right to elect a minimum of two directors upon default of the equivalent of six quarterly dividends (even if not in consecutive period). The right should remain in effect until cumulative dividends have been paid or until non-cumulative dividends have been paid for at least one year. (See quorum requirements for preferred stock, above.)</p> <p>NOTES:</p> <p>1 NYSE recommends that preferred stock have minimum voting rights, even if not listed, including:</p> <ul style="list-style-type: none"> <li>• Majority shareholder approval for increases in the amount of a class of preferred stock or creation of a pari passu issue</li> <li>• Super majority approval for creation of a senior equity security, in certain circumstances, and for material alteration of existing terms of the preferred stock</li> </ul>

Listing Standard	Rules and Notes
<p><b>Proxy Solicitation</b> (Rule 402.04)</p>	<p>RULE: Actively operating companies are required to solicit proxies for all meetings of shareholders. The proxy must state the actual number of shares for which the proxy is given.</p> <p>NOTES:</p> <p>1. NYSE sets forth extensive rules for the solicitation of proxies in the Rule 402 Series. Counsel for companies soliciting proxies in connection with a shareholder meeting should consult the applicable sections of those rules..</p>
<p><b>Related Party Transactions</b> (Rule 314.00)</p>	<p>RULE: Related party transactions are transactions between the company and officers, directors, or principal shareholders. Each related party transaction must be reviewed and evaluated by an appropriate group to determine whether the transaction serves the best interests of the company and whether it should be continued. NYSE believes that the audit committee is an appropriate body to review related party transactions.</p>
<p><b>Certification</b> (Rule 303A.12)</p>	<p>RULE: The CEO of a listed company must certify annually to the NYSE that he or she is not aware of any violation by the company of any of the NYSE's corporate governance listing standards. The CEO is also required to promptly notify the NYSE in writing if any executive officer becomes aware of any non-compliance with the corporate governance listing standards. The company is also required to submit a detailed written affirmation annually that confirms the company is in compliance with board and committee composition requirements as well as other specified corporate governance requirements.</p>
<p><b>Exceptions</b></p>	<p>NYSE has carved out certain exceptions to the corporate governance standards for certain types of companies:</p> <ul style="list-style-type: none"> <li>• <b>Controlled companies.</b> Exempt from compliance with rules regarding independent directors, nominating/corporate governance committees, and compensation committees. (Controlled companies are companies where over 50% of voting power is held by a single individual, group, or entity.) If a controlled company chooses to take advantage of these exemptions, it still must comply with the requirements of Instruction 1 to Item 407(a) of Regulation S-K.</li> <li>• <b>Limited partnerships and companies in bankruptcy.</b> Exempt from compliance with rules regarding independent directors, nominating/corporate governance committees, and compensation committees, only. All other corporate governance standards apply.</li> <li>• <b>Closed-end funds (registered under the Investment Company Act of 1940, as amended (the Investment Company Act)).</b> Must comply only with rules regarding: <ul style="list-style-type: none"> <li>o Audit committees (except for (1) the director independence requirements incorporated into the audit committee rules by reference to a non-applicable section, (2) the disclosure requirements if a director serves on multiple boards in the same fund complex, and (3) the requirement to make the audit committee charter available on a website)</li> <li>o Shareholder approval of equity-compensation plans</li> <li>o Certification requirements.</li> </ul> </li> <li>• <b>Open-end funds (registered under the Investment Company Act).</b> Must only comply with the requirement that it have an audit committee and certain certification requirements. Plus, it must have a whistleblower procedure.</li> <li>• <b>Business development companies.</b> Exempt only from director independence requirements (including those incorporated into audit committee rules). For the purpose of all other rules, a director is considered independent if he or she is not an interested person under Section 2(a)(19) of the Investment Company Act.</li> </ul>

Listing Standard	Rules and Notes
<b>Exceptions</b>	<ul style="list-style-type: none"> <li>• <b>Passive business organizations</b> (in the form of trusts such as royalty trusts). Exempt from compliance with the corporate governance standards, except for companies that must comply with Rule 10A-3 of the Exchange Act, which must have an audit committee and comply with certain certification requirements.</li> <li>• <b>Foreign private issuers.</b> Permitted to follow home country practices in lieu of NYSE corporate governance standards, except that they are required to comply with NYSE standards regarding having an audit committee and certain certifications. Plus, FPIs must disclose any significant deviations from NYSE corporate governance standards on their Form 20-F or other annual report filed with the SEC, or on the company website (referenced in each annual report). (Rules 303A.11)</li> <li>• <b>Smaller reporting companies.</b> Exempt only from compliance with (1) the part of the compensation committee director independence test that requires a determination of independence for the purpose of compensation decisions (and related commentary), and (2) the part of compensation committee procedures that requires the consideration of certain extensive factors in decisions regarding hiring consultants.</li> </ul>

## Required Filings and Disclosures for a NYSE-listed Company

In addition to ongoing compliance with corporate governance requirements summarized above, including the disclosure requirements associated with individual corporate governance standards, listed companies are required to provide the NYSE with substantial documentation, and publicly disclose information in connection with both the initial listing on NYSE and on a continuing basis.

