

NYSE Adopts Temporary Rule Modifying Shareholder Approval Requirements for Equity Issuances

Alert

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The [SEC has approved](#), effective immediately, new Section 312.03T of the NYSE Listed Company Manual. Section 312.03T provides a limited, temporary exception from the shareholder approval requirements in Section 312.03(c), accompanied, in certain narrow circumstances, by a limited exception from Sections 312.03(a) and (b) and Section 303A.08. The exception in Section 312.03T is available until and including June 30, 2020.

Among other things, and subject to certain exceptions, Section 312.03(c) of the manual requires shareholder approval for certain issuances of over 20% of outstanding shares or voting power. Section 312.03(a) references the requirement for shareholder approval of equity compensation plans set forth in 303A.08 of the manual. Section 312.03(b) requires shareholder approval for issuance of equity securities to certain related parties.

The [NYSE previously waived](#) certain of the shareholder approval requirements under Section 312.03 through June 30, 2020.

View our [expanded discussion](#) of the NYSE's most recent temporary rule.

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