

## NYSE Introduces New Rules for Direct Listings

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On February 2, the SEC [approved](#) the New York Stock Exchange's proposal to facilitate "direct listings" by companies that do not intend to sell shares in an initial public offering. Previously, without an IPO, spin-off or transfer from another exchange, a company could only list equity on the NYSE at the exchange's discretion and if the market value of its publicly held shares was at least \$100 million, based on an independent third-party valuation and recent trading of a sufficient volume in the unlisted market. Under its [revised listing standards](#), the NYSE will allow a company to seek a direct listing in the absence of an IPO, and without any unlisted trading, if it can demonstrate that its publicly held shares have a market value of at least \$250 million, based on an independent third-party valuation.

If you have any questions regarding the matters covered in this publication, please reach out to any of the lawyers listed below or your usual Davis Polk contact.

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