

SEC Approves NYSE and Nasdaq Amended Proposed Clawback Listing Standards, Extending the Compliance Deadline to December 1, 2023

June 12, 2023

On June 9, 2023, the SEC approved¹ the NYSE's and Nasdaq's proposed clawback listing standards, including the amendments² that delay the effective date of the rules to **October 2, 2023**. This effective date means that NYSE- and Nasdaq-listed issuers will be required to adopt compliant clawback policies no later than **December 1, 2023** (*i.e.*, 60 days after the October 2, 2023 effective date).

For more information on complying with the proposed listing standards, as well as a template clawback policy, see our prior alert, "[Clawback Policies: Next Steps to Prepare Your Public Company.](#)"

The NYSE's amendment filed this week also makes clear that certain categories of issuers, such as foreign private issuers and companies listing only preferred or debt securities, will be required to comply with the new clawback listing standards like domestic issuers.³ In addition, it adds Section 802.01F of the NYSE Listed Company Manual, which provides for delisting procedures for non-compliance with the clawback rules similar to the NYSE's compliance process for late SEC filings and include discretionary cure periods.⁴ Otherwise, both the NYSE's and Nasdaq's proposed amendments remain unchanged.⁵

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¹ The SEC's approval of the NYSE amendment is available [here](#). The SEC's approval of the Nasdaq amendment is available [here](#).

² The NYSE's proposed amendment filed with the SEC on June 5, 2023 is available [here](#). The Nasdaq proposed amendment filed with the SEC on June 6, 2023 is available [here](#).

³ See proposed Section 303A.14 of the NYSE Listed Company Manual at page 35 of the NYSE's proposed amendment, available [here](#).

⁴ The NYSE's initial proposal required immediate suspension of the trading of a listed issuer's securities and commencement of delisting procedures (with no cure period) if an issuer was non-compliant with any of the provisions of proposed Section 303A.14 of the NYSE Listed Company Manual. See proposed Section 802.01F of the NYSE Listed Company Manual at page 40 of the NYSE's proposed amendment available, [here](#).

⁵ The NYSE's original proposal, filed with the SEC on February 22, 2023, is available [here](#). The Nasdaq's original proposal, filed with the SEC on February 22, 2023, is available [here](#).

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