Document/Obligation	Disclosure Requirements
<b>Listing Application and Agreement</b>	<p>NYSE requires several documents in connection with an original listing depending on the circumstances of the applicant company, which documents may include:</p> <ul style="list-style-type: none"> <li>• Listing Application</li> <li>• Listing Agreement</li> <li>• Confirmations that a company meets shareholder requirements</li> <li>• Various letters regarding compliance with quantitative standards</li> <li>• Drafts and final copies of SEC filings</li> <li>• Copies of corporate organizational documents</li> <li>• Required written affirmations</li> <li>• Legal opinions</li> </ul> <p>In the listing agreement, a company agrees to:</p> <ul style="list-style-type: none"> <li>• Promptly notify the NYSE of any corporate action or other event which will cause it to cease to be in compliance with NYSE regulations</li> <li>• Furnish the NYSE with information about the company that the NYSE may reasonably demand</li> <li>• File all required periodic financial reports with the SEC by their due dates</li> </ul>
<b>Disclosures to Securities Analysts (Rule 202.02(A))</b>	<p>A company should not provide information to one analyst it does not provide to another, or would not provide for publication. The NYSE recommends a so-called open door policy for companies' relationships with analysts. Directors have a fiduciary duty not to disclose privileged information to anyone not authorized to receive it. (Rule 202.02(B)).</p>

Document/Obligation	Disclosure Requirements
<p><b>Dealing with Rumors or Unusual Market Activity</b> (Rule 202.03)</p>	<p>If rumors or unusual market activity indicate that information on impending developments has leaked, a frank and explicit announcement is required.</p>
<p><b>Timely Disclosure of Material Developments</b> (Rule 202.05-06)</p>	<p>A company is expected to release quickly to the public any news or information that might reasonably be expected to materially affect the market for its securities. Such information is required to be released through any Regulation FD compliant method (or combination of methods). The NYSE encourages companies to comply with this rule by issuing press releases.</p> <p>When such an announcement occurs during trading hours, the company must notify the NYSE by telephone at least 10 minutes prior to release.</p>
<p><b>Annual Financial Statement</b> (Rule 203.01) <b>and</b> <b>Interim Earnings Release</b> (Rule 203.02)</p>	<p><b>Annual Report.</b> Listed companies required to file Exchange Act reports that include audited financial statements must simultaneously make such reports available on the company's website and file a press release stating that the annual report has been filed with the SEC. The company must also post on its website that it will provide hard copies of such reports free of charge upon request and must actually provide hard copies timely upon request. An issuer subject to U.S. proxy rules (or similar rules) is not obligated to issue such press release or post such undertaking.</p> <p><b>Interim Report.</b> Listed companies required to file interim financial statements under the Exchange Act must disseminate an interim earnings release as soon as such filings are available.</p>
<p><b>Shareholder Meeting Publicity</b> (Rule 204.01)</p>	<p>The company must immediately publicize any shareholder meeting being called to determine any matter affecting the rights or privileges of shareholders, or other non-routine matters.</p>
<p><b>Notice to NYSE</b> (Rule 204.00-25)</p>	<p>A company is required to give prompt notice to the NYSE for any of the following situations, among others:</p> <ul style="list-style-type: none"> <li>• A change in registrar, transfer agent, trustee, or fiscal agent for listed securities (Rule 204.02)</li> <li>• A change in auditor (Rule 204.03)</li> <li>• A change in the company's name (Rule 204.18), business purpose (Rule 204.04), or the nature of the business (Rule 204.19)</li> <li>• Closing of transfer books (Rule 204.06) or setting a record date (Rule 204.21), including record dates relating to meetings of shareholders Rule 204.17)</li> <li>• A change in directors or executive officers (Rule 204.10)</li> <li>• Disposition of assets if such disposition materially affects the financial position of the company or its operations (Rule 204.11)</li> <li>• Any dividend action or action relating to a stock distribution (Rule 204.12)</li> <li>• A change in the form or nature of listed securities (Rule 204.13)</li> <li>• If interest on a listed issue is not paid in full when due, or if there is any unusual condition relating to an interest payment (Rule 204.14)</li> <li>• Redemption of listed securities (Rule 204.22)</li> <li>• A change in the rights or privileges of listed securities (Rule 204.23)</li> </ul> <p>Other less common events may also give rise to an obligation to notify the NYSE. The notice periods applicable to each of these required notice items vary. Be sure to consult the applicable rule for the exact notice period and delivery method required.</p>

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Mike Blankenship is a Partner in the Houston office of Locke Lord LLP and a member of the firm's Capital Markets group. He focuses his practice on corporate finance and securities law, including securities offerings, special purpose acquisition companies (SPACs) offerings and transactions, private equity, mergers and acquisitions, and general corporate representation. He regularly counsels public companies on strategic transactions, capital markets offerings and general corporate and securities law matters. Mike represents both issuers and underwriters in U.S. and international capital markets transactions, including initial public offerings, and advises on corporate governance and securities market regulation. He is widely recognized as a go-to expert for a variety of securities law matters, including the Sarbanes-Oxley Act, Dodd-Frank Act and related rulemakings.

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