

December 22, 2020

Update on Primary Direct Floor Listings: SEC Again Approves NYSE Rule and Institutes Proceedings on Nasdaq Proposal

The SEC has again approved the NYSE's proposed rule change to permit primary direct floor listings, *i.e.*, direct listings with a primary capital raise (available [here](#)). This approval comes at the conclusion of the SEC's *de novo* review of the NYSE's proposal in response to a petition to review filed by the Council of Institutional Investors on September 8, 2020, after the SEC's initial approval of the proposal on August 26, 2020. For a summary of the rule change, please see our prior client alert, [SEC Approves NYSE Rule Change Permitting Primary Direct Floor Listings](#).

This approval follows the SEC's December 17, 2020 order instituting proceedings to determine whether to approve or disapprove Nasdaq's proposed rule change to permit direct floor listings (available [here](#)). For a summary of Nasdaq's proposal, please see our prior client alert, [SEC Publishes Nasdaq's Proposal for Direct Listings with a Capital Raise](#). As it did with the NYSE proposal, the Council of Institutional Investors has urged the SEC to disapprove the Nasdaq proposal.

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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:

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