

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-56976; File No. SR-NYSE-2007-98)

December 17, 2007

Self-Regulatory Organizations; New York Stock Exchange LLC; Notice of Filing of Proposed Rule Change, as Modified by Amendment No. 1 Thereto, to Reduce from Six Months to Three Months the Period for Which a Company's Average Global Market Capitalization Must Exceed the Levels Established by the Exchange's Pure Valuation/Revenue Test

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ and Rule 19b-4 thereunder,² notice is hereby given that on October 29, 2007, New York Stock Exchange LLC ("NYSE" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II, and III below, which Items have been substantially prepared by the Exchange. On December 14, 2007, the Exchange filed Amendment No. 1 to the proposed rule change.³ The Commission is publishing this notice to solicit comments on the proposed rule change, as modified by Amendment No. 1, from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to reduce from six months to three months the period for which the average global market capitalization of prospective listed companies must exceed the levels established by the Exchange's "pure valuation/revenue" test contained in Section 102.01C of the Exchange's Listed Company Manual (the "Manual"). The text of the proposed rule change is included below. Proposed new language is underlined; proposed deletions are in [brackets].

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ The Exchange notes that Amendment No. 1 superseded the original filing in its entirety.

NYSE Listed Company Manual

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102.01 Minimum Numerical Standards--Domestic Companies--Equity Listings

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102.01C A company must meet one of the following financial standards.

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(II) Valuation/Revenue Test Companies listing under this standard may satisfy either (a) the Valuation/Revenue with Cash Flow Test or (b) the Pure Valuation/Revenue Test.

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(b) Pure Valuation/Revenue Test –

(1) at least \$750,000,000 in global market capitalization, and

(2) at least \$75,000,000 in revenues during the most recent fiscal year*.

In the case of companies listing in connection with an IPO, the company's underwriter (or, in the case of a spin-off, the parent company's investment banker or other financial advisor) must provide a written representation that demonstrates the company's ability to meet the \$750,000,000 global market capitalization requirement based upon the completion of the offering (or distribution). For all other companies, market capitalization valuation will be determined over a [six]three-month average. In considering the suitability for listing of a company pursuant to the provision in the immediately preceding sentence, the Exchange will consider whether the company's business prospects and operating results indicate that the company's market capitalization value is likely to be sustained or increase over time.

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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 Exchange 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 these 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 aspects of such statements.

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

1. Purpose

The Exchange proposes to reduce from six months to three months the period for which the average global market capitalization of prospective listed companies must exceed the levels established by the Exchange’s financial listing criteria contained in Section 102.01C of the Manual.

Section 102.01C requires companies listing under the Exchange’s “pure valuation/revenue” test to have a global market capitalization of \$750 million. In the case of companies listing other than in connection with an initial public offering or a spin-off or upon emergence from bankruptcy, Section 102.01C provides that the company must have met the required level of market capitalization on the basis of a six-month average. The Exchange believes that a reduction of this requirement from six months to three months will not diminish the quality of companies listing under the relevant tests. Rather, the Exchange believes that the primary effect of the proposed amendment would be to permit the earlier listing of companies

that would ultimately qualify on the basis of a six-month average.⁴ In accepting companies that have met the required market capitalization requirement for less than six months, the Exchange will consider whether the company's business prospects and operating results indicate that the company's market capitalization value is likely to be sustained or increase over time or whether more transient conditions have led to a valuation that is unlikely to be sustained.⁵

2. Statutory Basis

The proposed rule change is consistent with Section 6(b)⁶ of the Act, in general, and furthers the objectives of Section 6(b)(5),⁷ in particular, in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, and to remove impediments to and perfect the mechanisms of a free and open market and a national market system.

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.

⁴ The Exchange notes that under The NASDAQ Stock Market LLC ("Nasdaq") Global Market Standard 3, a company can list with \$75 million in market value of listed securities (sustained over 90 consecutive trading days) and \$20 million in market value of publicly held shares. See Nasdaq Rule 4420(c). The Exchange believes that, notwithstanding the proposed shift to a three-month from a six-month test period, the NYSE's "pure valuation/revenue" standard's requirement of a global market capitalization of \$750 million is far more stringent than Nasdaq Global Market Standard 3.

⁵ See proposed rule text, supra Section I.

⁶ 15 U.S.C. 78f(b).

⁷ 15 U.S.C. 78f(b)(5).

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

Written comments were neither solicited nor received.

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

Within 35 days of the date of publication of this notice in the Federal Register or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the Exchange consents, the Commission will:

- (A) by order approve such proposed rule change, or
- (B) institute proceedings to determine whether the proposed rule change should be 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-2007-98 on the subject line.

Paper Comments:

- Send paper comments in triplicate to Nancy M. Morris, Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090.

All submissions should refer to File Number SR-NYSE-2007-98. 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 Web site (<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 inspection and copying in the Commission's Public Reference Room, 100 F Street, NE, Washington, DC 20549, on official business days between the hours of 10:00 am and 3:00 pm. 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-2007-98 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.⁸

Florence E. Harmon
Deputy Secretary

⁸ 17 CFR 200.30-3(a)(12).