

December 12, 2017

SEC Approves Revised NYSE Material News Release Rule

On December 4, the Securities and Exchange Commission (“SEC”) [approved](#) a New York Stock Exchange (“NYSE”) rule change prohibiting listed companies from issuing material news after the official closing time for the NYSE’s trading session until the earlier of 4:05 p.m. Eastern Time or the publication of the official closing price of the listed company’s security.

The rule change, discussed in this NYSE [alert](#), was implemented to alleviate confusion caused by price discrepancies between (1) the NYSE closing price and (2) trading prices on other markets after the NYSE official closing time and before the NYSE closing auction is completed, which can be after 4:00 p.m. Section 202.06 of the Listed Company Manual continues to include advisory text recommending that listed companies not issue material news until 15 minutes after the scheduled closing time on the Exchange.

The rule change proposal was originally filed by the NYSE in August 2017 and subsequently amended in November to explicitly make clear that the proposed restriction on issuing material news will not apply when a listed company is publicly disclosing material information following a non-intentional disclosure in order to comply with Regulation FD.

* * *

This memorandum is not intended to provide legal advice, and no legal or business decision should be based on its content. Questions concerning issues addressed in this memorandum should be directed to:

David S. Huntington
+1-212-373-3124
dhuntington@paulweiss.com

Raphael M. Russo
+1-212-373-3309
rrusso@paulweiss.com

Hank Michael
+1-212-373-3892
hmichael@paulweiss.com